

## Domestic Market Recap:

- Guar seed and gum prices declined sharply last week despite of lower arrivals compared to prior week.
- Analysts are now seeing guar prices upto Rs 4200 per quintal. However, Agriwatch is estimating Guar prices to move down upto Rs 4450 to Rs 4650 level from where buying should come. Earlier, we see prices upto Rs 4700 per quintal but weak domestic demand of guar seed and gum bound us to decline the price forecast in short term.
- With 80% of the guar seed crop arrived of Ganganagar and Hanumangarh region, prices are likely to stabilized in the coming days. However, still there is Central Rajasthan (Bikaner, Sikar, Churu) crop left to arrive in the markets.
- Commodities market regulator FMC has discontinued Guar seed and Gum contracts from MCX trading platform due to lack of liquidity in them. FMC discontinued October, November and December 2014 contracts of Guar seed and Gum from MCX.
- India has exported around 33867 tons of guar products (Splits, Meal & Powder) in October 2014. Out of the total guar seed export figures, around 9884 tons of Guar Meal, 7253 tons of Guar Splits and 16730 tons of Guar Gum Powder. It is notable that India has exported 51723 tons of Guar products in September 2014.
- Farmers are stop bringing guar seed crop in the markets due to decreasing guar seed prices as reported.

## Current Market Dynamics

Guar seed average prices declined slightly last week despite of weak arrivals in Ganganagar region. We expect prices to decline in the coming week owing to increasing arrival pressure. Meanwhile, the sentiments remained bullish for guar seed for the medium to long term. Lower guar seed acreage and expected lower yield and production compared to last year change the fundamentals altogether.

In the major Jodhpur market, arrivals were reported around 4400 bags of guar seed last week which was around 2000 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported lower arrivals (11100 bags) compared to prior week i.e. 20000 bags.

### Crop Update:

#### Gujarat:

Guar seed crop in Gujarat have not get affected with recent Nilofer cyclone. Some scattered rainfall in coastal regions of Gujarat reported.

However, overall crop is not so good in Banaskantha, Sabarkantha and Mehsana region. Late sowing and lack of rainfall at the time of Germination affected the crop much. Reportedly around 30% crop dry or damage due to lack of rainfall this year in Gujarat.

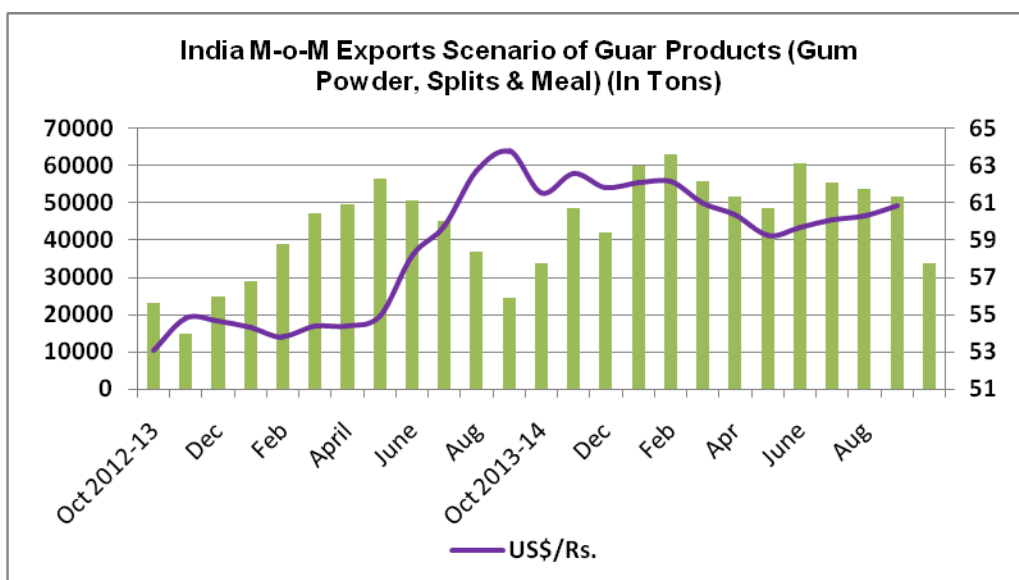
### Export and Import Scenario

India has exported around 33867 tons of guar products (Splits, Meal & Powder) in October 2014. Out of the total guar seed export figures, around 9884 tons of Guar Meal, 7253 tons of Guar Splits and 16730 tons of Guar Gum Powder. It is notable that India has exported 51723 tons of Guar products in September 2014.

#### Demand Side of Guar and Guar Gum:

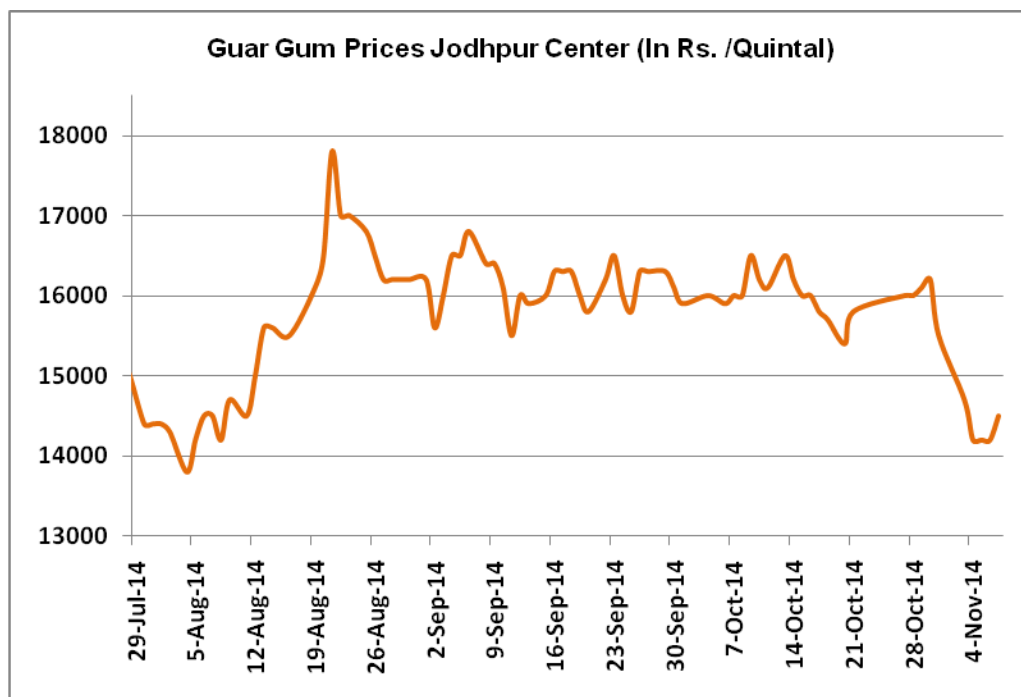
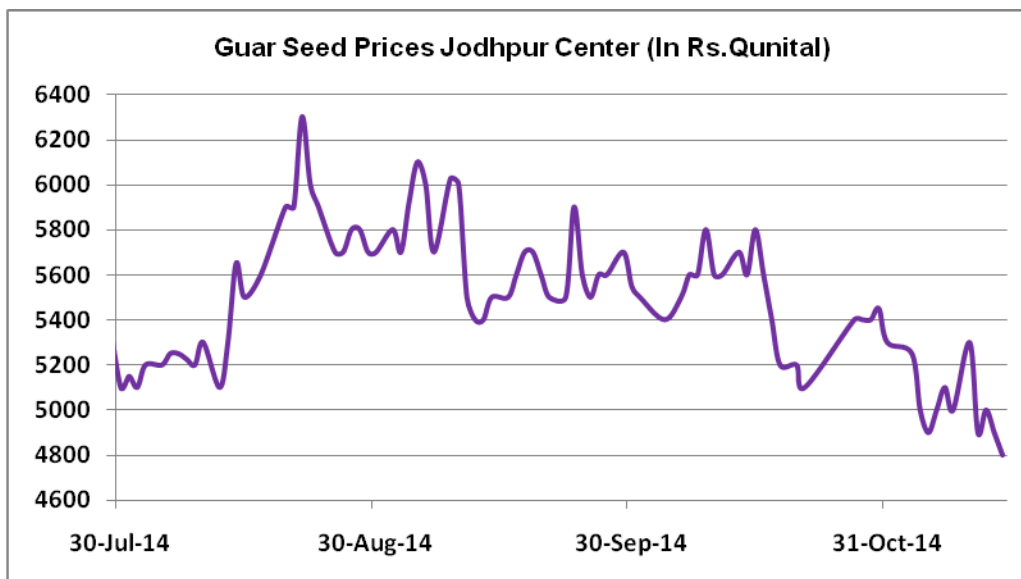
On export front, demands of guar products have decreased in October in line with depreciation in Rupee. Also, demand of guar products among major importers has increased.

Below are the Rupee Monthly movement and its impact on monthly guar products export figures.

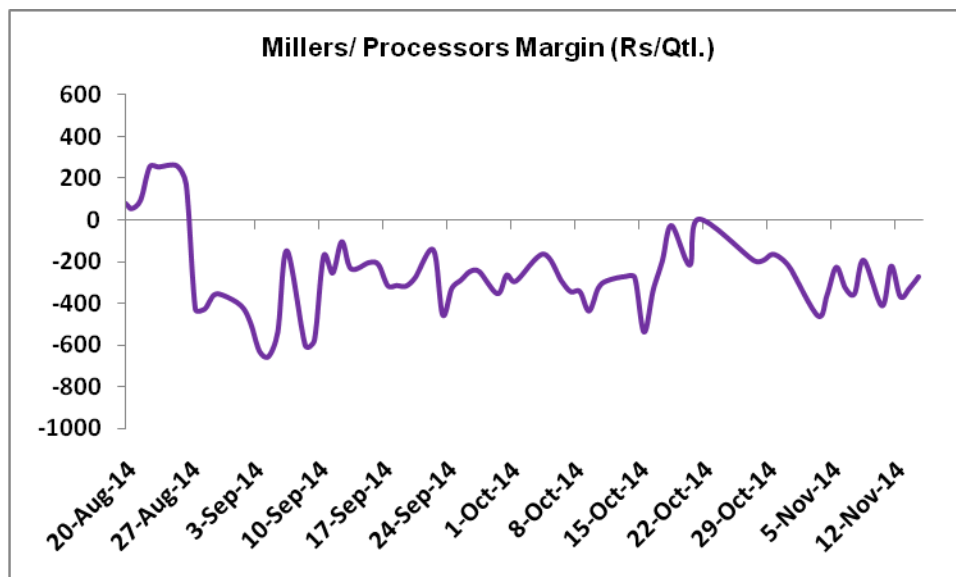


### Price Scenario

In the first week of Nov, the average price of guar seed declined by 1% to Rs.4983/Qtl compared to prior week. Also, guar gum prices declined last week by 0.3% to Rs.14316/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 second week of Nov 2014, average crush margin stood at Rs. -298/Quintal which were -345 per quintal last week. Higher degree of decrease in guar seed average prices compared to guar gum prices led the margin slightly up this week.

### Guar by – Products Weekly Average Prices:

Commodity	Centre	8th TO 14th Nov 14	1st TO 7th Nov 14	Change
Churi	Jodhpur	790	843	-53
Korma	Jodhpur	1088	1067	21
Churi	Sri-Ganganagar	751	757	-6
Korma	Sri-Ganganagar	1038	988	50
Prices in Rs/75kg				

### Guar Export Weekly Average Prices:

Commodity	Variety	8th TO 14th Nov 14	1st TO 7th Nov 14	Change
Guargum Split		2347	2371	-24
Guargum Powder	200 Mesh 5000 CPS	2672	2697	-25
	200 Mesh 3500 CPS	2590	2669	-79
Guargum Meal	40%	220	230	-10
	50%	287	287	Unch
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	8th TO 14th Nov 14	1st TO 7th Nov 14	
Rajasthan	Jodhpur (Loose)	4783	4850	-67
	Jodhpur(Delivery)	4983	5050	-67
	Sri-Ganganagar(Loose)	4792	4810	-18
	Sri-Ganganagar (Delivery)	4983	5010	-27
	Nagaur (Loose)	4758	4713	46
	Alwar (loose)	4633	4567	67
	Churu (Delivery)	4933	4883	50
	Bikaner (Loose)	4846	4845	1
	Bikaner (Delivery)	5042	5020	22
	Khajuwala Bikaner (Loose)	4794	4833	-39
	Khajuwala Bikaner(Delivery)	4986	5027	-41
	Nokha(Loose)	4833	4850	-17
	Nokha (Delivery)	5007	5025	-17
	Hanumangarh (Loose)	4783	4813	-30
	Hanumangarh (Delivery)	4983	5012	-28
Haryana	Adampur (Loose)	4775	4795	-20
	Adampur (Delivery)	4992	5000	-8
	Sirsa (Loose)	4808	4855	-47
	Bhiwani (Delivery)	4958	4921	38
	Dhabwali (Loose)	4762	4737	25
	Dhabwali (Delivery)	4958	4930	28
	Siwani (Loose)	4925	4942	-17
	Ellanabad (Loose)	4807	4867	-60
Gujarat	Deesa (Loose)	4750	4646	104
	Patan (Loose)	4976	4873	103
	Rajkot (Loose)	4736	4747	-11
Madhya pradesh	Dabra (Loose)	4800	4767	33
	Guar Gum			
Rajasthan	Jodhpur	14317	14360	-43
	Alwar	14317	14540	-223
Haryana	Sirsa	14400	14517	-117
	Bhiwani	14333	14067	267
	Dhabwali	14450	14517	-67
	Ellanabad	14567	14950	-383

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

Commodity	Centre	Today	Week ago	Month ago	Year ago
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	Guar Seeds	14-Nov-14	7-Nov-14	14-Oct-14	14-Nov-13
Rajasthan	Jodhpur (Loose)	4600	4900	5400	5100
	Jodhpur(Delivery)	4800	5100	5600	5400
	Sri-Ganganagar(Loose)	4700	4900	5350	5100
	Sri-Ganganagar (Delivery)	4900	5100	5550	5250
	Nagaur (Loose)	4650	4675	5120	4900
	Alwar (loose)	4500	4500	5200	5000
	Churu (Delivery)	4800	4900	5500	5300
	Bikaner (Loose)	4700	5000	5400	5200
	Bikaner (Delivery)	4900	5200	5600	5400
	Khajuwala Bikaner (Loose)	4620	4900	5330	5050
	Khajuwala Bikane(Delivery)	4805	5096	5543	5252
	Nokha(Loose)	4750	4900	5360	5100
	Nokha (Delivery)	4921	5076	5553	5283
	Hanumangarh (Loose)	4700	4910	5300	5100
	Hanumangarh (Delivery)	4900	5100	5500	5350
Haryana	Adampur (Loose)	4700	4800	5350	5000
	Adampur (Delivery)	4900	5000	5550	5200
	Sirsa (Loose)	4700	4900	5400	5200
	Bhiwani (Delivery)	4800	4950	5550	5100
	Dhabwali (Loose)	4700	4800	5300	5200
	Dhabwali (Delivery)	4900	5000	5500	5300
	Siwani (Loose)	4800	5000	5500	5250
	Ellanabad (Loose)	4690	4900	5350	5200
Gujarat	Deesa (Loose)	4655	4850	5200	Closed
	Patan (Loose)	4950	4590	5250	4950
	Rajkot (Loose)	4650	4720	5225	5300
Madhya pradesh	Dabra (Loose)	NA	4800	4800	NA
Guar Gum					
Rajasthan	Jodhpur	13700	14500	16200	14500
	Alwar	14000	14500	16200	14500
Haryana	Sirsa	14000	14600	16150	13500
	Bhiwani	13750	14300	16300	14600
	Dhabwali	14300	14600	16150	14500
	Ellanabad	14400	14700	16200	14500

### Guar Cumulative Arrivals in Key Centers

Centre		Weekly Arrivals (Quintals)		Change
		8th TO 14th Aug 14	1st TO 7th Aug 14	
Rajasthan	Jodhpur	4400	2000	2400
	Sri-Ganganagar	40000	80000	-40000

	Nagaur	6800	4050	2750
	Alwar	6300	3400	2900
	Churu	8000	6200	1800
	Bikaner	7500	12500	-5000
	Khajuwala Bikaner	16000	13000	3000
	Nokha	3800	3300	500
	Hanumangarh	4000	11900	-7900
Haryana	Adampur	11100	15000	-3900
	Sirsa	11000	18000	-7000
	Bhiwani	12500	5700	6800
	Dhabwali	3500	5750	-2250
	Siwani	11200	10500	700
	Ellanabad	7500	9000	-1500
Gujarat	Deesa	9641	4607	5034
	Patan (Loose)	2575	1719	856
	Rajkot	4667	4138	529
Madhya pradesh	Dabra	400	460	-60
Total Arrival		170883	211224	-40341

Commodity: Guar Seed 10MT  
Contract: Dec

Exchange: NCDEX  
Expiry: Dec 20, 2014

### Guar Seed 10MT (Weekly Dec Contract Chart)



#### Technical Commentary:

- Guar prices are moving near to very crucial levels.
- RSI is moving towards oversold region.
- Last candlestick depicts bearishness in the market.

#### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Dec	4220	4450	4874	5314	5576
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Dec	<b>Sell</b>	Below 5050	4700	4550	5260



**Commodity:** Guar Gum  
**Contract:** Dec

**Exchange:** NCDEX  
**Expiry:** Dec 20, 2014

## Guar Gum (Nov Weekly Chart)



### Technical Commentary:

- Guar prices are showing some correction after sharp downfall in the prices.
- However, RSI is hovering at neutral region. Last candlestick depicts bearishness

### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Dec	12800	13010	13820	16540	17026
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Dec	<b>Sell</b>	Below 14200	13600	13300	14800

**Spot Market Outlook:**

Fundamentally, prices of guar seed looks bearish for short term due to weak demand and panic selling by traders and farmers. However, considering lower production of guar seed for this marketing year, sentiments remained bullish for medium term.

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