

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Thursday amid lower arrivals.
- Guar prices witnessed a major fall due to rain in producing regions. Guar October contract touched a low of 3956 from an opening price of 4116. Recent rain has added to selling pressure that was already active above 4000. If rains continue in upcoming days prices can slide down to 3820-3840. Traders are already seeing current year crop lower than last year by around 15% to 20% as of now.
- According to latest update, area sown in Gujarat until 28th August 2017 is 166300 hectares compared to 192800 hectares in the previous Kharif season. Area of guar is expected to be lower this season due to crop loss. Furthermore farmers are also shifting to other crops like cotton in irrigated areas and pulses in rain fed areas as these crops are fetching more returns. The last three year average normal area for guar seed in Gujarat is 292400 hectares.
- As per latest update by Rajasthan agriculture department, guar seed has been sown in 2744.9 thousand hectares until 17th August 2017 against a target of 3800 thousand hectares for current Kharif season. As compared to last year for the same date, area is up 6.4 thousand hectares. Last Kharif season guar was sown in 3530 thousand hectares. The last five year average area ending 2011-15 for guar seed in Rajasthan is 4424 thousand hectares.
- Guargum exports for April-June 2017 in terms of value is Rs 1176 Crore compared to Rs 547 Crore in April-June 2016. Exports have increased by around 115% in terms of value compared to last year. With recovery of international oil market demand for guargum is also expected to increase in coming months.
- All India weekly average prices increased by 3.01 percent to Rs. 3487.88 per quintal during the week ended 23rd August 2017. Guar seed average price were ruling at Rs 3385.90 per quintal during 09-15 August 2017. As compared to prices in the week 16-23 August 2016, the prices are firm by 1.53 percent. Prices are expected to remain steady to firm in coming days.
- India has received 572.4 mm of actual rainfall against 598.2 mm of normal rainfall since the beginning of monsoon season until 16th August. Northwest and East & Northeast India are the only regions to receive more than normal rainfall. In the week (10th – 16th August) India has received rainfall below LPA by 16% and the worst hit region was central India which received rainfall below LPA by 63%. Furthermore a low pressure is developing in the Bay of Bengal which is likely to bring in central India which has seen a weak monsoon in last week.
- Government has imposed 5 percent GST on guar meal making it less competitive compared to other cattle feeds available in the market. Furthermore a 5 percent GST on guar gum has also upset export demand for the commodity. Trading activities are sluggish as traders are still unclear regarding various aspects of GST.

- As per data released by baker hughes the number of oil rigs in USA has decreased to 940 until 25th August 2017 down by 6 compared to last week and up by 451 compared to 18th August 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, as the number of oilrigs increases or decreases the demand for guar gum is also affected.

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

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Oct-17	-164	4116	4120	3956	3956	179540	34,280	97450	-180
Nov-17	-166	4154	4163	4008	4008	14140	8,490	18090	2,440

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
Oct-17	-348	8671	8695	8368	8368	33140	3,450	45535	-1,000
Nov-17	-352	8808	8812	8466	8466	2650	795	7880	440

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-Aug-17	30-Aug-17	30-Aug-17	28-Aug-17
Bikaner	1632	80	1712	1500
Deesa	11509	526	12035	11369
Sri Ganganagar	1217	0	1217	1286
Jodhpur	525	49	574	447
Nokha	-	-	-	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-Aug-17	30-Aug-17	30-Aug-17	28-Aug-17
Deesa	40	0	40	40
Bikaner	5402	60	5462	5382
Jodhpur	8006	194	8200	7977
Nokha	5212	129	5341	5402
Sri Ganganagar	329	0	329	369

Churi and Korma Prices: As On 30th August, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1450
Korma	Jodhpur	1900
Churi	Sri Ganganagar	1325
Korma	Sri Ganganagar	1763

Guar Export Prices: As On 30th August, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		87	1359
Guargum Powder	200 Mesh 5000 CPS	107	1672
	200 Mesh 3500 CPS	102	1594
Guargum Meal	Meal 40%	20	312
	Meal 50%	25	391

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			31-Aug-17	30-Aug-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3950	4050	-100
		Jodhpur(Delivery)	4148	4253	-105
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3850	3900	-50
		Sri-Ganganagar (Delivery)	3900	4000	-100
		Rawla (Loose)	3750	3830	-80
		Gharsana (Loose)	3800	3825	-25
		Raisinghnagar (Loose)	3800	3800	Unch
	Bikaner	Bikaner (Loose)	3800	3850	-50
		Bikaner (Delivery)	3990	4043	-53
		Nokha(Loose)	3750	3850	-100
		Nokha (Delivery)	3938	4043	-105
		Khajuwala (Loose)	3850	3910	-60
		Khajuwala (Delivery)	4043	4106	-63
		Lunkaransar (Loose)	3800	3850	-50
	Hanumangarh	Hanumangarh (Loose)	3600	3650	-50
		Hanumangarh (Delivery)	3780	3833	-53
		Nohar (Loose)	3700	3800	-100
		Pilibanga (Loose)	3700	3770	-70
	Nagaur	Nagaur (Loose)	3750	3750	Unch
	Churu	Churu (Delivery)	3825	4000	-175
	Alwar	Alwar (Loose)	3600	3600	Unch

Haryana	Hisar	Adampur (Loose)	3700	3825	-125
		Adampur (Delivery)	3885	4016	-131
	Bhiwani	Bhiwani (Delivery)	3800	3925	-125
		Siwani (Loose)	3800	3925	-125
	Sirsa	Sirsa (Loose)	3700	3850	-150
		Dhabwali (Loose)	3600	3700	-100
		Dhabwali (Delivery)	3780	3885	-105
		Ellanabad (Loose)	3650	3800	-150
	Fatehabad	Fatehabad (Loose)	4000	4000	Unch
Gujarat	Banaskantha	Deesa (Loose)	3600	3650	-50
	Patan	Patan (Loose)	3650	3700	-50
	Rajkot	Rajkot (Loose)	3650	NR	-
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8400	8650	-250
	Alwar	Alwar	8600	8600	Unch
	Hanumangarh	Nohar	8400	8500	-100
Haryana	Bhiwani	Bhiwani	8450	8850	-400
	Sirsa	Sirsa	8500	8750	-250
		Dhabwali	8400	8500	-100
		Ellanabad	8300	8500	-200
	Fatehabad	Fatehabad	7800	8000	-200

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			31-Aug-17	30-Aug-17	
Rajasthan	Jodhpur	Jodhpur	70	68	2
	Sri-Ganganagar	Sri-Ganganagar	300	500	-200
		Rawla	70	100	-30
		Gharsana	20	50	-30
		Raisinghnagar	200	200	Unch
	Bikaner	Bikaner	150	200	-50
		Nokha	300	500	-200
		Khajuwala	200	300	-100
		Lunkaransar	150	300	-150
	Hanumangarh	Hanumangarh	40	40	Unch
		Nohar	400	200	200
		Pilibanga	10	8	2

	Nagaur	Nagaur	200	50	150
	Churu	Churu	200	500	-300
	Alwar	Alwar	200	200	Unch
Haryana	Hisar	Adampur	300	300	Unch
	Bhiwani	Bhiwani	200	700	-500
		Siwani	1000	700	300
	Sirsa	Sirsa	300	300	Unch
		Dhabwali	20	50	-30
		Ellanabad	10	50	-40
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	10	40	-30
	Patan	Patan	41	10	31
	Rajkot	Rajkot	50	NR	-
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			4441	5366	-925

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