

**Domestic Market Recap:**

- Guar seed and gum prices surge last week after consecutive weeks fall in the prices. Lower arrivals in the market due to fog conditions and spur buying by stockists led the prices up.
- Farmers are now getting hope with recent increase in prices of guar and now expecting again Rs.10000-12000 per quintal which decreases the arrivals in the markets.
- Markets experts are of the view, firmness in guar future market is unnatural and some big players are trying to push market up so that they can release their stock at higher levels. It indicates that market is likely to decrease in coming weeks.
- Higher production and carry over stocks would restrict big players to take the prices upside for a longer period.

**Current Market Dynamics**

Guar prices are presently moving in a short trading range. Farmers are not able to bring their guar stocks in the markets due to Cold wave in Rajasthan and Haryana.

There is a gossip in the market that some stockists have started buying guar at current prices as they haven't able to find any other lucrative commodity at this point of time. It may push guar market slightly up.

However, overall sentiments remained bearish considering higher production, lower export scenario and last year higher carry over stocks of guar seed.

As far as arrivals are concerned, All India arrivals stood at 405000 bags during last week which was almost same compared to last week.

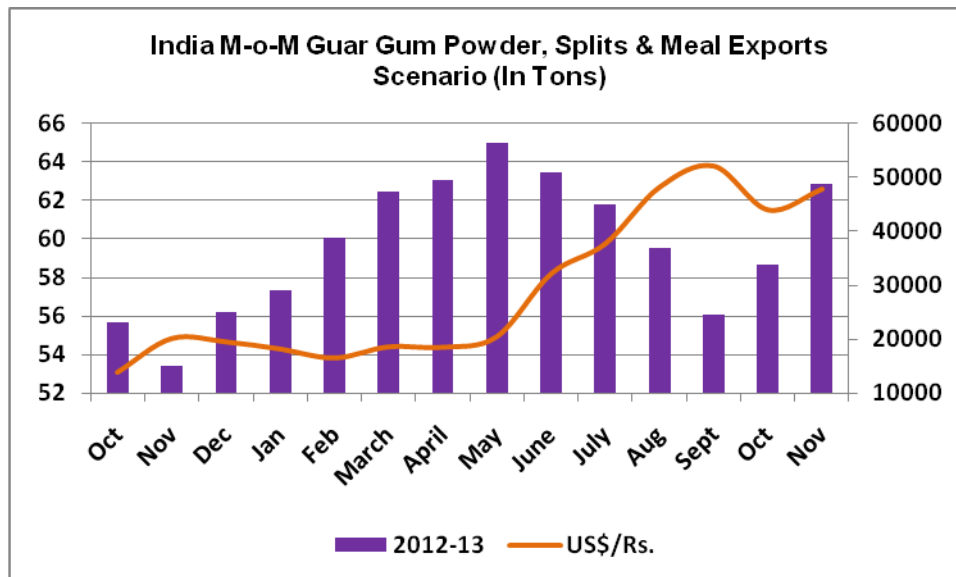
**Export and Import Scenario**

Presently, export demand from US and China remained consistent but not going to increase by huge volume as US has already huge stocks in Houston as reported.

Around 48713 tons of guar gum (Splits and powder) exported to various countries in November month 2013 as reported. It is notable that India has exported 48713 tons of guar gum (Splits and Powder) in October month 2013.

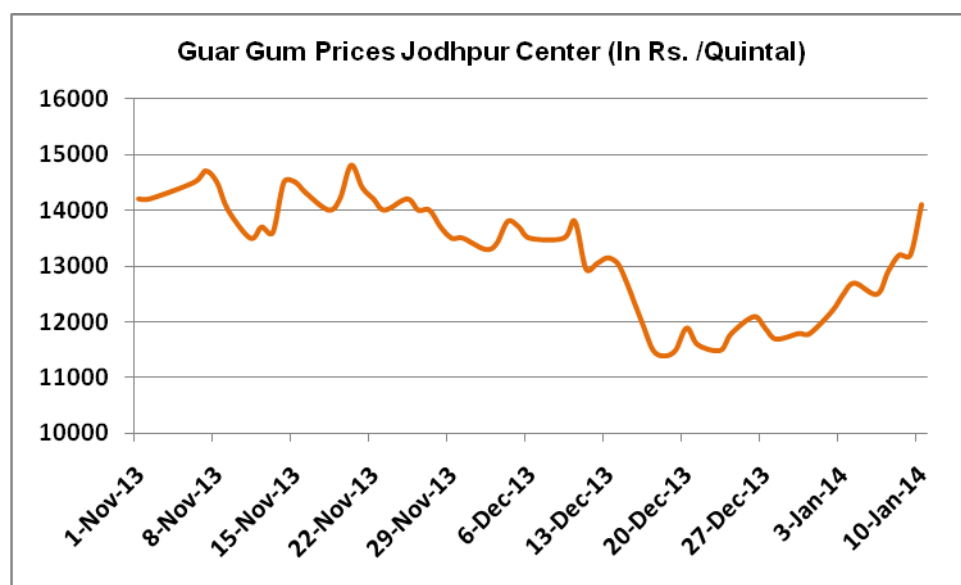
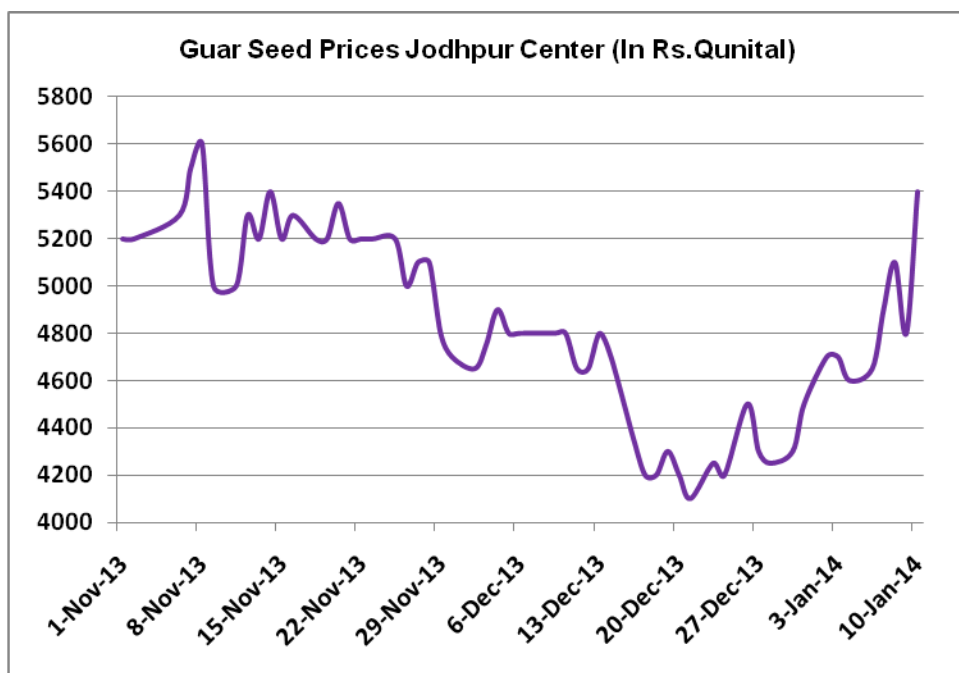
### Demand Side of Guar and Guar Gum:

It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of Summer crop led the prices downwards.

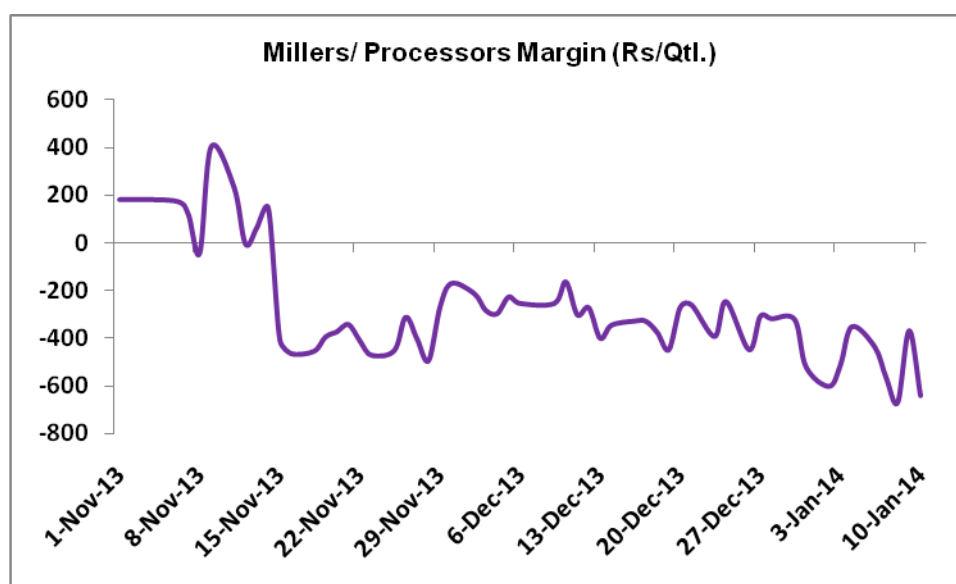


### Price Scenario

Guar seed weekly average prices improved during the week. In the second week of January, the average price of guar seed improved by 9.3% to Rs.4908/Qtl compared to prior week. Also, guar gum prices improved last week by 9.2% to Rs.13100/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 fourth week of December 2013, average crush margin stood at Rs. -455/Quintal which was -331.3 per quintal last week. Decrease in Churi and korma prices and higher degree of increase in guar seed prices compared to gum prices led the margin down this week.

## Guar by – Products Weekly Average Prices:

Commodity	Centre	4 <sup>th</sup> -10 <sup>th</sup> Jan14	28th Dec-3rdJan14	Change
Churi	Jodhpur	871	825	46
Korma	Jodhpur	1258	1190	68
Churi	Sri-Ganganagar	854	830	24
Korma	Sri-Ganganagar	1175	1140	35
Prices in Rs/75kg				

## Guar Export Weekly Average Prices:

Commodity	Variety	4 <sup>th</sup> -10 <sup>th</sup> Jan14	28th Dec-3rdJan14	Change
Guargum Split		2055	1967	88
Guargum Powder	200 Mesh 5000 CPS	2759	2612	147
	200 Mesh 3500 CPS	2599	2451	148
Guargum Meal	40%	250	244	6
	50%	330	312	18
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
		4 <sup>th</sup> -10 <sup>th</sup> Jan14	28th Dec-3rdJan14	
	<b>Guar Seeds</b>			
Rajasthan	Jodhpur (Loose)	4700	4300	400
	Jodhpur(Delivery)	4908	4490	418
	Sri-Ganganagar(Loose)	4800	4365	435
	Sri-Ganganagar (Delivery)	4933	4510	423
	Nagaur (Loose)	4575	4110	465
	Alwar (loose)	4417	4050	367
	Churu (Delivery)	4620	4400	220
	Bikaner (Loose)	4746	4370	376
	Bikaner (Delivery)	4925	4520	405
	Khajuwala Bikaner (Loose)	4724	4336	388
	Khajuwala Bikaner(Delivery)	4913	4509	404
	Nokha(Loose)	4611	4200	411
	Nokha (Delivery)	4786	4370	416
	Hanumangarh (Loose)	4817	4385	432
	Hanumangarh (Delivery)	4900	4450	450
Haryana	Adampur (Loose)	4833	4380	453
	Adampur (Delivery)	5033	4560	473
	Sirsa (Loose)	4800	4360	440
	Bhiwani (Delivery)	4758	4440	318
	Dhabwali (Loose)	4738	4405	333
	Dhabwali (Delivery)	4850	4580	270
	Siwani (Loose)	4821	4435	386
	Ellanabad (Loose)	4852	4390	462
Gujarat	Deesa (Loose)	4403	4144	259
	Patan (Loose)	4334	4110	224
	Rajkot (Loose)	4383	4253	130
Madhya pradesh	Dabra (Loose)	3967	3825	142
	<b>Guar Gum</b>			
Rajasthan	Jodhpur	13100	12000	1100
	Alwar	12960	12375	585
Haryana	Sirsa	12683	12100	583
	Bhiwani	13258	12630	628
	Dhabwali	13125	12200	925
	Ellanabad	13233	12260	973

**Week on Week Price: Scenario of Guarseed and Guargum:**

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	10-Jan-14	3-Jan-14	10-Dec-13	10-Jan-13
<b>Rajasthan</b>	Jodhpur (Loose)	5200	4500	4500	12500
	Jodhpur(Delivery)	5400	4700	4800	13700
	Sri-Ganganagar(Loose)	5250	4600	4650	12000
	Sri-Ganganagar (Delivery)	5350	4800	4700	12200
	Nagaur (Loose)	5000	4200	4500	12400
	Alwar (loose)	4800	4300	4500	11500
	Churu (Delivery)	4700	NR	4900	12000
	Bikaner (Loose)	5250	4500	4550	12200
	Bikaner (Delivery)	5450	4700	4750	12600
	Khajuwala Bikaner (Loose)	5200	4550	4620	NR
	Khajuwala Bikaner(Delivery)	5408	4732	4805	NR
	Nokha(Loose)	5050	4400	4550	18000
	Nokha (Delivery)	5231	4650	4715	12225
	Hanumangarh (Loose)	5100	4550	4750	11700
	Hanumangarh (Delivery)	5200	4600	5125	12000
<b>Haryana</b>	Adampur (Loose)	5200	4600	4650	12300
	Adampur (Delivery)	5400	4800	4850	12550
	Sirsa (Loose)	5100	4500	NR	12000
	Bhiwani (Delivery)	5100	4600	4800	12600
	Dhabwali (Loose)	NR	4625	4700	12200
	Dhabwali (Delivery)	NR	4750	4900	NR
	Siwani (Loose)	5250	4625	4750	NR
	Ellanabad (Loose)	5350	4600	4700	NR
<b>Gujarat</b>	Deesa (Loose)	4750	4250	4400	12000
	Patan (Loose)	NR	4275	4455	12050
	Rajkot (Loose)	4405	4145	4500	12495
<b>Madhya pradesh</b>	Dabra (Loose)	4100	4000	4000	12500
<b>Guar Gum</b>					
<b>Rajasthan</b>	Jodhpur	14100	12500	13800	37500
	Alwar	13000	NR	14000	37000
<b>Haryana</b>	Sirsa	13000	12500	NR	38000
	Bhiwani	14000	13000	13750	36800
	Dhabwali	NR	12500	13500	37800
	Ellanabad	14500	12600	13700	NR

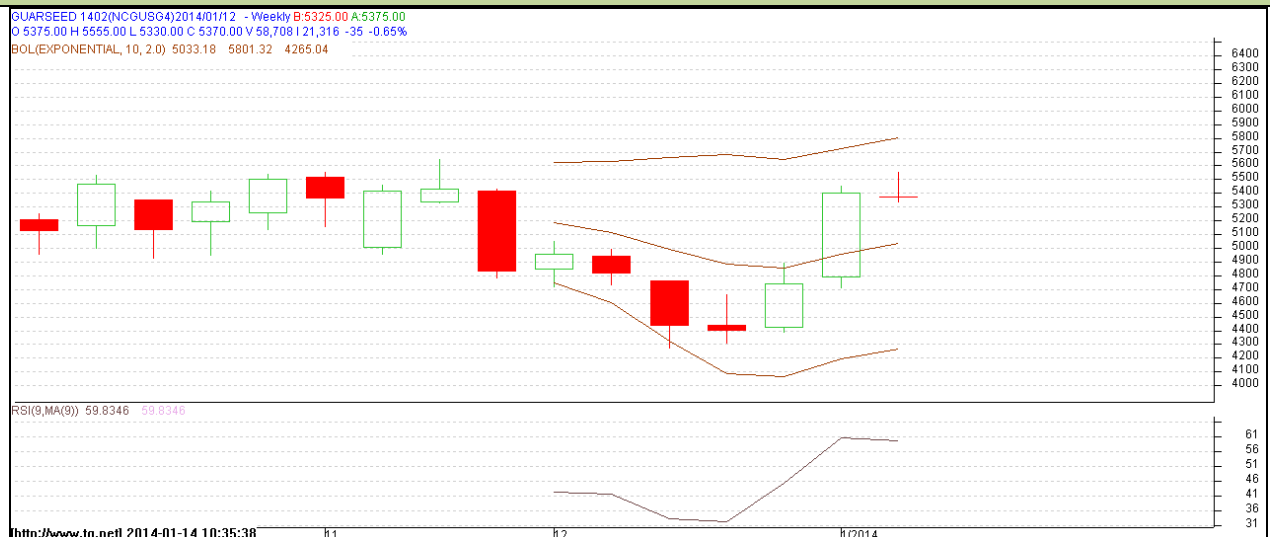
**Guar Cumulative Arrivals in Key Centers**

Centre	Weekly Arrivals (Quintals)			Change
		4 <sup>th</sup> -10 <sup>th</sup> Jan14	28th Dec-3rdJan14	
Rajasthan	Jodhpur	24350	950	23400
	Sri-Ganganagar	8200	8000	200
	Nagaur	1500	1200	300
	Alwar	21500	10000	11500
	Churu	7400	4500	2900
	Bikaner	6500	7000	-500
	Khajuwala Bikaner	11800	12000	-200
	Nokha	2900	2100	800
	Hanumangarh	2000	1250	750
Haryana	Adampur	21500	12000	9500
	Sirsa	8000	9000	-1000
	Bhiwani	3400	1900	1500
	Dhabwali	1350	1350	Unch
	Siwani	11500	9000	2500
	Ellanabad	6800	4400	2400
Gujarat	Deesa	5236	1974	3262
	Patan (Loose)	2958	4589	-1631
	Rajkot	6965	6020	945
Madhya pradesh	Dabra	1660	1200	460
Total Arrival		155519	98433	57086

Commodity: Guar Seed  
Contract: February

Exchange: NCDEX  
Expiry: Feb 20, 2013

## Guar Seed (Weekly February Contract Chart)



### Technical Commentary:

- Guar prices are getting technical correction to upside.
- Last candlestick depicts bullishness.
- Prices are likely to take some downward correction from where buying is advisable.

### Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Feb	4265	4400	5370	6180	6510
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Feb	Buy	Above 5200	5600	5800	4960



Commodity: Guar Gum  
Contract: Feb

Exchange: NCDEX  
Expiry: Feb 20, 2013

## Guar Gum (Feb Weekly Chart)



### Technical Commentary:

- Gur prices are hovering in a downtrend as chart depicts.
- However, RSI is hovering at neutral region.
- Last candlesticks depict bullishness.

### Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Feb	11690	12000	14550	16410	17200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb	Buy	Above 13800	15100	15700	13100

## Spot Market Technical Analysis of Guar seed & Guar gum



**Fig-1 – Guar Seed Weekly Spot Prices (Jodhpur)**

Guar seed prices are moving in a range with weak tone. However, prices might rebound from current level and likely to test its next resistance level i.e. Rs. 5000 supported by very short term fundamentals.



**Fig-2 – Guar Gum Weekly Spot Prices (Jodhpur)**

Prices of guar gum moved in a range with weak tone during last week. However, spot prices of guar gum should improve technically and likely to test its next resistance level Rs. 13600.

**Prices are likely to move towards Rs.13600/Qtl levels in the short –term.**

### Spot Market Outlook:

As per our expectations, guar prices improved last week due to lower arrivals in the markets. Also, punters would try to pull the market upwards to offload the stocks build up at lower levels.



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