

Domestic Market Summary:

- Guar seed and gum prices surged last week due to weak arrivals and firm demand of guar seed from millers and stockists.
- In the fourth week of December 2015, India has exported 6128 tons of guar gum powder, 1360 tons of guar splits and 1243 tons of guar meal. Recent week export figures takes the overall guar gum exports to 19660 tons which is 26% higher compared to prior month. It is notable that India exported 15596 tons of guar gum in November month.
- Daily around 50000 bags of guar seed arrived in all India markets this week which was 60000 bags on an average last week.
- Higher crushing of guar seed in last couple of weeks increased the overall production of churi and korma which increase the supply resulted in decline in Churi and Korma prices.

Next Week Price Projections:

For the next week, prices are likely to move down to Rs 100 per quintal. In the Jodhpur market, delivery prices are trading at Rs 3565 and are likely to trade down to Rs 3450 per quintal.

In Ganganagar region, prices are trading at Rs 3475 per quintal which is likely to move down to Rs 3400 quintal as expected.

Current Market Dynamics

Prices of guar seed and gum recovering from recent lows due to firm demand by millers due to higher prices of churi and korma which urge them to increase guar seed crushing.

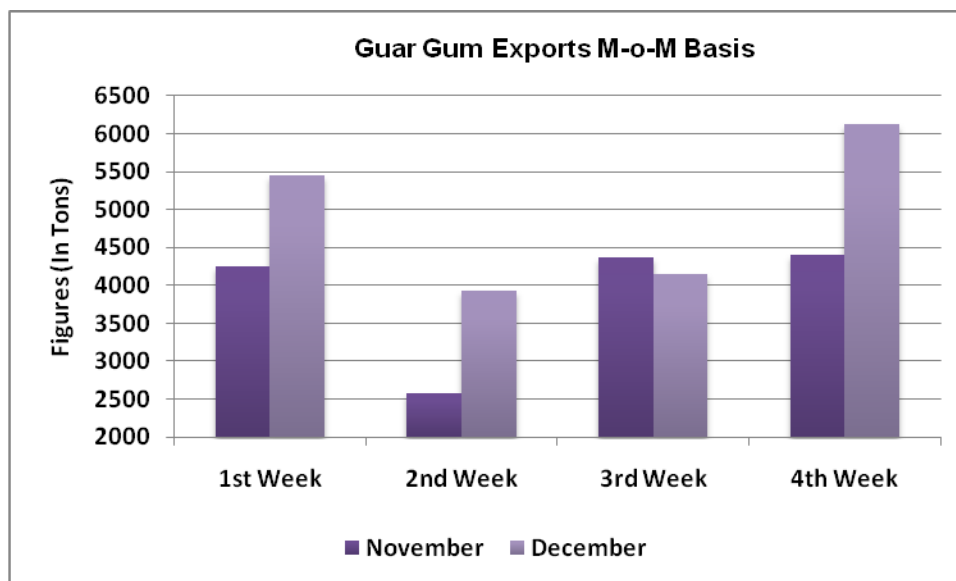
However, overall fundamentals are still not very good for guar seed and gum due to lack of real demand from fracking industry from overseas.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (~6600 bags) compared to previous week ~6900 bags.

Similarly, In Ganganagar market, arrivals have declined last week to 8800 bags compared to prior week arrivals data i.e.4600 bags.

Export and Import Scenario

As far as weekly guar gum exports are concerned, In the fourth week of December 2015, India has exported 6128 tons of guar gum powder, 1360 tons of guar splits and 2736 tons of guar meal.



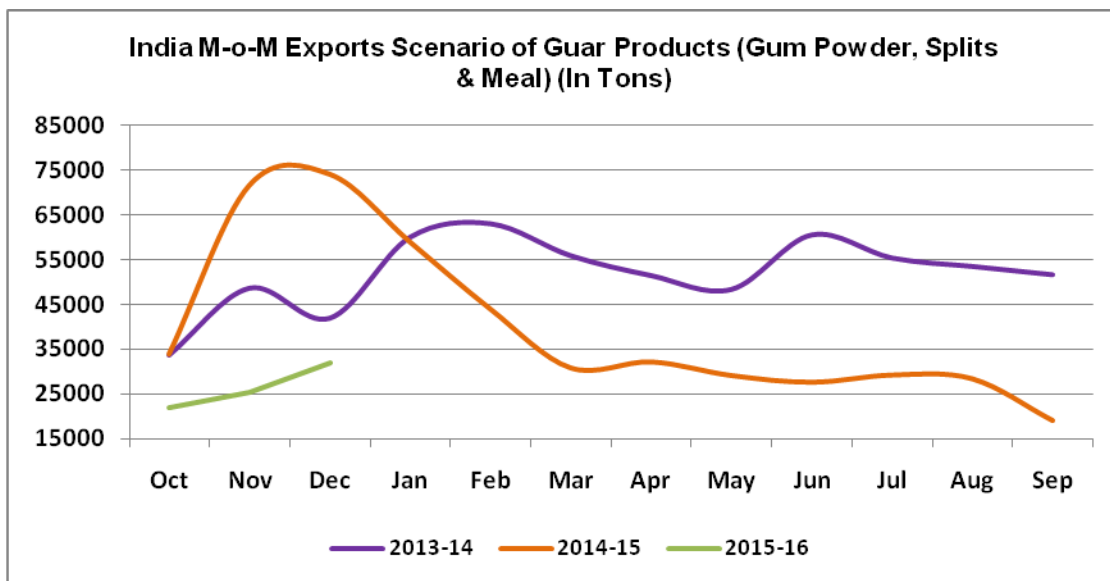
Demand Side of Guar and Guar Gum:

On export front, demands of guar products increased in December.

Foreign buyers have guar gum stocks upto February and may start new buying in March and April month.

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.

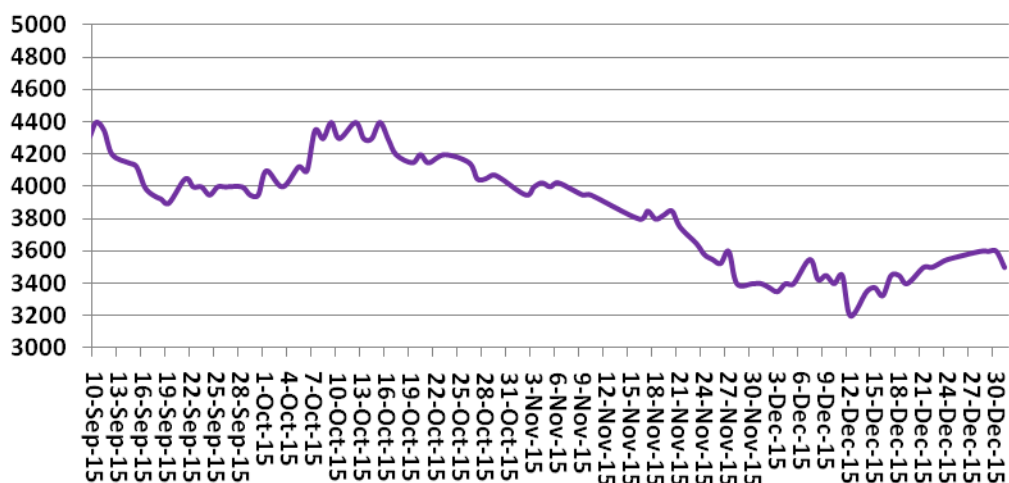
Below are the monthly guar products exports and its comparison to month wise exports of guar products last year.



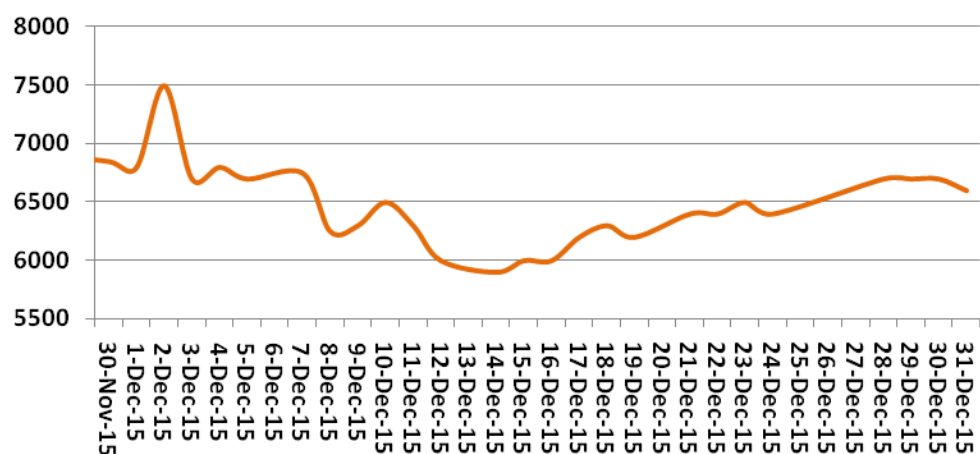
Price Scenario

In the fifth week of December, the average price of guar seed increase by 2.3% and was at Rs.3575/Qtl compared to previous week. Also, guar gum prices improved last week by 4.6% at Rs.6675/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.

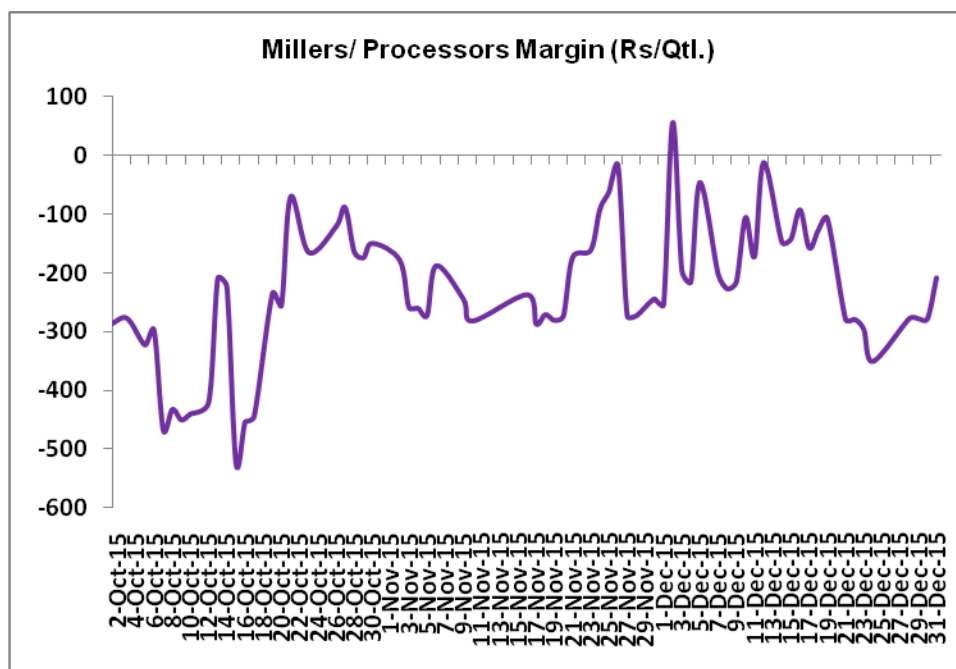
Guar Seed Prices Jodhpur Center (In Rs.Qunital)



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 fifth week of December 2015, average crush margin increase marginally to Rs. -259.5/Quintal which were -261 per quintal last week. Higher degree of increase in guar gum prices compared to guar seed prices led the margin up last week.

Guar by – Products Weekly Average Prices:

Commodity	Centre	26th to 31th Dec 15	19th to 24th Dec 15	Change
Churi	Jodhpur	1431	1460	-29
Korma	Jodhpur	1822	1880	-58
Churi	Sri-Ganganagar	1444	1431	13
Korma	Sri-Ganganagar	1863	1824	39
Prices in Rs/75kg				

Guar Export Weekly Average Prices:

Commodity	Variety	26th to 31th Dec 15	19th to 24th Dec 15	Change
Guargum Split		1047	994	53
Guargum Powder	200 Mesh 5000 CPS	1349	1296	53
	200 Mesh 3500 CPS	1274	1220	54
Guargum Meal	40%	317	317	Unch
	50%	377	384	-7
Prices in \$/MT				

Commodity	Centre	Weekly Prices (Average)	Change
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	Guar Seeds	26th to 31th Dec 15	19th to 24th Dec 15	
Rajasthan	Jodhpur (Loose)	3365	3295	70
	Jodhpur(Delivery)	3565	3495	70
	Sri-Ganganagar(Loose)	3275	3154	121
	Sri-Ganganagar (Delivery)	3475	3354	121
	Nagaur (Loose)	3200	3100	100
	Alwar (loose)	3200	3180	20
	Churu (Delivery)	3375	3360	15
	Bikaner (Loose)	3317	3185	132
	Bikaner (Delivery)	3517	3385	132
	Khajuwala Bikaner (Loose)	3254	3166	88
	Khajuwala Bikane(Delivery)	3384	3293	91
	Nokha(Loose)	3230	3114	116
	Nokha (Delivery)	3349	3226	123
	Hanumangarh (Loose)	3305	3195	110
	Hanumangarh (Delivery)	3505	3395	110
Haryana	Adampur (Loose)	3386	3285	101
	Adampur (Delivery)	3590	3485	105
	Sirsa (Loose)	3355	3312	43
	Bhiwani (Delivery)	3388	3319	69
	Dhabwali (Loose)	3268	3160	108
	Dhabwali (Delivery)	3462	3360	102
	Siwani (Loose)	3360	3285	75
	Ellanabad (Loose)	3450	3250	200
Gujarat	Deesa (Loose)	3326	3153	173
	Patan (Loose)	3352	3288	64
	Rajkot (Loose)	3462	3328	134
	Dhrol(loose)	3302	3210	92
Madhya pradesh	Dabra (Loose)	3200	3200	Unch
	Guar Gum			
Rajasthan	Jodhpur	6938	6380	558
	Alwar	6788	6400	388
Haryana	Sirsa	6740	6420	320
	Bhiwani	7080	6299	781
	Dhabwali	6780	6360	420
	Ellanabad	6800	6463	337

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	Centre	Today	Week ago	Month ago	Year ago
	Guar Seeds	31-Dec-15	24-Dec-15	30-Nov-15	31-Dec-14
Rajasthan	Jodhpur (Loose)	3365	3350	3400	4650
	Jodhpur(Delivery)	3565	3550	3600	4850

	Sri-Ganganagar(Loose)	3275	3200	3280	4425
	Sri-Ganganagar (Delivery)	3475	3400	3480	4625
	Nagaur (Loose)	3200	3100	3150	4300
	Alwar (loose)	3200	3200	3250	4600
	Churu (Delivery)	3375	3350	3400	4800
	Bikaner (Loose)	3317	3200	3250	4750
	Bikaner (Delivery)	3517	3400	3450	4950
	Khajuwala Bikaner (Loose)	3254	3200	3280	4650
	Khajuwala Bikaner(Delivery)	3384	3328	3411	4836
	Nokha(Loose)	3230	3150	3250	4650
	Nokha (Delivery)	3349	3263	3411	4836
	Hanumangarh (Loose)	3305	3250	3250	4300
	Hanumangarh (Delivery)	3505	3450	3450	4500
Haryana	Adampur (Loose)	3386	3325	3450	4650
	Adampur (Delivery)	3590	3525	3650	4850
	Sirsa (Loose)	3355	3370	3400	4640
	Bhiwani (Delivery)	3388	3350	3470	4800
	Dhabwali (Loose)	3268	3250	3300	4700
	Dhabwali (Delivery)	3462	3450	3500	4900
	Siwani (Loose)	3360	3325	3400	4750
	Ellanabad (Loose)	3450	3300	3325	NA
Gujarat	Deesa (Loose)	3326	3200	3370	4480
	Patan (Loose)	3352	3390	3330	4560
	Rajkot (Loose)	3462	3355	3425	4590
	Dhrol(loose)	3302	3210	3285	NA
Madhya pradesh	Dabra (Loose)	3200	NA	NA	4500
Guar Gum					
Rajasthan	Jodhpur	6938	6400	6850	12800
	Alwar	6788	6600	6900	12800
Haryana	Sirsa	6740	6550	6800	12700
	Bhiwani	7080	6450	6800	13600
	Dhabwali	6780	6600	6850	12900
	Ellanabad	6800	6600	6800	NA

Guar Cumulative Arrivals in Key Centers

Weekly Arrivals (Quintals)				
Centre		26th to 31th Dec 15	19th to 24th Dec 15	Change
Rajasthan	Jodhpur	80	265	-185
	Sri-Ganganagar	8800	4600	4200
	Nagaur	700	600	100
	Alwar	2300	2200	100
	Churu	4500	4200	300

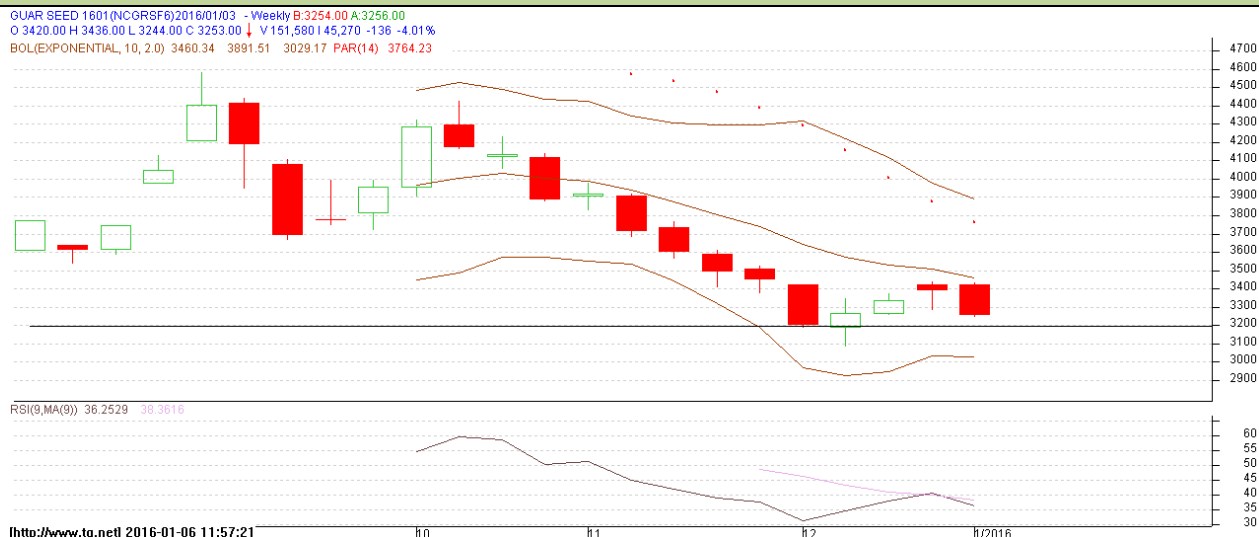
	Bikaner	5500	11500	-6000
	Khajuwala Bikaner	14500	17400	-2900
	Nokha	2400	1200	1200
	Hanumangarh	1250	1250	Unch
Haryana	Adampur	6600	6900	-300
	Sirsa	4200	4500	-300
	Bhiwani	2750	3300	-550
	Dhabwali	520	795	-275
	Siwani	3000	2400	600
	Ellanabad	2300	2300	Unch
Gujarat	Deesa	1279	276	1003
	Patan	2639	2122	517
	Rajkot	2470	2080	390
	Dhrol	46	78	-32
Madhya pradesh	Dabra	600	1700	-1100
Total Arrival		66434	69666	-3232



Commodity: Guar Seed 10MT
Contract: Jan

Exchange: NCDEX
Expiry: Jan 20, 2016

Guar Seed 10MT (Weekly Jan Contract Chart)



Technical Commentary:

- Guar prices are having correction from lower levels.
- Currently, guar is trading at 4th Elliot Wave and likely to end at Rs 3550-3600.
- However, RSI is hovering near to oversold region

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Jan	2700	2950	3389	3600	3880
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Jan	Sell	Below 3350	3250	3200	3410

Commodity: Guar Gum
Contract: Jan

Exchange: NCDEX
Expiry: Jan 20, 2016

Guar Gum (Jan Weekly Chart)



Technical Commentary:

- Guar gum prices are getting a correction.
- RSI is hovering at oversold region
- Last candlestick depicts indecision in the market.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Jan	5200	5460	6610	6300	6624
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	Sell	Above 6600	6200	6000	6840

Spot Market Outlook:

Guar prices recovered from recent lows due to good demand at lower levels from stockists and millers. Also, lower arrivals also support the prices. However, recent rally is just a recovery and prices are likely to move down in the coming week.

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