

Domestic Fundamentals:

- Mostly weak sentiments reported in major spot market on Saturday 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
	1-Sep-17	1-Sep-17	1-Sep-17	28-Aug-17
Bikaner	1821	181	2002	1500
Deesa	12282	576	12858	11369
Sri Ganganagar	1217	99	1316	1286
Jodhpur	575	227	802	447
Nokha	-	-	-	-

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	1-Sep-17	1-Sep-17	1-Sep-17	28-Aug-17
Deesa	40	0	40	40
Bikaner	5492	35	5527	5382
Jodhpur	8280	254	8534	7977
Nokha	5193	179	5372	5402
Sri Ganganagar	329	0	329	369

Churi and Korma Prices: As On 2nd 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 2nd September, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		81	1269
Guargum Powder	200 Mesh 5000 CPS	101	1582
	200 Mesh 3500 CPS	96	1504
Guargum Meal	Meal 40%	20	313
	Meal 50%	25	392

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			2-Sep-17	1-Sep-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3700	3800	-100
		Jodhpur(Delivery)	3885	3990	-105
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3700	3750	-50
		Sri-Ganganagar (Delivery)	3800	3800	Unch
		Rawla (Loose)	3620	3550	70
		Gharsana (Loose)	NR	3550	-
		Raisinghnagar (Loose)	3770	NA	-
	Bikaner	Bikaner (Loose)	Closed	3775	-
		Bikaner (Delivery)	Closed	3964	-
		Nokha(Loose)	3600	3550	50
		Nokha (Delivery)	3780	3728	53
		Khajuwala (Loose)	3640	3600	40
		Khajuwala (Delivery)	3822	3780	42
		Lunkaransar (Loose)	3500	3600	-100
	Hanumangarh	Hanumangarh (Loose)	3500	3550	-50
		Hanumangarh (Delivery)	3675	3728	-53
		Nohar (Loose)	Closed	3500	-
		Pilibanga (Loose)	NA	3600	-
	Nagaur	Nagaur (Loose)	Closed	3600	-
	Churu	Churu (Delivery)	3800	3800	Unch
	Alwar	Alwar (Loose)	3400	3550	-150
Haryana	Hisar	Adampur (Loose)	3650	3600	50

	Bhiwani	Adampur (Delivery)	3833	3780	53
		Bhiwani (Delivery)	3670	3650	20
		Siwani (Loose)	3650	3650	Unch
	Sirsa	Sirsa (Loose)	3600	NA	-
		Dhabwali (Loose)	NA	3470	-
		Dhabwali (Delivery)	NA	3470	-
		Ellanabad (Loose)	NA	NA	-
	Fatehabad	Fatehabad (Loose)	NR	Closed	-
Gujarat	Banaskantha	Deesa (Loose)	Closed	NA	-
	Patan	Patan (Loose)	3500	3585	-85
	Rajkot	Rajkot (Loose)	3650	NR	-
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8300	8050	250
	Alwar	Alwar	8100	8400	-300
	Hanumangarh	Nohar	Closed	8000	-
Haryana	Bhiwani	Bhiwani	8300	8090	210
	Sirsa	Sirsa	8100	NA	-
		Dhabwali	NA	8000	-
		Ellanabad	NA	NA	-
	Fatehabad	Fatehabad	NR	Closed	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			2-Sep-17	1-Sep-17	
Rajasthan	Jodhpur	Jodhpur	20	8	12
	Sri-Ganganagar	Sri-Ganganagar	400	NA	-
		Rawla	60	50	10
		Gharsana	NR	50	-
		Raisinghnagar	100	NA	-
	Bikaner	Bikaner	Closed	250	-
		Nokha	700	500	200
		Khajuwala	100	100	Unch
		Lunkaransar	100	200	-100
	Hanumangarh	Hanumangarh	35	40	-5
		Nohar	Closed	500	-
		Pilibanga	NA	30	-
	Nagaur	Nagaur	Closed	150	-

	Churu	Churu	500	300	200
	Alwar	Alwar	200	400	-200
Haryana	Hisar	Adampur	250	400	-150
	Bhiwani	Bhiwani	400	300	100
		Siwani	600	800	-200
	Sirsa	Sirsa	NA	NA	-
		Dhabwali	NA	50	-
		Ellanabad	NA	NA	-
	Fatehabad	Fatehabad	NR	Closed	-
Gujarat	Banaskantha	Deesa	Closed	NA	-
	Patan	Patan	25	55	-30
	Rajkot	Rajkot	50	NR	-
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			3540	4183	-643

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