

Domestic Market Recap:

- Guar prices are currently moving in a trading range with weak tone. Big traders and punters are currently increasing their guar seed holding at lower rates which ultimately gives a clear sign of surge in prices in the near future.
- In the third week of March, India has exported total 9742 tons of guar products (including guar gum, splits and meal). Out of total guar by products exported, 6502 tons of guar gum powder, 1600 tons of guar splits and 1640 tons of guar meal exported abroad.
- Range bound movement can be seen in guar seed prices from last couple of weeks as new punters and stockists are buying guar seed at lower levels. It is notable that no fresh arrivals coming months of guar seed and improvement of crude oil prices from lower levels give some boost to the demand of guar gum
- Prices of guar seed again likely to test Rs 3620 per quintal in the coming trading sessions from where buying should come.
- Guar seed summer crop sowing is declining in Gujarat region as farmers are showing disinterest to grow guar seed in their respective fields due to lower prices and lack of water availability.
- After a three long years gap, farmers are now showing their disinterest to hold guar seed crop further keeping in view continuous fall in guar seed prices. .With estimates are coming of Rs 3200 and 2800 per quintal of guar seed in future, farmers majorly who needs instant cash are releasing their guar seed stock and gives preference to hold Mustard seed and Chana.

Current Market Dynamics

Guar seed average prices improved slightly 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 350 bags of guar seed last week which was around 470 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported higher arrivals (10000 bags) compared to prior week i.e. 6600 bags.

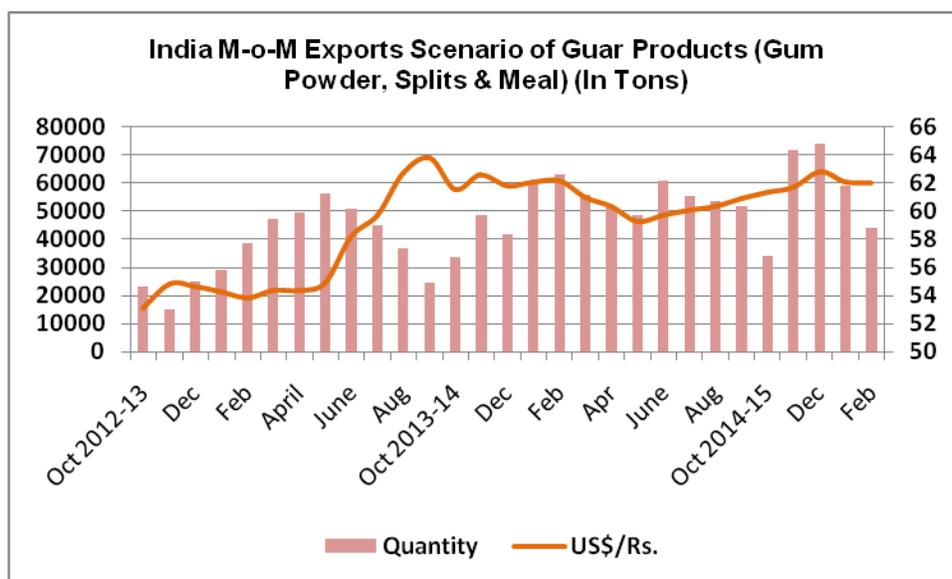
Export and Import Scenario

India has exported 43954 tons of guar products in February (Gum, Meal and Split) which is lower by 30% compared to guar products exported last year same period. However, this year overall yearly export of guar products increased by 14% compared to last year in the period (Oct-Feb).

Demand Side of Guar and Guar Gum:

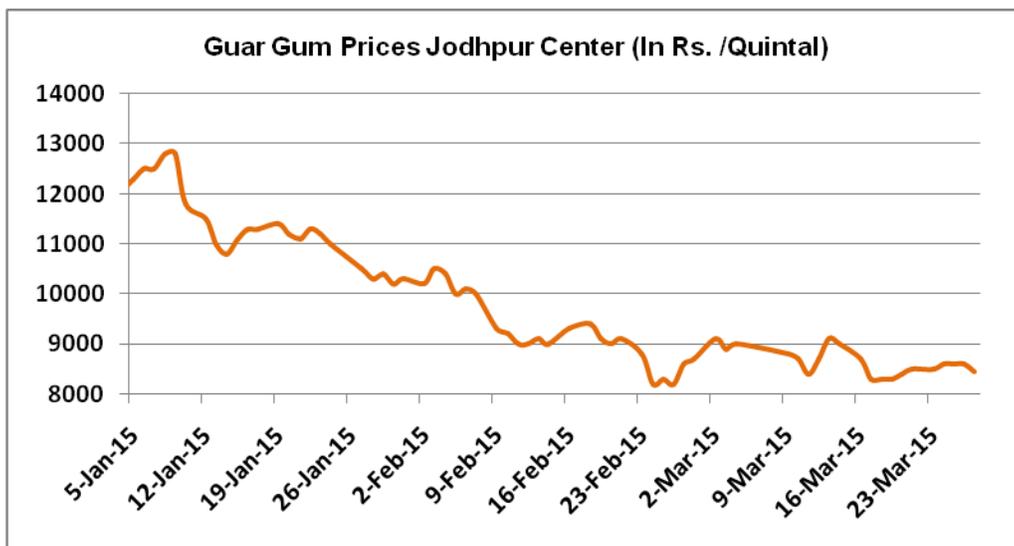
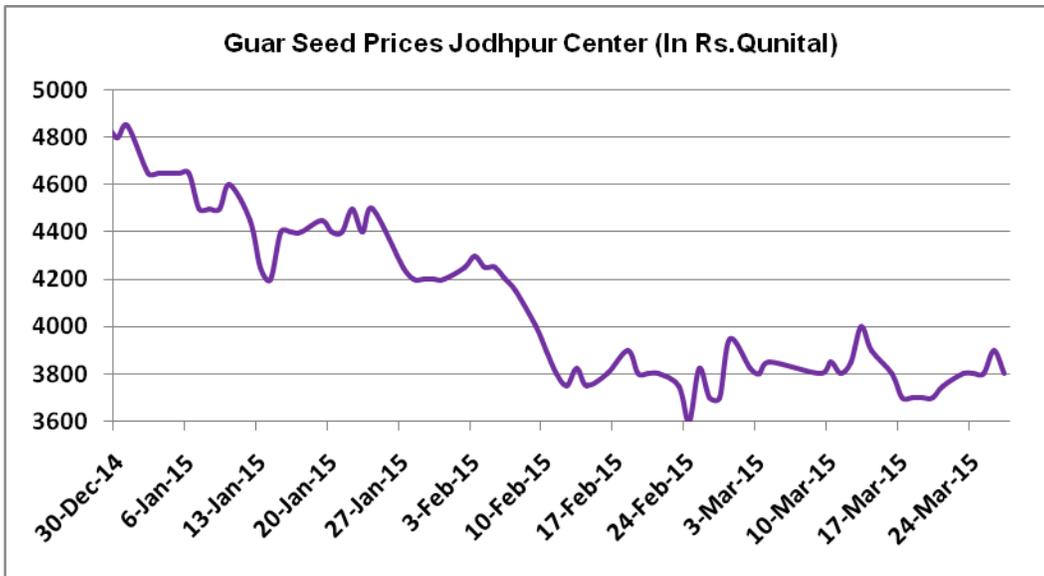
On export front, demands of guar products have declined in February in line with depreciation in Rupee.

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

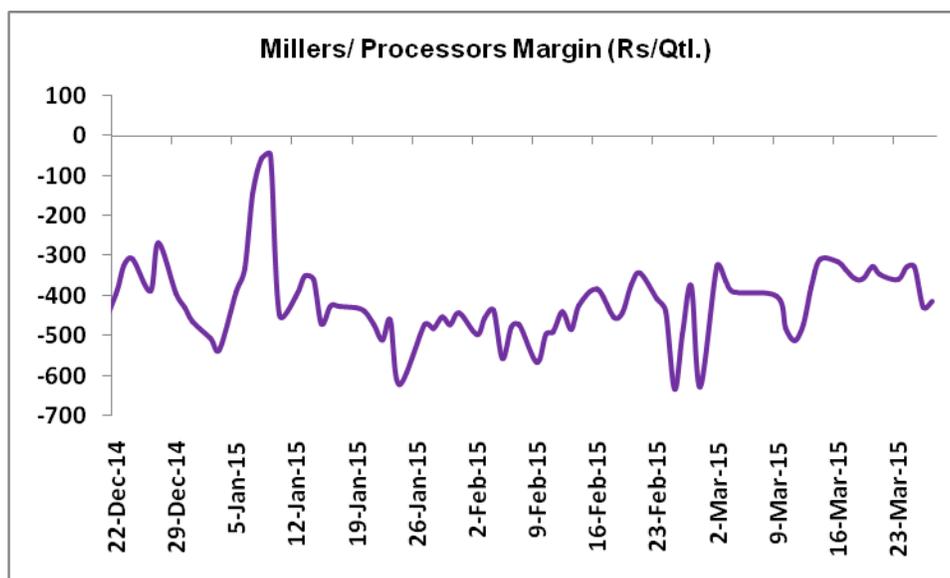


Price Scenario

In the fourth week of Mar, the average price of guar seed declined marginally by 2% to Rs.3808/Qtl compared to prior week. However, guar gum prices increased last week by 0.5% to Rs.8500/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 fourth week of Mar 2015, average crush margin stood at Rs. -367/Quintal which were -333.3 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 | 21st to 27th Mar15 | 13th-20th Mar15 | Change |
|-------------------|----------------|--------------------|-----------------|--------|
| Churi | Jodhpur | 1590 | 1540 | 50 |
| Korma | Jodhpur | 1785 | 1792 | -7 |
| Churi | Sri-Ganganagar | 1335 | 1374 | -39 |
| Korma | Sri-Ganganagar | 1597 | 1662 | -65 |
| Prices in Rs/75kg | | | | |

Guar Export Weekly Average Prices:

| Commodity | Variety | 21st to 27th Mar15 | 13th-20th Mar15 | Change |
|-----------------|-------------------|--------------------|-----------------|--------|
| Guargum Split | | 1365 | 1382 | -17 |
| Guargum Powder | 200 Mesh 5000 CPS | 1685 | 1701 | -16 |
| | 200 Mesh 3500 CPS | 1605 | 1621 | -16 |
| Guargum Meal | 40% | 337 | 327 | 10 |
| | 50% | 382 | 375 | 7 |
| Prices in \$/MT | | | | |

| Commodity | Centre | Weekly Prices (Average) | | Change |
|-----------|-------------------|-------------------------|-----------------|--------|
| | | 21st to 27th Mar15 | 13th-20th Mar15 | |
| | Guar Seeds | | | |
| Rajasthan | Jodhpur (Loose) | 3567 | 3541 | 26 |
| | Jodhpur(Delivery) | 3808 | 3750 | 58 |

| | | | | |
|-----------------|----------------------------|------|------|------|
| | Sri-Ganganagar(Loose) | 3625 | 3640 | -15 |
| | Sri-Ganganagar (Delivery) | 3817 | 3831 | -14 |
| | Nagaur (Loose) | 3613 | 3633 | -21 |
| | Alwar (loose) | 3590 | 3500 | 90 |
| | Churu (Delivery) | 3780 | 3700 | 80 |
| | Bikaner (Loose) | 3630 | 3612 | 18 |
| | Bikaner (Delivery) | 3800 | 3812 | -12 |
| | Khajuwala Bikaner (Loose) | 3628 | 3623 | 5 |
| | Khajuwala Bikane(Delivery) | 3773 | 3768 | 5 |
| | Nokha(Loose) | 3653 | 3621 | 32 |
| | Nokha (Delivery) | 3785 | 3752 | 33 |
| | Hanumangarh (Loose) | 3650 | 3562 | 88 |
| | Hanumangarh (Delivery) | 3817 | 3762 | 55 |
| Haryana | Adampur (Loose) | 3629 | 3610 | 19 |
| | Adampur (Delivery) | 3767 | 3790 | -23 |
| | Sirsa (Loose) | 3642 | 3586 | 56 |
| | Bhiwani (Delivery) | 3771 | 3750 | 21 |
| | Dhabwali (Loose) | 3591 | 3587 | 4 |
| | Dhabwali (Delivery) | 3746 | 3777 | -31 |
| | Siwani (Loose) | 3758 | 3733 | 25 |
| | Ellanabad (Loose) | 3617 | 3577 | 40 |
| Gujarat | Deesa (Loose) | 3613 | NR | - |
| | Patan (Loose) | 3868 | 1875 | 1993 |
| | Rajkot (Loose) | 3460 | 3662 | -202 |
| | Dhrol(loose) | NA | NA | - |
| Madhya pradesh | Dabra (Loose) | 3233 | 3312 | -79 |
| Guar Gum | | | | |
| Rajasthan | Jodhpur | 8542 | 8500 | 42 |
| | Alwar | 8520 | 8340 | 180 |
| Haryana | Sirsa | 8517 | 8316 | 201 |
| | Bhiwani | 8750 | 8733 | 17 |
| | Dhabwali | 8508 | 8440 | 68 |
| | Ellanabad | 8533 | 8408 | 125 |

Week on Week Price: Scenario of Guarseed and Guargum:

| Commodity | Centre | Today | Week ago | Month ago | Year ago |
|-----------|-------------------|------------------|------------------|------------------|------------------|
| | Guar Seeds | 27-Mar-15 | 20-Mar-15 | 27-Feb-15 | 27-Mar-14 |
| Rajasthan | Jodhpur (Loose) | 3600 | 3500 | 3500 | 4300 |
| | Jodhpur(Delivery) | 3800 | 3700 | 3700 | 4500 |

| | | | | | |
|---------------------|-----------------------------|-----------------|------|------|--------|
| | Sri-Ganganagar(Loose) | 3650 | 3600 | 3575 | 4340 |
| | Sri-Ganganagar (Delivery) | 3800 | 3800 | 3700 | 4400 |
| | Nagaur (Loose) | Closed | 3550 | 3750 | 4200 |
| | Alwar (loose) | 3500 | 3450 | 3450 | 4000 |
| | Churu (Delivery) | 3700 | 3650 | 3700 | 4600 |
| | Bikaner (Loose) | Closed | 3600 | 3550 | 4470 |
| | Bikaner (Delivery) | Closed | 3800 | 3700 | 4600 |
| | Khajuwala Bikaner (Loose) | 3600 | 3630 | 3580 | 4350 |
| | Khajuwala Bikaner(Delivery) | 3744 | 3775 | 3723 | 4524 |
| | Nokha(Loose) | 3600 | 3600 | 3550 | 4420 |
| | Nokha (Delivery) | 3730 | 3730 | 3678 | 4579 |
| | Hanumangarh (Loose) | 3650 | NR | 3550 | 4400 |
| | Hanumangarh (Delivery) | 3800 | NR | 3700 | 4600 |
| | Haryana | Adampur (Loose) | 3625 | 3600 | 3650 |
| Adampur (Delivery) | | 3700 | 3800 | 3800 | 4600 |
| Sirsa (Loose) | | 3650 | 3525 | 3550 | 4600 |
| Bhiwani (Delivery) | | 3725 | 3600 | 3650 | 4500 |
| Dhabwali (Loose) | | 3625 | 3575 | 3450 | 4400 |
| Dhabwali (Delivery) | | 3775 | 3775 | 3600 | 4576 |
| Siwani (Loose) | | 3775 | 3750 | 3675 | 4500 |
| Ellanabad (Loose) | | 3550 | 3500 | NR | 4420 |
| Gujarat | Deesa (Loose) | 4000 | NA | 3585 | 3755 |
| | Patan (Loose) | Closed | 3625 | 3850 | Closed |
| | Rajkot (Loose) | Closed | 3575 | 3655 | Closed |
| | Dhrol(loose) | Closed | NA | NA | NA |
| Madhya Pradesh | Dabra (Loose) | NA | 3300 | 3000 | 3800 |
| Guar Gum | | | | | |
| Rajasthan | Jodhpur | 8450 | 8400 | 8600 | 12500 |
| | Alwar | 8400 | 8200 | 8500 | 12500 |
| Haryana | Sirsa | 8400 | 8000 | 8600 | 12500 |
| | Bhiwani | 8800 | 8500 | 8250 | 12500 |
| | Dhabwali | 8500 | 8400 | 8500 | 12600 |
| | Ellanabad | 8400 | 8100 | NR | 12500 |

Guar Cumulative Arrivals in Key Centers

| Centre | Weekly Arrivals (Quintals) | | Change | |
|-----------|----------------------------|-----------------|--------|-------|
| | 21st to 27th Mar15 | 13th-20th Mar15 | | |
| Rajasthan | Jodhpur | 350 | 470 | -120 |
| | Sri-Ganganagar | 22000 | 9750 | 12250 |

| | | | | |
|-----------------------|-------------------|--------------|--------------|--------------|
| | Nagaur | 900 | 950 | -50 |
| | Alwar | 1000 | 700 | 300 |
| | Churu | 2300 | 1900 | 400 |
| | Bikaner | 3700 | 4000 | -300 |
| | Khajuwala Bikaner | 2900 | 3150 | -250 |
| | Nokha | 750 | 775 | -25 |
| | Hanumangarh | 650 | 460 | 190 |
| Haryana | Adampur | 10000 | 6600 | 3400 |
| | Sirsa | 3650 | 4700 | -1050 |
| | Bhiwani | 5500 | 2500 | 3000 |
| | Dhabwali | 730 | 400 | 330 |
| | Siwani | 2900 | 3400 | -500 |
| | Ellanabad | 2300 | 1350 | 950 |
| Gujarat | Deesa | 172 | NR | - |
| | Patan (Loose) | 115 | 36 | 79 |
| | Rajkot | 295 | 325 | -30 |
| | Dhrol(loose) | NA | NA | - |
| Madhya pradesh | Dabra | 300 | 650 | -350 |
| Total Arrival | | 60512 | 42116 | 18396 |

Commodity: Guar Seed 10MT
Contract: Apr

Exchange: NCDEX
Expiry: Apr 20, 2015

Guar Seed 10MT (Weekly Apr Contract Chart)



Technical Commentary:

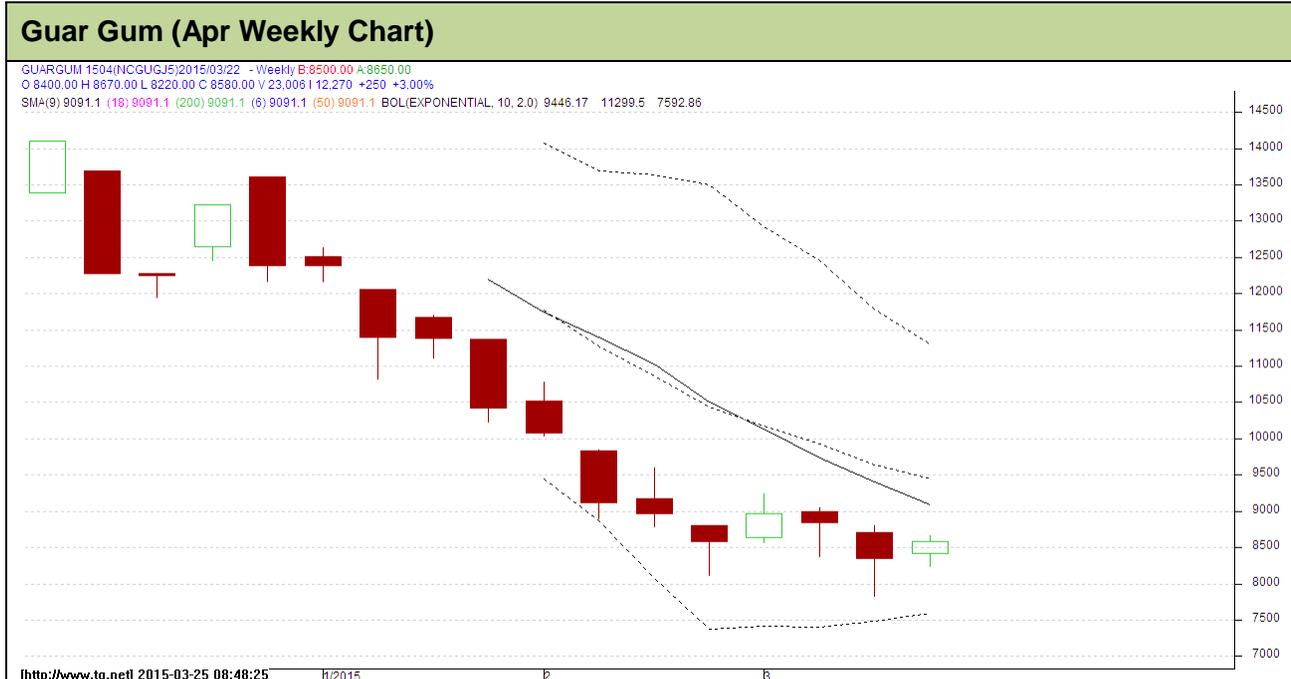
- Guar prices are moving down to downward channel.
- However, prices have just gave a upper breakout signal and now just trying to test its next support from where new buying should occur.
- However, RSI is hovering at oversold region.
- Last candlestick depicts bullishness.

Strategy: Buy from support levels.

| Weekly Supports & Resistances | | | S2 | S1 | PCP | R1 | R2 |
|-------------------------------|-------|-----|------|------------|------|------|------|
| Guar Seed 10MT | NCDEX | Apr | - | 3340 | 3737 | 4141 | 4387 |
| Weekly Trade Call | | | Call | Entry | T1 | T2 | SL |
| Guar Seed 10MT | NCDEX | Apr | Buy | Above 3620 | 3820 | 3920 | 3520 |

Commodity: Guar Gum
Contract: Apr

Exchange: NCDEX
Expiry: Apr 20, 2015



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 | Apr | 7301 | 7568 | 8330 | 10478 | 10914 |
| Weekly Trade Call`` | | | Call | Entry | T1 | T2 | SL |
| Guar Gum | NCDEX | Apr | 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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