

Domestic Market Recap:

- Mixed sentiments recorded in key guar seed prices last week in various key markets.
- Guar seed summer crop sowing is declining in Gujarat region as farmers are showing disinterest to grow guar seed in their respective fields due to lower prices and lack of water availability.
- After a three long years gap, farmers are now showing their disinterest to hold guar seed crop further keeping in view continuous fall in guar seed prices. With estimates are coming of Rs 3200 and 2800 per quintal of guar seed in future, farmers majorly who needs instant cash are releasing their guar seed stock and gives preference to hold Mustard seed and Chana.
- Millers are presently crush guar seed and selling Churi and Korma which is presently trading at Rs 1900 and 2100 per quintal. However, millers are currently holding split and gum due to weak demand from overseas.
- Farmers are now holding new crops like Mustard seed and Chana and releasing guar seed stock in the market as they are not finding guar seed lucrative at present.
- Stockists have around 15 lac quintals of guar seed from Ganganagar and Hanumangarh region as reported.
- Demand of Churi and Korma declined among retailers (animal feed) due to higher Churi and Korma prices. Only, co-operatives like Amul are interested in buying Churi and Korma at current levels which also depress Guar gum processors

Current Market Dynamics

Guar seed average prices improved slightly last week due to moderate demand at lower levels and weak arrivals in Ganganagar region. We expect prices to improve in the coming week.

In the major Jodhpur market, arrivals were reported around 240 bags of guar seed last week which was around 420 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported higher arrivals (6900 bags) compared to prior week i.e. 4900 bags.

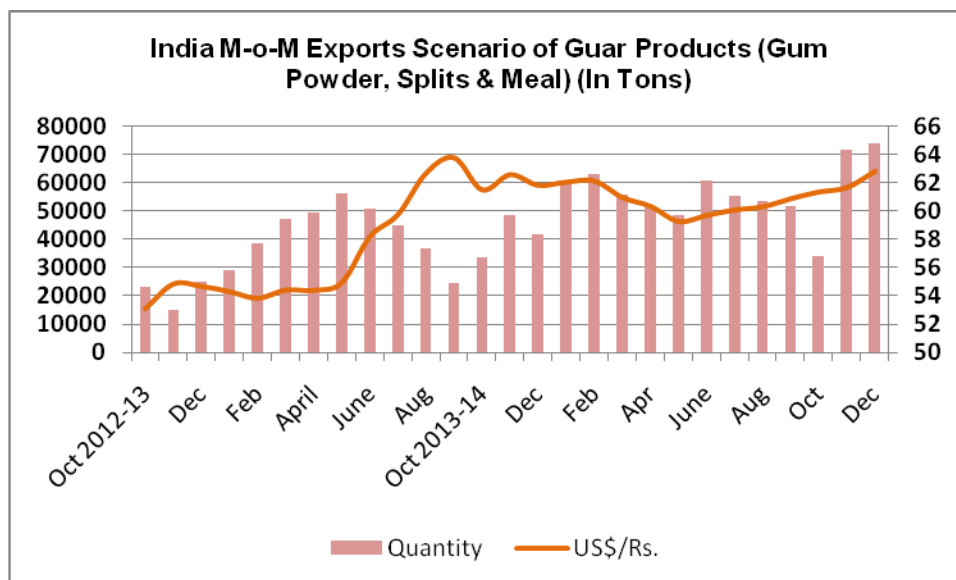
Export and Import Scenario

India has exported around 74084 tons of guar products (Splits, Meal & Powder) in December 2014. Out of the total guar seed export figures, around 16697 tons of Guar Meal, 11678 tons of Guar Splits and 45709 tons of Guar Gum Powder. It is notable that India has exported 71610 tons of Guar products in November 2014.

Demand Side of Guar and Guar Gum:

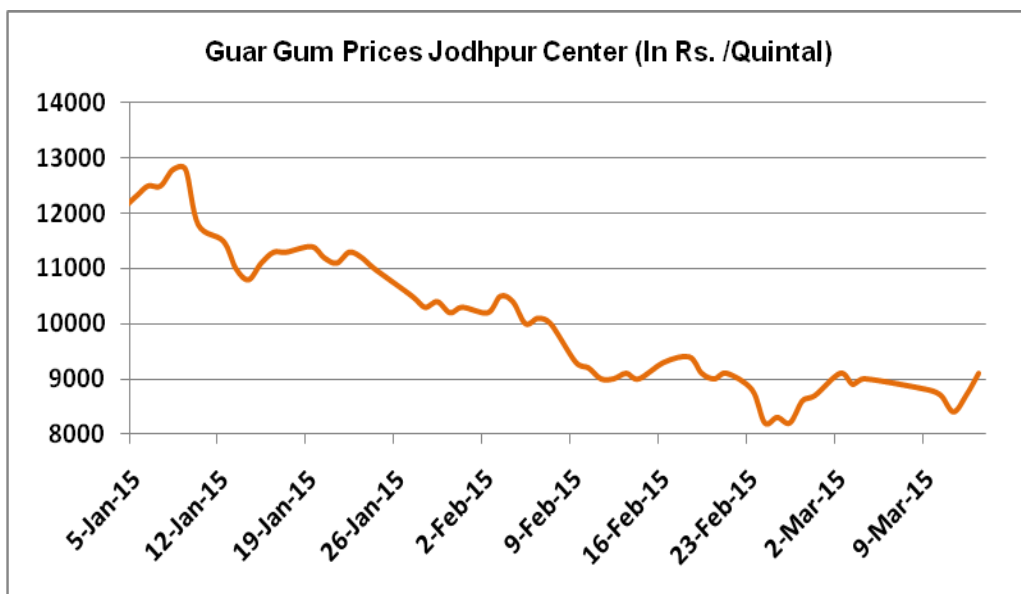
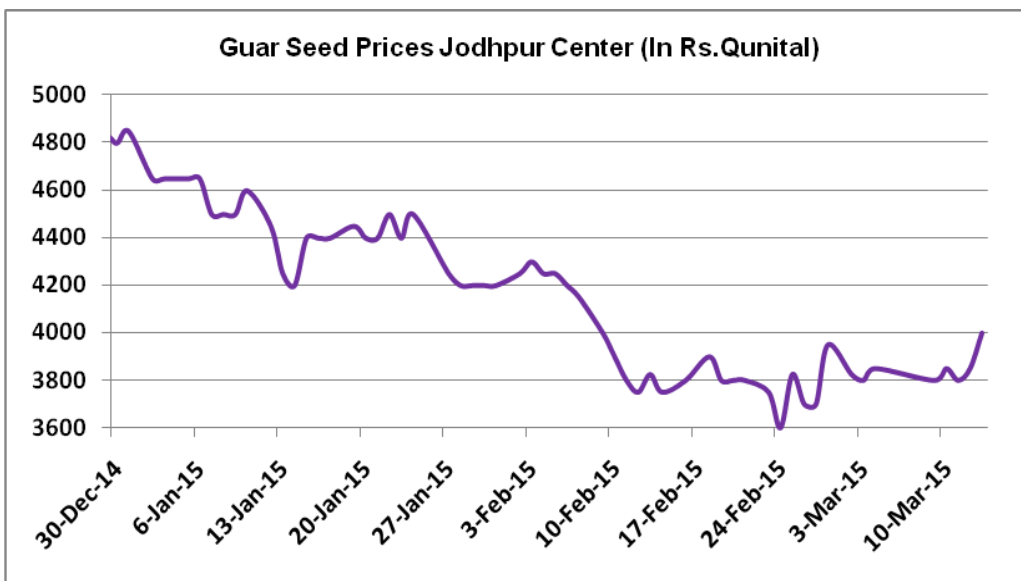
On export front, demands of guar products have increased in December in line with depreciation in Rupee. Also, demand of guar products among major importers has increased. Major energy firms increased their drilling operations in rigs as reported.

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

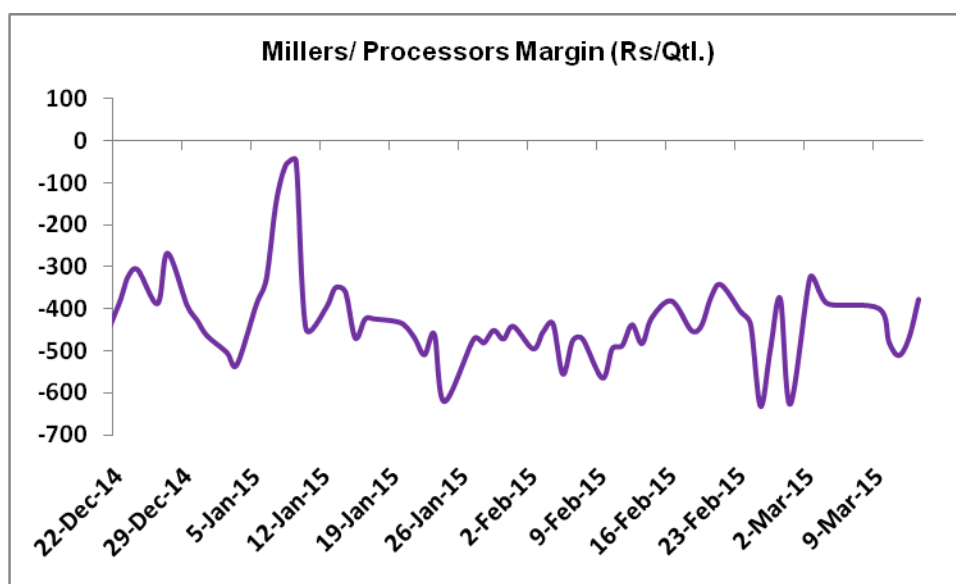


Price Scenario

In the second week of Jan, the average price of guar seed improved marginally by 0.1% to Rs.3860/Qtl compared to prior week. However, guar gum prices declined last week by 2% to Rs.8740/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.



Millers/Processors Margin



As seen in the chart above, the average crushing margin of guar seed declined compared to previous week. In the second week of Mar 2015, average crush margin stood at Rs. -448/Quintal which were -426 per quintal last week. Higher degree of decline in guar gum prices compared to guar seed prices led the margin down.

Guar by – Products Weekly Average Prices:

Commodity	Centre	6th-13th Mar	28th-5th Mar	Change
Churi	Jodhpur	1440	1436	4
Korma	Jodhpur	1650	1545	105
Churi	Sri-Ganganagar	NR	NR	-
Korma	Sri-Ganganagar	NR	NR	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	6th-13th Mar	28th-5th Mar	Change
Guargum Split		1404	1451	-47
Guargum Powder	200 Mesh 5000 CPS	1723	1775	-52
	200 Mesh 3500 CPS	1643	1694	-51
Guargum Meal	40%	306	301	5
	50%	354	349	5
Prices in \$/MT				

Commodity	Centre		Weekly
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				Prices (Average)
	Guar Seeds	6th- 13th Mar	28th- 5th Mar	
Rajasthan	Jodhpur (Loose)	3660	3656	4
	Jodhpur(Delivery)	3860	3856	4
	Sri-Ganganagar(Loose)	3648	3640	8
	Sri-Ganganagar (Delivery)	3848	3840	8
	Nagaur (Loose)	3692	3737	-45
	Alwar (loose)	3625	3550	75
	Churu (Delivery)	3850	3800	50
	Bikaner (Loose)	3630	3643	-13
	Bikaner (Delivery)	3830	3831	-1
	Khajuwala Bikaner (Loose)	3664	3665	-1
	Khajuwala Bikane(Delivery)	3811	3811	Unch
	Nokha(Loose)	3644	3694	-50
	Nokha (Delivery)	3775	3827	-52
	Hanumangarh (Loose)	3666	3575	91
	Hanumangarh (Delivery)	3866	3750	116
Haryana	Adampur (Loose)	3712	3717	-5
	Adampur (Delivery)	3913	3917	-4
	Sirsa (Loose)	3650	3640	10
	Bhiwani (Delivery)	3788	3740	48
	Dhabwali (Loose)	3683	3516	167
	Dhabwali (Delivery)	3883	3700	183
	Siwani (Loose)	3766	3745	21
	Ellanabad (Loose)	3715	NR	-
Gujarat	Deesa (Loose)	NR	3626	-
	Patan (Loose)	2615	3826	-1211
	Rajkot (Loose)	3650	3641	9
Madhya pradesh	Dabra (Loose)	3000	3000	Unch
	Guar Gum			
Rajasthan	Jodhpur	8740	8925	-185
	Alwar	8750	8800	-50
Haryana	Sirsa	8783	8840	-57
	Bhiwani	9050	9360	-310
	Dhabwali	8600	8733	-133
	Ellanabad	8783	NR	-

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	13-Mar-15	5-Mar-15	13-Feb-15	13-Mar-14
Rajasthan	Jodhpur (Loose)	3800	Closed	3650	4550
	Jodhpur(Delivery)	4000	Closed	3825	4750
	Sri-Ganganagar(Loose)	3700	3660	3525	4300
	Sri-Ganganagar (Delivery)	3900	3860	3650	4500
	Nagaur (Loose)	3800	Closed	3700	4200
	Alwar (loose)	3650	Closed	3500	4200
	Churu (Delivery)	3900	Closed	3800	4700
	Bikaner (Loose)	3750	Closed	3700	4500
	Bikaner (Delivery)	3950	Closed	3850	4550
	Khajuwala Bikaner (Loose)	3750	3715	3600	4350
	Khajuwala Bikaner(Delivery)	3900	3864	3744	4524
	Nokha(Loose)	3670	3750	3700	4370
	Nokha (Delivery)	3802	3885	3833	4527
	Hanumangarh (Loose)	3650	Closed	3570	4375
	Hanumangarh (Delivery)	3850	Closed	3770	4575
Haryana	Adampur (Loose)	3800	3750	3600	4450
	Adampur (Delivery)	4000	3950	3750	4650
	Sirsa (Loose)	3700	3700	3600	4600
	Bhiwani (Delivery)	3900	3850	3750	4500
	Dhabwali (Loose)	NR	Closed	3525	4350
	Dhabwali (Delivery)	NR	Closed	3725	4550
	Siwani (Loose)	3850	3825	3700	4500
	Ellanabad (Loose)	3770	NR	NR	4450
Gujarat	Deesa (Loose)	Closed	Closed	3730	4155
	Patan (Loose)	4025	Closed	3840	4160
	Rajkot (Loose)	3705	3750	3745	4075
Madhya pradesh	Dabra (Loose)	3500	Closed	3250	4000
Guar Gum					
Rajasthan	Jodhpur	9100	9000	9100	13000
	Alwar	8800	Closed	9200	12500
Haryana	Sirsa	9000	9100	9200	12000
	Bhiwani	9200	9500	9200	12500
	Dhabwali	NR	Closed	9200	12100
	Ellanabad	9000	NR	NR	12600

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		6th-13th Mar	28th-5th Mar	
Rajasthan	Jodhpur	240	420	-180
	Sri-Ganganagar	7100	2500	4600
	Nagaur	1050	475	575
	Alwar	1200	600	600
	Churu	900	600	300
	Bikaner	2200	1600	600
	Khajuwala Bikaner	2550	1900	650
	Nokha	800	470	330
	Hanumangarh	500	100	400
Haryana	Adampur	6900	4900	2000
	Sirsa	3000	1700	1300
	Bhiwani	4550	1000	3550
	Dhabwali	190	155	35
	Siwani	2500	2100	400
	Ellanabad	1000	NA	-
Gujarat	Deesa	NR	313	-
	Patan (Loose)	236	307	-71
	Rajkot	390	555	-165
Madhya pradesh	Dabra	600	500	100
Total Arrival		35906	20195	15711



Commodity: Guar Seed 10MT

Contract: Apr

Exchange: NCDEX

Expiry: Apr 20, 2015

Guar Seed 10MT (Weekly Apr Contract Chart)



Technical Commentary:

- Guar prices are moving down to downward channel.
- However, prices have just gave a upper breakout signal and now just trying to test its next support from where new buying should occur.
- However, RSI is hovering at oversold region.
- Last candlestick depicts bullishness.

Strategy: Buy from support levels.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Apr	-	3340	3768	4141	4387
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Apr	Buy	Above 3620	3860	3980	3476

Commodity: Guar Gum
Contract: Apr

Exchange: NCDEX
Expiry: Apr 20, 2015

Guar Gum (Apr Weekly Chart)



Technical Commentary:

- Guar gum prices are moving down to downward channel.
- Prices recently broke its downward channel and now likely to test trendline support.
- However, RSI is hovering at oversold region.
- Last candlestick depicts bullishness.

Strategy: Buy on dips.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Apr	7301	7568	8820	10478	10914
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr	Buy	Above 8250	8750	9000	7950

Spot Market Outlook:

Guar prices showed little upside direction due to moderate demand from stockists and improving processing margin from guar seed to gum. Also, lower arrivals decrease the supply pressure of guar seed in the market.

In addition to it, most of the traders and farmers are bearish in guar seed which give speculators to collect guar seed stock at lower quotes which ultimately gives signs of improvement in guar seed prices for medium term (2-3 months).

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