

Domestic Fundamentals:

- Mostly firm sentiments reported among major spot markets on Friday 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	10	3265	3265	3206	3226	22660	4,440	6380	-10,250
July-17	9	3278	3318	3278	3296	73420	-6,740	70840	3,660

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-18	6995	7022	6921	6946	7800	2,335	5765	-3,175
July-17	-16	7128	7191	7090	7118	18460	-2,615	46335	2,445

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	08-June-17	08-June-17	08-June-17	05-June-17
Bikaner	4014	0	4014	4055
Deesa	12520	50	12570	9461
Sri Ganganagar	2700	0	2700	2908
Jodhpur	239	0	239	249
Nokha	10	0	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	08-June-17	08-June-17	08-June-17	05-June-17
Deesa	20	0	20	20
Bikaner	7233	60	7293	7257
Jodhpur	8270	10	8280	8887
Nokha	7727	50	7777	8336
Sri Ganganagar	2262	0	2262	2332

Churi and Korma Prices: As On 9th June, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1380
Korma	Jodhpur	1763
Churi	Sri Ganganagar	1290
Korma	Sri Ganganagar	1538

Guar Export Prices: As On 9th June, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		72	1121
Guargum Powder	200 Mesh 5000 CPS	92	1432
	200 Mesh 3500 CPS	87	1354
Guargum Meal	Meal 40%	19	296
	Meal 50%	24	374

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			9-Jun-17	8-Jun-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3425	3400	25
		Jodhpur(Delivery)	3575	3550	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3200	3185	15
		Sri-Ganganagar (Delivery)	3350	3335	15
		Rawla (Loose)	3208	3220	-12
		Gharsana (Loose)	3200	3200	Unch
		Raisinghnagar (Loose)	3230	3150	80
	Bikaner	Bikaner (Loose)	3200	3130	70
		Bikaner (Delivery)	3350	3280	70
		Nokha(Loose)	3170	3150	20
		Nokha (Delivery)	3284	3263	21
		Khajuwala (Loose)	3220	3200	20
		Khajuwala (Delivery)	3349	3328	21
		Lunkaransar (Loose)	3200	3100	100
	Hanumangarh	Hanumangarh (Loose)	3250	3250	Unch
		Hanumangarh (Delivery)	3400	3400	Unch
		Nohar (Loose)	3300	3250	50
		Pilibanga (Loose)	3150	3250	-100
	Nagaur	Nagaur (Loose)	3300	3250	50
	Churu	Churu (Delivery)	3300	3300	Unch
	Alwar	Alwar (Loose)	3100	3100	Unch
Haryana	Hisar	Adampur (Loose)	3300	3250	50

	Bhiwani	Adampur (Delivery)	3450	3400	50
		Bhiwani (Delivery)	3300	3300	Unch
		Siwani (Loose)	3300	3280	20
	Sirsa	Sirsa (Loose)	3225	3200	25
		Dhabwali (Loose)	3250	3200	50
		Dhabwali (Delivery)	3400	3350	50
		Ellanabad (Loose)	3250	3200	50
	Fatehabad	Fatehabad (Loose)	NR	NR	-
Gujarat	Banaskantha	Deesa (Loose)	3225	3150	75
	Patan	Patan (Loose)	3105	3175	-70
	Rajkot	Rajkot (Loose)	3085	3075	10
	Jamnagar	Dhrol (Loose)	2925	2925	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7200	7250	-50
	Alwar	Alwar	7200	7200	Unch
	Hanumangarh	Nohar	7400	7400	Unch
Haryana	Bhiwani	Bhiwani	7200	7200	Unch
	Sirsa	Sirsa	7200	7200	Unch
		Dhabwali	7250	7200	50
		Ellanabad	7250	7200	50
	Fatehabad	Fatehabad	NR	NR	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			9-Jun-17	8-Jun-17	
Guar Seed	Jodhpur	Jodhpur	30	35	-5
	Sri-Ganganagar	Sri-Ganganagar	70	75	-5
		Rawla	60	50	10
		Gharsana	25	50	-25
		Raisinghnagar	200	125	75
	Bikaner	Bikaner	30	150	-120
		Nokha	200	150	50
		Khajuwala	300	200	100
		Lunkaransar	200	60	140
	Hanumangarh	Hanumangarh	55	70	-15
		Nohar	1200	700	500
		Pilibanga	150	50	100
	Nagaur	Nagaur	150	175	-25

	Churu	Churu	1000	1000	Unch
	Alwar	Alwar	500	500	Unch
Haryana	Hisar	Adampur	600	400	200
	Bhiwani	Bhiwani	800	300	500
		Siwani	400	700	-300
	Sirsa	Sirsa	200	100	100
		Dhabwali	50	50	Unch
		Ellanabad	5	25	-20
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	300	225	75
	Patan	Patan	24	52	-28
	Rajkot	Rajkot	85	100	-15
	Jamnagar	Dhrol	NA	8	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			6634	5350	1284

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