

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Friday amid lower arrivals.
- Rains in major producing regions lead to fall in guar prices. Prices are expected to be under pressure due to forecast of rain on Saturday and Monday. If rain does occur as predicted prices can tumble down to 3620-3655 for October futures contract. Crop is expected to be around 15% to 20% lower compared to last year.
- 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.
- Guar gum 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 guar gum 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	-118	3935	3935	3798	3838	167630	-11,910	91600	-5,850
Nov-17	-125	3966	3966	3848	3883	13440	-700	17880	-210

Guar Gum 5MT

Contract	+/--\$	Open	High	Low	Close	Volume	Change	OI	Change
Oct-17	-258	8316	8316	8034	8110	31945	-1,195	43945	-1,590
Nov-17	-246	8400	8400	8128	8220	3170	520	8160	280

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	31-Aug-17	31-Aug-17	31-Aug-17	28-Aug-17
Bikaner	1681	200	1881	1500
Deesa	11836	545	12381	11369
Sri Ganganagar	1316	0	1316	1286
Jodhpur	565	148	713	447
Nokha	-	-	-	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	31-Aug-17	31-Aug-17	31-Aug-17	28-Aug-17
Deesa	40	0	40	40
Bikaner	5402	105	5507	5382
Jodhpur	8121	373	8494	7977
Nokha	5193	179	5372	5402
Sri Ganganagar	329	0	329	369

Churi and Korma Prices: As On 1st September, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1450
Korma	Jodhpur	1875
Churi	Sri Ganganagar	1313
Korma	Sri Ganganagar	1763

Guar Export Prices: As On 1st September, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		81	1266
Guargum Powder	200 Mesh 5000 CPS	101	1579
	200 Mesh 3500 CPS	96	1500
Guargum Meal	Meal 40%	20	313
	Meal 50%	25	391

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			1-Sep-17	31-Aug-17	
Guar Seed	Jodhpur	Jodhpur (Loose)	3800	3950	-150
		Jodhpur(Delivery)	3990	4148	-158
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3750	3850	-100
		Sri-Ganganagar (Delivery)	3800	3900	-100
		Rawla (Loose)	3550	3750	-200
		Gharsana (Loose)	3550	3800	-250
		Raisinghnagar (Loose)	NA	3800	-
	Bikaner	Bikaner (Loose)	3775	3800	-25
		Bikaner (Delivery)	3964	3990	-26
		Nokha(Loose)	3550	3750	-200
		Nokha (Delivery)	3728	3938	-210
		Khajuwala (Loose)	3600	3850	-250
		Khajuwala (Delivery)	3780	4043	-263
		Lunkaransar (Loose)	3600	3800	-200
	Hanumangarh	Hanumangarh (Loose)	3550	3600	-50
		Hanumangarh (Delivery)	3730	3780	-50
		Nohar (Loose)	3500	3700	-200
		Pilibanga (Loose)	3600	3700	-100
	Nagaur	Nagaur (Loose)	3600	3750	-150
	Churu	Churu (Delivery)	3800	3825	-25

	Alwar	Alwar (Loose)	3550	3600	-50
Haryana	Hisar	Adampur (Loose)	3600	3700	-100
		Adampur (Delivery)	3780	3885	-105
	Bhiwani	Bhiwani (Delivery)	3650	3800	-150
		Siwani (Loose)	3650	3800	-150
	Sirsa	Sirsa (Loose)	NA	3700	-
		Dhabwali (Loose)	3470	3600	-130
		Dhabwali (Delivery)	3470	3780	-310
		Ellanabad (Loose)	NA	3650	-
	Fatehabad	Fatehabad (Loose)	Closed	4000	-
Gujarat	Banaskantha	Deesa (Loose)	NA	3600	-
	Patan	Patan (Loose)	3585	3650	-65
	Rajkot	Rajkot (Loose)	NR	3650	-
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8050	8400	-350
	Alwar	Alwar	8400	8600	-200
	Hanumangarh	Nohar	8000	8400	-400
Haryana	Bhiwani	Bhiwani	8090	8450	-360
	Sirsa	Sirsa	NA	8500	-
		Dhabwali	8000	8400	-400
		Ellanabad	NA	8300	-
	Fatehabad	Fatehabad	Closed	7800	-

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			1-Sep-17	31-Aug-17	
Rajasthan	Jodhpur	Jodhpur	8	70	-62
	Sri-Ganganagar	Sri-Ganganagar	NA	300	-
		Rawla	50	70	-20
		Gharsana	50	20	30
		Raisinghnagar	NA	200	-
	Bikaner	Bikaner	250	150	100
		Nokha	500	300	200
		Khajuwala	100	200	-100
		Lunkaransar	200	150	50
	Hanumangarh	Hanumangarh	40	40	Unch
		Nohar	500	400	100

		Pilibanga	30	10	20
	Nagaur	Nagaur	150	200	-50
	Churu	Churu	300	200	100
	Alwar	Alwar	400	200	200
Haryana	Hisar	Adampur	400	300	100
	Bhiwani	Bhiwani	300	200	100
		Siwani	800	1000	-200
	Sirsa	Sirsa	NA	300	-
		Dhabwali	50	20	30
		Ellanabad	NA	10	-
	Fatehabad	Fatehabad	Closed	NA	-
Gujarat	Banaskantha	Deesa	NA	10	-
	Patan	Patan	55	41	14
	Rajkot	Rajkot	NR	50	-
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			4183	4441	-258

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