

Domestic Market Summary:

- Guar prices declined sharply last week due to weak demand. Consistent arrivals in key markets, also pressurizes the prices of guar seed and gum.
- Daily around 80000 bags of guar seed arrived in all India markets this week which was around 90000 bags last week. Continuous fall in guar seed prices urge farmers not to bring their produce in the local mandis.
- As per the price seasonality chart of guar seed for last 6 years, guar seed prices started rebound from lower levels in the month of November and continued its rally until April came. However, this year prices don't follow the seasonality due to weak demand of gum from overseas. Also, big stockists and trade houses trying hard to kept the guar prices low which ultimately urge farmers to plant less guar seed in their respective fields.

Next Week Price Projections:

For the next week, prices are likely to move down to Rs 200 per quintal. In the Jodhpur market, delivery prices are trading at Rs 3400 and are likely to trade down to Rs 3200 per quintal.

In Ganganagar region, prices are trading at Rs 3475 per quintal which is likely to move down to Rs 3300 quintal as expected.

Current Market Dynamics

Guar prices are showing some weakness due to weak demand in 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 driving the prices downward.

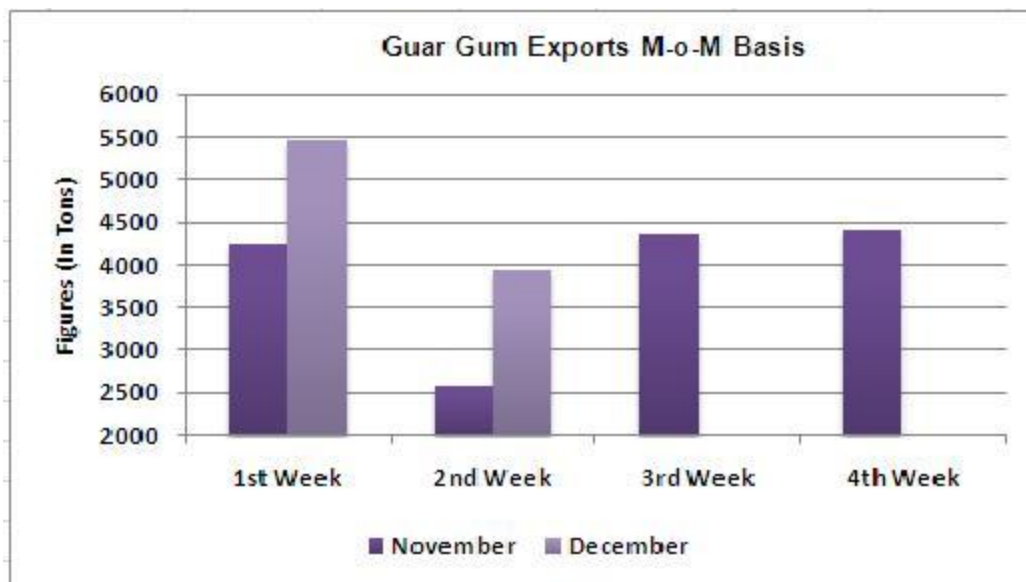
As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (~8000 bags) compared to previous week ~7600 bags.

Similarly, In Ganganagar market, arrivals have declined last week to 21000 bags compared to prior week arrivals data i.e.13000 bags.

Export and Import Scenario

As far as weekly guar gum exports are concerned, In the second week of December 2015, India has exported 3932 tons of guar gum powder, 420.2 tons of guar splits and 1697 tons of guar meal.

Recent week guar gum powder exports are 61% higher compared to export at same period last month. However, recent export figures are down by 35% compared to prior week.

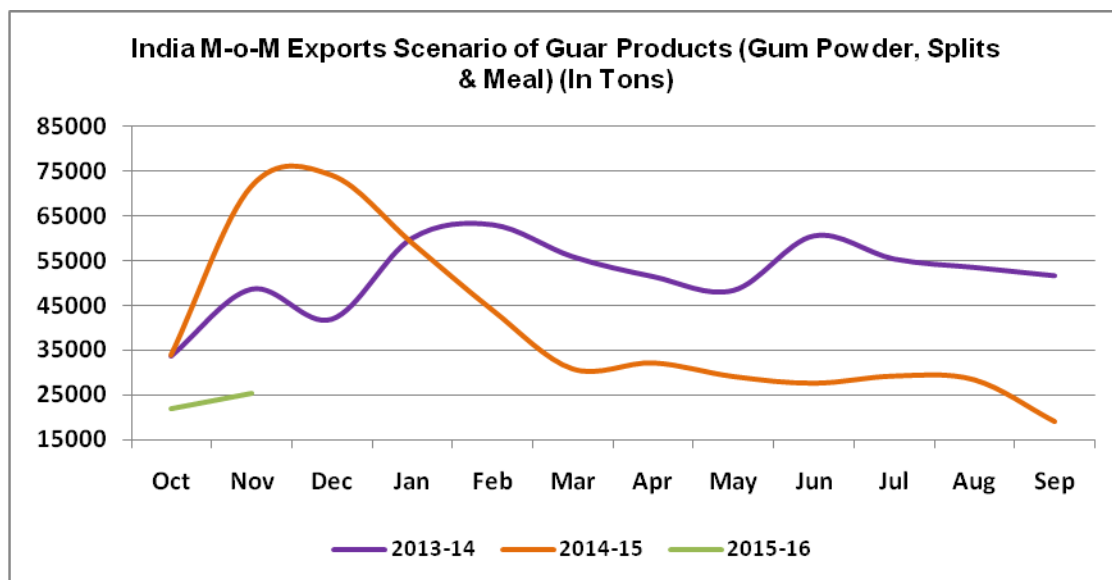


Demand Side of Guar and Guar Gum:

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 and its comparison to month wise exports of guar products last year.



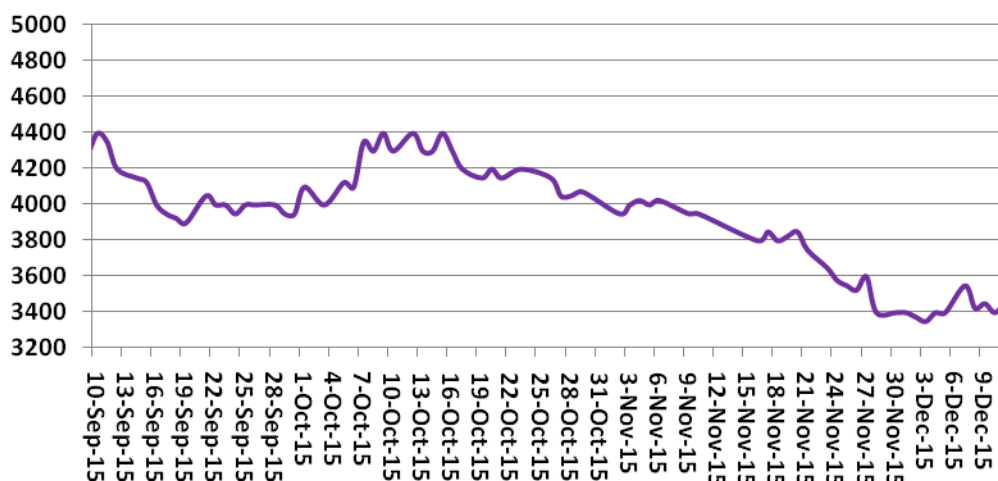
Crop Situation:

Currently, crop from Jaiselmer and Barmer region coming in the market which also pressurizes the prices of guar seed in domestic markets. Farmers have started harvesting their crop.

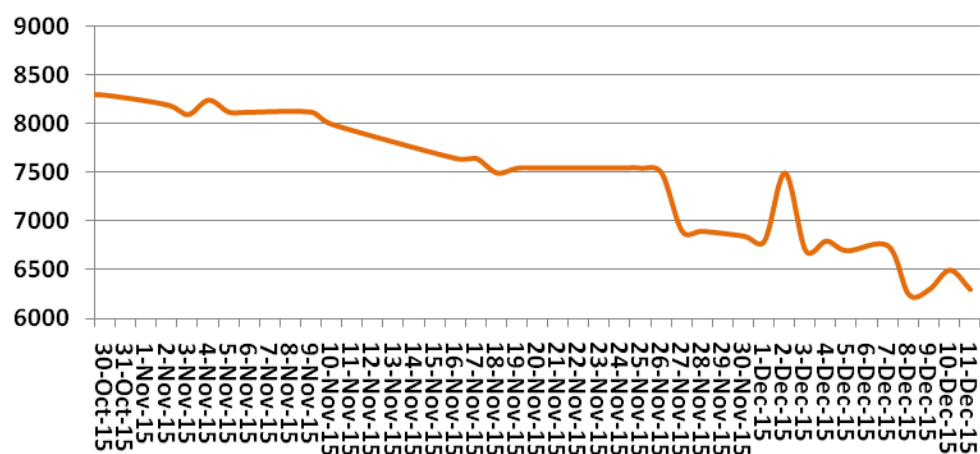
Price Scenario

In the second week of December, the average price of guar seed increase by 1.7% and was at Rs.3445/Qtl compared to previous week. However, guar gum prices declined last week by 6.6% at Rs.6466/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.

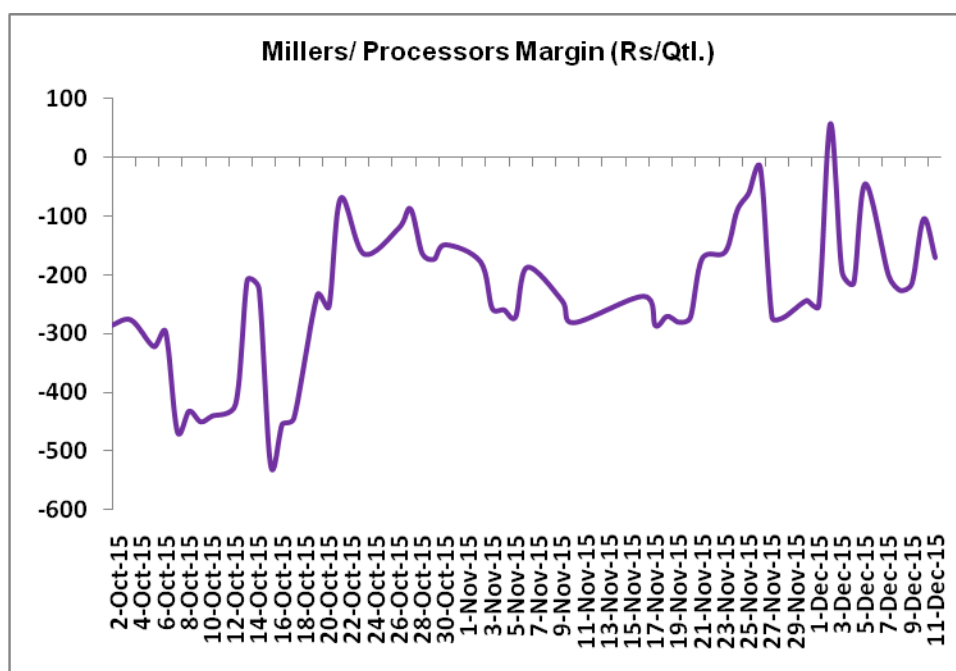
Guar Seed Prices Jodhpur Center (In Rs.Qunital)



Guar Gum Prices Jodhpur Center (In Rs. /Quintal)



Millers/Processors Margin



As seen in the chart above, the average crushing margin of guar seed has increased compared to previous week. In the second week of December 2015, average crush margin increase to Rs. -159.8/Quintal which were -186 per quintal last week. Increase in churi and korma prices led the margin up last week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	05th Dec to 11th Dec 15	28th Nov to 04th Dec 15	Change
Churi	Jodhpur	1492	1458	34
Korma	Jodhpur	1908	1892	16
Churi	Sri-Ganganagar	1492	1469	23
Korma	Sri-Ganganagar	1878	1861	17
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	05th Dec to 11th Dec 15	28th Nov to 04th Dec 15	Change
Guargum Split		946	997	-51
Guargum Powder	200 Mesh 5000 CPS	1246	1296	-50
	200 Mesh 3500 CPS	1173	1227	-54
Guargum Meal	40%	325	315	10
	50%	389	390	-1
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)		Change
	Guar Seeds	05th Dec to 11th Dec 15	28th Nov to 04th Dec 15	

Rajasthan	Jodhpur (Loose)	3246	3388	-142
	Jodhpur(Delivery)	3446	3588	-142
	Sri-Ganganagar(Loose)	3137	3273	-136
	Sri-Ganganagar (Delivery)	3337	3474	-137
	Nagaur (Loose)	3092	3158	-66
	Alwar (loose)	3080	3250	-170
	Churu (Delivery)	3290	3430	-140
	Bikaner (Loose)	3134	3277	-143
	Bikaner (Delivery)	3334	3468	-134
	Khajuwala Bikaner (Loose)	3041	3262	-221
	Khajuwala Bikaner(Delivery)	3140	3392	-252
	Nokha(Loose)	3138	3230	-92
	Nokha (Delivery)	3250	3392	-142
	Hanumangarh (Loose)	3116	3240	-124
	Hanumangarh (Delivery)	3316	3440	-124
Haryana	Adampur (Loose)	3242	3418	-176
	Adampur (Delivery)	3442	3618	-176
	Sirsa (Loose)	3225	3400	-175
	Bhiwani (Delivery)	3292	3483	-191
	Dhabwali (Loose)	3165	3308	-143
	Dhabwali (Delivery)	3365	3500	-135
	Siwani (Loose)	3254	3388	-134
	Ellanabad (Loose)	3165	3325	-160
Gujarat	Deesa (Loose)	3283	3349	-66
	Patan (Loose)	3226	3313	-87
	Rajkot (Loose)	3248	3328	-80
	Dhrol(loose)	3099	3233	-134
Madhya pradesh	Dabra (Loose)	3233	3350	-117
Guar Gum				
Rajasthan	Jodhpur	6466	6925	-459
	Alwar	6310	6830	-520
Haryana	Sirsa	6233	6742	-509
	Bhiwani	6633	6808	-175
	Dhabwali	6517	6783	-266
	Ellanabad	6380	6780	-400

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	11-Dec-15	4-Dec-15	11-Nov-15	11-Dec-14
Rajasthan	Jodhpur (Loose)	3250	3400	3750	4200

	Jodhpur(Delivery)	3450	3600	3950	4400
	Sri-Ganganagar(Loose)	3050	3270	Closed	4150
	Sri-Ganganagar (Delivery)	3250	3475	Closed	4350
	Nagaur (Loose)	3000	3150	3600	4100
	Alwar (loose)	3000	3250	3400	NA
	Churu (Delivery)	3300	3450	3600	NA
	Bikaner (Loose)	3075	3300	Closed	4200
	Bikaner (Delivery)	3275	3500	Closed	4400
	Khajuwala Bikaner (Loose)	3080	3280	3650	4150
	Khajuwala Bikaner(Delivery)	3203	3411	3796	4316
	Nokha(Loose)	3050	3280	3550	4150
	Nokha (Delivery)	3160	3411	3678	4299
	Hanumangarh (Loose)	3125	NA	Closed	4250
	Hanumangarh (Delivery)	3325	NA	Closed	4450
Haryana	Adampur (Loose)	3200	3450	3600	4200
	Adampur (Delivery)	3400	3650	3800	4400
	Sirsa (Loose)	3175	3400	3550	4200
	Bhiwani (Delivery)	3200	3450	3700	4200
	Dhabwali (Loose)	3125	3425	3525	4150
	Dhabwali (Delivery)	3325	3625	3725	4350
	Siwani (Loose)	3200	3425	3700	4250
	Ellanabad (Loose)	3125	3300	3550	4100
Gujarat	Deesa (Loose)	3660	3290	Closed	4455
	Patan (Loose)	3220	3275	Closed	4235
	Rajkot (Loose)	3225	3105	Closed	4400
	Dhrol(loose)	NA	3155	NA	NA
Madhya pradesh	Dabra (Loose)	3000	3500	NA	NA
	Guar Gum				
Rajasthan	Jodhpur	6300	6800	8000	11600
	Alwar	6100	6850	7900	NA
Haryana	Sirsa	6000	6700	7700	12600
	Bhiwani	6950	6900	8000	12200
	Dhabwali	6700	6800	7900	12400
	Ellanabad	6100	6800	7900	12100

Guar Cumulative Arrivals in Key Centers

Centre		Weekly Arrivals (Quintals)		Change
		05th Dec to 11th Dec 15	28th Nov to 04th Dec 15	
Rajasthan	Jodhpur	NA	NA	-
	Sri-Ganganagar	14500	21000	-6500
	Nagaur	1150	1450	-300
	Alwar	2100	2500	-400
	Churu	4900	6700	-1800
	Bikaner	10000	6500	3500

	Khajuwala Bikaner	17900	15500	2400
	Nokha	3600	4000	-400
	Hanumangarh	1800	3000	-1200
Haryana	Adampur	8400	8000	400
	Sirsa	9400	5400	4000
	Bhiwani	5200	6500	-1300
	Dhabwali	1000	1100	-100
	Siwani	3100	4000	-900
	Ellanabad	5500	5700	-200
Gujarat	Deesa	1578	1685	-107
	Patan	3974	4404	-430
	Rajkot	1470	3135	-1665
	Dhrol	152	161	-9
Madhya pradesh	Dabra	2800	4450	-1650
Total Arrival		98524	105185	-6661



Commodity: Guar Seed 10MT
Contract: Jan

Exchange: NCDEX
Expiry: Jan 20, 2016

Guar Seed 10MT (Weekly Dec Contract Chart)

GUAR SEED 1512(NCGRSZ5)2015/12/06 - Weekly B:3248.00 A:3251.00
O 3379.000 H 3379.000 L 3218.000 C 3251.000 V 52,690 I 40,600 -153 -4.49%
BOL(EXPONENTIAL, 10, 2.0) 3626.80 4256.14 2997.46



Technical Commentary:

- Guar prices are continuously moving downside as chart depicts.
- Prices breach 3400 level and now heading towards 3250 and 2950 levels.
- However, RSI is hovering at oversold region

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Jan	2700	2950	3203	3700	3880
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Jan	Sell	Below 3250	3050	2960	3410

Commodity: Guar Gum
Contract: Jan

Exchange: NCDEX
Expiry: Jan 20, 2016

Guar Gum (Jan Weekly Chart)

GUARGUM 1601(NCGUGF6)2015/12/13 - Weekly B:5750.00 A:5760.00
 O 5910.00 H 5940.00 L 5710.00 C 5750.00 ↑ V 37,733 I 31,708 -210 -3.52%
 BOL(EXPONENTIAL, 10, 2.0) 7145.17 9178.08 5112.26



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: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Jan	5200	5460	5960	6300	6624
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	Sell	Below 6000	5700	5550	6180

Spot Market Outlook:

Guar prices are tumbled down on continuous basis. With arrivals in December are picking up and weak demand of gum powder from overseas, we expect prices to trade in a weaker trend in the coming week.

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