

**Highlights of the Month:**

- Prices of guar seed and gum are continuously moving upside due to intact demand. Also, higher degree of increase in guar gum prices compared to guar seed also increases the processing margins for millers.
- India exported total 10617 tons of guar products (Splits, powder and meal) in the third week of April which is 9% higher compared to last month same period. Out of total guar products exported, 7009 tons of guar powder, 1539 tons of splits and 2069 tons of meal exported.
- With lower monsoon forecast by IMD, guar seed and gum prices fires up in both physical and spot markets.
- In Haryana, arrivals of guar seed decreasing as farmers are now start bringing wheat in the markets.

**Current Market Dynamics**

Guar seed average prices declined last month despite of weak arrivals in Ganganagar region.

Huge stock of guar gum dumped on International ports which are not consumed by end consumer. With falling demand of guar gum, new export shipments of guar gum likely get affected which ultimately give domestic guar seed prices a sharp fall.

In the major Jodhpur market, arrivals were reported around 1430 bags of guar seed last month which was around 2150 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported lower arrivals (32300 bags) compared to prior month i.e. 43600 bags.

**Guar seed Sowing Report:**

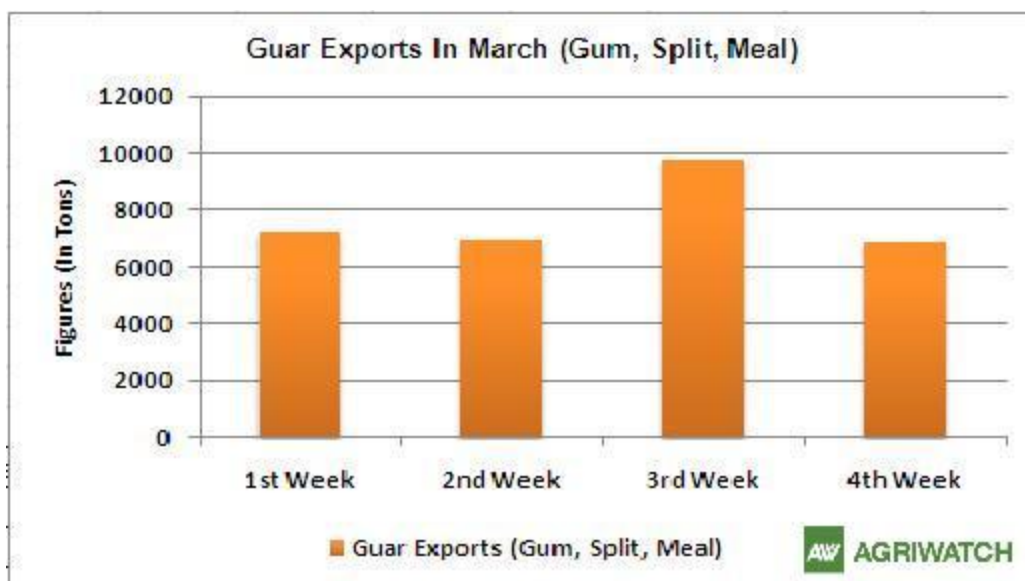
Farmers have started growing summer guar crop in Gujarat. This crop is pretty less in size and specially grown in Banaskantha, Surendranagar and Kutch area. Some farmers haven't sown or decrease the size of guar seed crop this year in their respective fields due to continuous downside in guar seed prices. In addition to it, less water availability in canals also urge farmers to plant less guar this season as reported.

Farmers which are busy in harvesting jeera (Cumin seed) and wheat are also planning to grow less guar in their fields due to less remuneration in guar seed. Farmers are planning to grow grass this season as a crop rotation for cattle feed which also improves soil fertility.

## Export and Import Scenario

As far as weekly exports are concerned, In the last week of March 2015, guar exports fell down to 6862 tons compared to 9742 tons exported in the prior week.

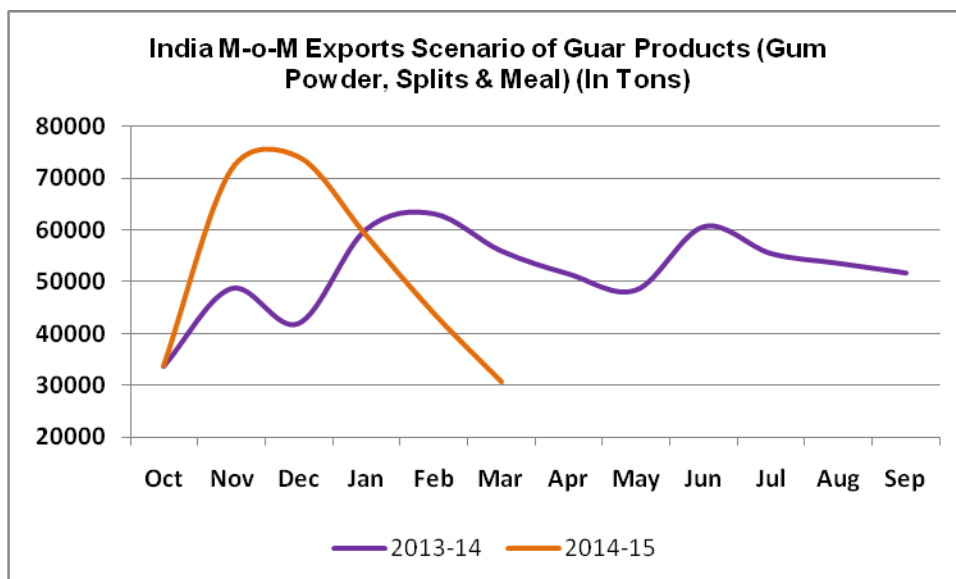
Here is the guar products week on week export chart for March month.



### Demand Side of Guar and Guar Gum:

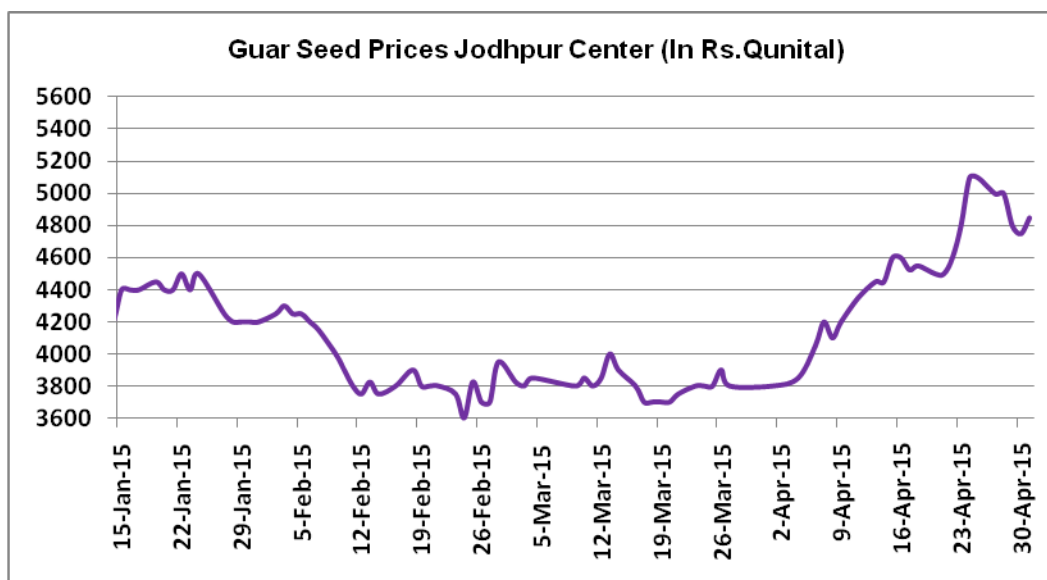
On export front, demands of guar products have decreased in March. Also, demand of guar products among major importers has decreased. Major energy firms decreased their drilling operations in rigs as reported.

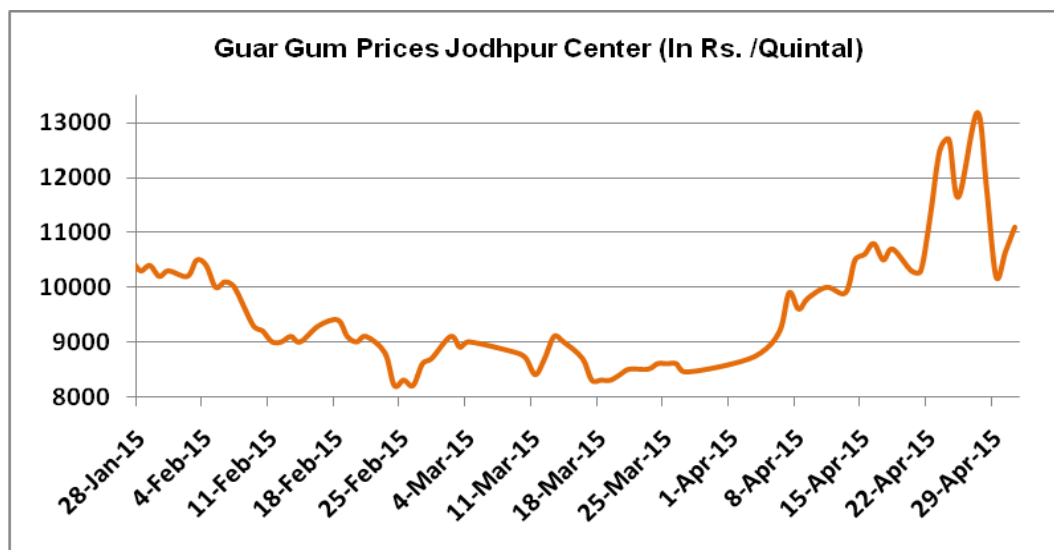
Below are the Rupee Monthly movement and its impact on monthly guar products export figures.



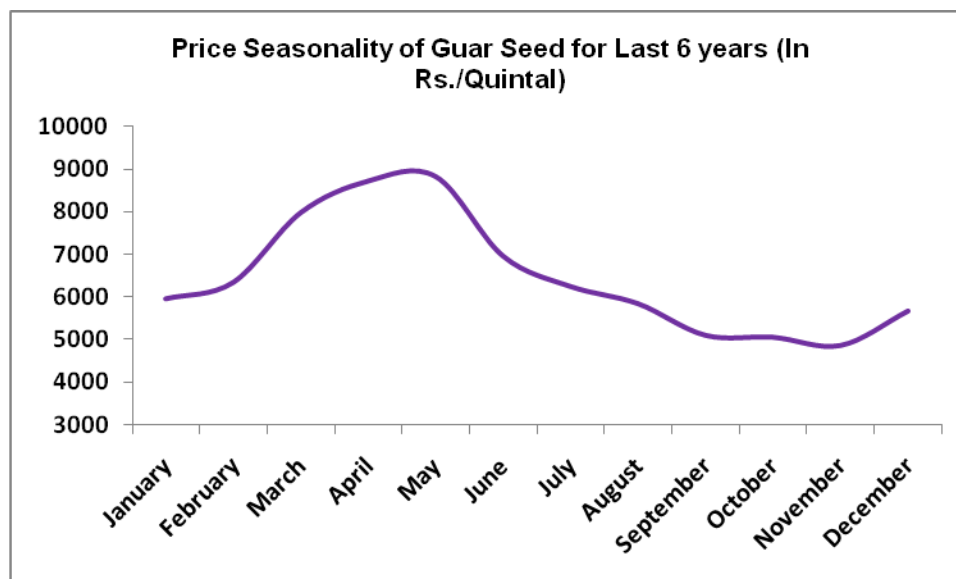
### Price Scenario

Monthly average Guar seed and gum prices declined month-on-month basis in Jodhpur market. The average monthly price of guar seed for April increased by 18% to Rs.4501/Qtl and that of guar gum improved by 24% to Rs.10686/Qtl compared to last month. The graph below illustrates the monthly average price movement of guar seed and guar gum in Jodhpur market.



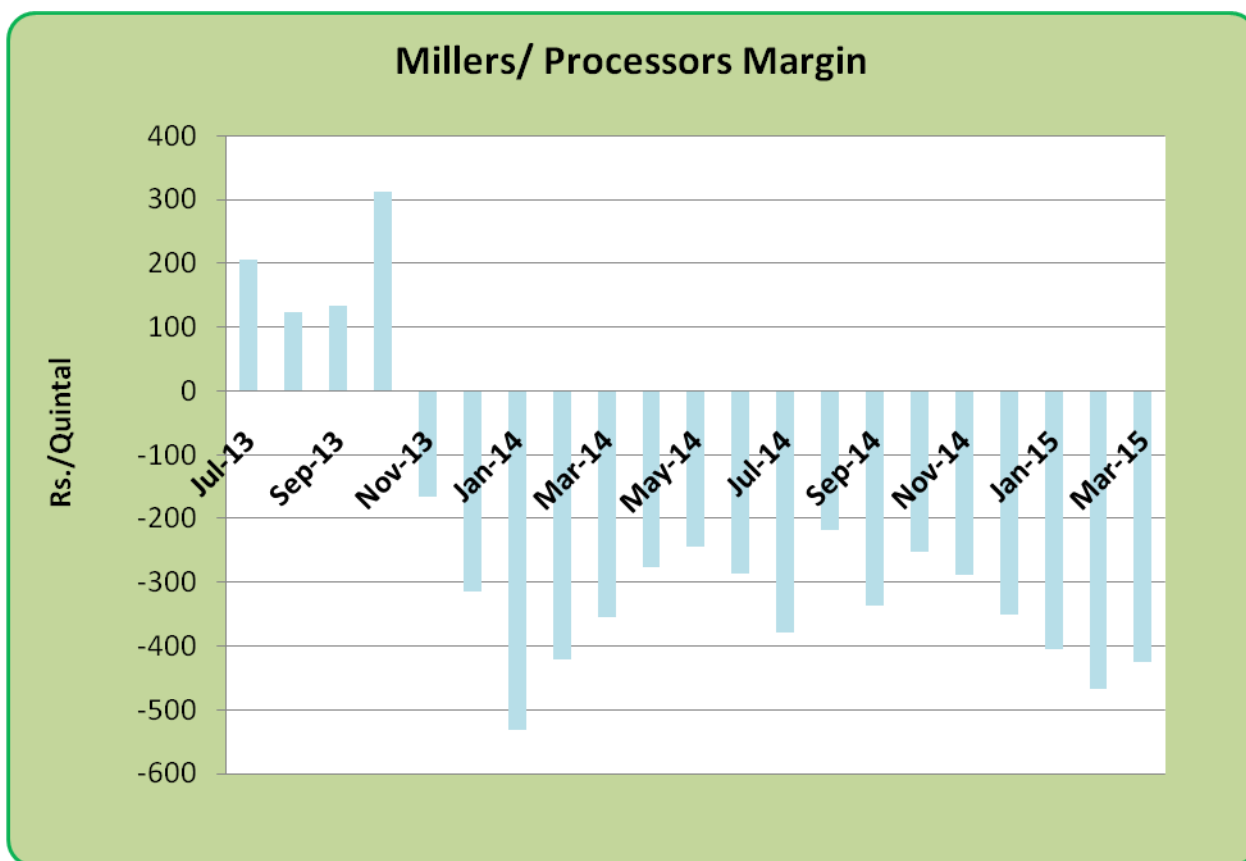


### Price Seasonality of Guar Seed



As per the price seasonality chart of guar seed above for last 6 years, prices of guar seed makes peak in the month of April mid to May starting due to good demand and less arrivals pressure in the markets.

Recent surge in guar seed prices also indicates medium term bullishness in the prices.

**Millers/Processors Margin**


As seen in the chart above, the average crushing margin of guar seed declined compared to previous month. In the month of Mar 2015, average crush margin stood at Rs. -425/Quintal which were -467 per quintal last month. Higher decrease of decrease in guar gum prices compared to guar seed prices led the processing margin decline last month.

**Guar by – Products Monthly Average Prices:**

Commodity	Centre	April'15	Mar'15	Change
Churi	Jodhpur	1503	1510	-7
Korma	Jodhpur	1784	1705	79
Churi	Sri-Ganganagar	1426	1344	82
Korma	Sri-Ganganagar	1744	1611	133
Prices in Rs/75kg				

**Guar Export MonthlyAverage Prices:**

Commodity	Variety	April'15	Mar'15	Change
Guargum Split		1723	1394	329
Guargum Powder	200 Mesh 5000 CPS	2042	1714	328
	200 Mesh 3500 CPS	1962	1634	328



Guargum Meal	40%	319	321	-2
	50%	377	367	10
Prices in \$/MT				

Commodity	Centre	Monthly Prices (Average)		Change
	Guar Seeds	April'15	Mar'15	
Rajasthan	Jodhpur (Loose)	4276	3591	685
	Jodhpur(Delivery)	4501	3806	695
	Sri-Ganganagar(Loose)	4301	3635	666
	Sri-Ganganagar (Delivery)	4491	3830	661
	Nagaur (Loose)	4450	3661	789
	Alwar (loose)	4259	3550	709
	Churu (Delivery)	4471	3756	715
	Bikaner (Loose)	4360	3626	734
	Bikaner (Delivery)	4527	3819	708
	Khajuwala Bikaner (Loose)	4331	3638	693
	Khajuwala Bikane(Delivery)	4522	3784	738
	Nokha(Loose)	4377	3647	730
	Nokha (Delivery)	4535	3779	756
	Hanumangarh (Loose)	4077	3617	460
	Hanumangarh (Delivery)	4257	3797	460
Haryana	Adampur (Loose)	4407	3654	753
	Adampur (Delivery)	4580	3831	749
	Sirsa (Loose)	4283	3620	663
	Bhiwani (Delivery)	4494	3762	732
	Dhabwali (Loose)	4105	3601	504
	Dhabwali (Delivery)	4279	3780	499
	Siwani (Loose)	4451	3754	697
	Ellanabad (Loose)	4379	3620	759
Gujarat	Deesa (Loose)	3550	3665	-115
	Patan (Loose)	4505	2818	1687
	Rajkot (Loose)	4332	3657	675
	Dhrol(loose)	4036	NA	-
Madhya pradesh	Dabra (Loose)	NA	3304	-
Guar Gum				
Rajasthan	Jodhpur	10705	8647	2058
	Alwar	10710	8519	2191
Haryana	Sirsa	10600	8578	2022



	Bhiwani	10290	8904	1386
	Dhabwali	9721	8538	1183
	Ellanabad	10677	8520	2157

#### Guar Cumulative Arrivals in Key Centers

Centre	Monthly Arrivals (Quintals)			Change
		April'15	Mar'15	
Rajasthan	Jodhpur	4060	1430	2630
	Sri-Ganganagar	22900	47350	-24450
	Nagaur	4650	3225	1425
	Alwar	13770	3900	9870
	Churu	21200	6500	14700
	Bikaner	13200	12500	700
	Khajuwala Bikaner	12250	11400	850
	Nokha	6950	2945	4005
	Hanumangarh	1400	2160	-760
Haryana	Adampur	21050	32300	-11250
	Sirsa	13300	14650	-1350
	Bhiwani	32500	15950	16550
	Dhabwali	2745	1520	1225
	Siwani	19500	11000	8500
	Ellanabad	5960	5250	710
Gujarat	Deesa	20	335	-315
	Patan	20	623	-603
	Rajkot	4500	1335	3165
	Dhrol	23	NA	-
Madhya pradesh	Dabra	NA	1850	-
Total Arrival		199996	176223	23773

**Commodity:** Guar Seed  
**Contract:** C1 Continuous Chart

**Exchange:** NCDEX

## Guar Seed Continuous Chart

### Technical Commentary:

- Prices are showing upside correction from lower levels.
- Last candlestick depicts bullishness.
- Breach of Rs 5700 level would take the prices up to Rs 6700-7000.
- RSI is moving up to neutral region.



**Strategy:** Buy from support level.

Positional Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	C1	3535	4275	4950	6271	7015
Intraday Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	C1	Buy	Above 4800	5600	6000	4300

**Commodity:** Guar Gum  
**Contract:** C1 Continuous Chart

**Exchange:** NCDEX

## Guar Gum Continuous Chart

### Technical Commentary:

- Guar gum prices showed some upside from lower levels.
- Prices tested its upper trendline which act as a resistance.
- RSI is moving up near to neutral region.
- Last candlestick depicts bullishness in the prices.



**Strategy:** Buy from support level.

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	C1	8000	9435	11800	14424	15200
Intraday Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	C1	Buy	Above 11200	13200	14200	10000



### Spot Market Outlook:

Guar prices continued its downtrend in key markets last month due to sluggish demand of gum. Falling crude oil prices bound energy companies to shut down rigs and also curbs new shale exploration operations which ultimately curb demand of guar gum.

However, we noticed prices of guar seed increases traditionally in April to May months. Also, spur demand came from downstream industries of guar gum at lower rates also support the fundamentals. We expect prices to rebound up in the coming month.

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2015 Indian Agribusiness Systems Pvt Ltd.