

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Wednesday amid higher arrivals.
- As per IMD, India's monsoon rains are expected to reach 98 percent of the long term average higher by 2 percent points compared to its previous forecast. A weak El Nino is likely to develop during second half of the year. Monsoon is also likely to receive a boost from Indian Ocean dipole (IOD) as weak positive IOD conditions are likely to develop during monsoon season.
- As per data released by baker hughes the number of oil rigs in USA has increased to 916 until 02nd June up by 8 compared to last week and by 508 compared to 03rd June 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.
- All India weekly average prices decreased by 2.5 percent to Rs. 3136.47 per quintal during the week ended 31st May 2017. Guar seed average price were ruling at Rs 3216.87 per quintal during 16-23 may 2017. As compared to prices in the week 24-31 May 2016, the prices are firm by 13.00 percent. Prices are expected to remain range bound to slightly weak in coming days.
- Guar acreage is likely to fall in all major states due to lower prices of guar compared to other crops mainly cotton. As on 01st June progressive procurement of cotton is higher by 53 in Punjab percent and by 24 percent in Haryana compared to last year during the same period. Farmers have shifted their interest from guar to cotton in hope of better price as MSP can be increased by Rs. 160 per quintal.
- 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.
- 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	-42	3246	3254	3186	3215	18380	-8,530	22230	-2,950
July-17	-40	3304	3322	3256	3281	76190	-32,230	66290	5,020

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-108	7116	7217	7051	7070	5310	-3,530	10880	-1,665
July-17	-64	7302	7344	7216	7259	15560	-10,265	41825	920

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	06-June-17	06-June-17	06-June-17	05-June-17
Bikaner	4053	0	4053	4055
Deesa	12499	40	12539	9461
Sri Ganganagar	2760	0	2760	2908
Jodhpur	249	0	249	249
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	06-June-17	06-June-17	06-June-17	05-June-17
Deesa	20	0	20	20
Bikaner	7233	0	7233	7257
Jodhpur	8858	0	8858	8887
Nokha	8156	0	8156	8336
Sri Ganganagar	2262	0	2262	2332

Churi and Korma Prices: As On 7th June, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1375
Korma	Jodhpur	1763
Churi	Sri Ganganagar	1275
Korma	Sri Ganganagar	1538

Guar Export Prices: As On 7th June, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		73	1133
Guargum Powder	200 Mesh 5000 CPS	93	1443
	200 Mesh 3500 CPS	88	1365
Guargum Meal	Meal 40%	20	310
	Meal 50%	24	372

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			7-Jun-17	6-Jun-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3400	3500	-100
		Jodhpur(Delivery)	3550	3650	-100
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3250	3245	5
		Sri-Ganganagar (Delivery)	3400	3395	5
		Rawla (Loose)	3220	3200	20
		Gharsana (Loose)	3180	3200	-20
		Raisinghnagar (Loose)	3150	3210	-60
	Bikaner	Bikaner (Loose)	3200	3290	-90
		Bikaner (Delivery)	3350	3440	-90
		Nokha(Loose)	3180	3225	-45
		Nokha (Delivery)	3294	3341	-47
		Khajuwala (Loose)	3220	3280	-60
		Khajuwala (Delivery)	3349	3411	-62
		Lunkaransar (Loose)	3150	3250	-100
	Hanumangarh	Hanumangarh (Loose)	3300	3300	Unch
		Hanumangarh (Delivery)	3450	3450	Unch
		Nohar (Loose)	3300	3350	-50
		Pilibanga (Loose)	3300	3250	50
	Nagaur	Nagaur (Loose)	3200	3200	Unch
	Churu	Churu (Delivery)	3400	3400	Unch
	Alwar	Alwar (Loose)	3200	3200	Unch

Haryana	Hisar	Adampur (Loose)	3300	NR	-
		Adampur (Delivery)	3450	NR	-
	Bhiwani	Bhiwani (Delivery)	3350	3350	Unch
		Siwani (Loose)	3300	3250	50
	Sirsa	Sirsa (Loose)	3240	3275	-35
		Dhabwali (Loose)	3225	3250	-25
		Dhabwali (Delivery)	3375	3400	-25
		Ellanabad (Loose)	3200	3250	-50
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3100	3250	-150
	Patan	Patan (Loose)	3155	3200	-45
	Rajkot	Rajkot (Loose)	3075	3075	Unch
	Jamnagar	Dhrol (Loose)	2950	2900	50
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7300	7500	-200
	Alwar	Alwar	7400	7400	Unch
	Hanumangarh	Nohar	7600	7400	200
Haryana	Bhiwani	Bhiwani	7350	7300	50
	Sirsa	Sirsa	7300	7400	-100
		Dhabwali	7300	7400	-100
		Ellanabad	7300	7400	-100
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			7-Jun-17	6-Jun-17	
Rajasthan	Jodhpur	Jodhpur	150	148	2
	Sri-Ganganagar	Sri-Ganganagar	220	140	80
		Rawla	100	100	Unch
		Gharsana	50	50	Unch
		Raisinghnagar	200	100	100
	Bikaner	Bikaner	250	400	-150
		Nokha	250	250	Unch
		Khajuwala	300	300	Unch
		Lunkaransar	100	100	Unch
	Hanumangarh	Hanumangarh	60	64	-4
		Nohar	900	900	Unch
		Pilibanga	200	150	50

	Nagaur	Nagaur	200	80	120
	Churu	Churu	500	500	Unch
	Alwar	Alwar	100	100	Unch
Haryana	Hisar	Adampur	300	NR	-
	Bhiwani	Bhiwani	400	500	-100
		Siwani	800	500	300
	Sirsa	Sirsa	250	300	-50
		Dhabwali	100	100	Unch
		Ellanabad	60	40	20
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	200	160	40
	Patan	Patan	34	70	-36
	Rajkot	Rajkot	60	20	40
	Jamnagar	Dhrol	6	15	-9
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			5790	5087	703

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