

Domestic Market Summary:

- Guar prices declined sharply last week due to weak demand. Also, consistent arrivals in key markets also pressurizes the prices of guar seed and gum.
- Guar arrivals started declining with tumbling prices as farmers are not showing interest to sell their stock at such lowest levels.
- In the last week of November 2015, India has exported 4395 tons of guar gum powder, 1284 tons of guar splits and 1552 tons of guar meal.
- Latest week export figure took the November month export to 25403 tons of guar products. Out of the total guar exports, 15596 tons of Guar gum, 3088 tons of Splits and 6720 tons of Guar meals exported in November 2015. Last year India exported 71610 tons of Guar products at the same period.
- As far as arrivals of guar seed in all India markets are concerned, around 90000 bags on an average daily arrival coming in the markets of guar seed.

Next Week Price Projections:

For the next week, prices are likely to move up to Rs 200 per quintal. In the Jodhpur market, delivery prices are trading at Rs 3609 and are likely to trade upto to Rs 3800 per quintal.

In Ganganagar region, prices are trading at Rs 3543 per quintal which is likely to move up to Rs 3650 quintal as expected.

Current Market Dynamics

Guar prices are showing some weakness due to weak demand various key markets. Big companies and traders are not interested in buying guar seed at current levels.

Also, slow export of guar gum became the main influencing factor which drive the prices downside.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (~7600 bags) compared to previous week ~6500 bags.

Similarly, In Ganganagar market, arrivals have declined last week to 13000 bags compared to prior week arrivals data i.e.19500 bags.

Export and Import Scenario

India exported 25403 tons of guar products in the month of November. Out of the total guar exports, 15596 tons of Guar gum, 3088 tons of Splits and 6720 tons of Guar meals exported in November 2015. Last year India exported 71610 tons of Guar products at the same period.

Notably, recent month guar gum powder exports fell 69% compared to guar exports during corresponding period last year. Weak demand of guar gum overseas mainly due to falling crude oil prices led to fall in gum exports in the last couple of months. Falling rig count and new shale gas explorations are also the major influencing factors of recent decline in guar gum exports.

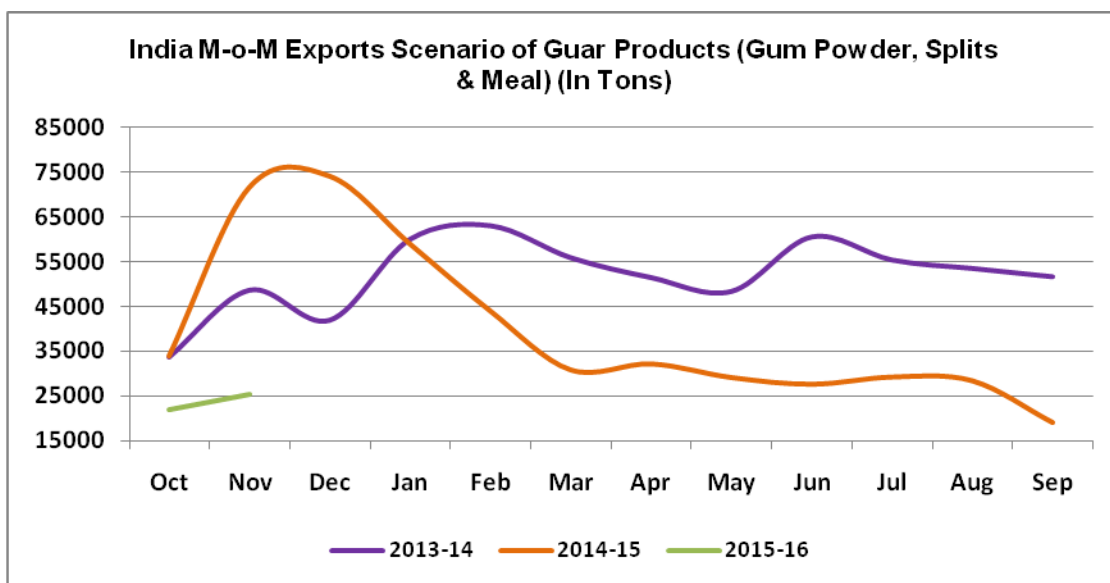
According to recent report of Baker's & Hughes, the oil rig count surge last week by 2 to 574. There are now 64% fewer rigs running compared to rigs running in October 2014 i.e. 1609.

Demand Side of Guar and Guar Gum:

On export front, demands of guar products decreased in November.

Reportedly, the quantity of unsold gum stored in US has decreased as stockists are selling it at lower quotes as unsold gum will 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 month wise exports of guar products last year.



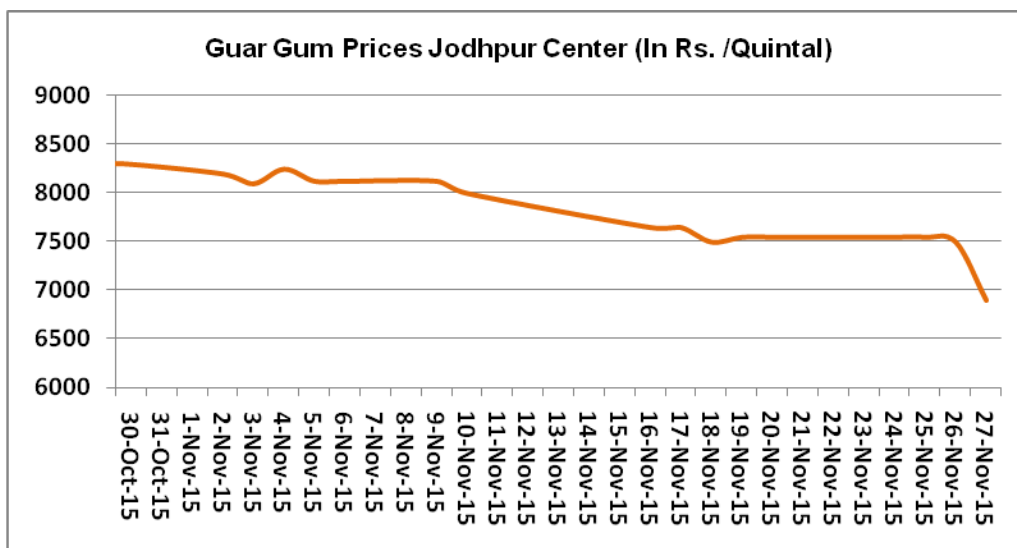
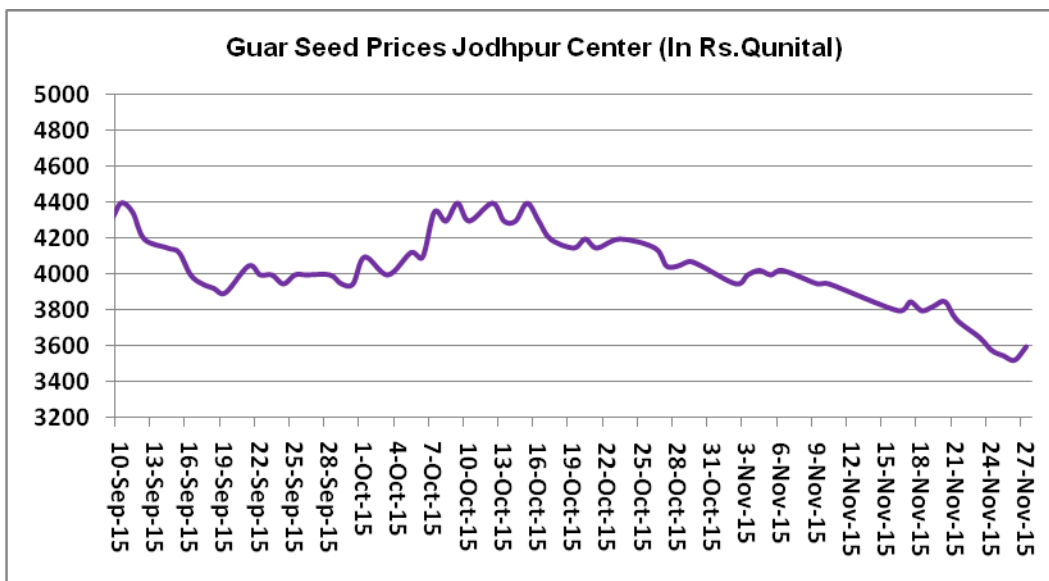
Crop Situation:

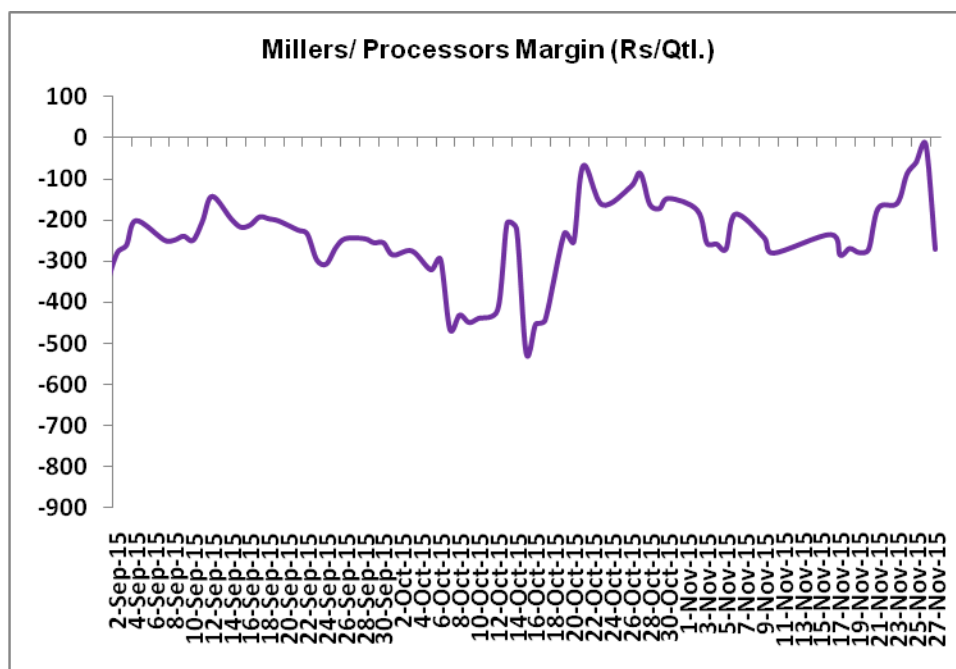
Recent rainfall proved to be a boon to the standing crop in Jaisalmer, and Jodhpur region as farmers had grown guar crop in early August which needs immediate rainfall.

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 fourth week of November, the average price of guar seed declined by 5.6% and was at Rs.3609/Qtl compared to previous week. Also, guar gum prices declined last week by 1.9% at Rs.7433/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 surged compared to previous week. In the fourth week of November 2015, average crush margin increase to Rs. -128.5/Quintal which were -268 per quintal last week. Higher degree of decline in guar seed prices compared to guar gum prices led the margin up last week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	21th Nov to 27th Nov 15	14th Nov to 20th Nov 15	Change
Churi	Jodhpur	1420	1440	-20
Korma	Jodhpur	1775	1815	-40
Churi	Sri-Ganganagar	1365	1313	52
Korma	Sri-Ganganagar	1822	1782	40
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	21th Nov to 27th Nov 15	14th Nov to 20th Nov 15	Change
Guargum Split		1052	1123	-71
Guargum Powder	200 Mesh 5000 CPS	1361	1434	-73
	200 Mesh 3500 CPS	1278	1350	-72
Guargum Meal	40%	311	287	24

	50%	389	369	20
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	21th Nov to 27th Nov 15	14th Nov to 20th Nov 15	
Rajasthan	Jodhpur (Loose)	3409	3625	-216
	Jodhpur(Delivery)	3609	3825	-216
	Sri-Ganganagar(Loose)	3343	3420	-77
	Sri-Ganganagar (Delivery)	3543	3600	-57
	Nagaur (Loose)	3150	3316	-166
	Alwar (loose)	3225	3333	-108
	Churu (Delivery)	3425	3533	-108
	Bikaner (Loose)	3331	3444	-113
	Bikaner (Delivery)	3531	3624	-93
	Khajuwala Bikaner (Loose)	3298	3406	-108
	Khajuwala Bikaner(Delivery)	3429	3542	-113
	Nokha(Loose)	3266	3441	-175
	Nokha (Delivery)	3384	3566	-182
	Hanumangarh (Loose)	3347	3402	-55
	Hanumangarh (Delivery)	3547	3602	-55
Haryana	Adampur (Loose)	3424	3513	-89
	Adampur (Delivery)	3624	3695	-71
	Sirsa (Loose)	3368	3415	-47
	Bhiwani (Delivery)	3448	3551	-103
	Dhabwali (Loose)	3279	3375	-96
	Dhabwali (Delivery)	3479	3567	-88
	Siwani (Loose)	3413	3555	-142
	Ellanabad (Loose)	3400	3450	-50
Gujarat	Deesa (Loose)	3393	3436	-43
	Patan (Loose)	3383	3545	-162
	Rajkot (Loose)	3453	3629	-176
	Dhrol(loose)	3356	3502	-146
Madhya pradesh	Dabra (Loose)	NA	NA	-
	Guar Gum			
Rajasthan	Jodhpur	7433	7580	-147
	Alwar	7050	7633	-583
Haryana	Sirsa	6983	7510	-527

	Bhiwani	6933	7741	-808
	Dhabwali	6950	7565	-615
	Ellanabad	6966	7500	-534

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	27-Nov-15	20-Nov-15	27-Oct-15	27-Nov-14
Rajasthan	Jodhpur (Loose)	3400	3650	3850	4550
	Jodhpur(Delivery)	3600	3850	4050	4750
	Sri-Ganganagar(Loose)	3370	3400	3650	4625
	Sri-Ganganagar (Delivery)	3570	3600	3850	4825
	Nagaur (Loose)	3150	3200	3650	4550
	Alwar (loose)	3200	NR	3600	4450
	Churu (Delivery)	3400	NR	3800	4700
	Bikaner (Loose)	3350	3350	3625	4600
	Bikaner (Delivery)	3550	3550	3825	4800
	Khajuwala Bikaner (Loose)	3290	3380	3620	4600
	Khajuwala Bikaner(Delivery)	3422	3515	3765	4784
	Nokha(Loose)	3200	3350	3650	4630
	Nokha (Delivery)	3315	3471	3781	4797
	Hanumangarh (Loose)	3325	3360	3650	4650
	Hanumangarh (Delivery)	3525	3560	3850	4850
Haryana	Adampur (Loose)	3450	3500	3700	4700
	Adampur (Delivery)	3650	3700	3900	4900
	Sirsa (Loose)	3370	3350	3650	4625
	Bhiwani (Delivery)	3500	3400	3800	4800
	Dhabwali (Loose)	3350	3280	3736	4625
	Dhabwali (Delivery)	3550	3480	3936	4825
	Siwani (Loose)	3425	3475	3775	4800
	Ellanabad (Loose)	3400	3400	3700	4700
Gujarat	Deesa (Loose)	3405	3400	NA	4530
	Patan (Loose)	3370	3560	3665	4530
	Rajkot (Loose)	3450	3625	3750	4690
	Dhrol(loose)	NA	3535	NA	NA
Madhya pradesh	Dabra (Loose)	NA	NA	NA	5000
Guar Gum					
Rajasthan	Jodhpur	6900	7550	8100	13700
	Alwar	7000	NR	8100	13700
Haryana	Sirsa	6800	7400	8000	13650

	Bhiwani	7000	7600	8000	13700
	Dhabwali	6900	7240	8100	13500
	Ellanabad	6900	7250	8100	13800

Guar Cumulative Arrivals in Key Centers

Weekly Arrivals (Quintals)				
Centre		21th Nov to 27th Nov 15	14th Nov to 20th Nov 15	Change
Rajasthan	Jodhpur	NA	NA	-
	Sri-Ganganagar	13000	19500	-6500
	Nagaur	950	1050	-100
	Alwar	1300	2000	-700
	Churu	2800	5000	-2200
	Bikaner	5500	7200	-1700
	Khajuwala Bikaner	8500	5500	3000
	Nokha	3700	3900	-200
	Hanumangarh	2200	3300	-1100
Haryana	Adampur	7600	6500	1100
	Sirsa	2450	2350	100
	Bhiwani	2900	6000	-3100
	Dhabwali	1050	1350	-300
	Siwani	4800	5100	-300
	Ellanabad	6700	4750	1950
Gujarat	Deesa	2124	2199	-75
	Patan	4324	2310	2014
	Rajkot	3920	2720	1200
	Dhrol	186	89	97
Madhya pradesh	Dabra	NA	NA	-
Total Arrival		74004	80818	-6814

Commodity: Guar Seed 10MT
Contract: Dec

Exchange: NCDEX
Expiry: Dec 20, 2015

Guar Seed 10MT (Weekly Dec Contract Chart)



Technical Commentary:

- Guar prices are continuously moving downside as chart depicts.
- Prices have tested its next support i.e. 3420 and now consolidating at mentioned levels. We expect prices to rebound after testing its downward objective.
- However, RSI is hovering near oversold region

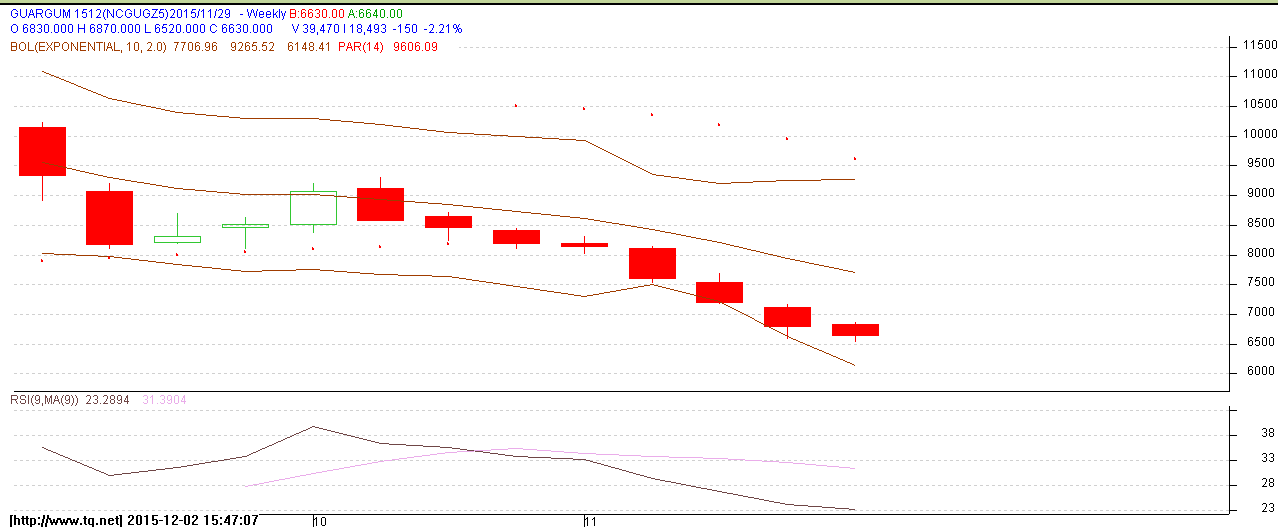
Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Dec	3000	3100	3550	3700	3880
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Dec	Buy	Above 3350	3550	3650	3230

Commodity: Guar Gum
Contract: Dec

Exchange: NCDEX
Expiry: Dec 20, 2015

Guar Gum (Dec Weekly Chart)



Technical Commentary:

- Guar gum prices are moving down to downtrend as chart depicts.
- RSI is hovering at oversold region
- Last candlestick depicts bearishness in the market.

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Dec	5800	6050	6780	7500	8000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Dec	Buy	Above 6600	7000	7200	6360

Spot Market Outlook:

Guar prices are moving in a range with weak tone. With arrivals in November are picking up and weak demand, we expect prices to trade in a weaker trend in the coming week.

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