

**Domestic Market Summary:**

- Guar prices declined last week in key markets due to weak demand and higher arrivals.
- NCDEX issued a circular in which Guar gum and seed deposited in NCDEX approved warehouses at Adampur and Barmer centers has been removed applicable for contracts expiring in the months of February 2016 and thereafter.
- Farmers in Ganganagar are expecting 1.5-2 quintal bags per bigha due to failed rains for one month and recent rainfall which damage the quality of the standing crop.
- Weather forecasters have predicted rainfall in Guar growing regions in Rajasthan in the next 3-4 days. However, market already discounted this news and plunged sharply down this week. However, if rainfall occurred now, it will delay the arrivals of guar as expected.
- Fresh arrivals from new crop started arriving in Ganganagar region. However, the volume is quite low at present. Traders are expecting daily arrivals of 3000-4000 bags in the coming week in the mandi.
- Reportedly, the quantity of unsold gum stored in US has decreased as stockists are selling it at lower quotes as unsold gum is going to expire soon. There is only need based buying reported from foreign buyers.
- India has exported 17618 tons of guar gum powder in the month of August which is 9% lower compared to prior month. Weak demand from overseas led the export market of guar gum down.

**Next Week Price Projections:**

Prices are likely to move upside range of 200-300 per quintal in the next week. In the Jodhpur market, delivery prices are trading at Rs 3975 and are likely to trade upto to Rs 4200-4300 per quintal.

In Ganganagar region, prices are trading at Rs 3786 per quintal which could increase upto Rs 4000 per quintal as expected.

## **Current Market Dynamics**

Guar prices are currently trading in a range after heavy correction in prices from higher levels. Weak demand and higher carry over stock curb any hike in prices of guar seed. Also, supply pressure from new crop arrivals from next couple of weeks also pressurize the prices as expected.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (~3700 bags) compared to previous week ~5000 bags.

Similarly, In Ganganagar market, arrivals have increased last week to 4100 bags compared to prior week arrivals data i.e.2500 bags.

## **Export and Import Scenario**

India has exported 28356 tons of Guar Products (Gum, Splits & Meal) in the month of August 2015 which is lower than the export figures of last year. Out of the total guar exports, 17618 tons of Guar gum, 4222 tons of Splits and 6516 tons of Guar meals exported in August 2015.

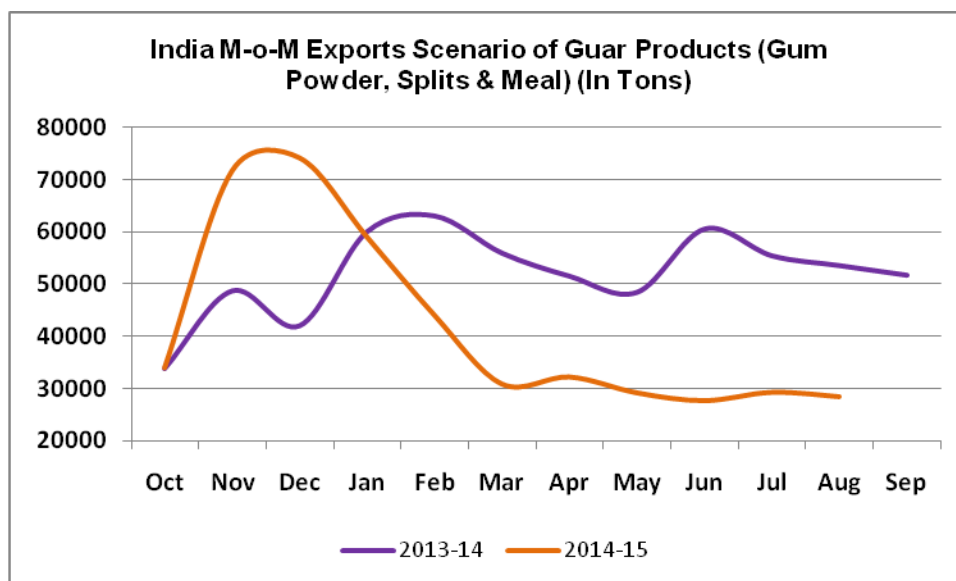
Notably, in the recent month guar exports fell by 47% compared to guar exports during corresponding period last year. Weak demand of guar gum overseas mainly due to falling crude oil prices led the gum exports down in the last couple of months. Falling rig count and new shale gas explorations are also 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 August. Also, demand of guar products among major importers has decreased.

Reportedly, the quantity of unsold gum stored in US has decreased as stockists are selling it at lower quotes as unsold gum is going to expire soon. There is only need based buying reported from foreign buyers.

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



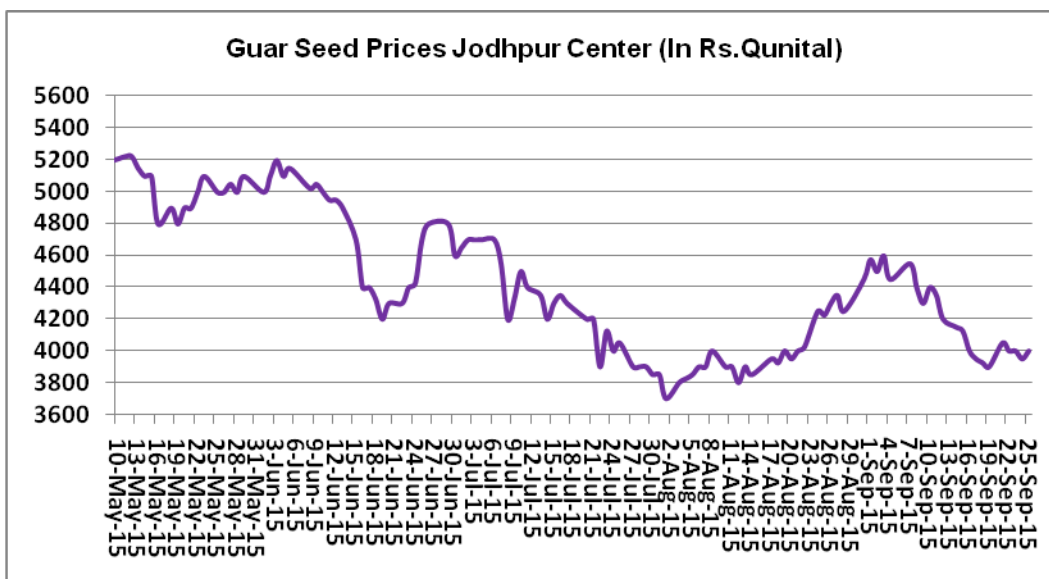
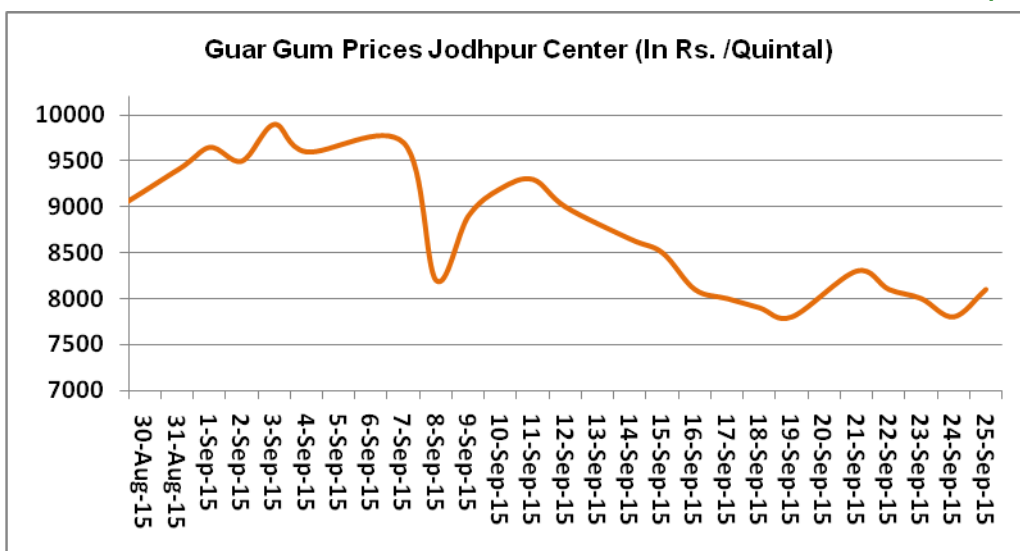
### Crop Situation:

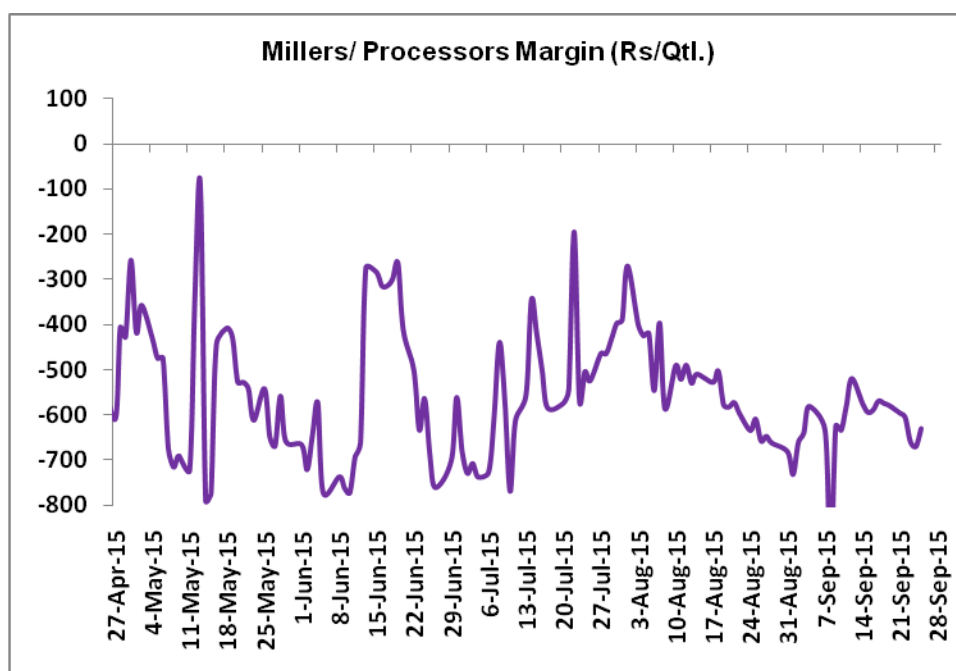
Recent rainfall proved boon to the standing crop in Jaisalmer, Barmer and Jodhpur region as farmers had grown guar crop in early August which needs immediate rainfall.

However, rainfall proved bad in irrigated areas like Ganganagar, Hanumangarh, and parts of Haryana as crop is in its harvesting stage. Farmers are expecting 30-40% lesser yield this year compared to last year due to lack of rainfall in the last one month and heavy rainfall at the time of harvesting which deteriorates the quality of guar seed also.

### Price Scenario

In the third week of September, the average price of guar seed declined by 2% and was at Rs.3983/Qtl compared to previous week. Also, guar gum prices declined last week by 4.1% at Rs.8016/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 has declined compared to previous week. In the fourth week of September 2015, average crush margin declined at Rs. -624/Quintal which were -570 per quintal last week. Higher degree of decline in guar gum prices to compared to guar seed led the margin down.

**Guar by – Products Weekly Average Prices:**

Commodity	Centre	19th to 25th Sep 15	12th to 18th Sep 15	Change
Churi	Jodhpur	1500	1525	-25
Korma	Jodhpur	1867	1900	-33
Churi	Sri-Ganganagar	1425	1388	37
Korma	Sri-Ganganagar	1925	1875	50
Prices in Rs/75kg				

**Guar Export Weekly Average Prices:**

Commodity	Variety	19th to 25th Sep 15	12th to 18th Sep 15	Change
Guargum Split		1279	1357	-78
Guargum Powder	200 Mesh 5000 CPS	1582	1658	-76
	200 Mesh 3500 CPS	1506	1583	-77
Guargum Meal	40%	329	317	12
	50%	416	392	24
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	19th to 25th Sep 15	12th to 18th Sep 15	
Rajasthan	Jodhpur (Loose)	3775	3858	-83
	Jodhpur(Delivery)	3975	4058	-83
	Sri-Ganganagar(Loose)	3586	3708	-122
	Sri-Ganganagar (Delivery)	3786	3892	-106
	Nagaur (Loose)	3750	3700	50
	Alwar (loose)	3643	3650	-7
	Churu (Delivery)	3771	3800	-29
	Bikaner (Loose)	3600	3713	-113
	Bikaner (Delivery)	3766	3871	-105
	Khajuwala Bikaner (Loose)	3646	3820	-174
	Khajuwala Bikaner(Delivery)	3792	3976	-184
	Nokha(Loose)	3707	3733	-26
	Nokha (Delivery)	3841	3868	-27
	Hanumangarh (Loose)	3500	3716	-216
	Hanumangarh (Delivery)	3700	3906	-206
Haryana	Adampur (Loose)	3743	3871	-128
	Adampur (Delivery)	3943	4063	-120
	Sirsa (Loose)	3719	3753	-34
	Bhiwani (Delivery)	3778	3900	-122
	Dhabwali (Loose)	3613	3745	-132
	Dhabwali (Delivery)	3841	3928	-87
	Siwani (Loose)	3778	3888	-110
	Ellanabad (Loose)	3736	3725	11
Gujarat	Deesa (Loose)	NA	NA	-
	Patan (Loose)	3486	3695	-209
	Rajkot (Loose)	3768	3865	-97
	Dhrol(Loose)	3702	3785	-83
Madhya pradesh	Dabra (Loose)	NA	NA	-
	Guar Gum			
Rajasthan	Jodhpur	8000	8358	-358
	Alwar	8071	8175	-104
Haryana	Sirsa	8130	8367	-237
	Bhiwani	8207	8600	-393
	Dhabwali	7992	8367	-375

	Ellanabad	8050	8317	-267
--	-----------	------	------	------

Week on Week Price: Scenario of Guarseed and Guargum:					
Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	25-Sep-15	18-Sep-15	25-Aug-15	25-Sep-14
Rajasthan	Jodhpur (Loose)	3800	3725	4025	5200
	Jodhpur(Delivery)	4000	3925	4225	5500
	Sri-Ganganagar(Loose)	3550	3650	3600	5350
	Sri-Ganganagar (Delivery)	3750	3850	3900	5500
	Nagaur (Loose)	Closed	3550	3800	5200
	Alwar (loose)	3700	3600	3800	5200
	Churu (Delivery)	3850	3700	3900	5500
	Bikaner (Loose)	Closed	3550	3900	5450
	Bikaner (Delivery)	Closed	3700	4040	5650
	Khajuwala Bikaner (Loose)	3700	Closed	3920	5300
	Khajuwala Bikane(Delivery)	3848	Closed	4077	5500
	Nokha(Loose)	3600	3650	3880	5400
	Nokha (Delivery)	3730	3781	4020	5594
	Hanumangarh (Loose)	3500	3500	3900	5250
	Hanumangarh (Delivery)	3700	3700	4000	5350
Haryana	Adampur (Loose)	3750	3750	3900	5400
	Adampur (Delivery)	3950	3950	4050	5550
	Sirsa (Loose)	3630	3700	3750	5325
	Bhiwani (Delivery)	3800	3750	3900	5550
	Dhabwali (Loose)	3625	3560	3830	5280
	Dhabwali (Delivery)	3825	3760	3930	5500
	Siwani (Loose)	3800	3725	4050	5475
	Ellanabad (Loose)	3625	3625	3900	5300
Gujarat	Deesa (Loose)	NA	NA	NA	4595
	Patan (Loose)	3440	3460	Closed	4400
	Rajkot (Loose)	3720	NA	Closed	4675
	Dhrol(Loose)	3650	3750	NA	NA
Madhya Pradesh	Dabra(Loose)	NA	NA	NA	4200
Guar Gum					
Rajasthan	Jodhpur	8100	7900	8700	15800
	Alwar	8100	8000	8700	16000
Haryana	Sirsa	8000	7900	8900	16100
	Bhiwani	8350	8350	8800	16000

	Dhabwali	8050	7900	8850	15900
	Ellanabad	8000	7900	8900	15800

### Guar Cumulative Arrivals in Key Centers

Centre	Weekly Arrivals (Quintals)			Change
		19th to 25th Sep 15	12th to 18th Sep 15	
Rajasthan	Jodhpur	NA	NA	-
	Sri-Ganganagar	6700	4100	2600
	Nagaur	800	1050	-250
	Alwar	1600	900	700
	Churu	3900	2700	1200
	Bikaner	1150	1450	-300
	Khajuwala Bikaner	1050	800	250
	Nokha	1000	850	150
	Hanumangarh	95	475	-380
Haryana	Adampur	4200	3700	500
	Sirsa	350	925	-575
	Bhiwani	NA	400	-
	Dhabwali	510	470	40
	Siwani	1000	1450	-450
	Ellanabad	185	580	-395
Gujarat	Deesa	NA	NA	-
	Patan (Loose)	226	227	-1
	Rajkot	1762	875	887
	Dhrol(Loose)	35	21	14
Madhya Pradesh	Dabra(Loose)	NA	NA	-
Total Arrival		24563	20973	3590



Commodity: Guar Seed 10MT  
Contract: Oct

Exchange: NCDEX  
Expiry: Oct 20, 2015

### Guar Seed 10MT (Weekly Oct Contract Chart)



#### Technical Commentary:

- Guar prices are consolidating after heavy downside.
- However, RSI is hovering near oversold region
- Last candlestick depicts bullishness.

#### Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Oct	3000	3400	3698	4927	5200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Oct	Buy	Above 3700	4000	4150	3520

**Commodity: Guar Gum**  
**Contract: Oct**

**Exchange: NCDEX**  
**Expiry: Oct 20, 2015**

### Guar Gum (Oct Weekly Chart)



### Technical Commentary:

- Guar gum prices are consolidating but trend continues to be up.
- RSI is hovering at overbought region
- Last candlestick depicts bullishness in the market.

### Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Oct	6700	7500	8060	11500	12000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Oct	Buy	Above 8000	8500	8800	7700

**Spot Market Outlook:**

Guar prices are trading in a pretty crucial range. Heavy rainfall in parts of Rajasthan, Gujarat and Haryana impacts the crop both ways.

We expect prices to trade in a range with firm tone in the coming week until next crop arrives in the market.

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2015 Indian Agribusiness Systems Pvt Ltd.