

Domestic Market Recap:

- Guar prices were trading in a range with weak tone last week due to weak demand and higher rainfall in guar growing regions especially in Rajasthan.
- Falling crude oil prices became a major constraint for increase in prices of guar seed. If there is a fall in crude oil prices, the guar seed and gum prices should follow the southward direction also as per our expectation.
- Less rainfall in Rajasthan might be a concern for guar seed sowing which could change the fundamental for short term in the coming days.
- Farmers in Haryana have increased guar sowing in their respective fields amid good rainfall last month. Lower remuneration in Kapas and lower labor and cost of cultivation in guar seed crop urge farmers of Haryana to shift towards guar seed.
- As per our short survey, farmers in Rajasthan have shown their interest to sow guar seed in their respective fields if rainfall occurs on time. This year farmers are reported sowing less bajra crop. Lack of time for bajra sowing will ultimately shift the area towards Guar seed and Moong dal.

Current Market Dynamics

Guar seed average prices traded in a range with weak tone last week. Scattered precipitation in guar growing areas lowered the market sentiments as reported.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (~6300 bags) compared to previous week ~8200 bags.

Similarly, In Ganganagar market, arrivals have increased slightly last week upto 2700 bags compared to previous week arrivals data i.e.2600 bags.

Export and Import Scenario

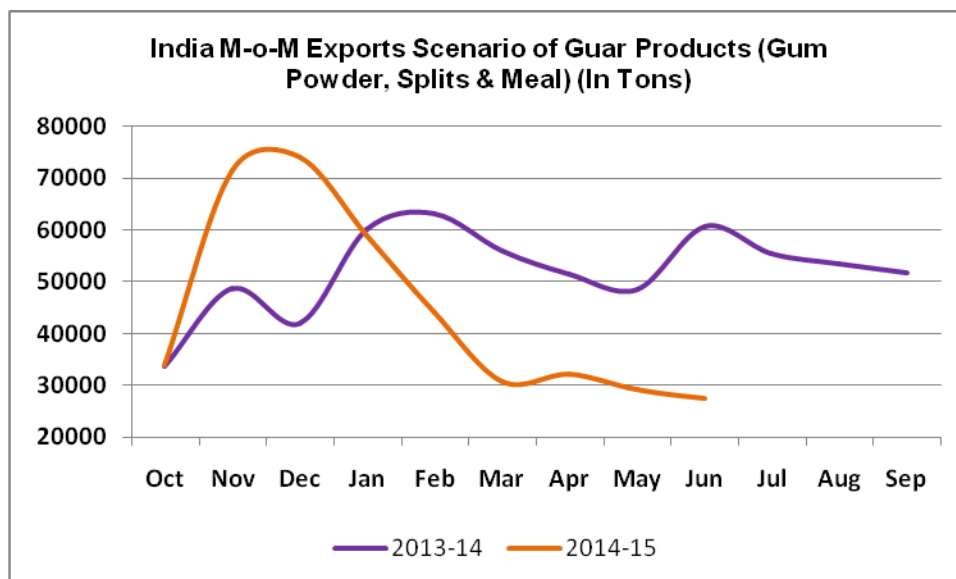
India has exported 27585 tons of Guar Products (Gum, Splits & Meal) in the month of June 2015 which is lower export figures compared to last year. Out of the total guar exports, 18330 tons of Guar gum, 4160 tons of Splits and 5095 tons of Guar splits exported in May 2015.

Notably, recent month guar exports fell by 55% compared to exports of last year same period. 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 are also the major influencing factors for recent decline in guar gum exports.

Demand Side of Guar and Guar Gum:

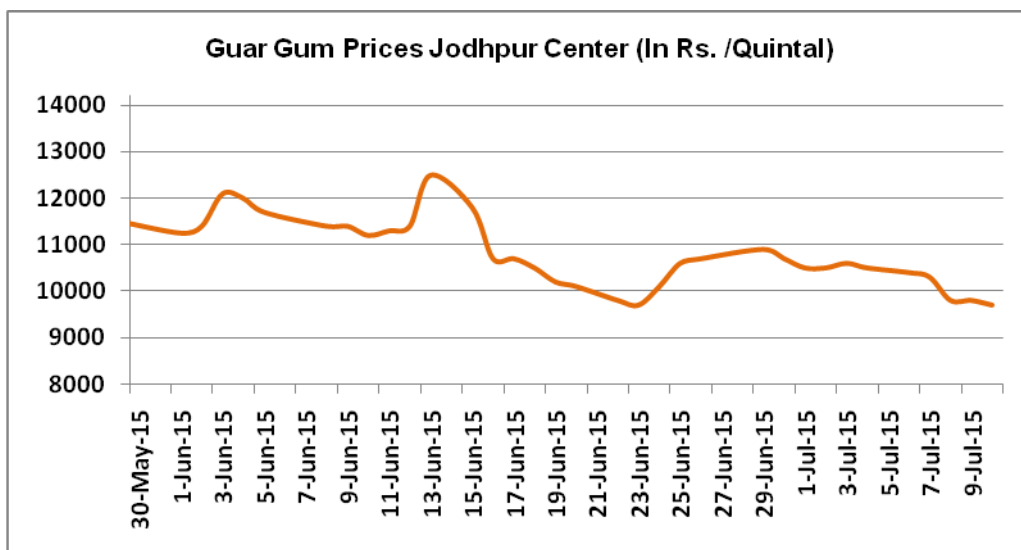
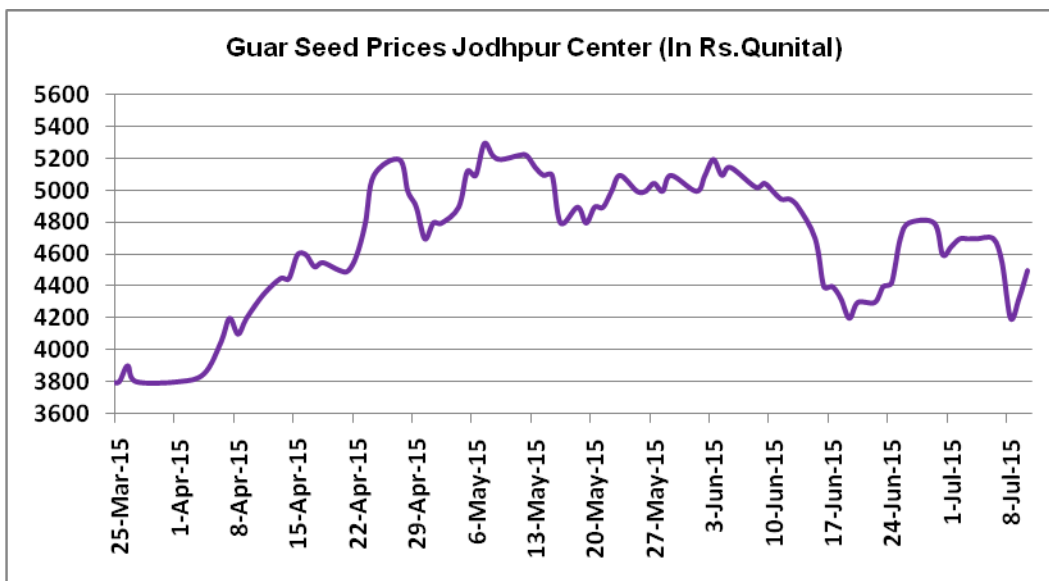
On export front, demands of guar products have decreased in June. Also, demand of guar products among major importers has decreased. Major energy firms decreased their drilling operations in rigs as reported.

Below are the monthly guar products exports month wise and its comparison to last year month wise guar products exports.

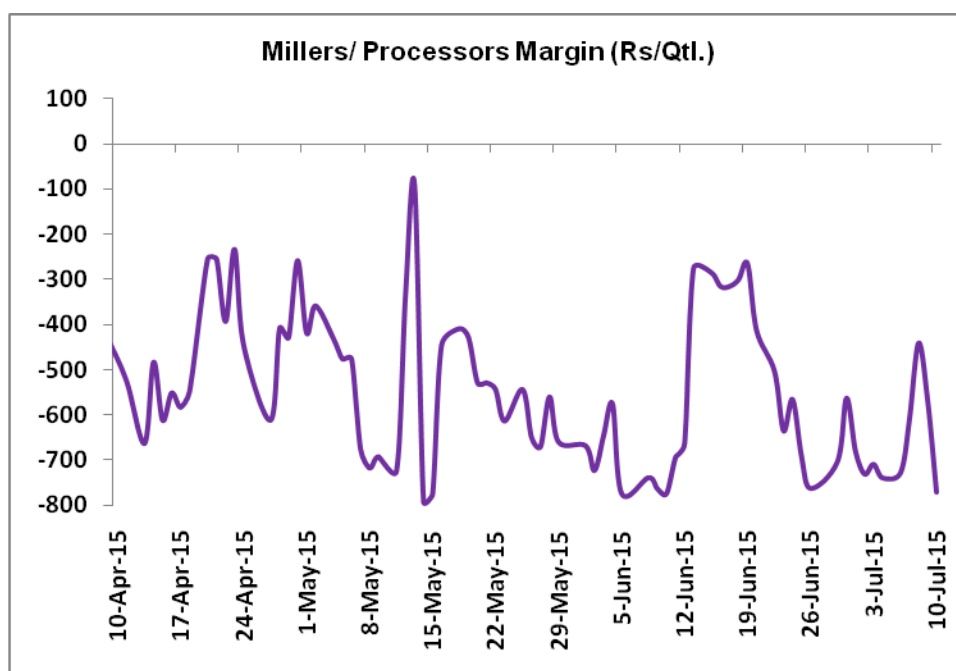


Price Scenario

In the second week of July, the average price of guar seed declined by 4.1% to Rs.4495/Qtl compared to previous week. Also, guar gum prices declined last week by 5.2% to Rs.10083/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 sharply compared to previous week. In the second week of July 2015, average crush margin stood at Rs. -641/Quintal which were -676 per quintal last week. Increase in Korma prices led the margin up last week.

Guar By – Products Weekly Average Prices:

Commodity	Centre	4th July to 10th July 15	26th June to 03th July 15	Change
Churi	Jodhpur	1458	1479	-21
Korma	Jodhpur	1771	1732	39
Churi	Sri-Ganganagar	1450	1411	39
Korma	Sri-Ganganagar	1855	1800	55
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	4th July to 10th July 15	26th June to 03th July 15	Change
Guargum Split		1589	1689	-100

Guargum Powder	200 Mesh 5000 CPS	1904	2003	-99
	200 Mesh 3500 CPS	1825	1925	-100
Guargum Meal	40%	331	319	12
	50%	399	382	17
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	4th July to 10th July 15	26th June to 03th July 15	
Rajasthan	Jodhpur (Loose)	4296	4508	-212
	Jodhpur(Delivery)	4496	4708	-212
	Sri-Ganganagar(Loose)	4145	4355	-210
	Sri-Ganganagar (Delivery)	4325	4555	-230
	Nagaur (Loose)	4175	4114	61
	Alwar (loose)	4050	4238	-188
	Churu (Delivery)	4250	4413	-163
	Bikaner (Loose)	4220	4332	-112
	Bikaner (Delivery)	4420	4507	-87
	Khajuwala Bikaner (Loose)	4223	4378	-155
	Khajuwala Bikaner(Delivery)	4392	4553	-161
	Nokha(Loose)	4200	4317	-117
	Nokha (Delivery)	4351	4473	-122
	Hanumangarh (Loose)	4175	4286	-111
	Hanumangarh (Delivery)	4375	4486	-111
Haryana	Adampur (Loose)	4254	4389	-135
	Adampur (Delivery)	4454	4589	-135
	Sirsa (Loose)	4180	4297	-117
	Bhiwani (Delivery)	4325	4546	-221
	Dhabwali (Loose)	4183	4391	-208
	Dhabwali (Delivery)	4383	4591	-208
	Siwani (Loose)	4325	4439	-114
	Ellanabad (Loose)	4241	4382	-141
Gujarat	Deesa (Loose)	4308	4315	-7
	Patan (Loose)	4202	4261	-59
	Rajkot (Loose)	4227	4345	-118
	Dhrol(loose)	4123	4163	-40
Madhya pradesh	Dabra (Loose)	NR	NR	-

	Guar Gum			
Rajasthan	Jodhpur	10083	10650	-567
	Alwar	9825	10650	-825
Haryana	Sirsa	10020	10629	-609
	Bhiwani	10025	10707	-682
	Dhabwali	9958	10708	-750
	Ellanabad	9917	10600	-683

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	10-Jul-15	3-Jul-15	10-Jun-15	10-Jul-14
Rajasthan	Jodhpur (Loose)	4300	4500	4800	5200
	Jodhpur(Delivery)	4500	4700	5000	5500
	Sri-Ganganagar(Loose)	4125	4420	4550	5250
	Sri-Ganganagar (Delivery)	4325	4620	4750	5400
	Nagaur (Loose)	4200	4250	4450	5250
	Alwar (loose)	NR	NR	4450	4950
	Churu (Delivery)	NR	NR	4700	5300
	Bikaner (Loose)	NR	4500	4625	5400
	Bikaner (Delivery)	NR	4700	4800	5550
	Khajuwala Bikaner (Loose)	4140	4425	4600	5280
	Khajuwala Bikaner(Delivery)	4306	4602	4784	5491
	Nokha(Loose)	4125	4275	4600	5150
	Nokha (Delivery)	4274	4429	4766	5335
	Hanumangarh (Loose)	4100	4200	4500	NR
	Hanumangarh (Delivery)	4300	4400	4700	NR
Haryana	Adampur (Loose)	4200	4425	4640	5360
	Adampur (Delivery)	4400	4625	4840	5500
	Sirsa (Loose)	4100	4400	4525	5300
	Bhiwani (Delivery)	4250	4625	4750	5350
	Dhabwali (Loose)	4025	4325	4400	5225
	Dhabwali (Delivery)	4225	4525	4600	5400
	Siwani (Loose)	4225	4500	4650	5350
	Ellanabad (Loose)	4200	4400	4550	5300
Gujarat	Deesa (Loose)	4150	NR	4435	5240
	Patan (Loose)	4110	4375	4625	5225
	Rajkot (Loose)	4200	4350	4450	5300
	Dhrol(loose)	4100	4150	NR	NR

Madhya pradesh	Dabra (Loose)	NA	NA	NA	4300
Guar Gum					
Rajasthan	Jodhpur	9700	10600	11200	14900
	Alwar	NR	NR	11400	15000
Haryana	Sirsa	9700	10900	11300	14500
	Bhiwani	9800	10800	11800	15300
	Dhabwali	9750	10500	11400	15400
	Ellanabad	9700	10450	11250	15500

Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		4th July to 10th July 15	26th June to 03th July 15	
Rajasthan	Jodhpur	210	NA	-
	Sri-Ganganagar	2700	2600	100
	Nagaur	1200	1500	-300
	Alwar	700	900	-200
	Churu	1100	1400	-300
	Bikaner	1800	1750	50
	Khajuwala Bikaner	1500	1800	-300
	Nokha	3300	1650	1650
	Hanumangarh	170	125	45
Haryana	Adampur	6300	8200	-1900
	Sirsa	1600	3450	-1850
	Bhiwani	3600	10500	-6900
	Dhabwali	925	720	205
	Siwani	2600	3500	-900
	Ellanabad	1800	1350	450
Gujarat	Deesa	1962	1966	-4
	Patan	368	604	-236
	Rajkot	1800	1800	Unch
	Dhrol	43	40	3
Madhya pradesh	Dabra	NR	NR	-
Total Arrival		33678	43855	-10177



Commodity: Guar Seed 10MT
Contract: Oct

Exchange: NCDEX
Expiry: Oct 20, 2015

Guar Seed 10MT (Weekly Oct Contract Chart)

GUAR SEED 1510(NCGRSV5)2015/07/12 - Weekly B:4309.00 A:4310.00
 O 4284.00 H 4416.00 L 4261.00 C 4307.00 ↑ V 164,590 I 38,420 +42 +0.98%
 BOL(EXPONENTIAL, 10, 2.0) 4683.19 5310.18 4056.20



Technical Commentary:

- Guar prices are moving downwards with volume support.
- However, RSI is hovering between neutral and oversold region
- Last candlestick depicts bearishness.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Oct	3710	3875	4457	4770	4927
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Oct	Sell	Below 4400	4100	3950	4580



Commodity: Guar Gum
Contract: Oct

Exchange: NCDEX
Expiry: Oct 20, 2015

Guar Gum (Oct Weekly Chart)

GUARGUM 1510(NCGUGV5)2015/07/12 - Weekly B:10170.00 A:10180.00
O 9980.00 H 10500.00 L 9960.00 C 10170.00 V 22,760 I 19,341 +220 +2.21%
BOL(EXPONENTIAL, 10, 2.0) 11094.4 12631.3 9557.51



Technical Commentary:

- Guar gum prices are showing weakness.
- However, RSI is hovering at neutral region
- Last candlestick depicts bearishness.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Oct	8840	9400	9950	11440	12300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Oct	Sell	Below 10400	9800	9500	10760

Spot Market Outlook:

Guar seed and gum prices continue its downward trend due to weak fundamentals. Only lesser rainfall in guar growing regions can change the fundamentals for the shorter term. Next 10-15 days would be crucial for guar seed and gum and will give the clear picture of the further price trend.

Meanwhile, prevailing fundamentals are weak supported by falling crude oil prices.

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