

**Domestic Market Recap:**

- Guar seed and gum prices declined last week compared to prior week despite of decrease in arrivals. However, overall prices of guar remained trading in a range from last couple of weeks.
- Despite of higher guar stocks in the market, prices of guar remained stable due to stockists buying at lower levels as reported.
- It is notable that Ruchi soy and Hindustan Guar gum is most active in procuring guar stocks at present from various mandis. Any export enquiry from China or US would give the guar (seed, gum and split) prices support.
- Meanwhile, the big traders and farmers who have invested their own money (and money taken on interest) are not willing to release their guar stocks in the open market at present rates.

**Current Market Dynamics**

Guar prices are presently moving in a short trading range with weak tone.

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, Jodhpur market arrivals stood at 1510 bags during last week which was 1440 bags last week.

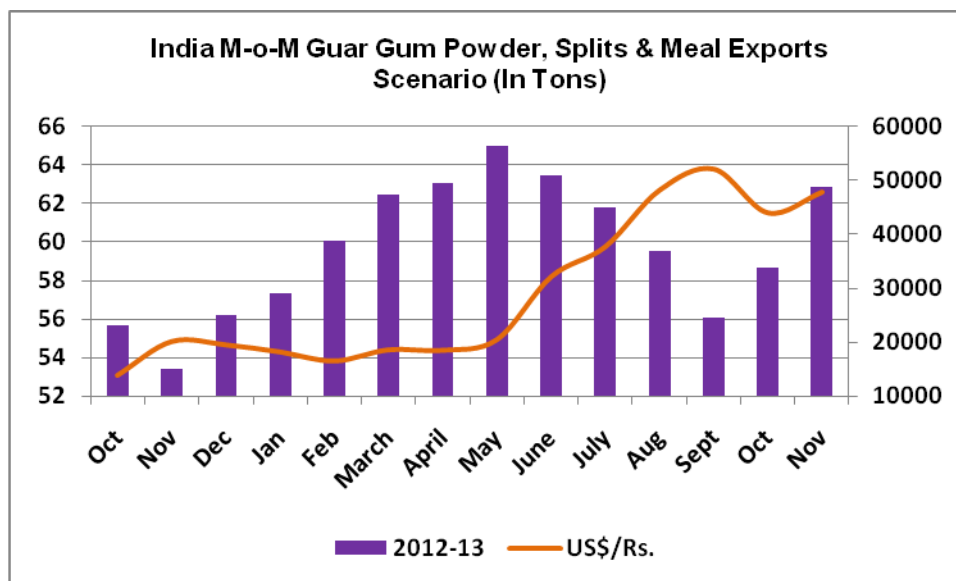
**Export and Import Scenario**

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.

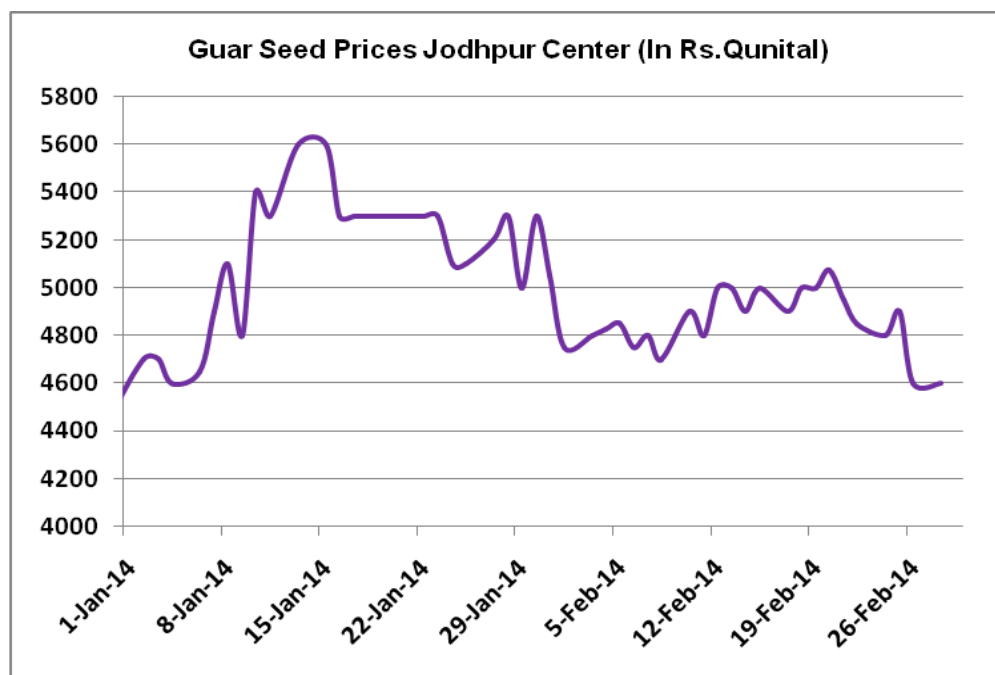
**Demand Side of Guar and Guar Gum:**

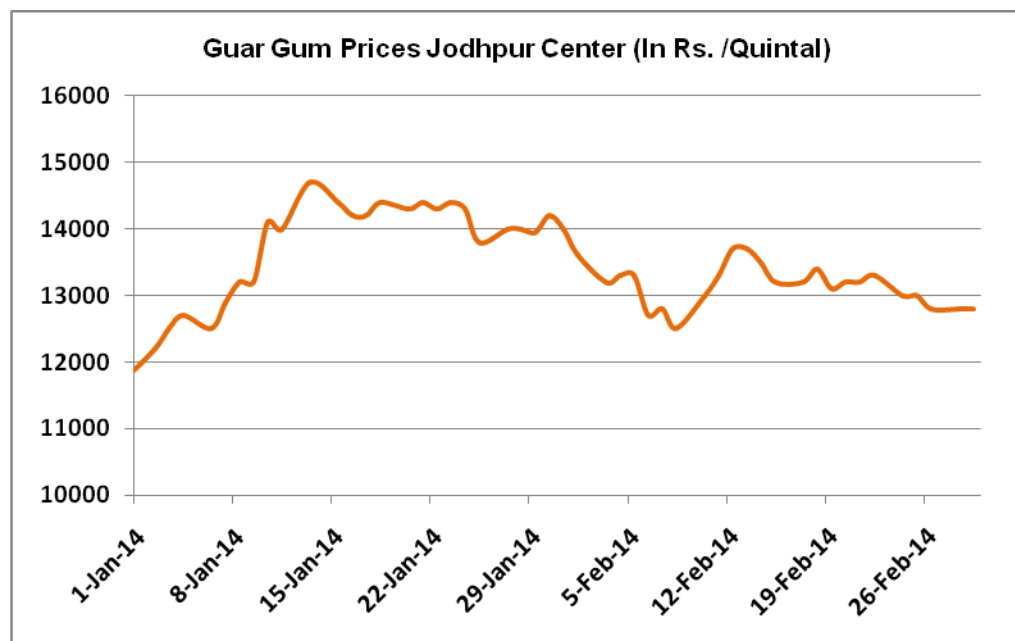
It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of Summer crop led the prices downwards.



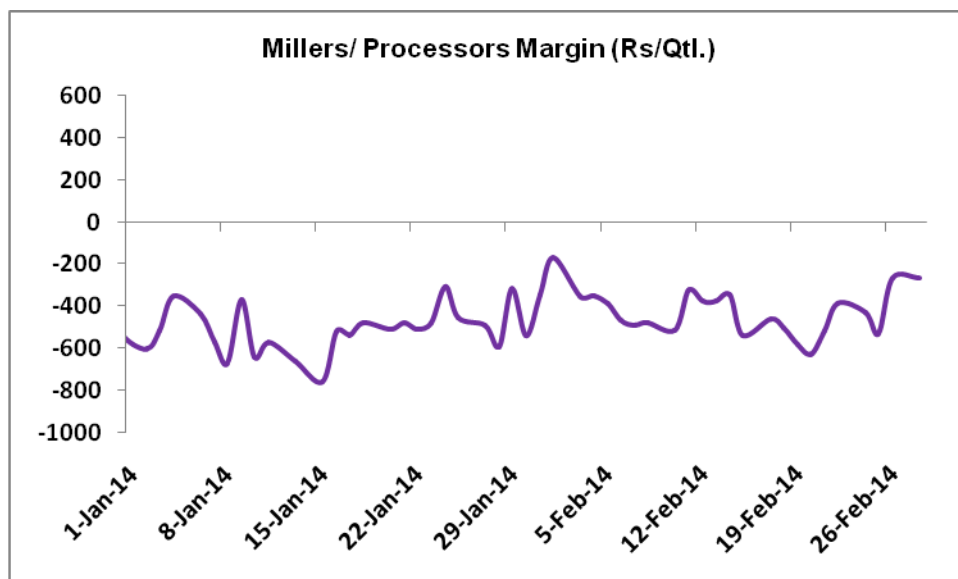
### Price Scenario

Guar seed and Gum weekly average prices declined during the week. In the last week of February, the average price of guar seed declined by 5% to Rs.4750/Qtl compared to prior week. Also, guar gum prices declined last week by 2% to Rs.12980/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 improved compared to previous week. In the last week of February 2014, average crush margin stood at Rs. -373.5/Quintal which was -537 per quintal last week. Increase in Churi and korma prices led the margin up this week.

**Guar by – Products Weekly Average Prices:**

Commodity	Centre	22th-28th Feb14	14th-21st Feb14	Change
Churi	Jodhpur	895	902	-7
Korma	Jodhpur	1260	1266	-6
Churi	Sri-Ganganagar	862	856	6
Korma	Sri-Ganganagar	1240	1237	3
Prices in Rs/75kg				

**Guar Export Weekly Average Prices:**

Commodity	Variety	22th-28th Feb14	14th-21st Feb14	Change
Guargum Split		2122	2172	-50
Guargum Powder	200 Mesh 5000 CPS	2766	2815	-49
	200 Mesh 3500 CPS	2605	2654	-49
Guargum Meal	40%	280	280	Unch
	50%	367	380	-13
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	22th-28th Feb14	14th-21st Feb14	
Rajasthan	Jodhpur (Loose)	4570	4787	-217
	Jodhpur(Delivery)	4750	4987	-237
	Sri-Ganganagar(Loose)	4575	4675	-100
	Sri-Ganganagar (Delivery)	4660	4808	-148
	Nagaur (Loose)	4470	4600	-130
	Alwar (loose)	4280	4397	-117
	Churu (Delivery)	4820	5033	-213
	Bikaner (Loose)	4560	4663	-103
	Bikaner (Delivery)	4730	4875	-145
	Khajuwala Bikaner (Loose)	4542	4620	-78
	Khajuwala Bikaner(Delivery)	4724	4805	-81
	Nokha(Loose)	4543	4654	-111
	Nokha (Delivery)	4685	4821	-136
	Hanumangarh (Loose)	4562	4629	-67
	Hanumangarh (Delivery)	4712	4800	-88

Haryana	Adampur (Loose)	4603	4662	-59
	Adampur (Delivery)	4803	4845	-42
	Sirsa (Loose)	4775	4880	-105
	Bhiwani (Delivery)	4671	4754	-83
	Dhabwali (Loose)	4450	4655	-205
	Dhabwali (Delivery)	4610	4835	-225
	Siwani (Loose)	4650	4775	-125
	Ellanabad (Loose)	4567	4675	-108
Gujarat	Deesa (Loose)	4476	4524	-48
	Patan (Loose)	4335	4457	-122
	Rajkot (Loose)	4401	4450	-49
Madhya pradesh	Dabra (Loose)	4160	4067	93
Guar Gum				
Rajasthan	Jodhpur	12980	13217	-237
	Alwar	13200	13716	-516
Haryana	Sirsa	12975	13120	-145
	Bhiwani	12840	13183	-343
	Dhabwali	12920	13470	-550
	Ellanabad	13040	13333	-293

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

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	28-Feb-14	21-Feb-14	28-Jan-14	28-02-13
Rajasthan	Jodhpur (Loose)	4450	4750	5100	10000
	Jodhpur(Delivery)	4600	4950	5300	10500
	Sri-Ganganagar(Loose)	4550	4650	5000	10200
	Sri-Ganganagar (Delivery)	4625	4725	5150	9800
	Nagaur (Loose)	4400	4650	4900	10100
	Alwar (loose)	4150	4550	4850	9500
	Churu (Delivery)	4800	5200	5300	10000
	Bikaner (Loose)	4500	4650	4900	10300
	Bikaner (Delivery)	4600	4900	5100	10000
	Khajuwala Bikaner (Loose)	4470	4550	4970	-
	Khajuwala Bikane(Delivery)	4649	4732	5169	-
	Nokha(Loose)	4450	4650	4900	10360
	Nokha (Delivery)	4610	4817	5076	10000
	Hanumangarh (Loose)	4700	4700	4950	10200
	Hanumangarh (Delivery)	4800	4750	5000	9900

Haryana	Adampur (Loose)	4500	4625	5000	10200
	Adampur (Delivery)	4700	4825	5200	-
	Sirsa (Loose)	-	-	5100	10500
	Bhiwani (Delivery)	4600	4725	5000	10000
	Dhabwali (Loose)	4350	4500	5100	-
	Dhabwali (Delivery)	4550	4600	5300	10000
	Siwani (Loose)	4550	4775	5000	-
	Ellanabad (Loose)	4535	4620	4950	-
Gujarat	Deesa (Loose)	4440	4485	4675	10055
	Patan (Loose)	4230	4485	4695	10150
	Rajkot (Loose)	4550	4355	4980	9900
Madhya pradesh	Dabra (Loose)	4200	4200	5000	10000
Guar Gum					
Rajasthan	Jodhpur	12800	13200	14000	30000
	Alwar	13000	13900	14200	30000
Haryana	Sirsa	-	-	14000	38000
	Bhiwani	12700	12750	13700	30300
	Dhabwali	12700	13300	14200	29000
	Ellanabad	13000	13300	14300	-

### Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		22th-28th Feb14	14th-21st Feb14	
Rajasthan	Jodhpur	1510	1440	70
	Sri-Ganganagar	10500	14500	-4000
	Nagaur	900	1550	-650
	Alwar	5300	7500	-2200
	Churu	1600	1900	-300
	Bikaner	8000	10000	-2000
	Khajuwala Bikaner	4700	7400	-2700
	Nokha	1500	1500	Unch
	Hanumangarh	2750	5500	-2750
Haryana	Adampur	23000	24500	-1500
	Sirsa	10000	14000	-4000
	Bhiwani	4100	5300	-1200
	Dhabwali	1600	2500	-900
	Siwani	10000	10000	Unch

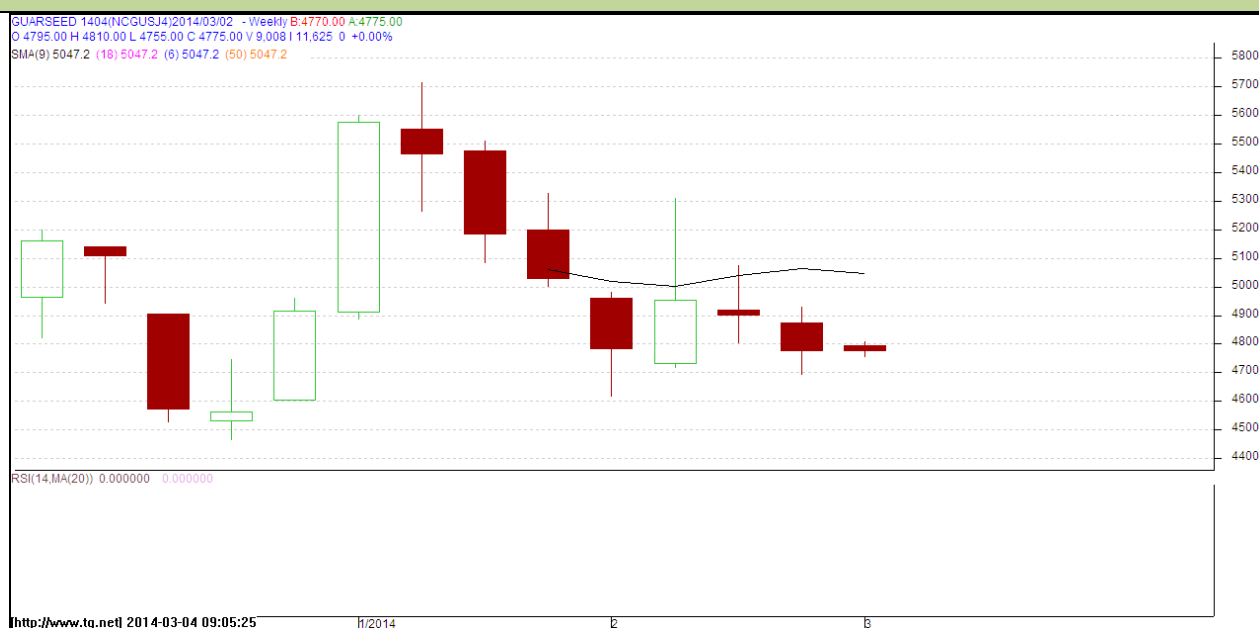


	Ellanabad	7300	8100	<b>-800</b>
Gujarat	Deesa	1929	3502	<b>-1573</b>
	Patan (Loose)	1216	1313	<b>-97</b>
	Rajkot	4150	4780	<b>-630</b>
Madhya pradesh	Dabra	7000	7200	<b>-200</b>
Total Arrival		105370	132485	<b>-27115</b>

Commodity: Guar Seed  
Contract: April

Exchange: NCDEX  
Expiry: Apr 20, 2013

### Guar Seed (Weekly April 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.

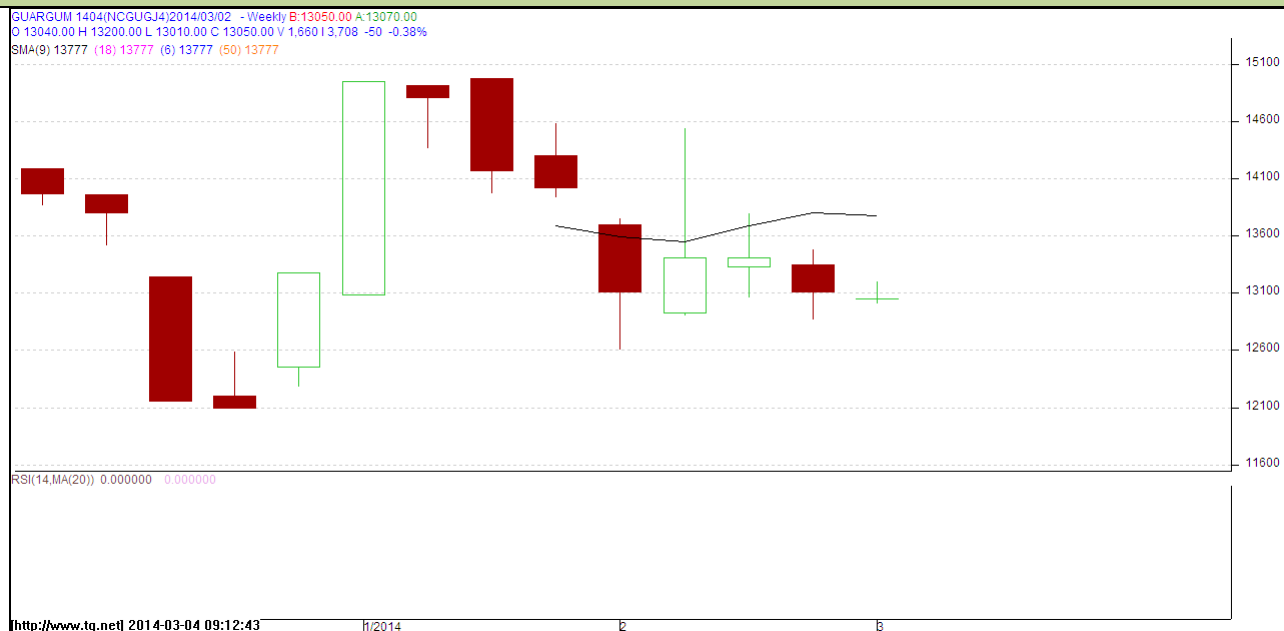
### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Apr	4185	4350	4775	4960	5045
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Apr	<b>Sell</b>	Below 4800	4650	4580	4890

Commodity: Guar Gum  
Contract: April

Exchange: NCDEX  
Expiry: Apr 20, 2013

## Guar Gum (April 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 from support level.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Apr	11850	12600	13100	13340	13570
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr	<b>Sell</b>	Below 13100	12800	12650	13280



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



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

Guar seed prices moving downwards and likely to test Rs 4500 level in the coming week for Jodhpur market as expected.



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

Prices of guar gum declined after having upward correction and now heading towards its next support level i.e. 12000

**Prices are likely to move towards Rs.12000/Qtl levels in the short –term.**

### Spot Market Outlook:

Prices of guar seed are moving in a range with weak tone during last couple of weeks. Stockists are trying to drag the markets down in order to build the guar stocks at lower levels. However, arrivals are not picking up as farmers are also don't want to offload their guar stocks at lower rates. We expect prices of guar seed would dip further in the coming week.



### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, 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, an offer to 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 any purpose 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.asp>

© 2013 Indian Agribusiness Systems Pvt Ltd.