

Domestic Market Recap:

- Guar prices are currently moving range bound from last couple of weeks. Higher arrivals and moderate demand led the prices traded in range.
- Market is waiting for any clarity on upcoming monsoon. If monsoon hits Kerala coast on time then guar seed prices could fall further upto Rs 400-500 per quintal from current levels. However, in case of opposite monsoon, prices could make a new year highs as expected considering lower production figures and expected lower yields due to late sowing for the year 2015-16.
- IMD is expecting ontime arrival of monsoon and likely to hit kerala by end of May.
- Mills which are holding their gum stock on trading basis are the only survivor in this volatile guar market. Rest mills cant run their crushing operations due to negative margins.

Current Market Dynamics

Guar seed average prices moved in a range with weak tone last week. We expect prices to trade in a range in the coming week as market is closely watching the onset of monsoon on Kerala coast.

In the major Jodhpur market, arrivals were reported around 1150 bags of guar seed last week which was around 650 bags prior week.

Also in Adampur (Haryana) market which is the biggest market of guar in North reported no change in arrivals (5800bags) compared to prior week.

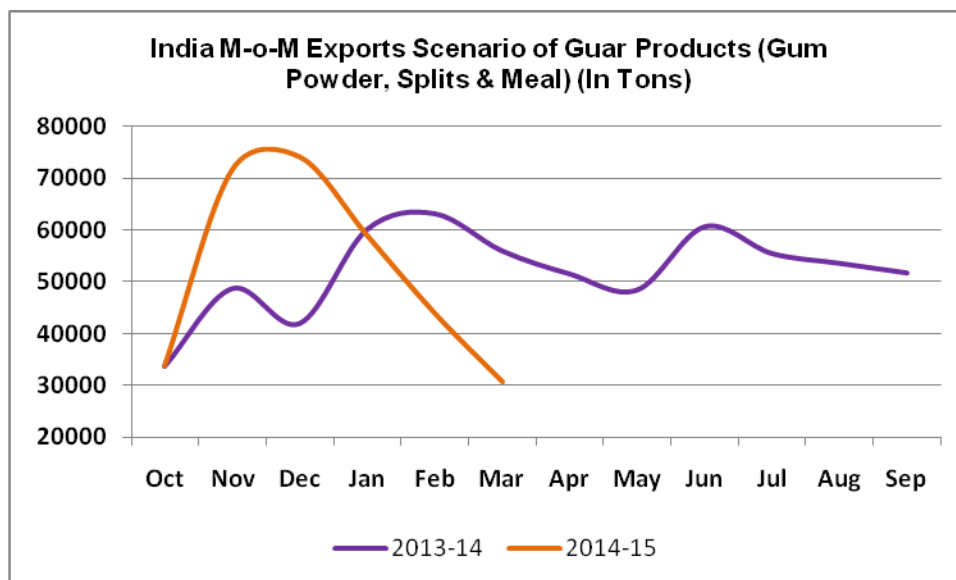
Export and Import Scenario

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:

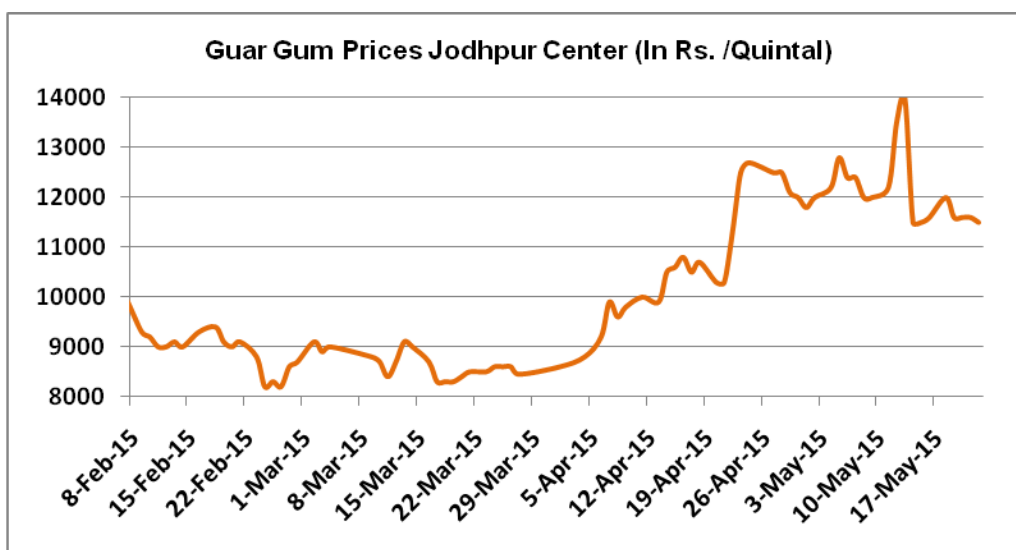
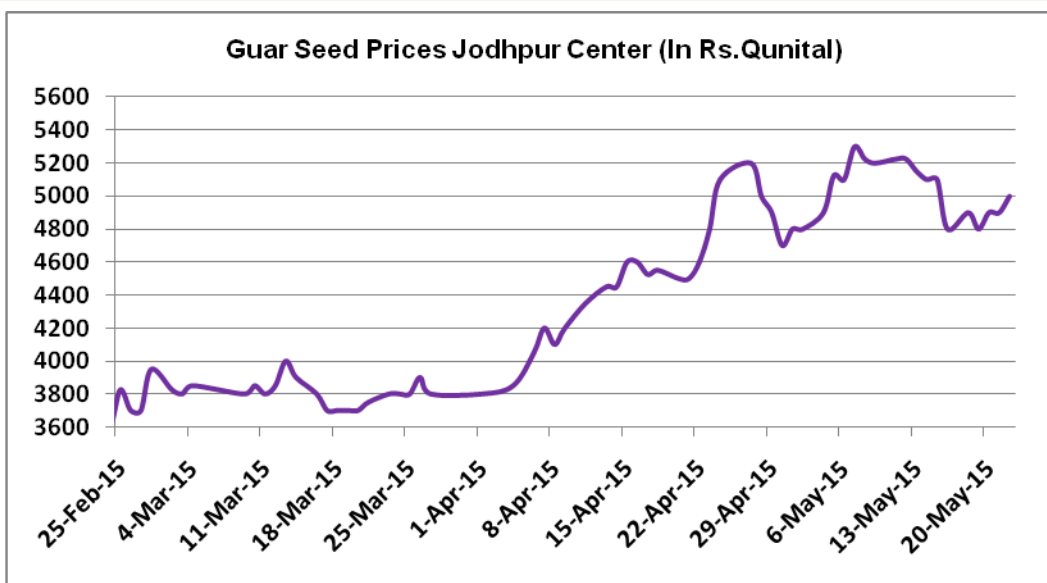
On export front, demands of guar products have decreased in March. Also, demand of guar products among major importers has decreased. Major energy firms decreased their drilling operations in rigs as reported.

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

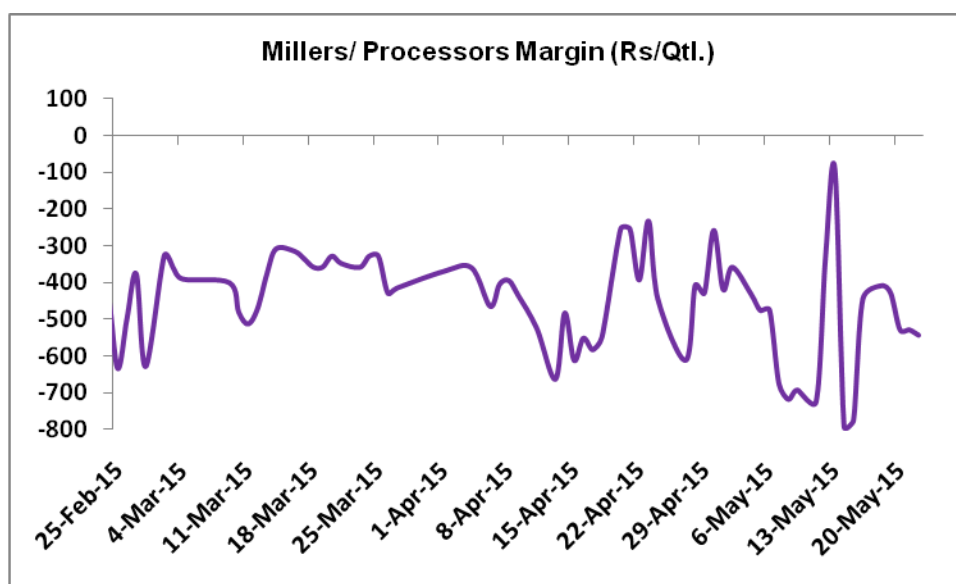


Price Scenario

In the fourth week of Apr, the average price of guar seed declined by 5% to Rs.4883/Qtl compared to prior week. Also, guar gum prices declined last week by 6% to Rs.11650/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 decreased sharply compared to previous week. In the third week of May 2015, average crush margin stood at Rs. -479.83/Quintal which were -567 per quintal last week. Increase in churi and Korma prices led the margin up compared to last week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	16th to 22st May15	9th to 15st May15	Change
Churi	Jodhpur	1537	1467	70
Korma	Jodhpur	1937	1850	87
Churi	Sri-Ganganagar	1524	1477	47
Korma	Sri-Ganganagar	1924	1932	-8
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	16th to 22st May15	9th to 15st May15	Change
Guargum Split		1844	1839	5
Guargum Powder	200 Mesh 5000 CPS	2158	2069	89
	200 Mesh 3500 CPS	2080	2011	69
Guargum Meal	40%	330	337	-7
	50%	424	412	12
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	16th to 22st May15	9th to 15st May15	

Rajasthan	Jodhpur (Loose)	4683	4966	-283
	Jodhpur(Delivery)	4883	5166	-283
	Sri-Ganganagar(Loose)	4670	4733	-63
	Sri-Ganganagar (Delivery)	4887	4933	-46
	Nagaur (Loose)	4733	4750	-17
	Alwar (loose)	4575	4583	-8
	Churu (Delivery)	4775	4783	-8
	Bikaner (Loose)	4758	4775	-17
	Bikaner (Delivery)	4958	4966	-8
	Khajuwala Bikaner (Loose)	4755	4743	12
	Khajuwala Bikaner(Delivery)	4946	4933	13
	Nokha(Loose)	4770	4750	20
	Nokha (Delivery)	4943	4921	22
	Hanumangarh (Loose)	NA	NA	-
	Hanumangarh (Delivery)	NA	NA	-
Haryana	Adampur (Loose)	4758	4754	4
	Adampur (Delivery)	4958	4937	21
	Sirsa (Loose)	4678	4788	-110
	Bhiwani (Delivery)	4900	4966	-66
	Dhabwali (Loose)	4675	NA	-
	Dhabwali (Delivery)	4875	NA	-
	Siwani (Loose)	4870	4887	-17
	Ellanabad (Loose)	4760	4770	-10
Gujarat	Deesa (Loose)	4508	NA	-
	Patan (Loose)	4478	4586	-108
	Rajkot (Loose)	4498	4505	-7
	Dhrol(loose)	4400	4442	-42
Madhya pradesh	Dabra (Loose)	NA	NA	-
Guar Gum				
Rajasthan	Jodhpur	11650	13616	-1966
	Alwar	11600	11716	-116
Haryana	Sirsa	11675	11666	9
	Bhiwani	11133	11775	-642
	Dhabwali	11450	NA	-
	Ellanabad	11566	11716	-150

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	22-May-15	15-May-15	22-Apr-15	22-May-14
Rajasthan	Jodhpur (Loose)	4800	4900	4400	4800
	Jodhpur(Delivery)	5000	5100	4600	5000
	Sri-Ganganagar(Loose)	4600	4650	4450	4900
	Sri-Ganganagar (Delivery)	4800	4850	4650	5100
	Nagaur (Loose)	4900	4650	4400	4800
	Alwar (loose)	4600	4550	4400	NR
	Churu (Delivery)	4800	4750	4600	NR
	Bikaner (Loose)	4700	4700	4550	4975
	Bikaner (Delivery)	4900	4900	4700	5100
	Khajuwala Bikaner (Loose)	4700	4700	4450	4900
	Khajuwala Bikane(Delivery)	4888	4888	4628	5096
	Nokha(Loose)	4750	4700	4550	4900
	Nokha (Delivery)	4921	4869	4714	5076
	Hanumangarh (Loose)	NA	NA	NA	NA
	Hanumangarh (Delivery)	NA	NA	NA	NA
Haryana	Adampur (Loose)	4700	4725	4400	5000
	Adampur (Delivery)	4900	4825	4600	5200
	Sirsa (Loose)	4600	4725	4400	5000
	Bhiwani (Delivery)	4900	5000	4650	5050
	Dhabwali (Loose)	4700	NA	NA	4925
	Dhabwali (Delivery)	4900	NA	NA	5150
	Siwani (Loose)	4825	4850	4625	5050
	Ellanabad (Loose)	4825	4700	4600	5000
Gujarat	Deesa (Loose)	4405	NA	NA	4700
	Patan (Loose)	4450	NA	NA	4670
	Rajkot (Loose)	4500	4350	4400	4555
	Dhrol(loose)	4365	4380	NA	
Madhya pradesh	Dabra (Loose)	NA	NA	NA	4500
Guar Gum					
Rajasthan	Jodhpur	11500	11500	11300	14200
	Alwar	11500	11400	11000	NR
Haryana	Sirsa	11300	11500	11000	12500
	Bhiwani	11300	11750	10600	13700
	Dhabwali	11400	NA	NA	14150
	Ellanabad	11600	11400	11450	14000

Guar Cumulative Arrivals in Key Centers

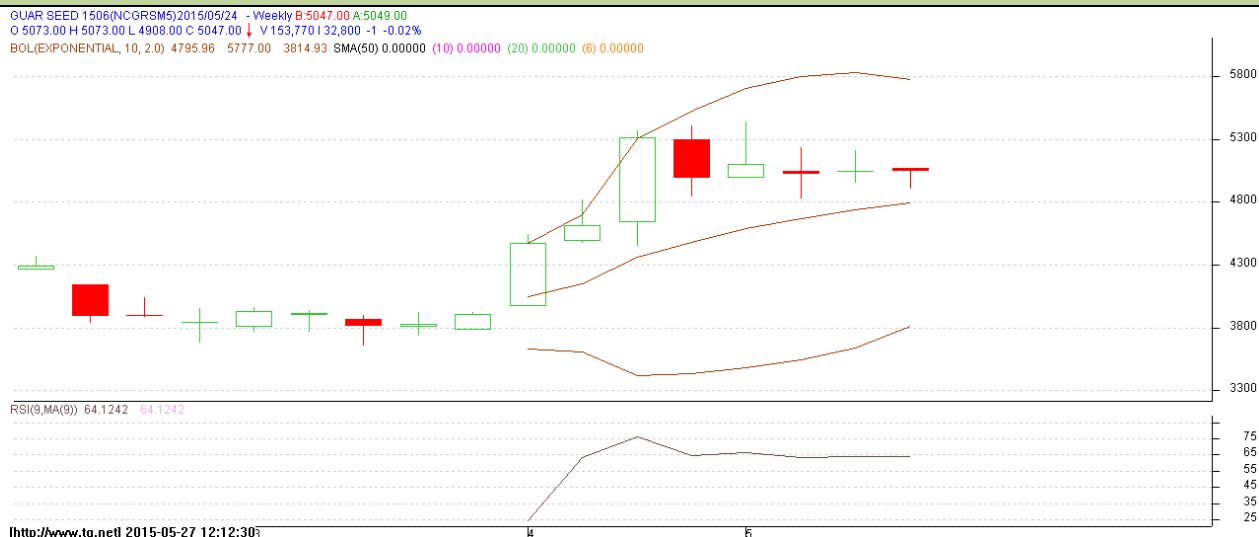
Centre	Weekly Arrivals (Quintals)			Change
		16th to 22st May15	9th to 15st May15	
Rajasthan	Jodhpur	1150	650	500
	Sri-Ganganagar	5800	4800	1000
	Nagaur	1200	1550	-350
	Alwar	2750	3000	-250
	Churu	3100	4000	-900
	Bikaner	4500	4000	500
	Khajuwala Bikaner	2700	2200	500
	Nokha	950	700	250
	Hanumangarh	NA	NA	-
Haryana	Adampur	5800	5800	Unch
	Sirsa	6200	5800	400
	Bhiwani	9000	3600	5400
	Dhabwali	675	NA	-
	Siwani	3400	3800	-400
	Ellanabad	875	1500	-625
Gujarat	Deesa	123	NA	-
	Patan	476	470	6
	Rajkot	3570	2430	1140
	Dhrol	95.5	58.5	37
Madhya pradesh	Dabra	NA	NA	-
Total Arrival		52365	44359	8006



Commodity: Guar Seed 10MT
Contract: June

Exchange: NCDEX
Expiry: June 20, 2015

Guar Seed 10MT (Weekly June Contract Chart)



Technical Commentary:

- Guar prices are consolidating after making new contract highs.
- However, prices have just gave a upper breakout signal
- However, RSI is hovering near to overbought region.
- Last candlestick depicts indecision.

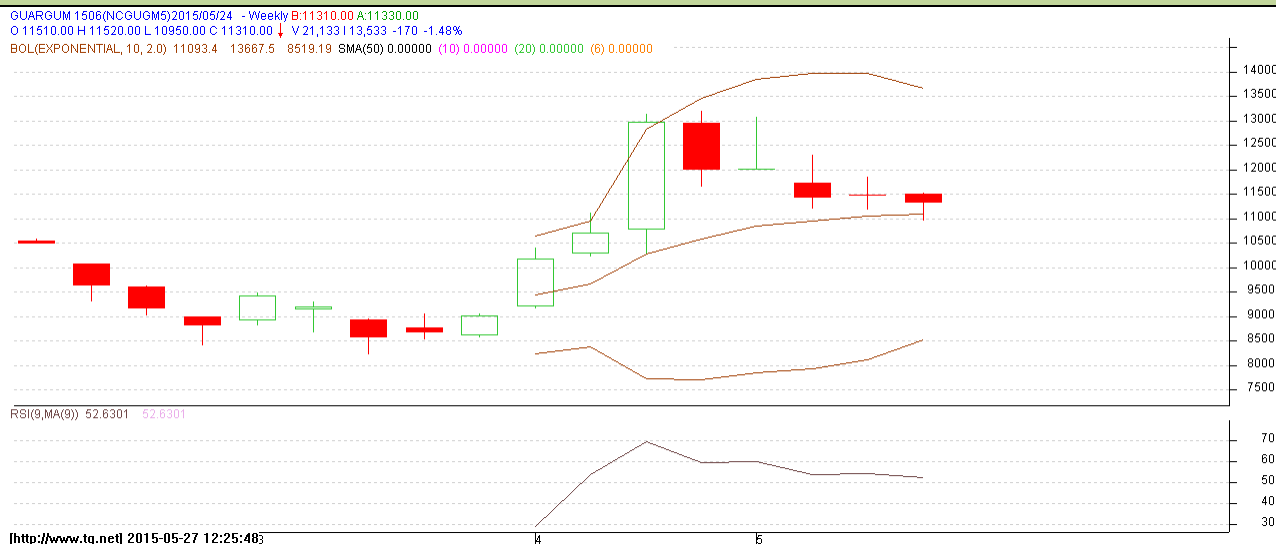
Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	June	4256	4410	5048	5396	5705
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	June	Sell	Below 5100	4800	4650	5280

Commodity: Guar Gum
Contract: June

Exchange: NCDEX
Expiry: June 20, 2015

Guar Gum (June Weekly Chart)



Technical Commentary:

- Guar gum prices moving sideways after getting sharp upside in prices.
- However, RSI is hovering at neutral region
- Last candlestick depicts indecision.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	June	9921	11078	11480	14820	15977
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Sell	11500	11000	10800	11800

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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