

**Domestic Market Recap:**

- Guar seed and gum traded under pressure during the week under review.
- Prices of guar seed likely to dip around 4400-4500 level considering higher arrivals and normal export demand for gum. With bearish outlook big farmers might release their stocks and pressurize market further.
- Overall arrival of guar seed decreased last week, however it has increased in Sri-Ganganagar, Alwar, Adampur, Elanabad and Dabra. Ample stock is still on hold and there is no visible support from gum export for seed at present.
- 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 seed is presently trading lower on bearish outlook. With the opening of the weather more arrivals from farmers end is expected in the coming weeks.
- Major buyers of guar seed are unwilling to buy at current level. Plants are engaged in needful buying as they expect market to decline more in the coming weeks. However, slight correction might be seen as future markets have decreased considerably in last one week.
- 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 at key centers stood at 168630 bags against 199468 bags last week.

**Export and Import Scenario**

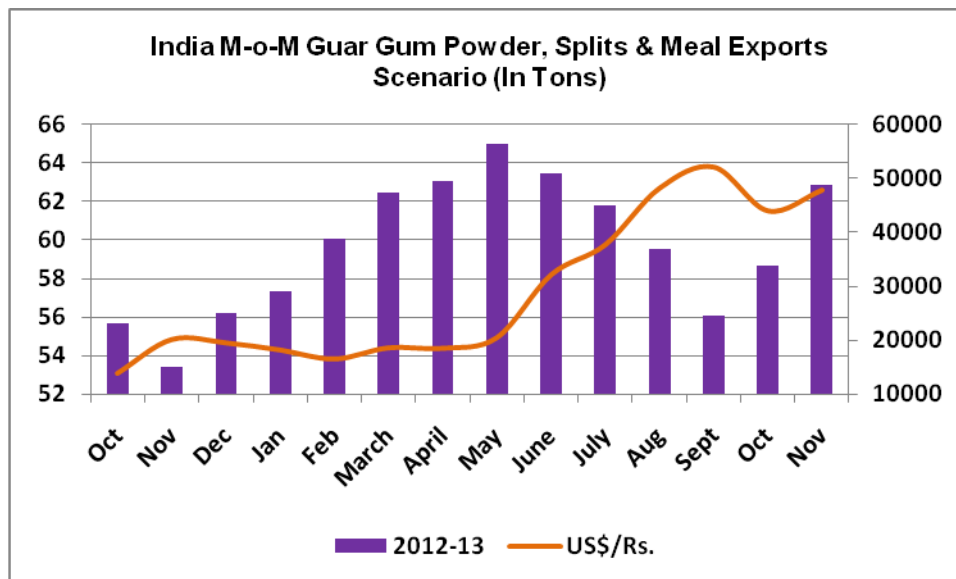
As per data from DGCIS guar gum export from April 2013 to October-2013 is reported 3, 33,175.00 MT which is around 18% lower than same period last year.

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.

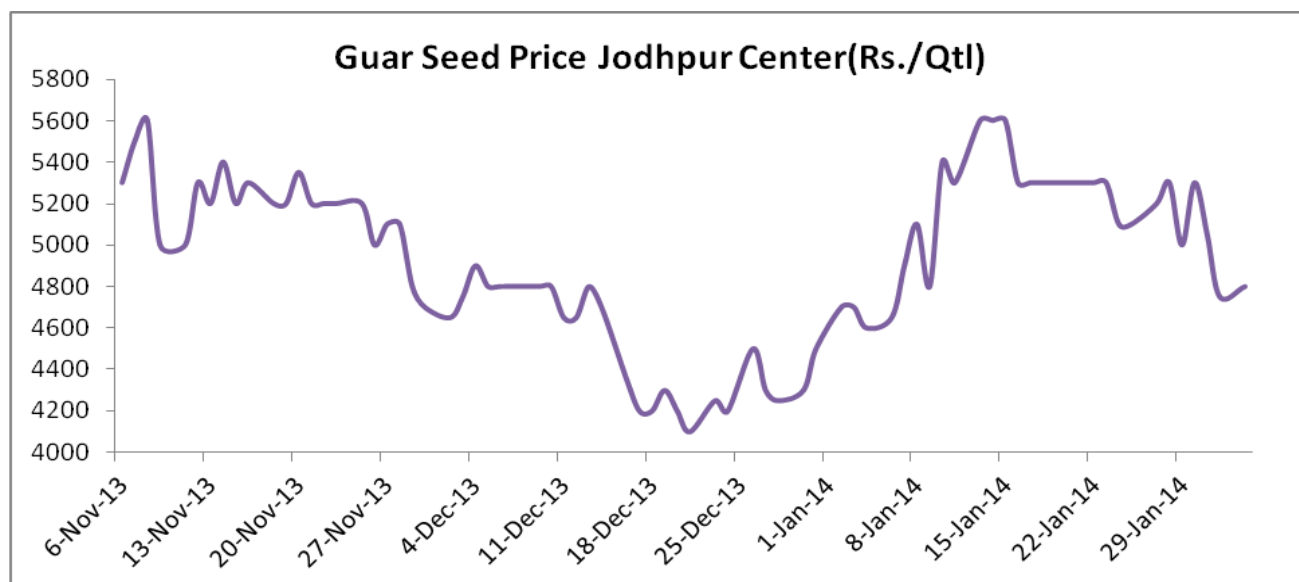
## Demand Side of Guar and Guar Gum:

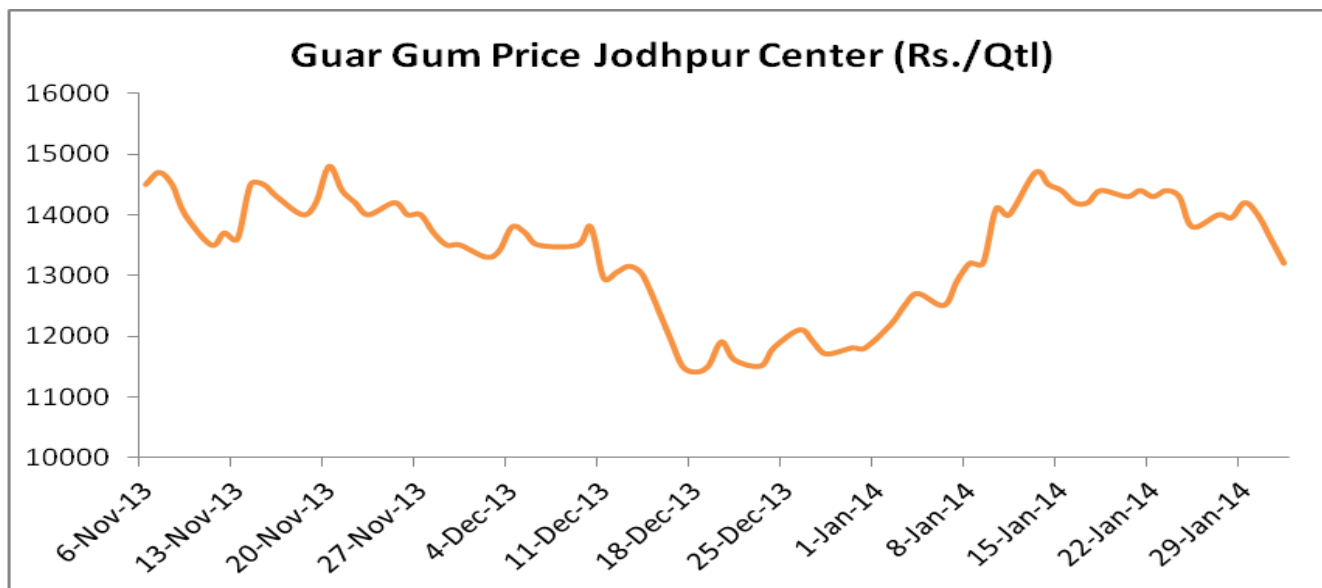
It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of summer crop led the prices downwards.



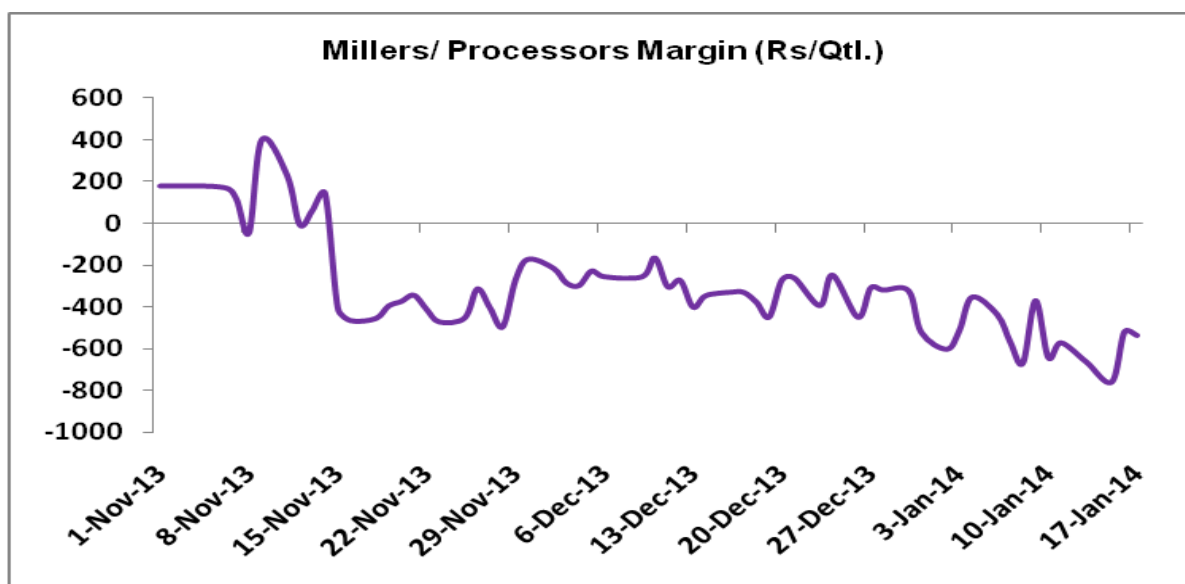
## Price Scenario

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	25 <sup>th</sup> -31 <sup>th</sup> Jan14	18 <sup>th</sup> -24 <sup>th</sup> Jan14	Change
<b>Churi</b>	Jodhpur	918	925	<b>-7</b>
<b>Korma</b>	Jodhpur	1308	1300	<b>8</b>
<b>Churi</b>	Sri-Ganganagar	913	921	<b>-8</b>
<b>Korma</b>	Sri-Ganganagar	1279	1267	<b>12</b>
Prices in Rs/75kg				

**Guar Export Weekly Average Prices:**

Commodity	Variety	25 <sup>th</sup> -31 <sup>th</sup> Jan14	18 <sup>th</sup> -24 <sup>th</sup> Jan14	Change
<b>Guargum Split</b>		2315	2346	<b>-31</b>
<b>Guargum Powder</b>	200 Mesh 5000 CPS	2914	2993	<b>-79</b>
	200 Mesh 3500 CPS	2754	2832	<b>-78</b>
<b>Guargum Meal</b>	40%	303	290	<b>13</b>
	50%	363	353	<b>10</b>
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	25 <sup>th</sup> -31 <sup>th</sup> Jan14	18 <sup>th</sup> -24 <sup>th</sup> Jan14	
<b>Rajasthan</b>	Jodhpur (Loose)	4942	5054	<b>-112</b>
	Jodhpur(Delivery)	5158	5267	<b>-109</b>
	Sri-Ganganagar(Loose)	4926	4975	<b>-49</b>
	Sri-Ganganagar (Delivery)	5100	5145	<b>-45</b>
	Nagaur (Loose)	4783	5017	<b>-234</b>
	Alwar (loose)	4667	4792	<b>-125</b>
	Churu (Delivery)	5133	5217	<b>-84</b>
	Bikaner (Loose)	4905	5046	<b>-141</b>
	Bikaner (Delivery)	5100	5267	<b>-167</b>
	Khajuwala Bikaner (Loose)	4904	5070	<b>-166</b>
	Khajuwala Bikaner(Delivery)	5100	5276	<b>-176</b>
	Nokha(Loose)	4896	4992	<b>-96</b>
	Nokha (Delivery)	5072	5157	<b>-85</b>
	Hanumangarh (Loose)	4872	5000	<b>-128</b>
	Hanumangarh (Delivery)	4930	5058	<b>-128</b>
<b>Haryana</b>	Adampur (Loose)	4933	5058	<b>-125</b>
	Adampur (Delivery)	5133	5258	<b>-125</b>
	Sirsa (Loose)	5025	5150	<b>-125</b>

	Bhiwani (Delivery)	5008	5217	-209
	Dhabwali (Loose)	4960	5167	-207
	Dhabwali (Delivery)	5160	5333	-173
	Siwani (Loose)	5029	5155	-126
	Ellanabad (Loose)	4925	5094	-169
Gujarat	Deesa (Loose)	4677	4893	-216
	Patan (Loose)	4643	4750	-107
	Rajkot (Loose)	4803	4726	77
Madhya pradesh	Dabra (Loose)	5033	4750	283
Guar Gum				
Rajasthan	Jodhpur	13992	14350	-358
	Alwar	13950	14400	-450
Haryana	Sirsa	13450	13700	-250
	Bhiwani	13667	14450	-783
	Dhabwali	14140	14533	-393
	Ellanabad	14200	14467	-267

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

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	31-Jan-14	24-Jan-14	31-Dec-13	31-Jan-13
Rajasthan	Jodhpur (Loose)	4850	4800	4350	11500
	Jodhpur(Delivery)	5050	5100	4500	12200
	Sri-Ganganagar(Loose)	4850	4850	4250	11000
	Sri-Ganganagar (Delivery)	5000	5000	4350	11400
	Nagaur (Loose)	4700	4850	4100	11100
	Alwar (loose)	4550	4600	4000	10500
	Churu (Delivery)	5100	5100	4500	11000
	Bikaner (Loose)	4850	4925	4400	11000
	Bikaner (Delivery)	5050	5125	4550	11400
	Khajuwala Bikaner (Loose)	4850	5050	4280	NR
	Khajuwala Bikane(Delivery)	5044	5252	4451	NR
	Nokha(Loose)	4925	4850	4100	11000
	Nokha (Delivery)	5102	5024	4247	11400
	Hanumangarh (Loose)	4860	4850	4325	10800
	Hanumangarh (Delivery)	4950	4900	4400	11300
Haryana	Adampur (Loose)	4900	4950	4300	11300

	Adampur (Delivery)	5100	5150	4500	11550
	Sirsa (Loose)	5000	5000	4350	11300
	Bhiwani (Delivery)	5050	5050	4500	11300
	Dhabwali (Loose)	4800	NR	4300	11200
	Dhabwali (Delivery)	5000	NR	4500	11800
	Siwani (Loose)	5000	5025	4350	NR
	Ellanabad (Loose)	4900	4950	4300	NR
Gujarat	Deesa (Loose)	4750	4715	4250	11400
	Patan (Loose)	4595	4600	4045	10905
	Rajkot (Loose)	4730	4795	4225	10755
Madhya pradesh	Dabra (Loose)	5000	5200	3800	10400
Guar Gum					
Rajasthan	Jodhpur	14000	14300	11800	35000
	Alwar	14000	14000	12000	35000
Haryana	Sirsa	13200	13500	12000	35200
	Bhiwani	13800	13900	12200	35200
	Dhabwali	14100	NR	12000	35000
	Ellanabad	14200	14100	11800	NR

### Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		25 <sup>th</sup> -31 <sup>th</sup> Jan14	18 <sup>th</sup> -24 <sup>th</sup> Jan14	
Rajasthan	Jodhpur	20000	65000	-45000
	Sri-Ganganagar	24000	19000	5000
	Nagaur	2000	1700	300
	Alwar	10000	7400	2600
	Churu	9200	10000	-800
	Bikaner	6700	8800	-2100
	Khajuwala Bikaner	8900	13500	-4600
	Nokha	3300	3500	-200
	Hanumangarh	3300	2400	900
Haryana	Adampur	30500	20500	10000
	Sirsa	12000	12500	-500
	Bhiwani	2700	4500	-1800
	Dhabwali	2200	1850	350
	Siwani	9000	7700	1300
	Ellanabad	11200	7200	4000
Gujarat	Deesa	4399	3218	1181
	Patan (Loose)	2771	2573	198



	Rajkot	3060	6327	-3267
Madhya pradesh	Dabra	3400	1800	1600
Total Arrival		168630	199468	-30838

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.

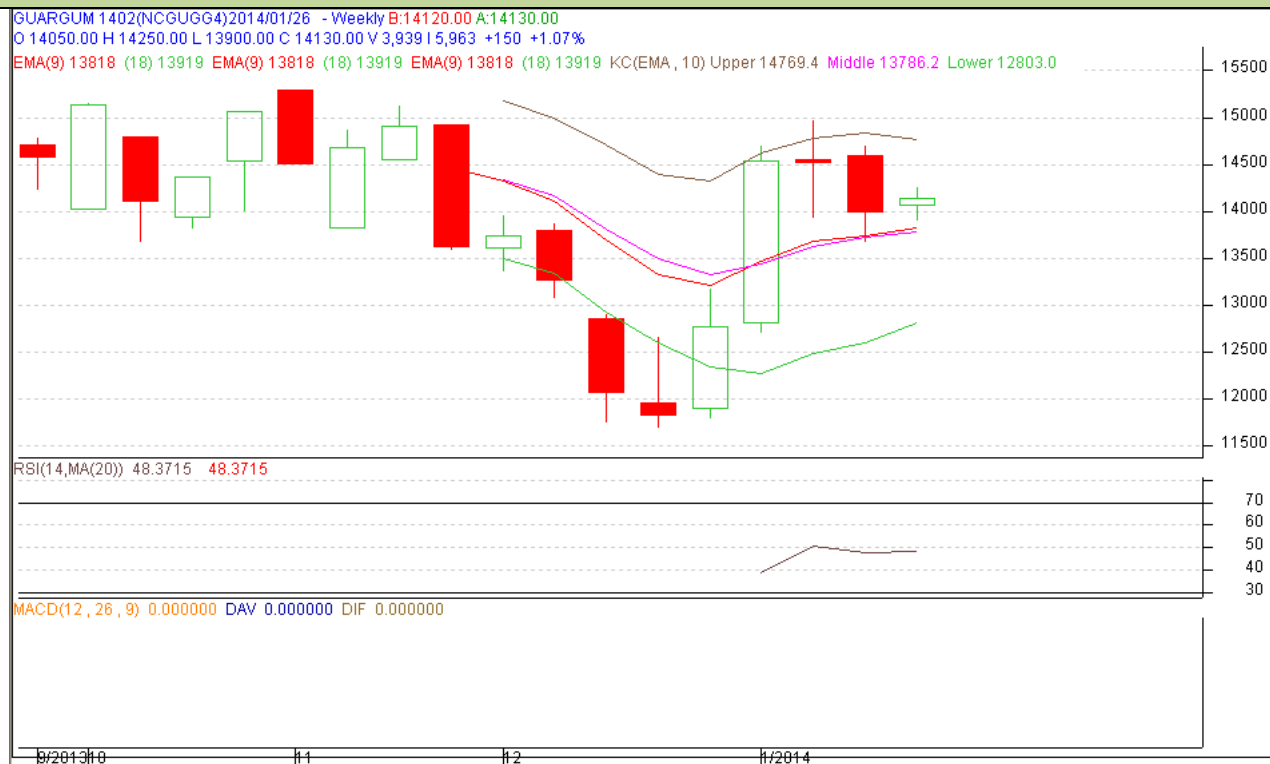
### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Feb	4265	4541	4885	5063	5253
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Feb	Sell	Below 4884	4829	4710	4910

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	11740	12426	13570	14189	14946
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb	<b>Sell</b>	Below 13502	13345	13119	13572



## 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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