

Domestic Market Recap:

- Prices of guar seed and gum are continuously moving upside due to intact demand. Also, higher degree of increase in guar gum prices compared to guar seed also increases the processing margins for millers.
- Margin from guar seed for making guar gum improving continuously owing to good demand of gum at lower levels. Also gum prices increases higher in comparison to guar seed last week.
- India has exported 30786 tons of Guar Products (Gum, Splits & Meal) in the month of March 2015 which is lower export figures in last 18 months. Out of the total guar exports, 20798 tons of Guar gum, 3764 tons of Splits and 6224 tons of Guar splits exported in March 2015. Notably, recent month guar exports fell by 45% compared to last year same period guar exports. Weak demand of guar gum overseas mainly due to falling crude oil prices led the gum exports down in the last couple of months. Falling rig count and new shale gas explorations also become the major influencing factor for recent decline in guar gum exports.

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 50 bags of guar seed last week which was around 350 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported lower arrivals (7900 bags) compared to prior week i.e. 10000 bags.

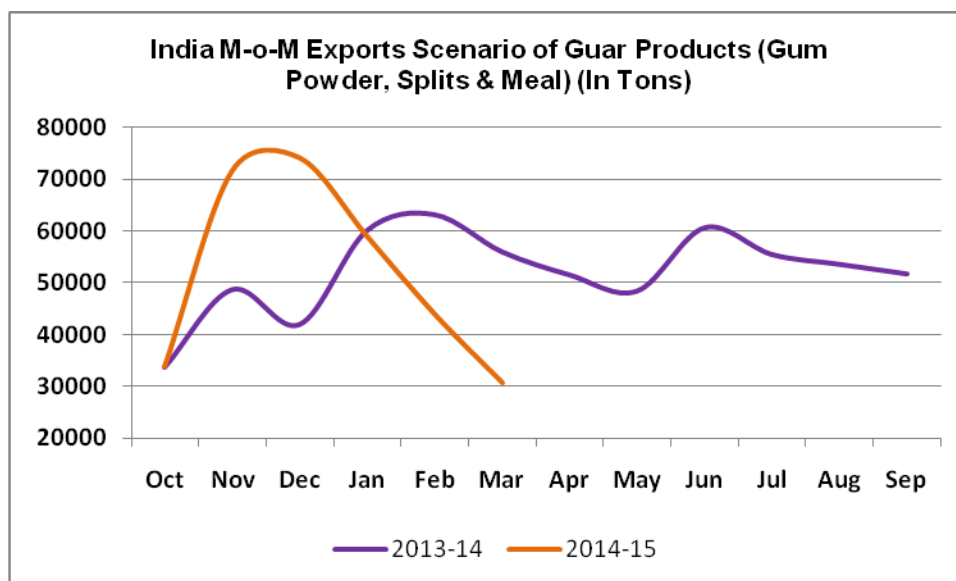
Export and Import Scenario

India has exported 30786 tons of Guar Products (Gum, Splits & Meal) in the month of March 2015 which is lower export figures in last 18 months. Out of the total guar exports, 20798 tons of Guar gum, 3764 tons of Splits and 6224 tons of Guar splits exported in March 2015. Notably, recent month guar exports fell by 45% compared to last year same period guar exports. Weak demand of guar gum overseas mainly due to falling crude oil prices led the gum exports down in the last couple of months. Falling rig count and new shale gas explorations also become the major influencing factor for recent decline in guar gum exports.

Demand Side of Guar and Guar Gum:

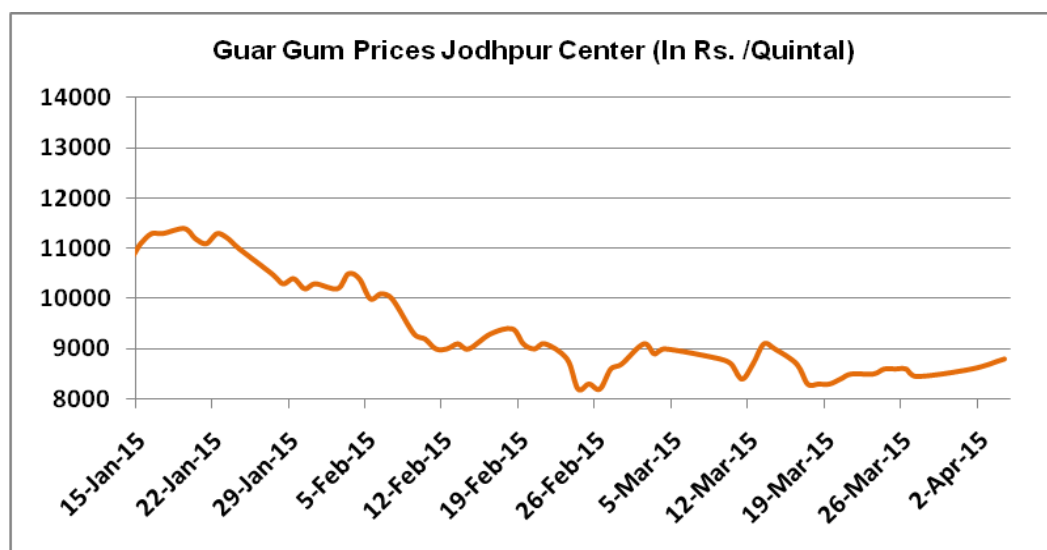
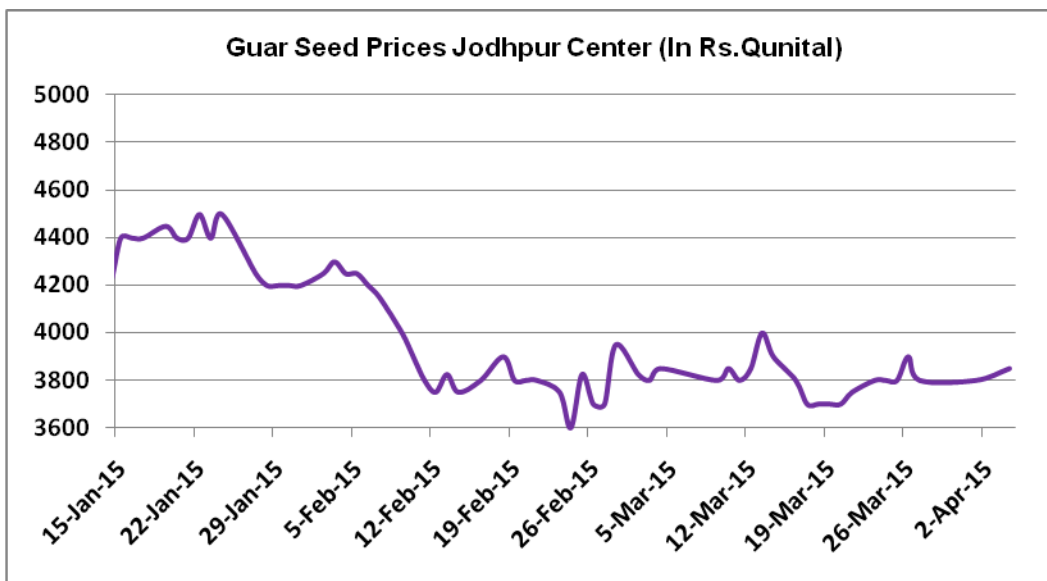
On export front, demands of guar products have decreased in March. Also, demand of guar products among major importers has decreased. Major energy firms decreased their drilling operations in rigs as reported.

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

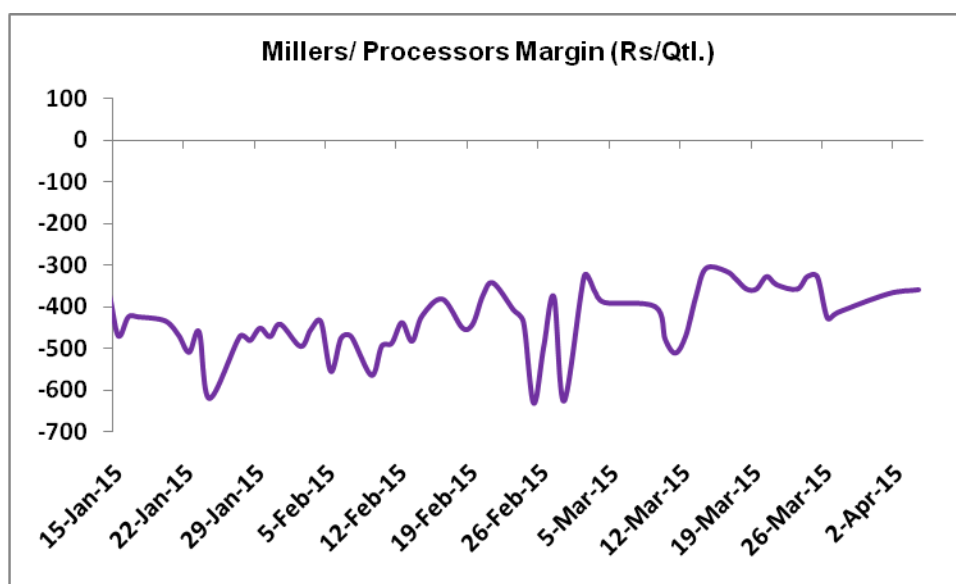


Price Scenario

In the first week of Apr, the average price of guar seed improved marginally by 0.44% to Rs.3825/Qtl compared to prior week. However, guar gum prices increased last week by 2% to Rs.8700/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 increased compared to previous week. In the first week of April 2015, average crush margin stood at Rs. -364/Quintal which were -367 per quintal last week. Higher degree of increase in guar gum prices compared to guar seed prices led the margin up.

Guar by – Products Weekly Average Prices:

Commodity	Centre	28th to 02nd Apr15	21st to 27th Mar15	Change
Churi	Jodhpur	1550	1590	-40
Korma	Jodhpur	1725	1785	-60
Churi	Sri-Ganganagar	1300	1335	-35
Korma	Sri-Ganganagar	1530	1597	-67
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	28th to 02nd Apr15	21st to 27th Mar15	Change
Guargum Split		1380	1365	15
Guargum Powder	200 Mesh 5000 CPS	1701	1685	16
	200 Mesh 3500 CPS	1621	1605	16
Guargum Meal	40%	336	337	-1
	50%	381	382	-1
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	28th to 02nd Apr15	21st to 27th Mar15	
Rajasthan	Jodhpur (Loose)	3600	3567	33
	Jodhpur(Delivery)	3800	3808	-8

	Sri-Ganganagar(Loose)	3619	3625	-6
	Sri-Ganganagar (Delivery)	3800	3817	-17
	Nagaur (Loose)	NA	3613	-
	Alwar (loose)	3560	3590	-30
	Churu (Delivery)	3738	3780	-43
	Bikaner (Loose)	3635	3630	5
	Bikaner (Delivery)	3815	3800	15
	Khajuwala Bikaner (Loose)	3609	3628	-20
	Khajuwala Bikaner(Delivery)	3753	3773	-20
	Nokha(Loose)	3625	3653	-28
	Nokha (Delivery)	3756	3785	-29
	Hanumangarh (Loose)	3615	3650	-35
	Hanumangarh (Delivery)	3765	3817	-52
Haryana	Adampur (Loose)	3628	3629	-1
	Adampur (Delivery)	3798	3767	31
	Sirsa (Loose)	3585	3642	-57
	Bhiwani (Delivery)	3740	3771	-31
	Dhabwali (Loose)	3638	3591	47
	Dhabwali (Delivery)	3744	3746	-2
	Siwani (Loose)	3781	3758	23
	Ellanabad (Loose)	3646	3617	29
Gujarat	Deesa (Loose)	3550	3613	-63
	Patan (Loose)	NA	3868	-
	Rajkot (Loose)	3605	3460	145
	Dhrol(loose)	NA	NA	-
Madhya pradesh	Dabra (Loose)	NA	3233	-
	Guar Gum			
Rajasthan	Jodhpur	8600	8542	58
	Alwar	8525	8520	5
Haryana	Sirsa	8490	8517	-27
	Bhiwani	8590	8750	-160
	Dhabwali	8550	8508	42
	Ellanabad	8560	8533	27

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	2-Apr-15	27-Mar-15	2-Mar-15	2-Apr-14
Rajasthan	Jodhpur (Loose)	Closed	3600	3625	4450
	Jodhpur(Delivery)	Closed	3800	3825	4650

	Sri-Ganganagar(Loose)	3700	3650	3625	4500
	Sri-Ganganagar (Delivery)	3850	3800	3825	4600
	Nagaur (Loose)	Closed	Closed	3700	4200
	Alwar (loose)	3650	3500	3500	4200
	Churu (Delivery)	NR	3700	3800	4700
	Bikaner (Loose)	3700	Closed	3700	4525
	Bikaner (Delivery)	3850	Closed	3900	4675
	Khajuwala Bikaner (Loose)	Closed	3600	3660	4470
	Khajuwala Bikaner(Delivery)	Closed	3744	3806	4649
	Nokha(Loose)	3650	3600	3700	4480
	Nokha (Delivery)	3781	3730	3833	4641
	Hanumangarh (Loose)	3700	3650	NA	4300
	Hanumangarh (Delivery)	3850	3800	NA	4500
Haryana	Adampur (Loose)	3700	3625	NA	4500
	Adampur (Delivery)	3850	3700	NA	4700
	Sirsa (Loose)	3675	3650	3600	4800
	Bhiwani (Delivery)	3800	3725	3700	4550
	Dhabwali (Loose)	3650	3625	3500	4450
	Dhabwali (Delivery)	3750	3775	3700	4628
	Siwani (Loose)	3800	3775	3700	4600
	Ellanabad (Loose)	3700	3550	NR	4525
Gujarat	Deesa (Loose)	Closed	4000	3655	4040
	Patan (Loose)	Closed	Closed	3975	4220
	Rajkot (Loose)	3605	Closed	3600	4055
	Dhrol(loose)	Closed	Closed	NA	NA
Madhya pradesh	Dabra (Loose)	Closed	NA	NA	3700
Guar Gum					
Rajasthan	Jodhpur	Closed	8450	9100	14700
	Alwar	Closed	8400	8600	13000
Haryana	Sirsa	8800	8400	8700	12700
	Bhiwani	8650	8800	9400	12900
	Dhabwali	8700	8500	8800	12700
	Ellanabad	8700	8400	NR	12900

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		28th to 02nd Apr15	21st to 27th Mar15	
Rajasthan	Jodhpur	50	350	-300
	Sri-Ganganagar	12000	22000	-10000

	Nagaur	NA	900	-
	Alwar	670	1000	-330
	Churu	1800	2300	-500
	Bikaner	2100	3700	-1600
	Khajuwala Bikaner	2000	2900	-900
	Nokha	400	750	-350
	Hanumangarh	550	650	-100
Haryana	Adampur	7900	10000	-2100
	Sirsa	3500	3650	-150
	Bhiwani	6000	5500	500
	Dhabwali	525	730	-205
	Siwani	2100	2900	-800
	Ellanabad	1500	2300	-800
Gujarat	Deesa	20	172	-152
	Patan (Loose)	NA	115	-
	Rajkot	60	295	-235
	Dhrol(loose)	NA	NA	-
Madhya pradesh	Dabra	NA	300	-
Total Arrival		41175	60512	-19337

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	3826	4141	4387
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Apr	Buy	Above 3860	4000	4070	3760

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	8690	10478	10914
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr	Buy	Above 8800	9200	9400	8560

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 an opportunity 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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