

## Domestic Market Recap:

- Instead of higher arrival guar seed price ruled higher in major key markets.
- Prices of guar seed likely to test 4600-5200 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 3-4% 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 carryover 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.

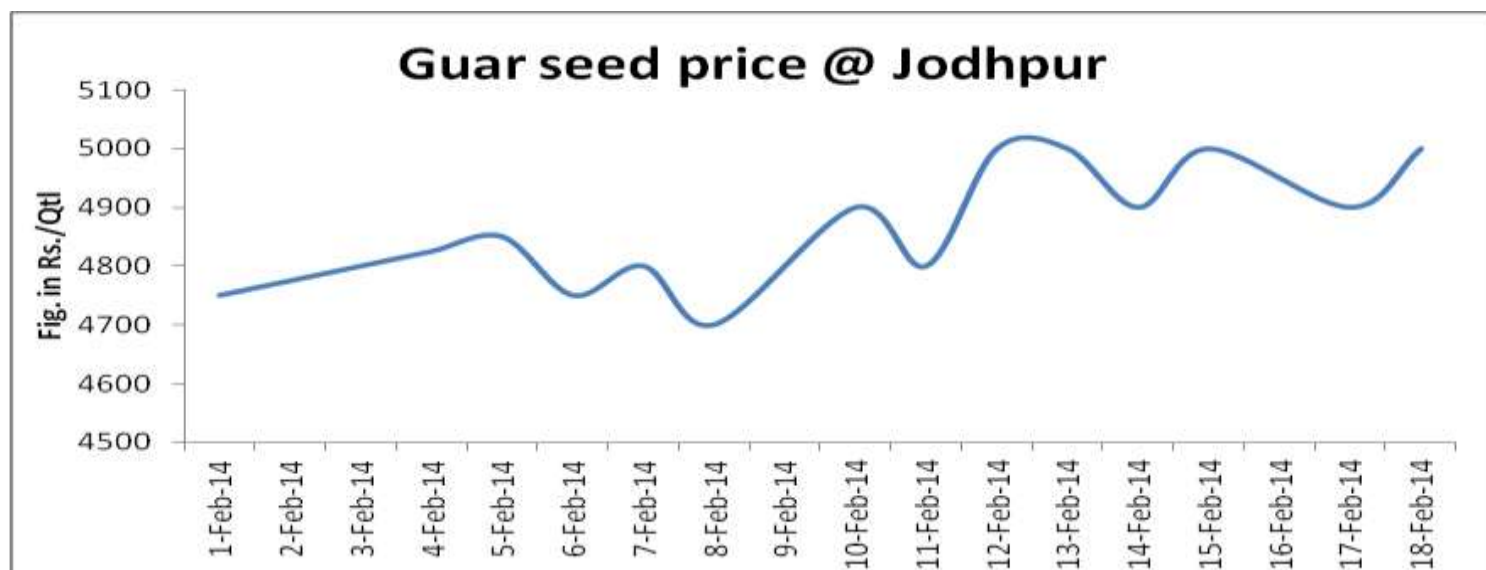
There is a gossip in the market that some stockists have started buying guar at current prices as they haven't able to find any other lucrative commodity at this point of time. It may push guar market slightly up.

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

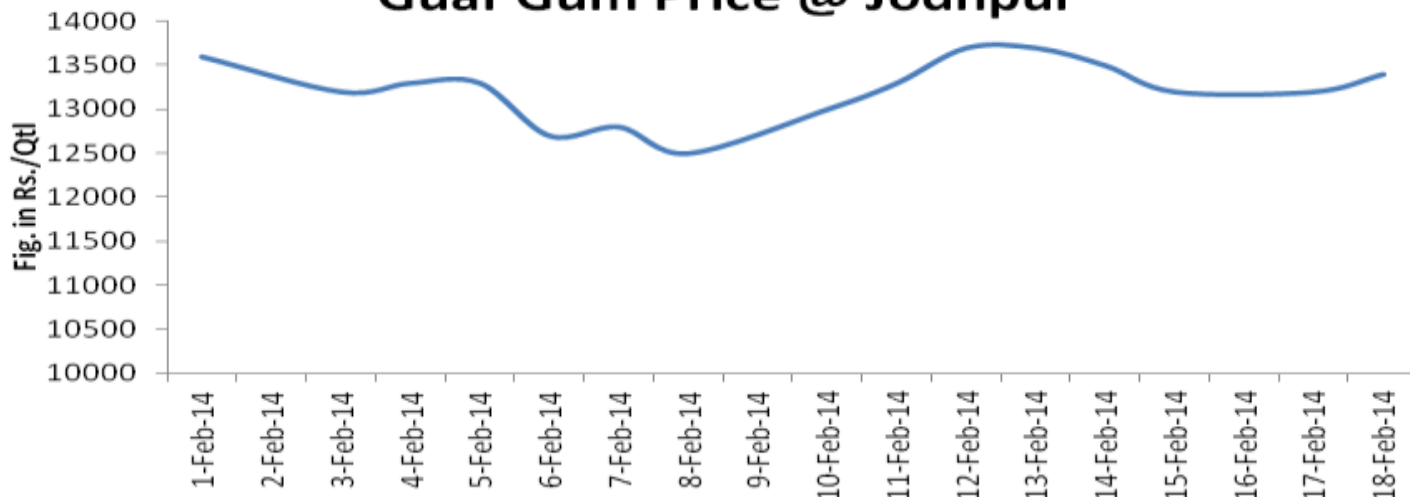
As far as arrivals are concerned, All India arrivals stood at 116766 bags during the week which was 1686300 bags last week.

## Price Scenario

Guar seed weekly average prices improved during the week. In the second week of February, the average price of guar seed up by 3-4% to Rs.4883/Qtl compared to prior week. Also, average guar gum prices move slightly up by last week by 1.63% to Rs.13271/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.

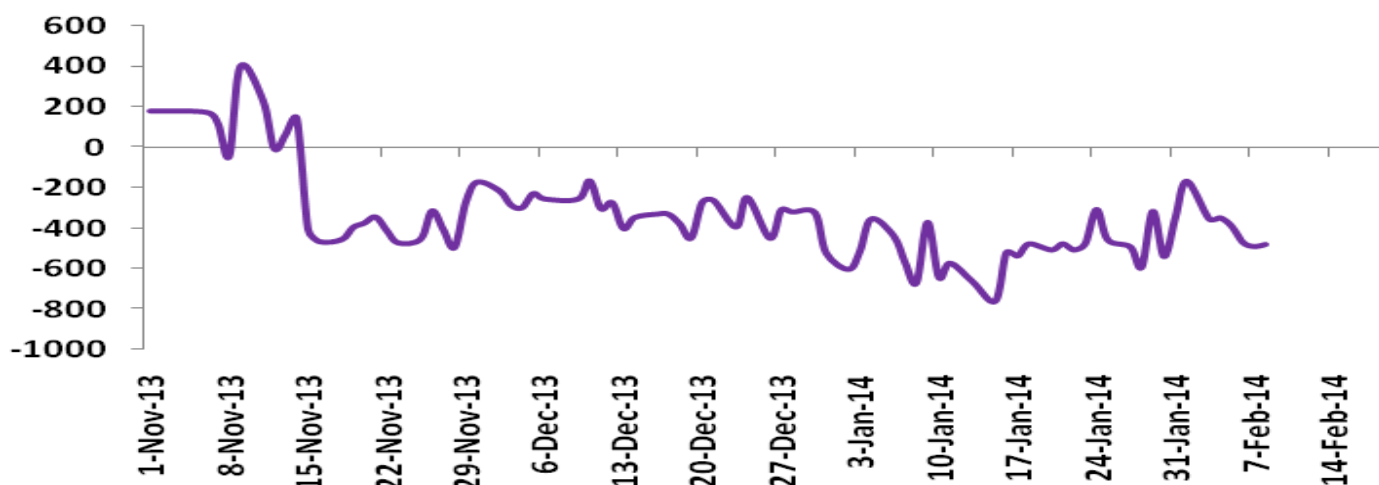


## Guar Gum Price @ Jodhpur



## 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

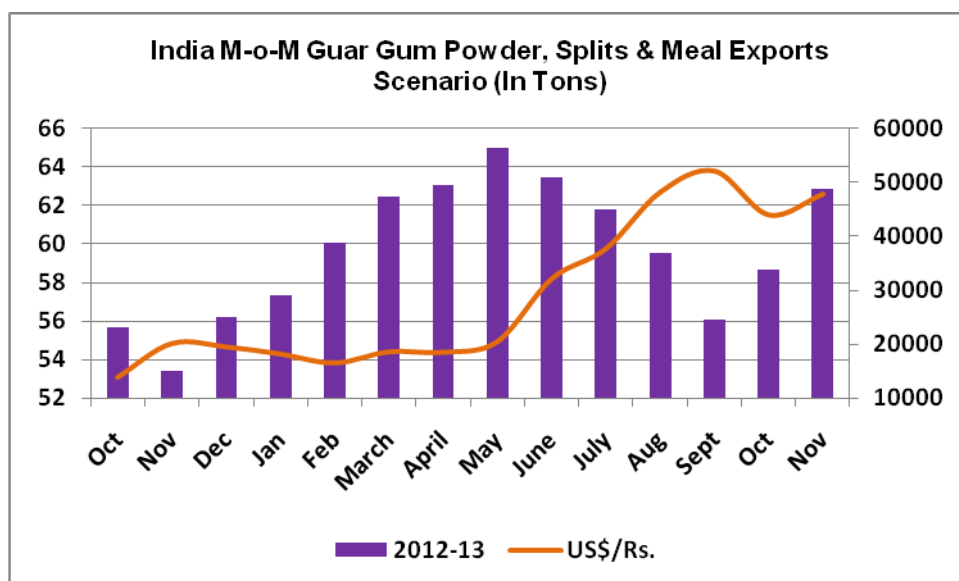
As per data from DGCIS guar gum export from April 2013 to October-2013 is reported 3, 33,175.00 MT which is around 18% lower than same period last year.

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	8tht-14th Feb14	1st-7th Feb14	Change
Churi	Jodhpur	917	892	25
Korma	Jodhpur	1283	1267	16
Churi	Sri-Ganganagar	853	876	-23
Korma	Sri-Ganganagar	1238	1225	13
Prices in Rs/75kg				

### Guar Export Weekly Average Prices:

Commodity	Variety	8tht-14th Feb14	1st-7th Feb14	Change
Guargum Split		2196	2315	-119
Guargum Powder	200 Mesh 5000 CPS	2839	2914	-75
	200 Mesh 3500 CPS	2678	2754	-76
Guargum Meal	40%	287	303	-16
	50%	370	363	7
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	8tht-14th Feb14	1st-7th Feb14	

Rajasthan	Jodhpur (Loose)	4692	4638	54
	Jodhpur(Delivery)	4883	4796	88
	Sri-Ganganagar(Loose)	4767	4670	97
	Sri-Ganganagar (Delivery)	4883	4850	33
	Nagaur (Loose)	4667	4519	148
	Alwar (loose)	4367	4467	-100
	Churu (Delivery)	4917	4833	83
	Bikaner (Loose)	4763	4703	60
	Bikaner (Delivery)	4954	4863	92
	Khajuwala Bikaner (Loose)	4763	4613	151
	Khajuwala Bikane(Delivery)	4954	4797	157
	Nokha(Loose)	4708	4588	120
	Nokha (Delivery)	4878	4753	125
	Hanumangarh (Loose)	4740	4650	90
	Hanumangarh (Delivery)	4850	4736	114
Haryana	Adampur (Loose)	4750	4679	71
	Adampur (Delivery)	4925	4941	-16
	Sirsa (Loose)	4800	4780	20
	Bhiwani (Delivery)	4812	4685	127
	Dhabwali (Loose)	4758	4525	233
	Dhabwali (Delivery)	4947	4725	222
	Siwani (Loose)	4900	4696	204
	Ellanabad (Loose)	4777	4627	150
Gujarat	Deesa (Loose)	4463	4434	29
	Patan (Loose)	4446	4493	-47
	Rajkot (Loose)	4578	4617	-39
Madhya pradesh	Dabra (Loose)	4050	4783	-733
Guar Gum				
Rajasthan	Jodhpur	13283	13150	133
	Alwar	13317	13267	50
Haryana	Sirsa	12925	12700	225
	Bhiwani	13142	13333	-192
	Dhabwali	13533	13200	333
	Ellanabad	13650	13217	433

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	14-Feb-14	7-Feb-14	14-Jan-14	14-Feb-13
Rajasthan	Jodhpur (Loose)	4700	4650	Closed	9700
	Jodhpur(Delivery)	4900	4800	Closed	10400
	Sri-Ganganagar(Loose)	4900	4600	Closed	9800

	Sri-Ganganagar (Delivery)	5000	4800	Closed	10100
	Nagaur (Loose)	4700	4550	5100	9000
	Alwar (loose)	4400	4400	Closed	8700
	Churu (Delivery)	5000	4700	Closed	9100
	Bikaner (Loose)	4750	4790	5250	9800
	Bikaner (Delivery)	4950	4800	5350	10200
	Khajuwala Bikaner (Loose)	4750	4500	5320	NR
	Khajuwala Bikaner (Delivery)	4940	4680	5533	NR
	Nokha (Loose)	4800	4480	Closed	9800
	Nokha (Delivery)	4973	4641	Closed	10200
	Hanumangarh (Loose)	4800	4550	5450	9800
	Hanumangarh (Delivery)	4900	4600	5500	10200
<b>Haryana</b>	Adampur (Loose)	4800	4600	5200	10000
	Adampur (Delivery)	5000	4725	5400	10200
	Sirsa (Loose)	4900	4600	5500	9000
	Bhiwani (Delivery)	4950	4625	5300	9850
	Dhabwali (Loose)	4800	4450	NR	10000
	Dhabwali (Delivery)	5000	4650	NR	10200
	Siwani (Loose)	4900	4550	5200	NR
	Ellanabad (Loose)	4800	4600	5385	NR
<b>Gujarat</b>	Deesa (Loose)	Closed	4440	Closed	9500
	Patan (Loose)	4490	4315	Closed	9275
	Rajkot (Loose)	4675	4550	Closed	9100
<b>Madhya pradesh</b>	Dabra (Loose)	Closed	4200	Closed	9300
<b>Guar Gum</b>					
<b>Rajasthan</b>	Jodhpur	13500	12800	Closed	30000
	Alwar	13500	12900	Closed	29000
<b>Haryana</b>	Sirsa	13500	12000	14500	34000
	Bhiwani	13500	12900	14850	29200
	Dhabwali	13500	12800	NR	30000
	Ellanabad	13700	13000	14400	NR

**Guar Cumulative Arrivals in Key Centers**

Centre	Weekly Arrivals (Quintals)			Change
		8th-14th Feb14	1st-7th Feb14	
<b>Rajasthan</b>	Jodhpur	2100	15200	<b>-13100</b>
	Sri-Ganganagar	11000	15500	<b>-4500</b>
	Nagaur	1700	500	<b>1200</b>
	Alwar	7000	4200	<b>2800</b>
	Churu	4700	3100	<b>1600</b>
	Bikaner	10900	9000	<b>1900</b>

	Khajuwala Bikaner	6100	5000	1100
	Nokha	2700	3000	-300
	Hanumangarh	3600	3510	90
Haryana	Adampur	25500	20000	5500
	Sirsa	11700	9500	2200
	Bhiwani	5570	3500	2070
	Dhabwali	2500	1000	1500
	Siwani	8500	7500	1000
	Ellanabad	6000	5500	500
Gujarat	Deesa	4203	1408	2795
	Patan (Loose)	1912	1633	279
	Rajkot	2100	4715	-2615
Madhya pradesh	Dabra	3200	3000	200
<b>Total Arrival</b>		<b>120985</b>	<b>116766</b>	<b>4219</b>

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for a without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2014 Indian Agribusiness Systems Pvt Ltd.