

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Thursday amid higher arrivals.
- All India average monthly prices for guar seed decreased by 8.21 percent from Rs 3612.43 in April to Rs 3315.7 per qtl in May-2017. Average price (May) is higher by 11.23 percent compared to price (Rs 2980.84 per qtl.) registered in May -2016. Guar prices are expected to remain range bound to weak in coming month.
- The wholesale price index of guar seed has increased slightly from 86.6 in March 2017 to 90.3 in April 2017. The WPI for April 2017 is up by 17 compared to last year for the same month and down by 7.9 compared to April 2015.
- Haryana has reduced its sowing target of guar to 3 lakh hectares down by around 1 lakh hectares. Normally Haryana sows 4.09 lakh hectares of guar but due to low prices in the last two years, farmers have shifted their interest to cotton in hope of better prices as MSP cotton can be increased by Rs. 160 per quintal. In Haryana, around sixty percent (3.81 lakh hectares) cotton area has been sowed in the last three weeks and if the sowing crosses the target area of government (6.35 lakh hectares) guar area is bound to fall in the upcoming season.
- Monsoon is likely to arrive early this year and is expected to hit south Kerala coast on 30th May'17, early by around two days. Furthermore India may receive higher monsoon rainfall this year compared to previous forecast as probability of El Nino has been reduced. Monsoon rains which arrive in Andaman & Nicobar around May 20th have already reached on 14th May, around six days ahead of schedule.
- As per data released by baker hughes the number of oil rigs in USA has increased to 901 until 19th May up by 16 compared to last week and by 497 compared to 20th May 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, as the number of oilrigs is increasing demand for guar gum is also expected to increase. The number of oilrigs is expected to increase further in coming months which will provide support to guar gum prices.
- As per latest update for the month of February, Export of guar seed products i.e. powder, Split and meal has increased by 4615 metric tonnes compared to last month. India has exported 43780 tonnes of guar products in the month of February. Of the total quantity, 27820 tonnes is guar gum powder and the remaining is Guar split (4380 tonnes) and Guar meal (11580 tonnes).
- As per market sources, in the month of March 2017 India has exported around 56000 tonnes of guar gum compared to around 28000 tonnes last year for the same month. In fiscal year 2016-17, around 4.23 lakh tonnes of guar gum has been exported compared to 3.25 lakh tonnes in 2015-16. Guar gum is used in hydraulic fracturing for extracting oil and gas;

therefore as the number of oil rigs is increasing demand for guar gum is also expected to increase further.

- According to third advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare respectively. As compared to first advance estimate for 2016-17, the area, production and yield have decreased by 46932 hectares, 557605 tonnes and 151 kg/hectare respectively.

Outlook: Prices are likely to move range bound to weak in coming days.

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-11	3330	3383	3320	3343	28080	-51,010	36290	-2,500
July-17	-8	3390	3438	3382	3404	31580	-31,030	56160	2,870

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-40	7186	7319	7186	7208	5245	-12,125	18745	-805
July-17	-42	7322	7465	7322	7355	7580	-8,565	35910	650

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	31-May-17	31-May-17	31-May-17	29-May-17
Bikaner	4107	0	4107	4054
Deesa	12489	30	12519	12409
Sri Ganganagar	3089	0	3089	3090
Jodhpur	249	0	249	269
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	31-May-17	31-May-17	31-May-17	29-May-17
Deesa	20	0	20	20
Bikaner	7144	35	7179	7686
Jodhpur	9464	0	9464	9693
Nokha	8396	70	8466	8495
Sri Ganganagar	2403	0	2403	2508

Churi and Korma Prices: As On 01st June, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1400
Korma	Jodhpur	1763
Churi	Sri Ganganagar	1238
Korma	Sri Ganganagar	1575

Guar Export Prices: As On 01st June, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		75	1163
Guargum Powder	200 Mesh 5000 CPS	95	1474
	200 Mesh 3500 CPS	90	1396
Guargum Meal	Meal 40%	20	310
	Meal 50%	24	372

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			1-Jun-17	31-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3450	3450	Unch
		Jodhpur(Delivery)	3600	3600	Unch
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3435	-135
		Sri-Ganganagar (Delivery)	3450	3585	-135
		Rawla (Loose)	3300	3380	-80
		Gharsana (Loose)	3250	3300	-50
		Raisinghnagar (Loose)	NA	NA	-
	Bikaner	Bikaner (Loose)	3280	3300	-20
		Bikaner (Delivery)	3430	3450	-20
		Nokha(Loose)	3250	3200	50
		Nokha (Delivery)	3367	3315	52
		Khajuwala (Loose)	3300	3300	Unch
		Khajuwala (Delivery)	3432	3432	Unch
		Lunkaransar (Loose)	3250	3200	50
	Hanumangarh	Hanumangarh (Loose)	3515	3374	141
		Hanumangarh (Delivery)	3665	3524	141
		Nohar (Loose)	3300	3300	Unch
		Pilibanga (Loose)	3300	3300	Unch
	Nagaur	Nagaur (Loose)	3200	3200	Unch

	Churu	Churu (Delivery)	3450	3450	Unch
	Alwar	Alwar (Loose)	3200	3200	Unch
Haryana	Hisar	Adampur (Loose)	3300	3300	Unch
		Adampur (Delivery)	3450	3450	Unch
	Bhiwani	Bhiwani (Delivery)	3400	3350	50
		Siwani (Loose)	3350	3350	Unch
	Sirsa	Sirsa (Loose)	3300	3300	Unch
		Dhabwali (Loose)	3275	3275	Unch
		Dhabwali (Delivery)	3425	3425	Unch
		Ellanabad (Loose)	3270	3280	-10
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	3200	3250	-50
	Rajkot	Rajkot (Loose)	3150	3200	-50
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7400	7300	100
	Alwar	Alwar	7600	7600	Unch
	Hanumangarh	Nohar	7500	7600	-100
Haryana	Bhiwani	Bhiwani	7450	7500	-50
	Sirsa	Sirsa	7400	7600	-200
		Dhabwali	7400	7400	Unch
		Ellanabad	7400	7500	-100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			1-Jun-17	31-May-17	
Guar Seed	Jodhpur	Jodhpur	36	124	-88
	Sri-Ganganagar	Sri-Ganganagar	400	200	200
		Rawla	100	600	-500
		Gharsana	50	70	-20
		Raisinghnagar	NA	NA	-
	Bikaner	Bikaner	200	50	150
		Nokha	300	300	Unch
		Khajuwala	200	150	50
		Lunkaransar	100	100	Unch
	Hanumangarh	Hanumangarh	125	123	2

		Nohar	400	400	Unch
		Pilibanga	400	300	100
	Nagaur	Nagaur	200	100	100
	Churu	Churu	500	500	Unch
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	500	700	-200
	Bhiwani	Bhiwani	2000	500	1500
		Siwani	500	500	Unch
	Sirsa	Sirsa	300	500	-200
		Dhabwali	200	250	-50
		Ellanabad	100	250	-150
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	48	103	-55
	Rajkot	Rajkot	100	100	Unch
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			6859	6020	839

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.