

**Domestic Market Recap:**

- Guar seed and gum prices rush backward last week.
- Prices of guar seed likely to test 4800-5100 level considering weak arrivals. It is notable that big stockiest would release their stocks at the mentioned level as expected.
- Arrival of guar seed is around 3% higher than last week and thus supports the price to move in the south direction.
- 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 with slightly firm tone. 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 360000 bags during last week which was 405000 bags last week.

**Export and Import Scenario**

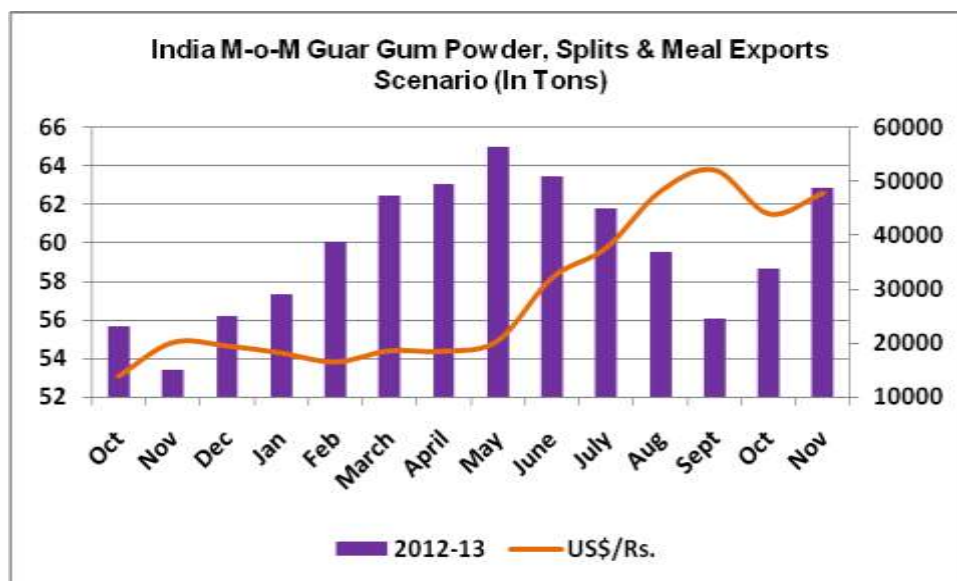
As per data from DGCIS guar gum export from April 2013 to October-2013 is reported 3, 33,175.00 MT which is around 18% lower than same period last year.

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.

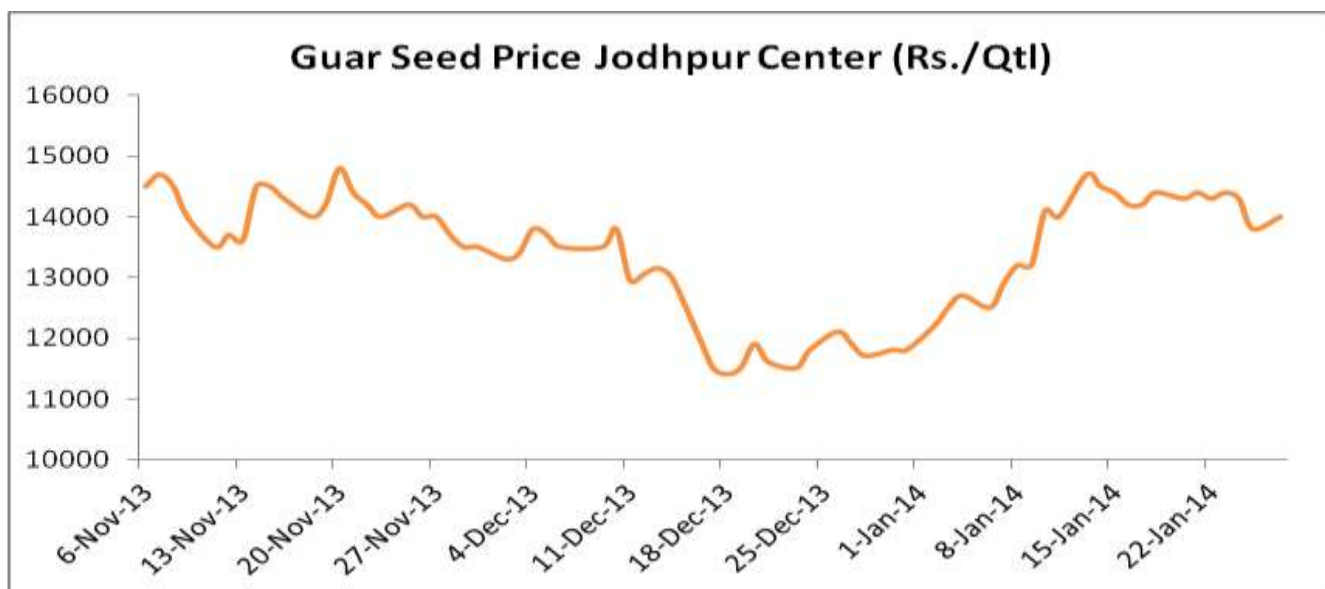
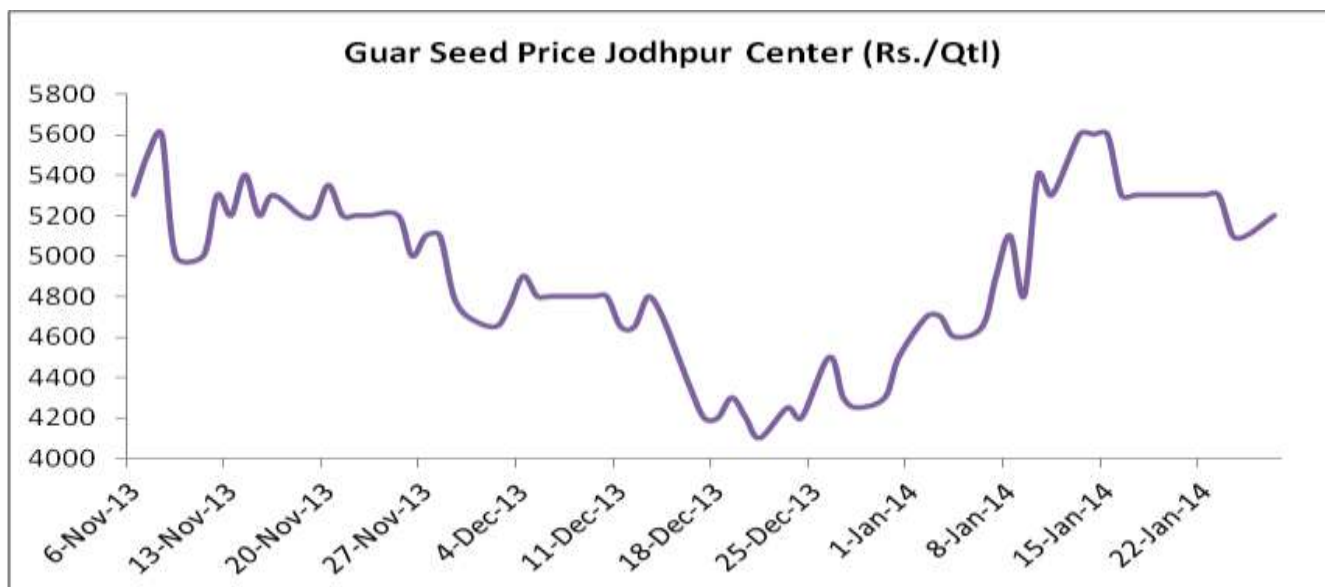
### Demand Side of Guar and Guar Gum:

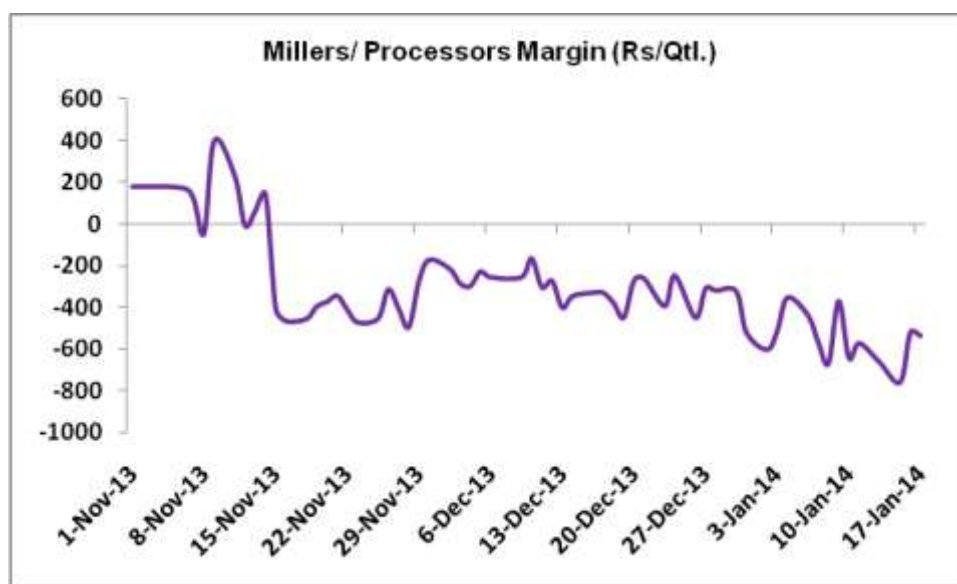
It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of summer crop led the prices downwards.



### Price Scenario

Guar seed weekly average prices improved during the week. In the fourth week of January, the average price of guar seed down by 3-4% to Rs.5237/Qtl compared to prior week. Also, average guar gum prices move slightly weak last week by 0.35% to Rs.14237/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 January 2014, average crush margin stood at Rs.-609.58/Quintal which was -505 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	18 <sup>th</sup> -24 <sup>th</sup> Jan14	11 <sup>th</sup> -17 <sup>th</sup> Jan14	Change
Churi	Jodhpur	925	953	-28
Korma	Jodhpur	1300	1325	-25
Churi	Sri-Ganganagar	921	900	21
Korma	Sri-Ganganagar	1267	1246	21
Prices in Rs/75kg				

**Guar Export Weekly Average Prices:**

Commodity	Variety	18 <sup>th</sup> -24 <sup>th</sup> Jan14	11 <sup>th</sup> -17 <sup>th</sup> Jan14	Change
Guargum Split		2346	2301	45
Guargum Powder	200 Mesh 5000 CPS	2993	2982	11
	200 Mesh 3500 CPS	2832	2819	13
Guargum Meal	40%	290	280	10
	50%	353	353	Unch
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	18 <sup>th</sup> -24 <sup>th</sup> Jan14	11 <sup>th</sup> -17 <sup>th</sup> Jan14	
Rajasthan	Jodhpur (Loose)	5054	5210	-156
	Jodhpur(Delivery)	5267	5420	-153
	Sri-Ganganagar(Loose)	4975	5220	-245
	Sri-Ganganagar (Delivery)	5145	5350	-205
	Nagaur (Loose)	5017	5083	-66
	Alwar (loose)	4792	4883	-91
	Churu (Delivery)	5217	5167	50
	Bikaner (Loose)	5046	5217	-171
	Bikaner (Delivery)	5267	5392	-125
	Khajuwala Bikaner (Loose)	5070	5188	-118
	Khajuwala Bikaner(Delivery)	5276	5431	-155
	Nokha(Loose)	4992	5090	-98
	Nokha (Delivery)	5157	5273	-116
	Hanumangarh (Loose)	5000	5317	-317
	Hanumangarh (Delivery)	5058	5394	-336
Haryana	Adampur (Loose)	5058	5208	-150
	Adampur (Delivery)	5258	5392	-134
	Sirsa (Loose)	5150	5167	-17
	Bhiwani (Delivery)	5217	5208	9
	Dhabwali (Loose)	5167	5067	100
	Dhabwali (Delivery)	5333	5167	166
	Siwani (Loose)	5155	5225	-70
	Ellanabad (Loose)	5094	5283	-189
Gujarat	Deesa (Loose)	4893	4783	111
	Patan (Loose)	4750	4809	-59
	Rajkot (Loose)	4726	4852	-126
Madhya pradesh	Dabra (Loose)	4750	4220	530
	Guar Gum			
Rajasthan	Jodhpur	14350	14300	50
	Alwar	14400	14000	400
Haryana	Sirsa	13700	13467	233
	Bhiwani	14450	14367	83
	Dhabwali	14533	14367	167
	Ellanabad	14467	14450	16.7

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	24-Jan-14	17-Jan-14	24-Dec-13	24-Jan-13
Rajasthan	Jodhpur (Loose)	4800	5100	5225	11500
	Jodhpur(Delivery)	5100	5300	5500	12200
	Sri-Ganganagar(Loose)	4850	5000	5200	11000
	Sri-Ganganagar (Delivery)	5000	5100	5400	11300
	Nagaur (Loose)	4850	4950	5000	11100
	Alwar (loose)	4600	NR	5000	10500
	Churu (Delivery)	5100	NR	5500	11000
	Bikaner (Loose)	4925	5050	5300	11500
	Bikaner (Delivery)	5125	5200	5550	12000
	Khajuwala Bikaner (Loose)	5050	5010	5200	NR
	Khajuwala Bikaner(Delivery)	5252	5210	5408	NR
	Nokha(Loose)	4850	4900	5200	11200
	Nokha (Delivery)	5024	5076	5387	11200
	Hanumangarh (Loose)	4850	5000	5200	11400
	Hanumangarh (Delivery)	4900	5165	5450	11700
Haryana	Adampur (Loose)	4950	5000	5250	11600
	Adampur (Delivery)	5150	5200	5500	11850
	Sirsa (Loose)	5000	5000	5000	11300
	Bhiwani (Delivery)	5050	5050	5150	11500
	Dhabwali (Loose)	NR	5000	5300	11300
	Dhabwali (Delivery)	NR	5100	5500	NR
	Siwani (Loose)	5025	5100	5350	NR
	Ellanabad (Loose)	4950	5050	5400	NR
Gujarat	Deesa (Loose)	4715	4915	5000	11475
	Patan (Loose)	4600	4780	5075	11040
	Rajkot (Loose)	4795	4950	5275	11110
Madhya pradesh	Dabra (Loose)	5200	4500	NA	11500
Guar Gum					
Rajasthan	Jodhpur	14300	14200	14500	35200
	Alwar	14000	NR	15000	35200
Haryana	Sirsa	13500	13500	13000	35500
	Bhiwani	13900	14200	14500	35500
	Dhabwali	NR	14200	14700	36000
	Ellanabad	14100	14200	15000	NR

### Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		18 <sup>th</sup> -24 <sup>th</sup> Jan14	11 <sup>th</sup> -17 <sup>th</sup> Jan14	
Rajasthan	Jodhpur	65000	60000	5000
	Sri-Ganganagar	19000	12000	7000
	Nagaur	1700	1560	140
	Alwar	7400	10000	-2600
	Churu	10000	8000	2000
	Bikaner	8800	7000	1800
	Khajuwala Bikaner	13500	9100	4400
	Nokha	3500	2200	1300
	Hanumangarh	2400	2275	125
Haryana	Adampur	20500	41000	-20500
	Sirsa	12500	9700	2800
	Bhiwani	4500	6500	-2000
	Dhabwali	1850	2300	-450
	Siwani	7700	7500	200
	Ellanabad	7200	5100	2100
Gujarat	Deesa	3218	1766	1452
	Patan (Loose)	2573	1797	776
	Rajkot	6327	5305	1022
Madhya pradesh	Dabra	1800	1950	-150
Total Arrival		199468	195053	4415



Commodity: Guar Seed  
Contract: February

Exchange: NCDEX  
Expiry: Feb 20, 2013

### Guar Seed (Weekly February Contract Chart)



### Technical Commentary:

- Guar prices are moving in a range with weak tone.
- Last candlestick depicts bearishness.
- Prices are likely to take some downward correction.

### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Feb	4591	4957	5065	6180	6515
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Feb	<b>Sell</b>	Below 5139	5080	5030	5155

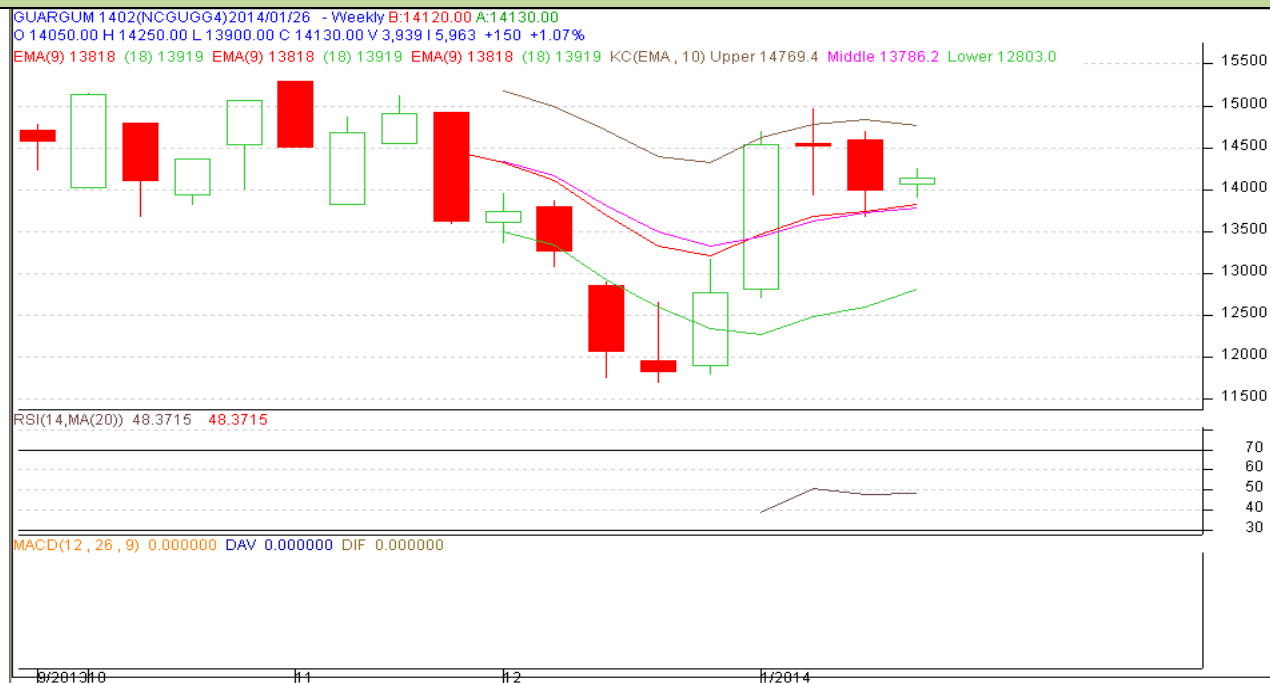




Commodity: Guar Gum  
Contract: Feb

Exchange: NCDEX  
Expiry: Feb 20, 2013

### Guar Gum (Feb Weekly Chart)



### Technical Commentary:

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

### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Feb	12980	13747	13980	14988	15500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb	<b>Sell</b>	Below 14221	14096	13997	14252

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



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

Guar seed prices are moving downwards. Prices might should test its next resistance level i.e. Rs. 5700.



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

Prices of guar gum rebound from its lower levels and likely to move upto its next resistance i.e. Rs. 17000

**Prices are likely to move towards Rs.17000/Qtl levels in the short –term.**

### Spot Market Outlook:

As per our expectations, guar prices fall from last week due to higher arrivals in the markets.

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