

Domestic Market Recap:

- Guar prices are moving in a consolidation phase with firm tone last week. Lower arrivals in key spot markets compared to last week support the guar prices upto certain extent.
- Farmers in US have allege that West Texas Guar haven't paid anything for their 2013 guar crop. This incident could discourage farmers of US to plant guar for the next season and hurt the program of experimenting guar planting in US.
- Overall prices sentiments of guar remained down in spot markets for coming weeks. Stockiest are creating artificial panic in the market in order to increase the guar arrivals from farmers in the market. This move gives clear indication that stockiest are trying to build their guar stocks at lower levels as expected.
- Prices of guar seed likely to test Rs. 4000 per quintal in the coming period.
- 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.

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 1100 bags during last week which was 1550 bags last week.

Export and Import Scenario

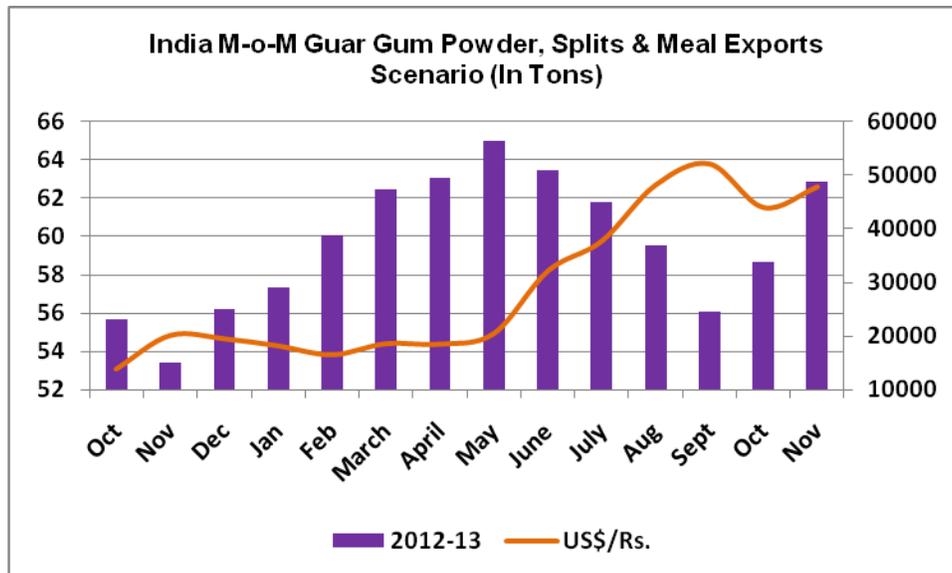
Presently, export demand from US and China remained consistent but not going to increase by huge volume as US has already huge stocks in Houston as reported.

In addition to it, recent incident in west texas guar, US farmers discourage to plant guar for the coming year as they haven't got the payments for 2013 guar crop from the company. This also indicates that guar demand from overseas are not looking pretty much lucrative at present.

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.

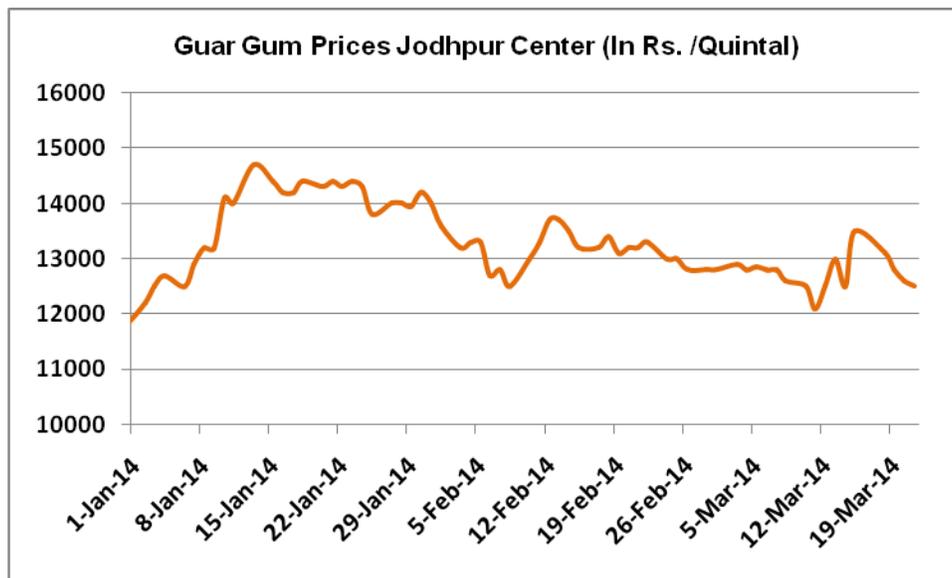
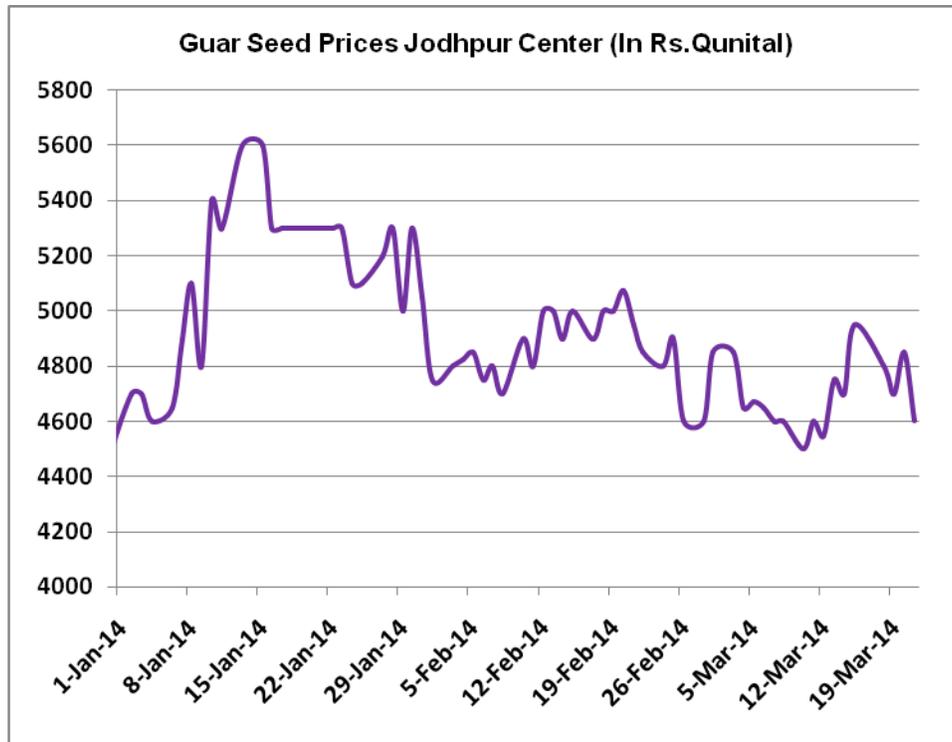
Demand Side of Guar and Guar Gum:

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

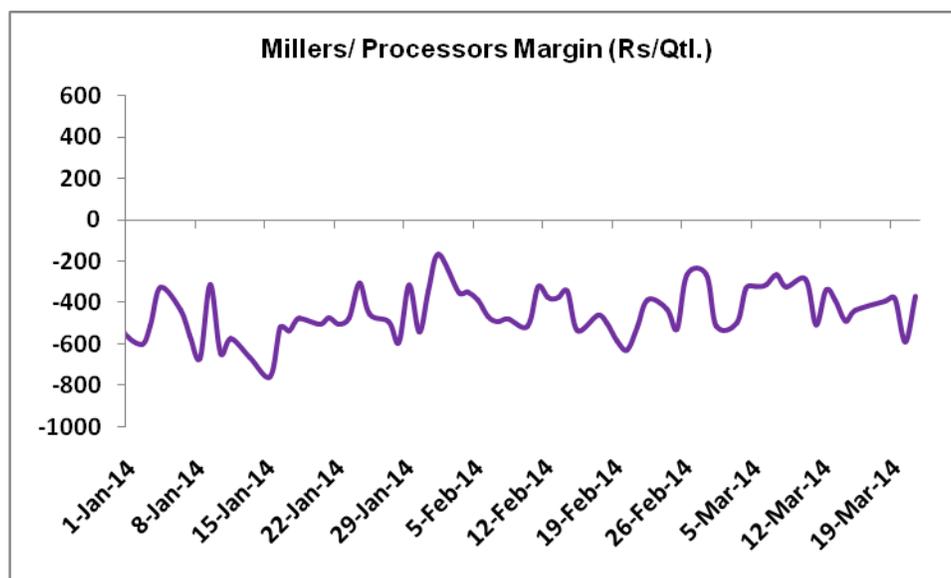


Price Scenario

Guar seed and Gum weekly average prices improved during the week. In the third week of March, the average price of guar seed improved by 4% to Rs.4780/Qtl compared to prior week. Also, guar gum prices improved last week by 3% to Rs.12900/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 third week of March 2014, average crush margin stood at Rs. -433.8/Quintal which was -388 per quintal last week. Decrease in Churi and korma prices and higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	15th-21th Mar14	8th-14th Mar14	Change
Churi	Jodhpur	890	858	32
Korma	Jodhpur	1250	1258	-8
Churi	Sri-Ganganagar	845	829	16
Korma	Sri-Ganganagar	1200	1208	-8
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	15th-21th Mar14	8th-14th Mar14	Change
Guargum Split		2112	2060	52
Guargum Powder	200 Mesh 5000 CPS	2766	2769	-3
	200 Mesh 3500 CPS	2603	2605	-2
Guargum Meal	40%	260	263	-3
	50%	360	360	Unch
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
		15th-21th Mar14	8th-14th Mar14	
	Guar Seeds			
Rajasthan	Jodhpur (Loose)	4540	4390	150
	Jodhpur(Delivery)	4780	4620	160
	Sri-Ganganagar(Loose)	4470	4325	145
	Sri-Ganganagar (Delivery)	4600	4465	135
	Nagaur (Loose)	4275	4140	135
	Alwar (loose)	4233	4080	153
	Churu (Delivery)	4833	4600	233
	Bikaner (Loose)	4513	4401	112
	Bikaner (Delivery)	4663	4490	173
	Khajuwala Bikaner (Loose)	4459	4292	167
	Khajuwala Bikane(Delivery)	4637	4464	173
	Nokha(Loose)	4460	4314	146
	Nokha (Delivery)	4620	4469	151
	Hanumangarh (Loose)	4505	4325	180
	Hanumangarh (Delivery)	4625	4505	120
Haryana	Adampur (Loose)	4475	4405	70
	Adampur (Delivery)	4650	4600	50
	Sirsa (Loose)	4610	4565	45
	Bhiwani (Delivery)	4595	4410	185
	Dhabwali (Loose)	4489	4328	161
	Dhabwali (Delivery)	4677	4518	159
	Siwani (Loose)	4610	4420	190
	Ellanabad (Loose)	4456	4366	90
Gujarat	Deesa (Loose)	4065	4044	21
	Patan (Loose)	4240	4167	73
	Rajkot (Loose)	4083	4008	75
Madhya pradesh	Dabra (Loose)	3800	3860	-60
	Guar Gum			
Rajasthan	Jodhpur	12900	12520	380
	Alwar	13000	12200	800
Haryana	Sirsa	12400	12140	260
	Bhiwani	13000	12380	620
	Dhabwali	12880	12240	640
	Ellanabad	12880	12360	520

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	21-Mar-14	14-Mar-14	21-Feb-14	21-Mar-13
Rajasthan	Jodhpur (Loose)	4300	4500	4750	9700
	Jodhpur(Delivery)	4600	4700	4950	10300
	Sri-Ganganagar(Loose)	4350	4375	4650	9500
	Sri-Ganganagar (Delivery)	4450	4575	4725	9800
	Nagaur (Loose)	4200	4200	4650	9500
	Alwar (loose)	NR	4100	4550	9500
	Churu (Delivery)	NR	4700	5200	9000
	Bikaner (Loose)	4450	4475	4650	9950
	Bikaner (Delivery)	4600	4550	4900	10300
	Khajuwala Bikaner (Loose)	4340	4330	4550	NR
	Khajuwala Bikane(Delivery)	4514	4503	4732	NR
	Nokha(Loose)	4400	4380	4650	9700
	Nokha (Delivery)	4558	4538	4817	10100
	Hanumangarh (Loose)	4400	4340	4700	9825
Hanumangarh (Delivery)	4450	4540	4750	10100	
Haryana	Adampur (Loose)	4400	4450	4625	9800
	Adampur (Delivery)	4550	4650	4825	10050
	Sirsa (Loose)	4600	4425	NR	9800
	Bhiwani (Delivery)	4500	4450	4725	30300
	Dhabwali (Loose)	4450	4350	4500	9300
	Dhabwali (Delivery)	4650	4550	4600	9500
	Siwani (Loose)	4550	4475	4775	NR
	Ellanabad (Loose)	4300	4400	4620	NR
Gujarat	Deesa (Loose)	Closed	4105	4485	9475
	Patan (Loose)	4210	4325	4485	9250
	Rajkot (Loose)	4175	4105	4355	9250
Madhya pradesh	Dabra (Loose)	3800	3800	4200	8800
Guar Gum					
Rajasthan	Jodhpur	12500	12500	13200	29700
	Alwar	NR	12500	13900	29500
Haryana	Sirsa	12000	12000	NR	30300
	Bhiwani	12600	12700	12750	29300
	Dhabwali	12700	12500	13300	28700
	Ellanabad	12700	12500	13300	NR

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)		Change	
		15th-21th Mar14		8th-14th Mar14
Rajasthan	Jodhpur	1100	1400	-300
	Sri-Ganganagar	13000	14500	-1500
	Nagaur	260	550	-290
	Alwar	2800	3500	-700
	Churu	900	1200	-300
	Bikaner	3800	4700	-900
	Khajuwala Bikaner	4000	4600	-600
	Nokha	1050	1550	-500
	Hanumangarh	4200	3900	300
Haryana	Adampur	23500	21000	2500
	Sirsa	13000	21000	-8000
	Bhiwani	3700	2200	1500
	Dhabwali	2650	1850	800
	Siwani	10000	7500	2500
	Ellanabad	6500	8700	-2200
Gujarat	Deesa	440	731	-291
	Patan (Loose)	656	782	-126
	Rajkot	1602	2043	-441
Madhya pradesh	Dabra	5000	9000	-4000
Total Arrival		98158	110706	-12548

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
- Selling should occur from higher levels which would take the prices down further.
- RSI is moving towards oversold from neutral region.

Strategy: Sell from resistance levels.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	Apr	4260	4355	4695	4910	5140
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Apr	Sell	Below 4700	4550	4480	4790

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	11350	11650	12650	12950	13450
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr	Sell	Below 12800	12400	12200	13040

Spot Market Technical Analysis of Guar seed & Guar gum

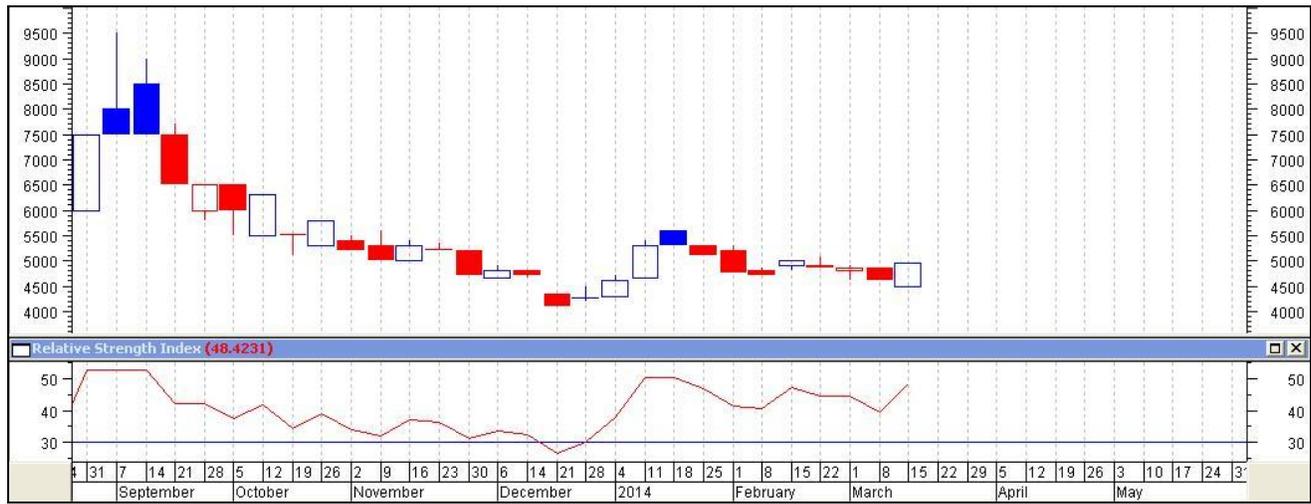


Fig-1 – Guar Seed Weekly Spot Prices (Jodhpur)

Guar seed prices moving upwards and likely to test Rs 4000 level in the coming week for Jodhpur market as expected. It is notable that still trend is down as chart depicts.



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

Prices of guar gum surge last week due to lower arrivals and hovering at pretty crucial level. Breach of Rs 13700 level by upwards could change the trend. However, still prices are hovering in a downtrend.

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

Spot Market Outlook:

Prices of guar seed currently moving in a range from last several weeks. Lower arrivals and buying of guar seed at lower levels by stockists unable to give prices a certain direction. We expect prices to move in a range in the coming week.

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