

## 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. Prices are taking strong support near 4500 levels.
- Thin trading activity is witnessed in guar complex as trading is shifted toward other rabi crops.
- Arrival of guar seed is around 20-30% lower 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 weak tone. Farmers are not selling their guar stocks in the markets.

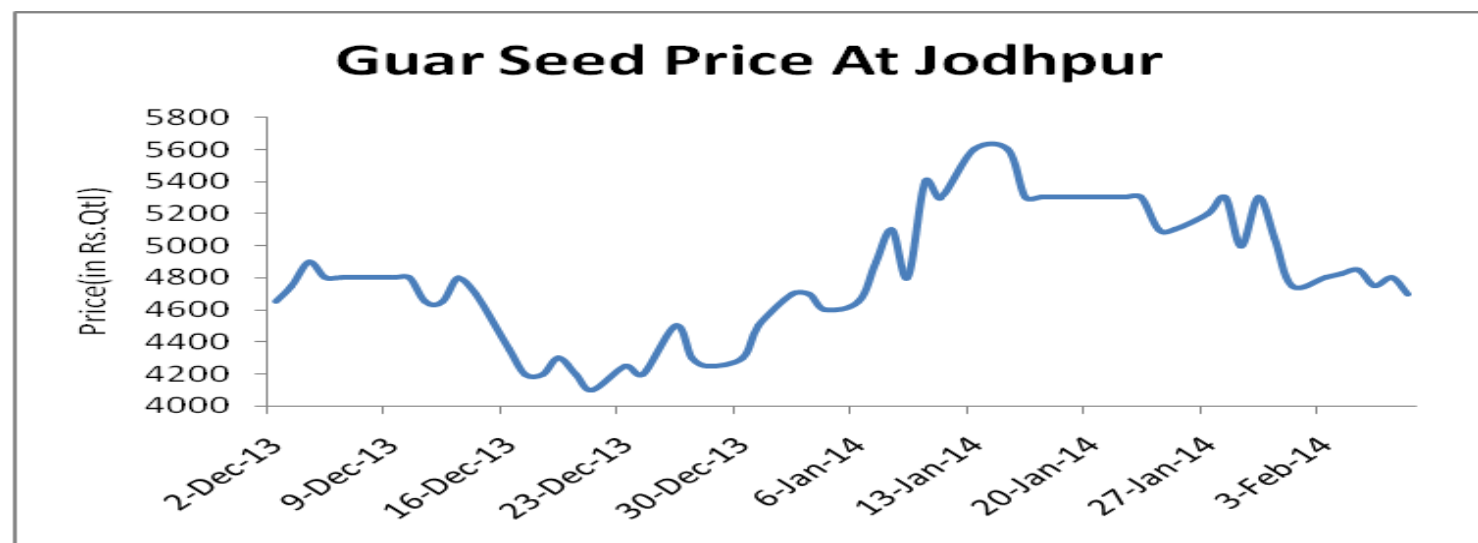
There is a gossip in the market that some stockists have started buying guar at current prices as they haven't able to find any other lucrative commodity at this point of time. It may push guar market slightly up.

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

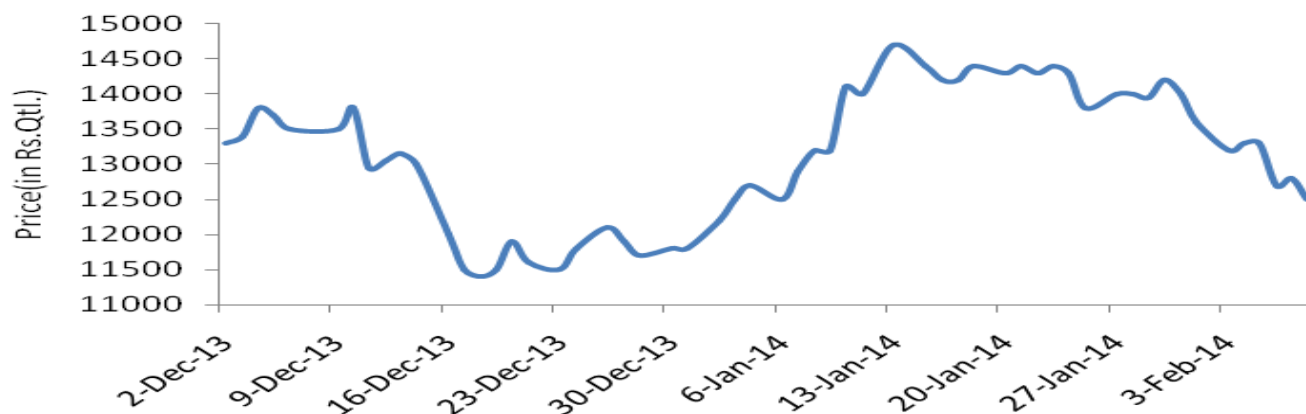
As far as arrivals are concerned, All India arrivals stood at 116766 bags during the week which was 1686300 bags last week.

## Price Scenario

Guar seed weekly average prices improved during the week. In the first week of February, the average price of guar seed down by 5-6% to Rs.4638/Qtl compared to prior week. Also, average guar gum prices move slightly weak last week by 6.04% to Rs.13150/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.

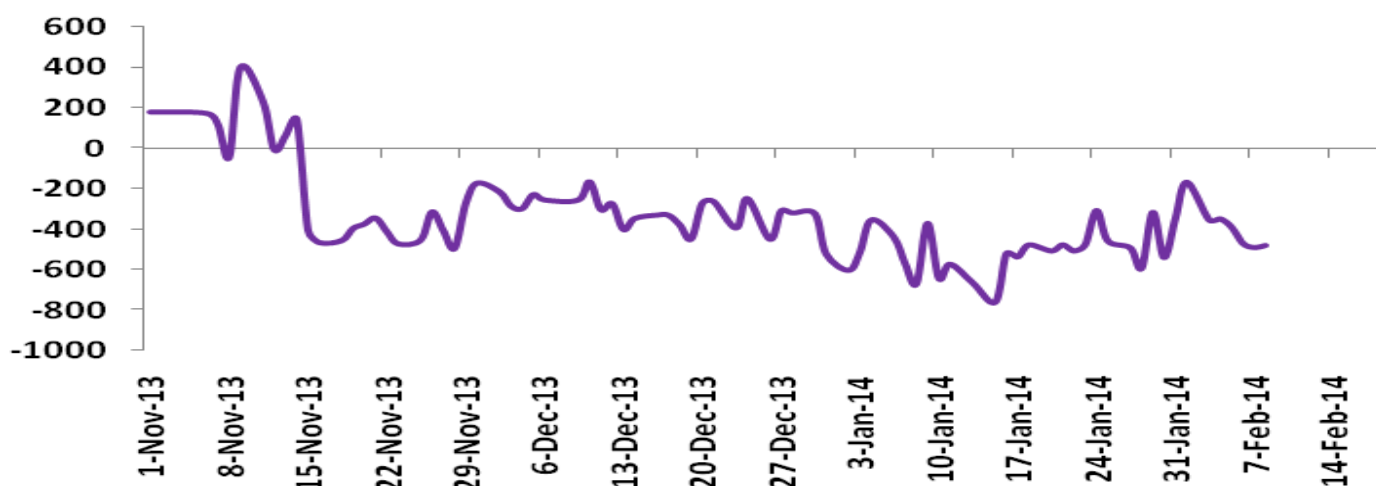


## Guar Gum Price At Jodhpur



## Millers/Processors Margin

### Millers/ Processors Margin (Rs./Qtl.)



As seen in the chart above, the average crushing margin of guar seed declined compared to previous week. In the first week of February 2014, average crush margin stood at Rs.-478/Quintal which was -345 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.

## Export and Import Scenario

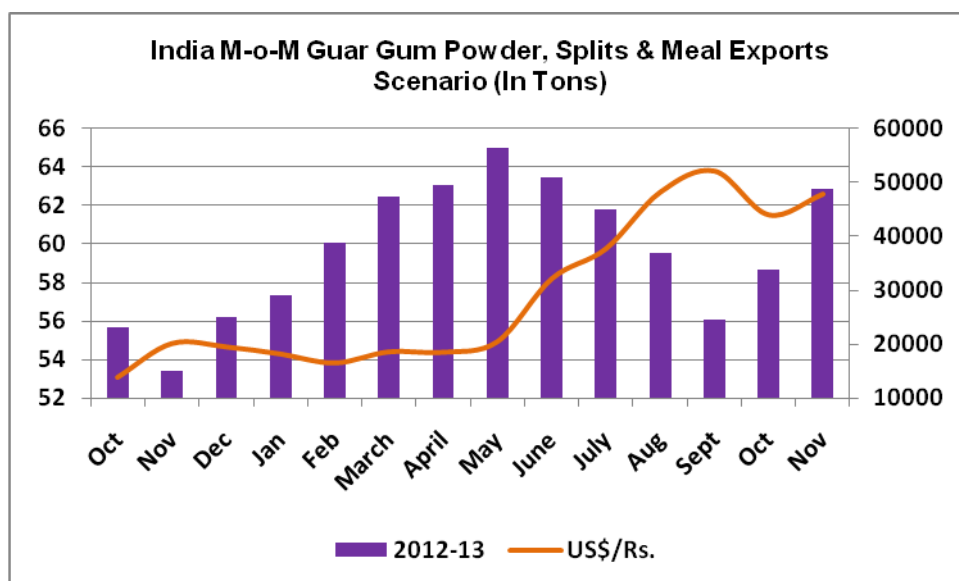
As per data from DGCIS guar gum export from April 2013 to October-2013 is reported 3, 33,175.00 MT which is around 18% lower than same period last year.

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.



### Guar by – Products Weekly Average Prices:

Commodity	Centre	1st-7th Feb14	25th-31th Jan14	Change
Churi	Jodhpur	892	918	-26
Korma	Jodhpur	1267	1308	-41
Churi	Sri-Ganganagar	876	913	-37
Korma	Sri-Ganganagar	1225	1279	-54
Prices in Rs/75kg				

### Guar Export Weekly Average Prices:

Commodity	Variety	1st-7th Feb14	25th-31th Jan14	Change
Guargum Split		2119	2315	-196
Guargum Powder	200 Mesh 5000 CPS	2746	2914	-168
	200 Mesh 3500 CPS	2586	2754	-168
Guargum Meal	40%	287	303	-16
	50%	387	363	24
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
Guar Seeds		1st-7th Feb14	25th-31th Jan14	
Rajasthan	Jodhpur (Loose)	4638	4942	-304
	Jodhpur(Delivery)	4796	5158	-363
	Sri-Ganganagar(Loose)	4670	4926	-256
	Sri-Ganganagar (Delivery)	4850	5100	-250
	Nagaur (Loose)	4519	4783	-264
	Alwar (loose)	4467	4667	-200
	Churu (Delivery)	4833	5133	-300
	Bikaner (Loose)	4703	4905	-203
	Bikaner (Delivery)	4863	5100	-238
	Khajuwala Bikaner (Loose)	4613	4904	-292
	Khajuwala Bikane(Delivery)	4797	5100	-303
	Nokha(Loose)	4588	4896	-308
	Nokha (Delivery)	4753	5072	-318
	Hanumangarh (Loose)	4650	4872	-222
	Hanumangarh (Delivery)	4736	4930	-194
Haryana	Adampur (Loose)	4679	4933	-254
	Adampur (Delivery)	4941	5133	-193
	Sirsa (Loose)	4780	5025	-245
	Bhiwani (Delivery)	4685	5008	-323
	Dhabwali (Loose)	4525	4960	-435
	Dhabwali (Delivery)	4725	5160	-435
	Siwani (Loose)	4696	5029	-333
	Ellanabad (Loose)	4627	4925	-298
Gujarat	Deesa (Loose)	4434	4677	-243
	Patan (Loose)	4493	4643	-150
	Rajkot (Loose)	4617	4803	-186
Madhya pradesh	Dabra (Loose)	4783	5033	-250
Guar Gum				
Rajasthan	Jodhpur	13150	13992	-842
	Alwar	13267	13950	-683
Haryana	Sirsa	12700	13450	-750
	Bhiwani	13333	13667	-333
	Dhabwali	13200	14140	-940
	Ellanabad	13217	14200	-983

Week on Week Price: Scenario of Guarseed and Guargum:					
Commodity	Centre	Today	Week ago	Month ago	Year ago
Guar Seeds		7-Feb-14	31-Jan-14	7-Jan-14	7-Feb-13
Rajasthan	Jodhpur (Loose)	4650	4850	4700	10200

	Jodhpur(Delivery)	4800	5050	4900	10500
	Sri-Ganganagar(Loose)	4600	4850	4600	10300
	Sri-Ganganagar (Delivery)	4800	5000	4750	10500
	Nagaur (Loose)	4550	4700	4350	9850
	Alwar (loose)	4400	4550	4200	10000
	Churu (Delivery)	4700	5100	4600	10500
	Bikaner (Loose)	4790	4850	4550	10100
	Bikaner (Delivery)	4800	5050	4750	10600
	Khajuwala Bikaner (Loose)	4500	4850	4500	NR
	Khajuwala Bikaner(Delivery)	4680	5044	4680	NR
	Nokha(Loose)	4480	4925	4400	10000
	Nokha (Delivery)	4641	5102	4558	10400
	Hanumangarh (Loose)	4550	4860	4700	10000
	Hanumangarh (Delivery)	4600	4950	4750	10400
Haryana	Adampur (Loose)	4600	4900	4700	10500
	Adampur (Delivery)	4725	5100	4900	10750
	Sirsa (Loose)	4600	5000	4600	10200
	Bhiwani (Delivery)	4625	5050	4650	10200
	Dhabwali (Loose)	4450	4800	4700	10100
	Dhabwali (Delivery)	4650	5000	4800	10300
	Siwani (Loose)	4550	5000	4650	NR
	Ellanabad (Loose)	4600	4900	4700	NR
Gujarat	Deesa (Loose)	4440	4750	4250	10090
	Patan (Loose)	4315	4595	4185	10200
	Rajkot (Loose)	4550	4730	4295	10075
Madhya pradesh	Dabra (Loose)	4200	5000	3700	10000
<b>Guar Gum</b>					
Rajasthan	Jodhpur	12800	14000	12900	31500
	Alwar	12900	14000	13000	32000
Haryana	Sirsa	12000	13200	12500	37000
	Bhiwani	12900	13800	12900	32000
	Dhabwali	12800	14100	13000	31000
	Ellanabad	13000	14200	13000	NR

**Guar Cumulative Arrivals in Key Centers**

Centre	Weekly Arrivals (Quintals)			Change
		1st-7th Feb14	25th-31th Jan14	
Rajasthan	Jodhpur	15200	20000	<b>-4800</b>
	Sri-Ganganagar	15500	24000	<b>-8500</b>
	Nagaur	500	2000	<b>-1500</b>
	Alwar	4200	10000	<b>-5800</b>
	Churu	3100	9200	<b>-6100</b>

	Bikaner	9000	6700	2300
	Khajuwala Bikaner	5000	8900	-3900
	Nokha	3000	3300	-300
	Hanumangarh	3510	3300	210
Haryana	Adampur	20000	30500	-10500
	Sirsa	9500	12000	-2500
	Bhiwani	3500	2700	800
	Dhabwali	1000	2200	-1200
	Siwani	7500	9000	-1500
	Ellanabad	5500	11200	-5700
Gujarat	Deesa	1408	4399	-2991
	Patan (Loose)	1633	2771	-1138
	Rajkot	4715	3060	1655
Madhya pradesh	Dabra	3000	3400	-400
Total Arrival		116766	168630	-51864

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