

Domestic Fundamentals:

- *Mixed sentiments reported among major spot markets on Friday 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.*
- *As per data released by baker hughes the number of oil rigs in USA has increased to 908 until 26th May up by 7 compared to last week and by 504 compared to 27th 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.*
- *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 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	-74	3347	3402	3258	3276	38600	10,520	32670	-3,620
July-17	-68	3397	3464	3320	3338	77110	45,530	57910	1,750

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-164	7230	7334	7024	7057	9565	4,320	16875	-1,870
July-17	-148	7355	7485	7170	7220	18630	11,050	36955	1,045

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	01-June-17	01-June-17	01-June-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
	01-June-17	01-June-17	01-June-17	29-May-17
Deesa	20	0	20	20
Bikaner	7179	20	7199	7686
Jodhpur	9395	0	9395	9693
Nokha	8396	70	8466	8495
Sri Ganganagar	2403	0	2403	2508

Churi and Korma Prices: As On 02nd 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 02nd June, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		75	1164
Guargum Powder	200 Mesh 5000 CPS	95	1475
	200 Mesh 3500 CPS	90	1397
Guargum Meal	Meal 40%	20	310
	Meal 50%	24	373

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			2-Jun-17	1-Jun-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3475	3450	25
		Jodhpur(Delivery)	3625	3600	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3300	Unch
		Sri-Ganganagar (Delivery)	3450	3450	Unch
		Rawla (Loose)	3300	3300	Unch
		Gharsana (Loose)	3300	3250	50
		Raisinghnagar (Loose)	NA	NA	-
	Bikaner	Bikaner (Loose)	3330	3280	50
		Bikaner (Delivery)	3480	3430	50
		Nokha(Loose)	3280	3250	30
		Nokha (Delivery)	3398	3367	31
		Khajuwala (Loose)	3330	3300	30
		Khajuwala (Delivery)	3463	3432	31
		Lunkaransar (Loose)	3250	3250	Unch
	Hanumangarh	Hanumangarh (Loose)	3480	3515	-35
		Hanumangarh (Delivery)	3630	3665	-35
		Nohar (Loose)	3350	3300	50
		Pilibanga (Loose)	3325	3300	25
	Nagaur	Nagaur (Loose)	3200	3200	Unch
	Churu	Churu (Delivery)	3400	3450	-50
	Alwar	Alwar (Loose)	3200	3200	Unch
Haryana	Hisar	Adampur (Loose)	3340	3300	40

	Bhiwani	Adampur (Delivery)	3490	3450	40
		Bhiwani (Delivery)	3450	3400	50
		Siwani (Loose)	3350	3350	Unch
	Sirsa	Sirsa (Loose)	3300	3300	Unch
		Dhabwali (Loose)	3325	3275	50
		Dhabwali (Delivery)	3475	3425	50
		Ellanabad (Loose)	3225	3270	-45
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	3255	3200	55
	Rajkot	Rajkot (Loose)	3175	3150	25
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7425	7400	25
	Alwar	Alwar	7400	7600	-200
	Hanumangarh	Nohar	7700	7500	200
Haryana	Bhiwani	Bhiwani	7650	7450	200
	Sirsa	Sirsa	7400	7400	Unch
		Dhabwali	7600	7400	200
		Ellanabad	7500	7400	100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			2-Jun-17	1-Jun-17	
Guar Seed	Jodhpur	Jodhpur	52	36	16
	Sri-Ganganagar	Sri-Ganganagar	500	400	100
		Rawla	70	100	-30
		Gharsana	60	50	10
		Raisinghnagar	NA	NA	-
	Bikaner	Bikaner	300	200	100
		Nokha	350	300	50
		Khajuwala	200	200	Unch
		Lunkaransar	200	100	100
	Hanumangarh	Hanumangarh	50	125	-75
		Nohar	200	400	-200
		Pilibanga	250	400	-150
	Nagaur	Nagaur	150	200	-50

	Churu	Churu	500	500	Unch
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	500	500	Unch
	Bhiwani	Bhiwani	2000	2000	Unch
		Siwani	500	500	Unch
	Sirsa	Sirsa	1200	300	900
		Dhabwali	100	200	-100
		Ellanabad	60	100	-40
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	55	48	7
	Rajkot	Rajkot	100	100	Unch
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			7497	6859	638

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