

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.

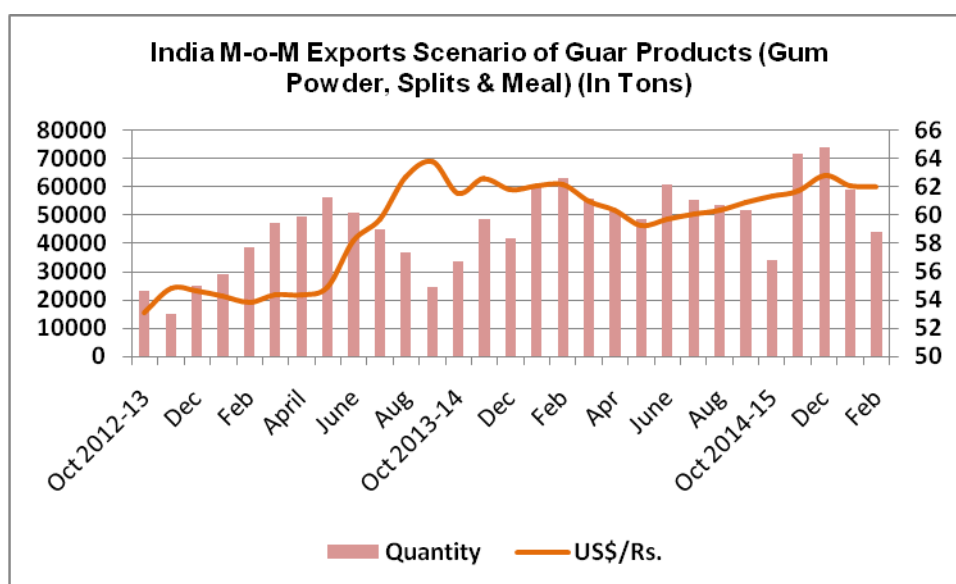
Export and Import Scenario

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:

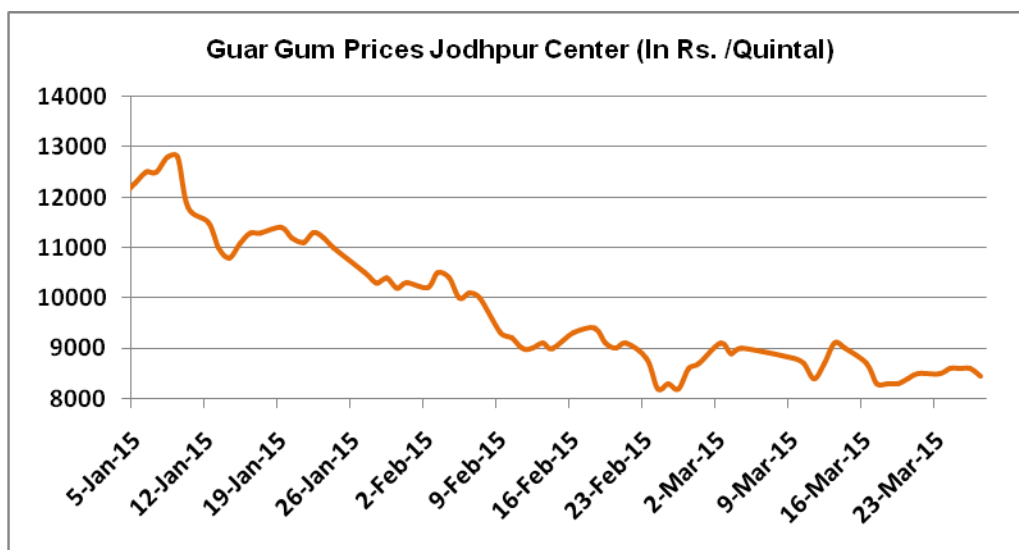
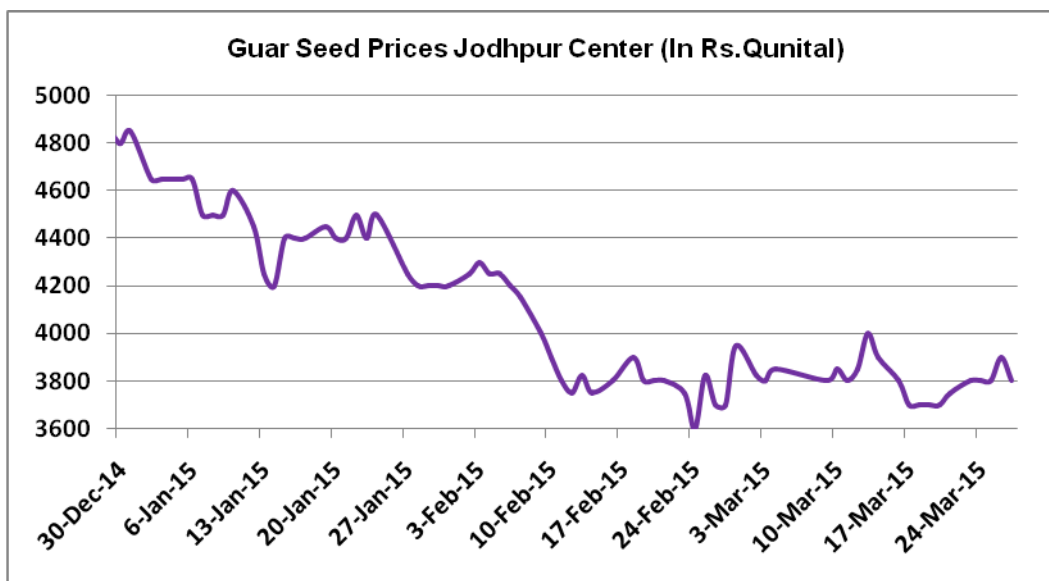
On export front, demands of guar products have declined in February in line with depreciation in Rupee.

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

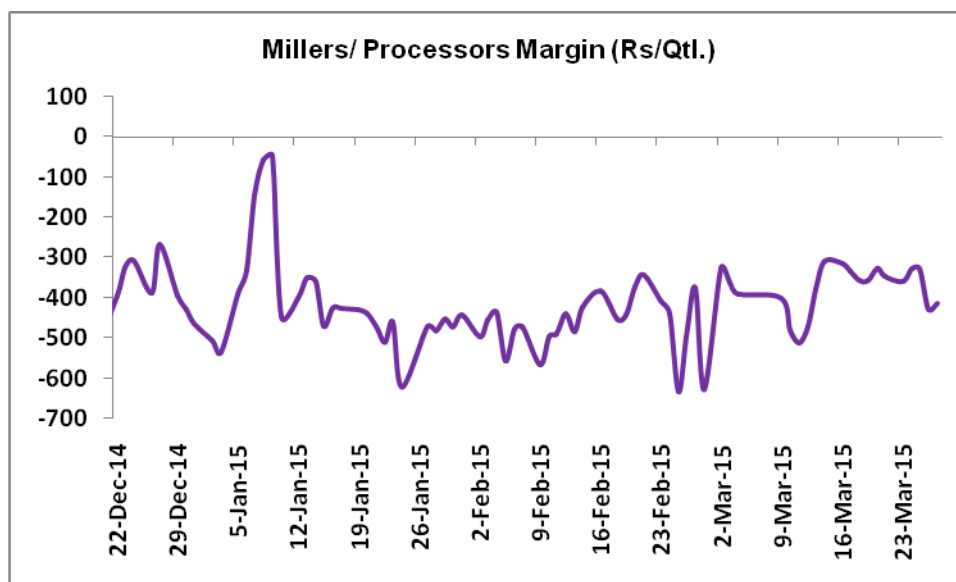


Price Scenario

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
	Guar Seeds	21st to 27th Mar15	13th-20th Mar15	
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 Bikaner(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	4450
	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

Guar Gum (Apr 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	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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