

Domestic Market Recap:

- Guar seed and gum prices improved last week owing to weak arrivals, moderate demand from small stockists and higher degree of increase in guar gum prices compared to guar seed prices which ultimately increase the processing margin parity for millers.
- Millers are presently crush guar seed and selling Churi and Korma which is presently trading at Rs 1900 and 2100 per quintal. However, millers are currently holding split and gum due to weak demand from overseas.
- Farmers are now holding new crops like Mustard seed and Chana and releasing guar seed stock in the market as they are not finding guar seed lucrative at present.
- Stockists have around 15 lac quintals of guar seed from Ganganagar and Hanumangarh region as reported.
- Demand of Churi and Korma declined among retailers (animal feed) due to higher Churi and Korma prices. Only, co-operatives like Amul are interested in buying Churi and Korma at current levels which also depress Guar gum processors

Current Market Dynamics

Guar seed average prices improved last week due to moderate demand at lower levels and weak arrivals in Ganganagar region. We expect prices to improve in the coming week.

In the major Jodhpur market, arrivals were reported around 420 bags of guar seed last week which was around 530 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported lower arrivals (4900 bags) compared to prior week i.e. 6200bags.

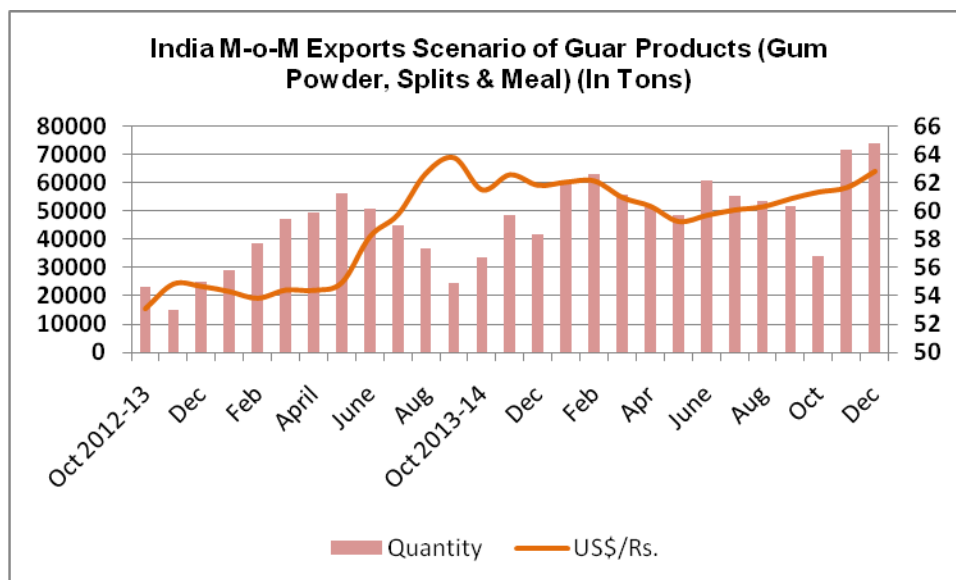
Export and Import Scenario

India has exported around 74084 tons of guar products (Splits, Meal & Powder) in December 2014. Out of the total guar seed export figures, around 16697 tons of Guar Meal, 11678 tons of Guar Splits and 45709 tons of Guar Gum Powder. It is notable that India has exported 71610 tons of Guar products in November 2014.

Demand Side of Guar and Guar Gum:

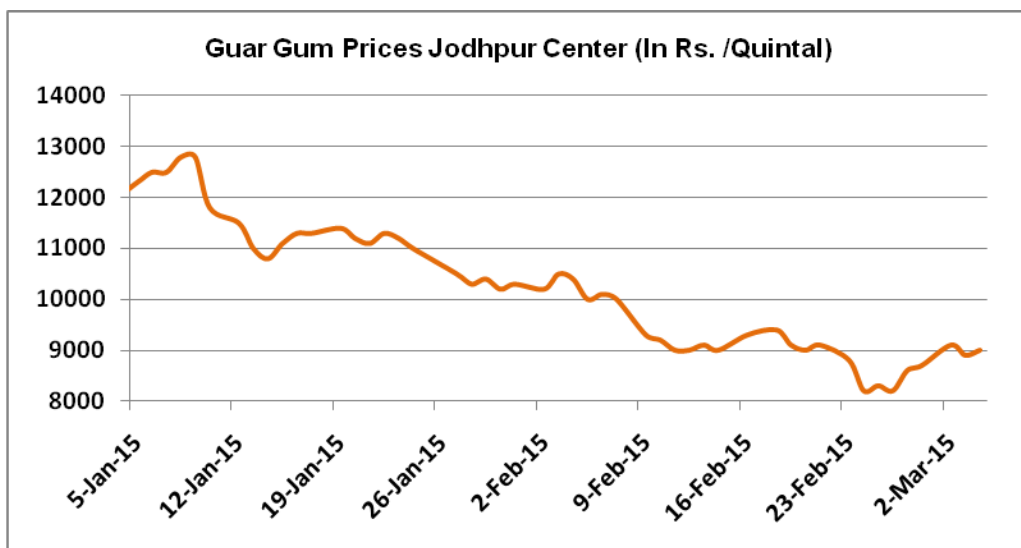
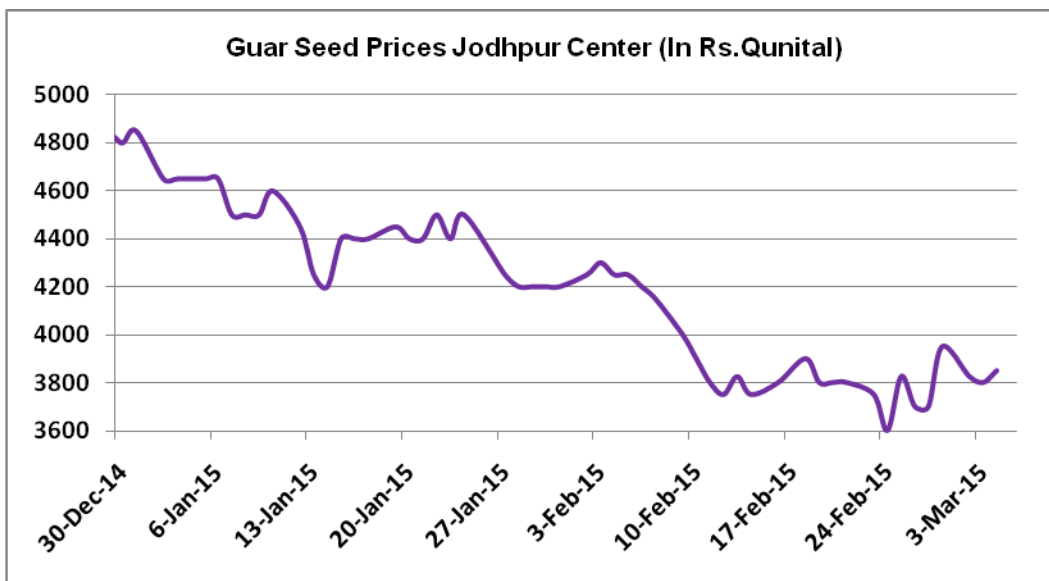
On export front, demands of guar products have increased in December in line with depreciation in Rupee. Also, demand of guar products among major importers has increased. Major energy firms increased their drilling operations in rigs as reported.

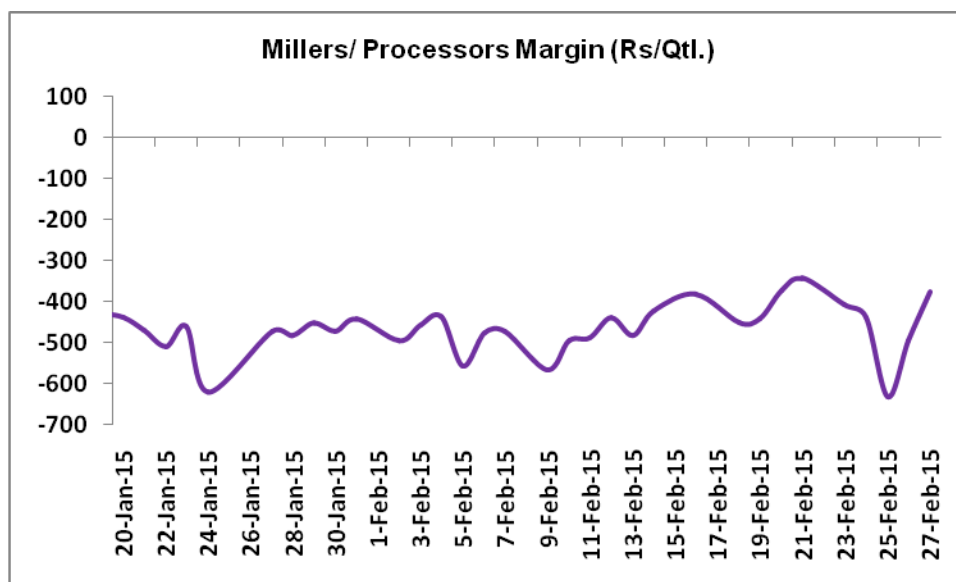
Below are the Rupee Monthly movement and its impact on monthly guar products export figures.



Price Scenario

In the first week of Jan, the average price of guar seed improved by 2% to Rs.3729/Qtl compared to prior week. Also, guar gum prices declined last week by 5% to Rs.8925/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 last week of Feb 2015, average crush margin stood at Rs. -449/Quintal which were -414.2 per quintal last week. Higher degree of decline in guar gum prices compared to guar seed prices led the margin down.

Guar by – Products Weekly Average Prices:

Commodity	Centre	28th-5th Mar	21st-27th Feb	Change
Churi	Jodhpur	1436	1371	65
Korma	Jodhpur	1545	1508	37
Churi	Sri-Ganganagar	NR	1294	-
Korma	Sri-Ganganagar	NR	1463	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	28th-5th Mar	21st-27th Feb	Change
Guargum Split		1451	1423	28
Guargum Powder	200 Mesh 5000 CPS	1775	1746	29
	200 Mesh 3500 CPS	1694	1665	29
Guargum Meal	40%	301	303	-2
	50%	349	352	-3
Prices in \$/MT				

Commodity	Centre	Weekly
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				Prices (Average)
	Guar Seeds	28th- 5th Mar	21st- 27th Feb	
Rajasthan	Jodhpur (Loose)	3656	3546	110
	Jodhpur(Delivery)	3856	3729	127
	Sri-Ganganagar(Loose)	3640	3601	39
	Sri-Ganganagar (Delivery)	3840	3736	104
	Nagaur (Loose)	3737	3625	112
	Alwar (loose)	3550	3425	125
	Churu (Delivery)	3800	3625	175
	Bikaner (Loose)	3643	3504	139
	Bikaner (Delivery)	3831	3658	173
	Khajuwala Bikaner (Loose)	3665	3560	105
	Khajuwala Bikaner(Delivery)	3811	3703	108
	Nokha(Loose)	3694	3567	127
	Nokha (Delivery)	3827	3695	132
	Hanumangarh (Loose)	3575	3478	97
	Hanumangarh (Delivery)	3750	3645	105
Haryana	Adampur (Loose)	3717	3575	142
	Adampur (Delivery)	3917	3733	184
	Sirsa (Loose)	3640	3514	126
	Bhiwani (Delivery)	3740	3642	98
	Dhabwali (Loose)	3516	3500	16
	Dhabwali (Delivery)	3700	3650	50
	Siwani (Loose)	3745	3625	120
	Ellanabad (Loose)	NR	NR	-
Gujarat	Deesa (Loose)	3626	3587	39
	Patan (Loose)	3826	3744	82
	Rajkot (Loose)	3641	3733	-92
Madhya pradesh	Dabra (Loose)	3000	3100	-100
	Guar Gum			
Rajasthan	Jodhpur	8925	8533	392
	Alwar	8800	8450	350
Haryana	Sirsa	8840	8517	323
	Bhiwani	9360	8408	952
	Dhabwali	8733	8517	216
	Ellanabad	NR	NA	-

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	5-Mar-15	27-Feb-15	5-Feb-15	5-Mar-14
Rajasthan	Jodhpur (Loose)	Closed	3500	4000	4472
	Jodhpur(Delivery)	Closed	3700	4250	4672
	Sri-Ganganagar(Loose)	3660	3575	4015	4550
	Sri-Ganganagar (Delivery)	3860	3700	4215	4750
	Nagaur (Loose)	Closed	3750	4100	4350
	Alwar (loose)	Closed	3450	3850	4150
	Churu (Delivery)	Closed	3700	4000	4750
	Bikaner (Loose)	Closed	3550	3950	4525
	Bikaner (Delivery)	Closed	3700	4250	4700
	Khajuwala Bikaner (Loose)	3715	3580	3960	4450
	Khajuwala Bikane(Delivery)	3864	3723	4118	4628
	Nokha(Loose)	3750	3550	3950	4540
	Nokha (Delivery)	3885	3678	4092	4703
	Hanumangarh (Loose)	Closed	3550	3965	4600
	Hanumangarh (Delivery)	Closed	3700	4165	4800
Haryana	Adampur (Loose)	3750	3650	3975	4570
	Adampur (Delivery)	3950	3800	4175	4770
	Sirsa (Loose)	3700	3550	4030	4650
	Bhiwani (Delivery)	3850	3650	4100	4600
	Dhabwali (Loose)	Closed	3450	3950	4540
	Dhabwali (Delivery)	Closed	3600	4250	4740
	Siwani (Loose)	3825	3675	NA	4650
	Ellanabad (Loose)	NR	NR	NR	4550
Gujarat	Deesa (Loose)	Closed	3585	4100	4350
	Patan (Loose)	Closed	3850	4170	4300
	Rajkot (Loose)	3750	3655	4065	4175
Madhya pradesh	Dabra (Loose)	Closed	3000	3500	4000
Guar Gum					
Rajasthan	Jodhpur	9000	8600	10000	12850
	Alwar	Closed	8500	9900	13000
Haryana	Sirsa	9100	8600	10300	12000
	Bhiwani	9500	8250	10000	12900
	Dhabwali	Closed	8500	10000	12900
	Ellanabad	NR	NR	NR	13000

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		28th-5th Mar	21st-27th Feb	
Rajasthan	Jodhpur	420	530	-110
	Sri-Ganganagar	2500	6200	-3700
	Nagaur	475	625	-150
	Alwar	600	3400	-2800
	Churu	600	2800	-2200
	Bikaner	1600	4400	-2800
	Khajuwala Bikaner	1900	2900	-1000
	Nokha	470	780	-310
	Hanumangarh	100	200	-100
Haryana	Adampur	4900	6200	-1300
	Sirsa	1700	2000	-300
	Bhiwani	1000	500	500
	Dhabwali	155	1050	-895
	Siwani	2100	1900	200
	Ellanabad	NA	NA	-
Gujarat	Deesa	313	280	33
	Patan (Loose)	307	259	48
	Rajkot	555	735	-180
Madhya pradesh	Dabra	500	650	-150
Total Arrival		20195	35409	-15214



Commodity: Guar Seed 10MT
Contract: Mar

Exchange: NCDEX
Expiry: Mar 20, 2015

Guar Seed 10MT (Weekly Mar Contract Chart)



Technical Commentary:

- Guar prices are moving down to downward channel.
- However, prices have just gave a upper breakout signal and now just trying to test its next support from where new buying should occur.
- However, RSI is hovering at oversold region.
- Last candlestick depicts bullishness.

Strategy: Buy from support levels.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Mar	-	3340	3768	4141	4387
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Mar	Buy	Above 3620	3860	3980	3476

Commodity: Guar Gum
Contract: Mar

Exchange: NCDEX
Expiry: Mar 20, 2015

Guar Gum (Mar Weekly Chart)



Technical Commentary:

- Guar gum prices are moving down to downward channel.
- Prices recently broke its downward channel and now likely to test trendline support.
- However, RSI is hovering at oversold region.
- Last candlestick depicts bullishness.

Strategy: Buy on dips.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Mar	7301	7568	8820	10478	10914
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Mar	Buy	Above 8250	8750	9000	7950

Spot Market Outlook:

Guar prices showed little upside direction due to moderate demand from stockists and improving processing margin from guar seed to gum. Also, lower arrivals decrease the supply pressure of guar seed in the market.

In addition to it, most of the traders and farmers are bearish in guar seed which give speculators to collect guar seed stock at lower quotes which ultimately gives signs of improvement in guar seed prices for medium term (2-3 months).

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