

Domestic Market Recap:

- Guar seed and gum prices remained mixed this week. Weak demand offset by lower arrivals last week.
- Guar Seed and Gum prices are likely to move downside in the coming days. Sharp decline in Crude oil prices, weak demand and speculation led the prices down. It is notable that Guar seed prices decline more than 10% this week. Agriwatch earlier estimate huge downfall in prices and now it seems prices to test Rs 4330 to Rs 4220 per quintal in NCDEX platform December contract.
- Guar products export demand declined this week compared to last week. In the third week of November, India has exported 5121 tons of guar meal, 1780 tons of guar splits and 9687 tons of Guar gum as reported.
- New Guar seed crop from Dabra (MP) started arriving in mandi with 300 bags.
- Punters are likely to play major game in guar seed considering next guar seed sowing. It is notable that water levels in reservoirs are not upto mark which unable farmers to plant guar seed in May especially in Ganganagar and Hanumangarh region which contributes major share of guar seed production.

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 2600 bags of guar seed last week which was around 4600 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported higher arrivals (15500 bags) compared to prior week i.e. 14500 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.

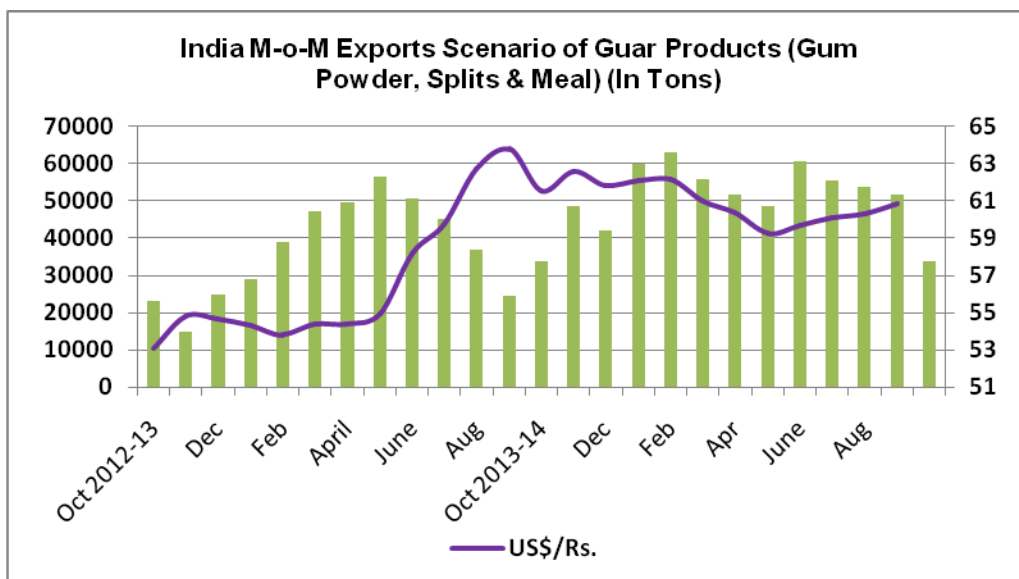
Export and Import Scenario

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:

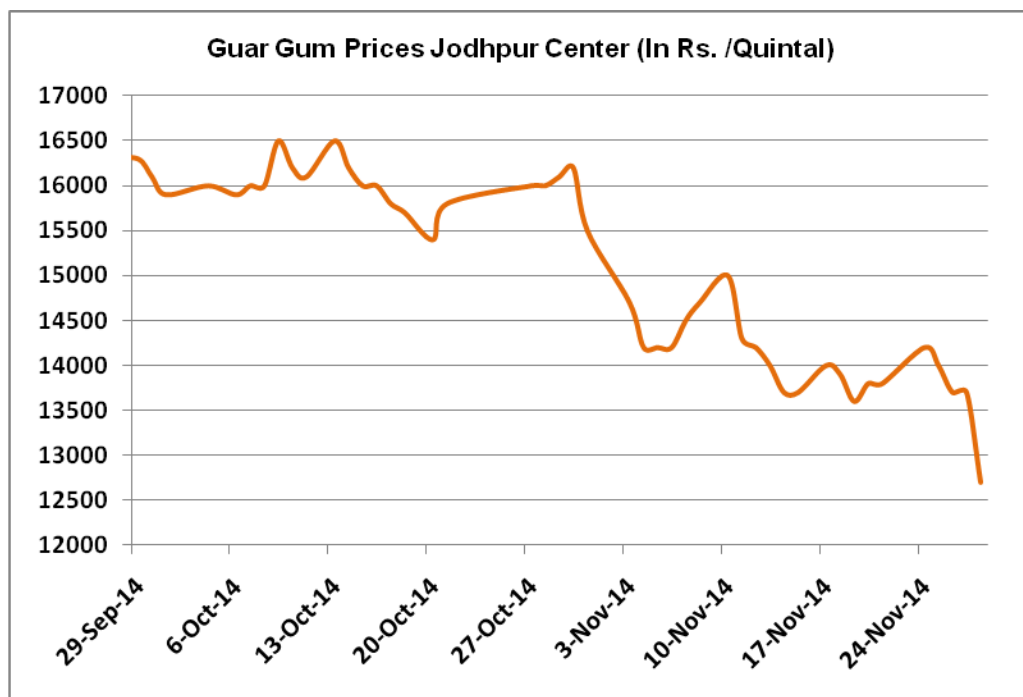
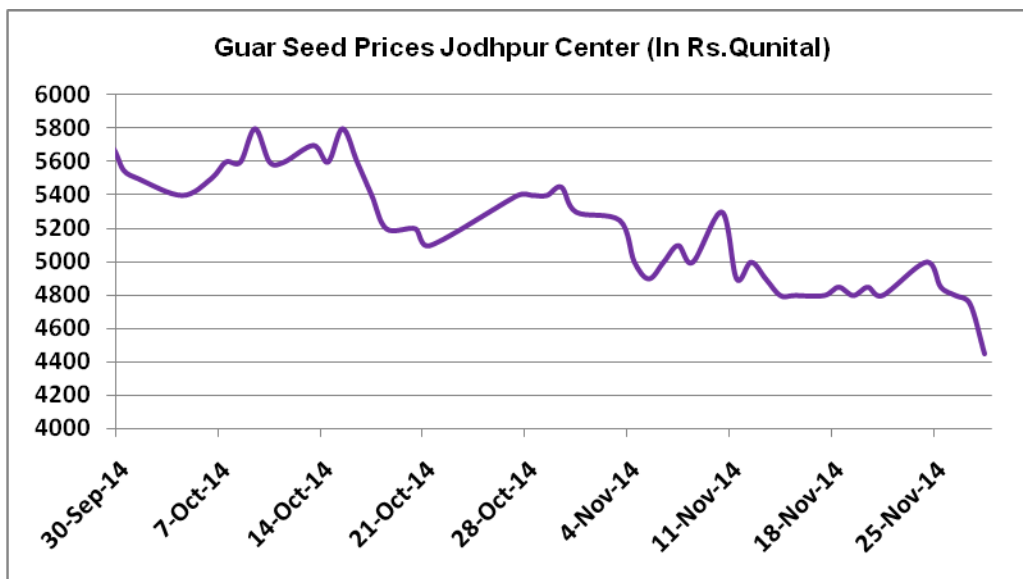
On export front, demands of guar products have decreased in October in line with depreciation in Rupee. Also, demand of guar products among major importers has increased.

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

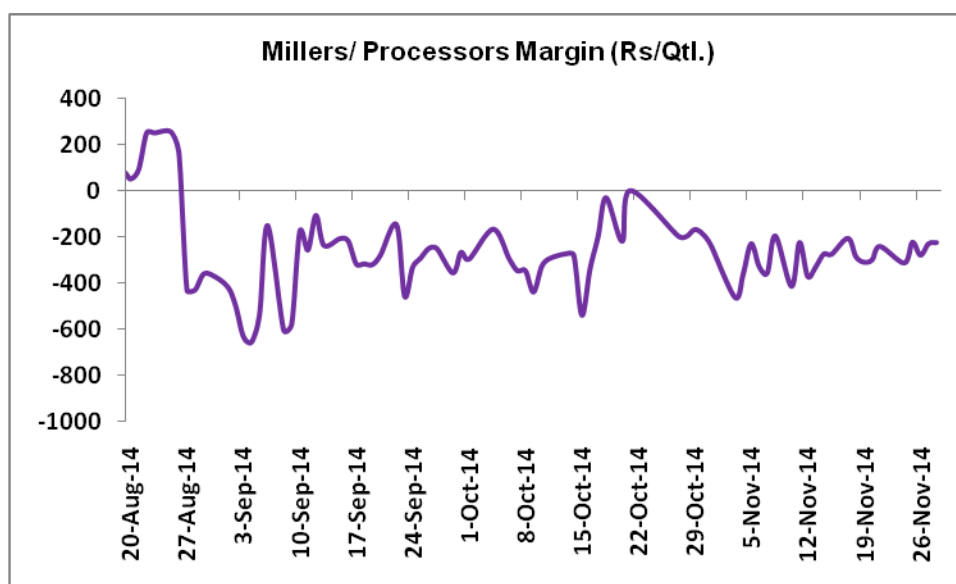


Price Scenario

In the first week of Nov, the average price of guar seed declined by 1% to Rs.4770/Qtl compared to prior week. Also, guar gum prices declined last week by 1% to Rs.13660/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 fourth week of Nov 2014, average crush margin stood at Rs. -250/Quintal which were -266 per quintal last week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	22th TO 28th Aug 14	15th TO 21th Aug 14	Change
Churi	Jodhpur	848	848	Unch
Korma	Jodhpur	1125	1092	33
Churi	Sri-Ganganagar	800	821	-21
Korma	Sri-Ganganagar	1092	1029	63
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	22th TO 28th Aug 14	15th TO 21th Aug 14	Change
Guargum Split		2267	2254	13
Guargum Powder	200 Mesh 5000 CPS	2536	2577	-41
	200 Mesh 3500 CPS	2461	2496	-35
Guargum Meal	40%	247	223	24
	50%	323	293	30
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
		22th TO 28th Aug 14	15th TO 21th Aug 14	
	Guar Seeds			
Rajasthan	Jodhpur (Loose)	4570	4617	-47
	Jodhpur(Delivery)	4770	4817	-47
	Sri-Ganganagar(Loose)	4721	4676	45
	Sri-Ganganagar (Delivery)	4913	4875	38
	Nagaur (Loose)	4550	4602	-52
	Alwar (loose)	4586	4460	126
	Churu (Delivery)	4825	4740	85
	Bikaner (Loose)	4630	4625	5
	Bikaner (Delivery)	4830	4829	1
	Khajuwala Bikaner (Loose)	4662	4623	39
	Khajuwala Bikaner(Delivery)	4848	4808	40
	Nokha(Loose)	4668	4677	-9
	Nokha (Delivery)	4836	4845	-9
	Hanumangarh (Loose)	4640	4625	15
	Hanumangarh (Delivery)	4840	4825	15
Haryana	Adampur (Loose)	4745	4658	87
	Adampur (Delivery)	4945	4858	87
	Sirsa (Loose)	4733	4675	58
	Bhiwani (Delivery)	4850	4833	17
	Dhabwali (Loose)	4730	4678	52
	Dhabwali (Delivery)	4930	4875	55
	Siwani (Loose)	4825	4775	50
	Ellanabad (Loose)	4691	4670	21
Gujarat	Deesa (Loose)	4573	4575	-2
	Patan (Loose)	4753	4795	-42
	Rajkot (Loose)	4672	4566	106
Madhya pradesh	Dabra (Loose)	5000	NA	-
	Guar Gum			
Rajasthan	Jodhpur	13660	13800	-140
	Alwar	13950	13740	210
Haryana	Sirsa	13817	13833	-16
	Bhiwani	14050	13958	92
	Dhabwali	13850	13717	133
	Ellanabad	13817	13820	-3

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	28-Nov-14	14-Nov-14	28-Oct-14	28-Nov-13
Rajasthan	Jodhpur (Loose)	4250	4600	5200	4700
	Jodhpur(Delivery)	4450	4800	5400	5100
	Sri-Ganganagar(Loose)	4400	4700	5150	4700
	Sri-Ganganagar (Delivery)	4600	4900	5300	4850
	Nagaur (Loose)	4200	4650	5250	4500
	Alwar (loose)	NR	4500	5375	4500
	Churu (Delivery)	NR	4800	5200	5000
	Bikaner (Loose)	4350	4700	5300	4580
	Bikaner (Delivery)	4550	4900	5500	-
	Khajuwala Bikaner (Loose)	4420	4620	5220	4600
	Khajuwala Bikaner(Delivery)	4597	4805	5429	4784
	Nokha(Loose)	4400	4750	5260	4565
	Nokha (Delivery)	4558	4921	5449	4729
	Hanumangarh (Loose)	4400	4700	5180	4550
	Hanumangarh (Delivery)	4600	4900	5400	4800
Haryana	Adampur (Loose)	4500	4700	5200	4700
	Adampur (Delivery)	4700	4900	5400	4900
	Sirsa (Loose)	4525	4700	5225	5000
	Bhiwani (Delivery)	4550	4800	5375	4750
	Dhabwali (Loose)	NR	4700	5150	NR
	Dhabwali (Delivery)	NR	4900	5300	NR
	Siwani (Loose)	4525	4800	5350	4800
	Ellanabad (Loose)	4400	4690	5150	4700
Gujarat	Deesa (Loose)	4500	4655	5105	4670
	Patan (Loose)	4650	4950	5055	4650
	Rajkot (Loose)	NR	4650	5100	5225
Madhya pradesh	Dabra (Loose)	NR	NA	NA	5000
Guar Gum					
Rajasthan	Jodhpur	12700	13700	16000	15000
	Alwar	NR	14000	15700	14000
Haryana	Sirsa	12750	14000	15800	13000
	Bhiwani	13200	13750	15550	13600
	Dhabwali	NR	14300	15900	-
	Ellanabad	12700	14400	15700	13800

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)	Change
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		22th TO 28th Aug 14	15th TO 21th Aug 14	
Rajasthan	Jodhpur	2600	4600	-2000
	Sri-Ganganagar	25000	27000	-2000
	Nagaur	3400	4150	-750
	Alwar	7000	5000	2000
	Churu	6100	5900	200
	Bikaner	11500	9000	2500
	Khajuwala Bikaner	15000	16000	-1000
	Nokha	4000	4500	-500
	Hanumangarh	3700	2700	1000
Haryana	Adampur	15500	14500	1000
	Sirsa	12500	9300	3200
	Bhiwani	7500	11500	-4000
	Dhabwali	2300	2200	100
	Siwani	11500	14500	-3000
	Ellanabad	4900	5500	-600
Gujarat	Deesa	7494	9558	-2064
	Patan (Loose)	4408	4382	26
	Rajkot	3895	4908	-1013
Madhya pradesh	Dabra	350	NA	-
Total Arrival		148647	155198	-6551



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

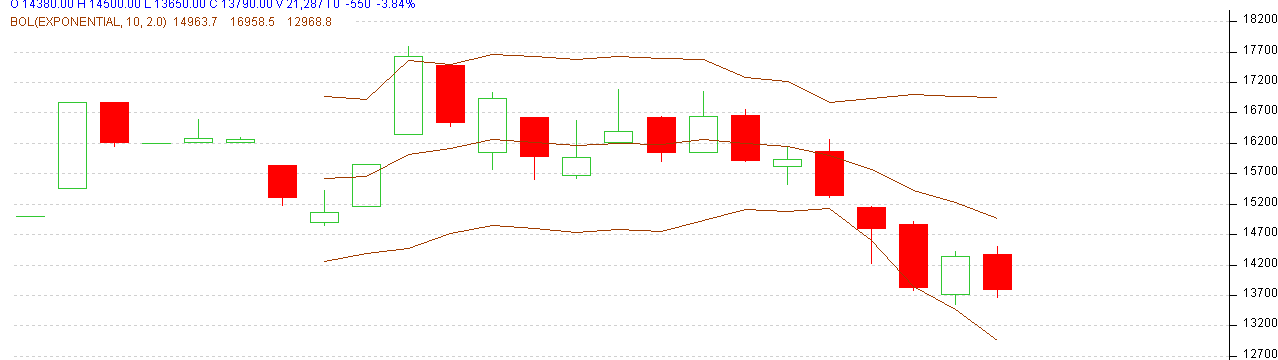
Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Dec	3750	4220	4570	5314	5576
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Dec	Sell	Below 4750	4450	4300	4930

Commodity: Guar Gum
Contract: Dec

Exchange: NCDEX
Expiry: Dec 20, 2014

Guar Gum (Nov Weekly Chart)

GUARGUM 1412(NCUGUGZ4)2014/11/23 - Weekly B:13770.00 A:13790.00
O 14380.00 H 14500.00 L 13650.00 C 13790.00 V 21,287 I 0 -550 -3.84%
BOL(EXPONENTIAL, 10, 2.0) 14963.7 16958.5 12968.8



RSI(9,MA(9)) 34.1071 43.9819

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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	11183	11830	12730	16540	17026
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Dec	Sell	Below 13100	12300	11900	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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