

Domestic Fundamentals:

- Weak sentiments reported among major spot markets on Saturday 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
	1-June-17	1-June-17	1-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
	1-June-17	1-June-17	1-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 3rd 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 3rd June, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		75	1475
Guargum Powder	200 Mesh 5000 CPS	95	1397
	200 Mesh 3500 CPS	90	1397
Guargum Meal	Meal 40%	20	311
	Meal 50%	24	373

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			3-Jun-17	2-Jun-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3350	3475	-125
		Jodhpur(Delivery)	3500	3625	-125
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3250	3300	-50
		Sri-Ganganagar (Delivery)	3400	3450	-50
		Rawla (Loose)	3220	3300	-80
		Gharsana (Loose)	3200	3300	-100
		Raisinghnagar (Loose)	3200	NA	-
	Bikaner	Bikaner (Loose)	3250	3330	-80
		Bikaner (Delivery)	3400	3480	-80
		Nokha(Loose)	3200	3280	-80
		Nokha (Delivery)	3315	3398	-83
		Khajuwala (Loose)	3200	3330	-130
		Khajuwala (Delivery)	3328	3463	-135
		Lunkaransar (Loose)	3200	3250	-50
	Hanumangarh	Hanumangarh (Loose)	3355	3480	-125
		Hanumangarh (Delivery)	3505	3630	-125
		Nohar (Loose)	3250	3350	-100
		Pilibanga (Loose)	3220	3325	-105
	Nagaur	Nagaur (Loose)	3100	3200	-100
	Churu	Churu (Delivery)	3400	3400	Unch
	Alwar	Alwar (Loose)	3200	3200	Unch

Haryana	Hisar	Adampur (Loose)	3280	3340	-60
		Adampur (Delivery)	3430	3490	-60
	Bhiwani	Bhiwani (Delivery)	3300	3450	-150
		Siwani (Loose)	3280	3350	-70
	Sirsa	Sirsa (Loose)	3200	3300	-100
		Dhabwali (Loose)	3250	3325	-75
		Dhabwali (Delivery)	3400	3475	-75
		Ellanabad (Loose)	3150	3225	-75
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3125	NA	-
	Patan	Patan (Loose)	3175	3255	-80
	Rajkot	Rajkot (Loose)	3125	3175	-50
	Jamnagar	Dhrol (Loose)	3115	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7200	7425	-225
	Alwar	Alwar	7400	7400	Unch
	Hanumangarh	Nohar	7400	7700	-300
Haryana	Bhiwani	Bhiwani	7400	7650	-250
	Sirsa	Sirsa	7200	7400	-200
		Dhabwali	7200	7600	-400
		Ellanabad	7300	7500	-200
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			3-Jun-17	2-Jun-17	
Rajasthan	Jodhpur	Jodhpur	79	52	27
	Sri-Ganganagar	Sri-Ganganagar	800	500	300
		Rawla	100	70	30
		Gharsana	80	60	20
		Raisinghnagar	200	NA	-
	Bikaner	Bikaner	350	300	50
		Nokha	400	350	50
		Khajuwala	100	200	-100
		Lunkaransar	700	200	500
	Hanumangarh	Hanumangarh	44	50	-6
		Nohar	300	200	100
		Pilibanga	350	250	100

	Nagaur	Nagaur	250	150	100
	Churu	Churu	500	500	Unch
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	500	500	Unch
	Bhiwani	Bhiwani	2000	2000	Unch
		Siwani	600	500	100
	Sirsa	Sirsa	300	1200	-900
		Dhabwali	100	100	Unch
		Ellanabad	150	60	90
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	125	NA	-
	Patan	Patan	29	55	-26
	Rajkot	Rajkot	80	100	-20
	Jamnagar	Dhrol	14	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			8251	7497	754

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