

**Domestic Market Summary:**

- Guar seed and gum prices continue its downward trend considering weak overseas demand for gum.
- Prices are likely to trade in a range between Rs 2900-3300 per quintal in the coming weeks.
- Daily around 35000-40000 bags of guar seed arrived in All India markets this week which was similar daily average arrivals last week.
- Demand of guar gum is not coming from overseas. Typically, December and January month showed peak demand of guar. However, this year very minimal demand witnessed according to recent export data.
- Western Rajasthan reported only 30-40% guar arrivals in all major markets till date. However, North Rajasthan and Haryana reported 75-80% crop arrivals in key markets.

**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 3400 and are likely to trade down to Rs 3300 per quintal.

In Ganganagar region, prices are trading at Rs 3150 per quintal which is likely to move down to Rs 3050 quintal as expected.

**Current Market Dynamics**

Prices of guar seed and gum declined sharply last week due to weak demand and speculation from big punters. Also, crude oil fall to \$31 became the major influencing factor for decline in guar seed and gum prices.

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

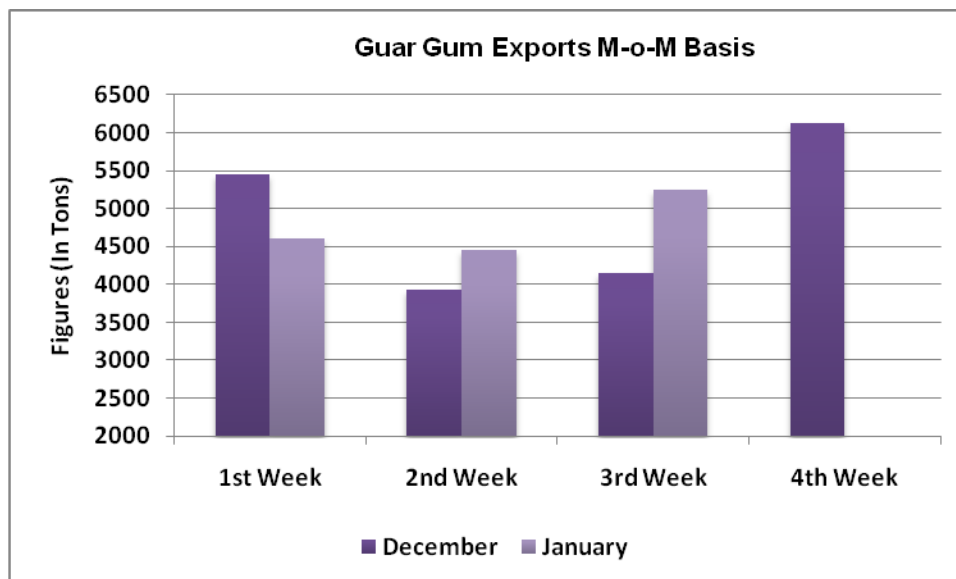
As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (~5200 bags) compared to previous week ~4000 bags.

Similarly, In Ganganagar market, arrivals have declined slightly last week to 3400 bags compared to prior week arrivals data i.e.3500 bags.

## Export and Import Scenario

As far as weekly guar gum exports are concerned, In the third week of January 2015, India has exported 5247 tons of guar gum powder, 740 tons of guar splits and 803.3 tons of guar meal.

Recent week guar gum export figures takes the overall guar gum export figures to 143 15 tons till 17<sup>th</sup> January in this month which is 5.8% higher compared to last month same period.



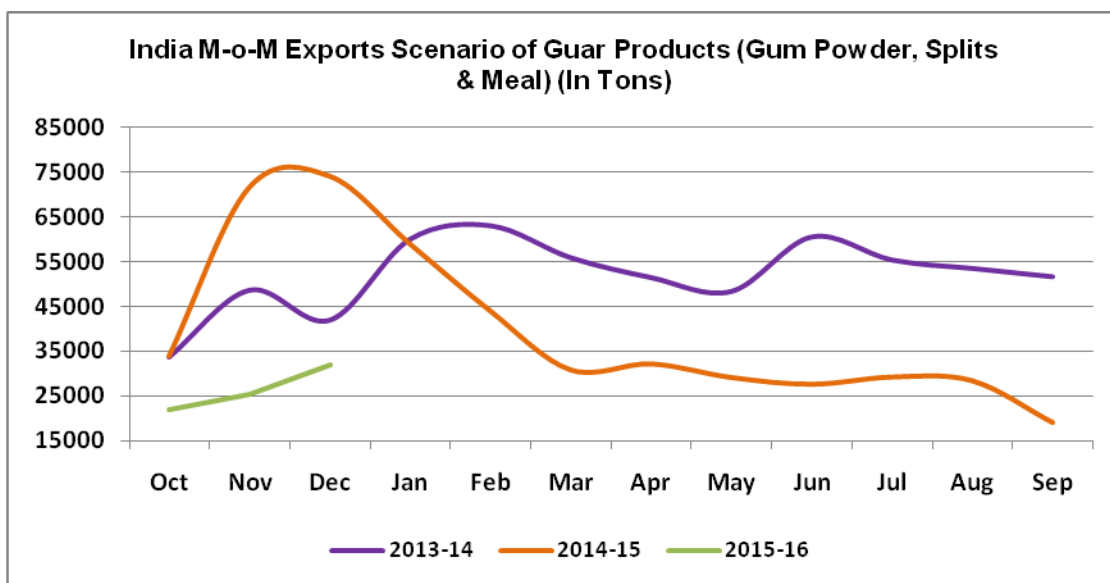
### Demand Side of Guar and Guar Gum:

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.

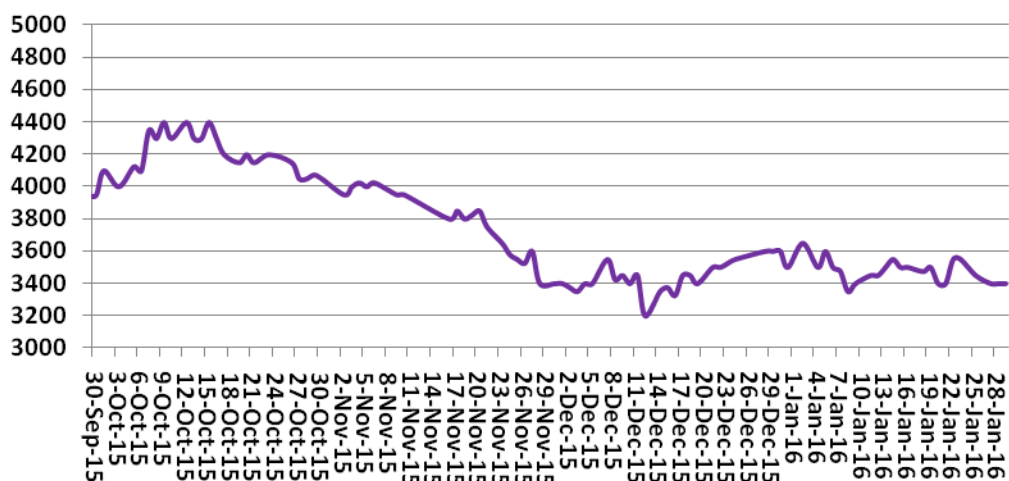
Below are the monthly guar products exports and its comparison to month wise exports of guar products last year.



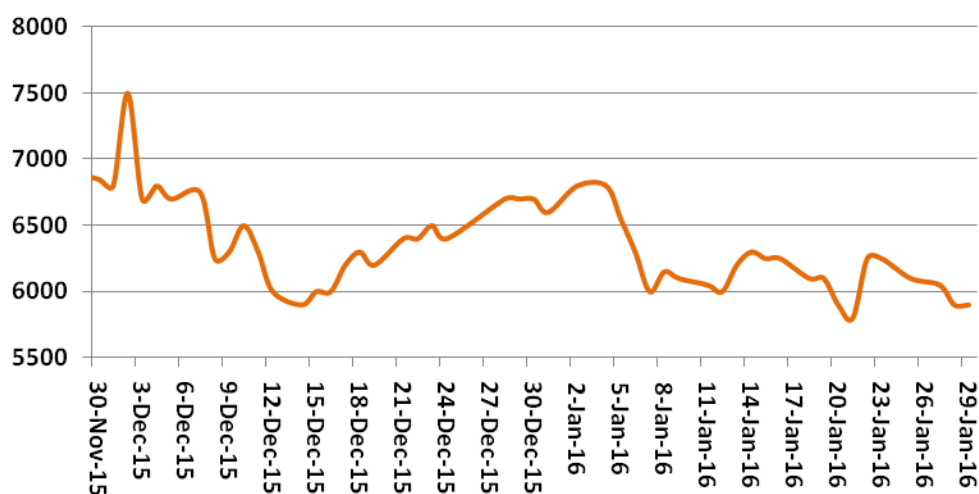
### Price Scenario

In the fourth week of January, the average price of guar seed decreased marginally by 1% and was at Rs.3440/Qtl compared to previous week. Also, guar gum prices declined last week by 0.4% at Rs.6066/Qtl compared to previous week. The graph below illustrates the weekly average price movement of guar seed and guar gum in Jodhpur market.

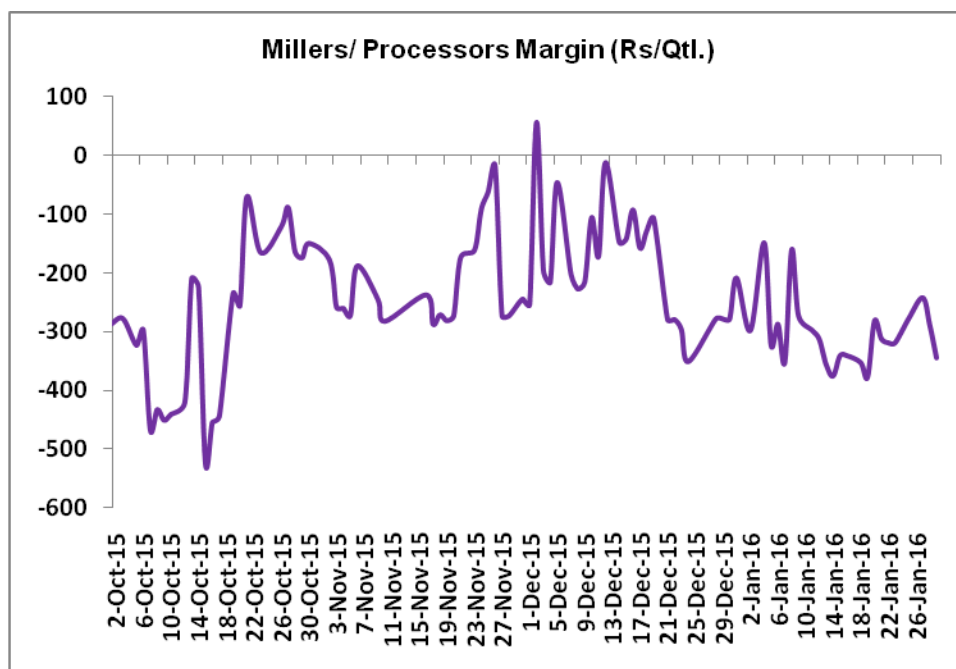
**Guar Seed Prices Jodhpur Center (In Rs.Qunital)**



**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 fourth week of January 2015, average crush margin increased to Rs. -292.8/Quintal which were -329.75 per quintal last week. Higher degree of decrease in guar seed prices compared to guar gum prices led the margin up last week.

## Guar Seed To Gum Ratio:

Ratio of guar seed to gum improved slightly this week to 1.75 which in the earlier week was 1.74. Higher decline in guar seed prices compared to guar gum increased the ratio.

Sluggish demand of gum from overseas and good demand of seed from millers due to higher, churi and korma prices lowered the overall ratio. It is notable that current ratio is the lowest ratio in 6.6 years. By and large, ratio stood at 2.5 in past years.

### Guar by – Products Weekly Average Prices:

Commodity	Centre	23rd to 29th Jan 16	9th to 15th Jan 16	Change
Churi	Jodhpur	1670	1583	87
Korma	Jodhpur	1815	1892	-77
Churi	Sri-Ganganagar	1580	1600	-20
Korma	Sri-Ganganagar	1750	1800	-50

**Prices in Rs/75kg**
**Guar Export Weekly Average Prices:**

Commodity	Variety	23rd to 29th Jan 16	9th to 15th Jan 16	Change
Guargum Split		888	905	-17
Guargum Powder	200 Mesh 5000 CPS	1183	1200	-17
	200 Mesh 3500 CPS	1109	1126	-17
Guargum Meal	40%	324	339	-15
	50%	366	379	-13

**Prices in \$/MT**
**Guar Seed Weekly Average Prices:**

Commodity	Centre	Weekly Prices (Average)		Change
Guar Seed		23rd to 29th Jan 16	9th to 15th Jan 16	
Rajasthan	Jodhpur (Loose)	3240	3271	-31
	Jodhpur(Delivery)	3440	3471	-31
	Sri-Ganganagar(Loose)	3051	3065	-14
	Sri-Ganganagar (Delivery)	3190	3208	-18
	Nagaur (Loose)	2975	2954	21
	Churu (Delivery)	3250	3238	13
	Alwar (Loose)	3038	3038	Unch
	Bikaner (Loose)	3038	3083	-46
	Bikaner (Delivery)	3238	3283	-46
	Nokha(Loose)	3040	3060	-20
	Nokha (Delivery)	3149	3170	-21
	Khajuwala (Loose)	3028	3055	-27
	Khajuwala (Delivery)	3149	3177	-28
	Hanumangarh (Loose)	3017	3046	-29
	Hanumangarh (Delivery)	3217	3246	-29
Haryana	Adampur (Loose)	3068	3087	-19
	Adampur (Delivery)	3268	3287	-19
	Sirsa (Loose)	3022	3052	-30
	Bhiwani (Delivery)	3240	3160	80
	Dhabwali (Loose)	3012	3060	-48

	Dhabwali (Delivery)	3212	3243	-31
	Siwani (Loose)	3145	3180	-35
	Ellanabad (Loose)	3025	3068	-43
	Fatehabad (Loose)	2960	3017	-57
Gujarat	Deesa (Loose)	3100	3078	22
	Patan (Loose)	3093	3124	-31
	Rajkot (Loose)	3174	3156	18
	Dhrol (Loose)	3075	3120	-45
Madhya pradesh	Dabra (Loose)	3067	3208	-142
Guar Gum				
Rajasthan	Jodhpur	6040	6067	-27
	Alwar	6063	6088	-25
Haryana	Sirsa	5950	5967	-17
	Bhiwani	6170	5710	460
	Dhabwali	6000	5975	25
	Ellanabad	5980	6058	-78
	Fatehabad	5890	5950	-60

Week on Week Price: Scenario of Guarseed and Guargum:					
Commodity	Centre	Today	Week ago	Month ago	Year ago
Guar Seed		29-Jan-16	22-Jan-16	29-Dec-15	29-Jan-15
Rajasthan	Jodhpur (Loose)	3200	3350	3400	4000
	Jodhpur(Delivery)	3400	3550	3600	4200
	Sri-Ganganagar(Loose)	3000	3125	3265	4050
	Sri-Ganganagar (Delivery)	3150	3250	3465	4250
	Nagaur (Loose)	2900	2925	3300	3950
	Churu (Delivery)	NR	3300	NR	NR
	Alwar (Loose)	NR	3100	3200	NR
	Bikaner (Loose)	2950	3150	3250	4050
	Bikaner (Delivery)	3150	3350	3450	4250
	Nokha(Loose)	2950	3050	3200	4050
	Nokha (Delivery)	3056	3160	3315	4196
	Khajuwala (Loose)	2950	3130	3250	4000
	Khajuwala (Delivery)	2950	3130	3250	4000
	Hanumangarh (Loose)	2900	3100	3300	3950

	Hanumangarh (Delivery)	3100	3300	3500	4150
Haryana	Adampur (Loose)	3050	3100	3450	4000
	Adampur (Delivery)	3250	3300	3650	4200
	Sirsa (Loose)	2925	3100	3340	4000
	Bhiwani (Delivery)	3200	3250	3350	4150
	Dhabwali (Loose)	2940	3125	3350	4000
	Dhabwali (Delivery)	3140	3325	3550	4200
	Siwani (Loose)	3075	3250	3350	4100
	Ellanabad (Loose)	2925	3150	3300	NR
	Fatehabad (Loose)	2950	2950	3400	NR
Gujarat	Deesa (Loose)	3055	3080	3300	4100
	Patan (Loose)	3055	3080	3260	4125
	Rajkot (Loose)	3150	3205	3545	4355
	Dhrol (Loose)	3020	NR	3260	NR
Madhya pradesh	Dabra (Loose)	3100	3200	3200	4200
Guar Gum					
Rajasthan	Jodhpur	5900	6250	6700	10400
	Alwar	NR	6250	6800	NR
Haryana	Sirsa	5800	6150	6700	10200
	Bhiwani	6150	5900	7000	10500
	Dhabwali	5800	6250	6700	10300
	Ellanabad	5800	6200	6800	NR
	Fatehabad	5800	5950	6800	NR

### Guar Cumulative Arrivals in Key Centers:

Commodity	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed		23rd to 29th Jan 16	9th to 15th Jan 16	
Rajasthan	Jodhpur	624	300	324
	Sri-Ganganagar	3400	3500	-100
	Nagaur	520	800	-280
	Churu	2500	2500	Unch
	Alwar	1200	1200	Unch
	Bikaner	5000	7000	-2000
	Nokha	1200	1600	-400
	Khajuwala	12500	13500	-1000



	Hanumangarh	1600	1550	50
Haryana	Adampur	5200	4000	1200
	Sirsa	1750	1800	-50
	Bhiwani	4600	535	4065
	Dhabwali	900	660	240
	Siwani	2100	2000	100
	Ellanabad	2350	2600	-250
	Fatehabad	140	220	-80
Gujarat	Deesa	58	18	40
	Patan	712	825	-113
	Rajkot	1200	1470	-270
	Dhrol	40	68	-28
Madhya pradesh	Dabra	1000	1700	-700
Total Arrivals		48594	47846	748

Commodity: Guar Seed 10MT  
Contract: Feb

Exchange: NCDEX  
Expiry: Feb 20, 2016

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



### Technical Commentary:

- Guar prices are trading in downward trend.
- Currently, guar is trading at 5<sup>th</sup> Elliot Wave and likely to end at Rs 2900-2950.
- However, RSI is hovering near to oversold region
- Prices likely to trade between Rs 2900-3300 per quintal in the coming weeks.

### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	Feb	2700	2800	3005	3170	3243
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	Feb	<b>Sell</b>	Below 3000	2900	2850	3060

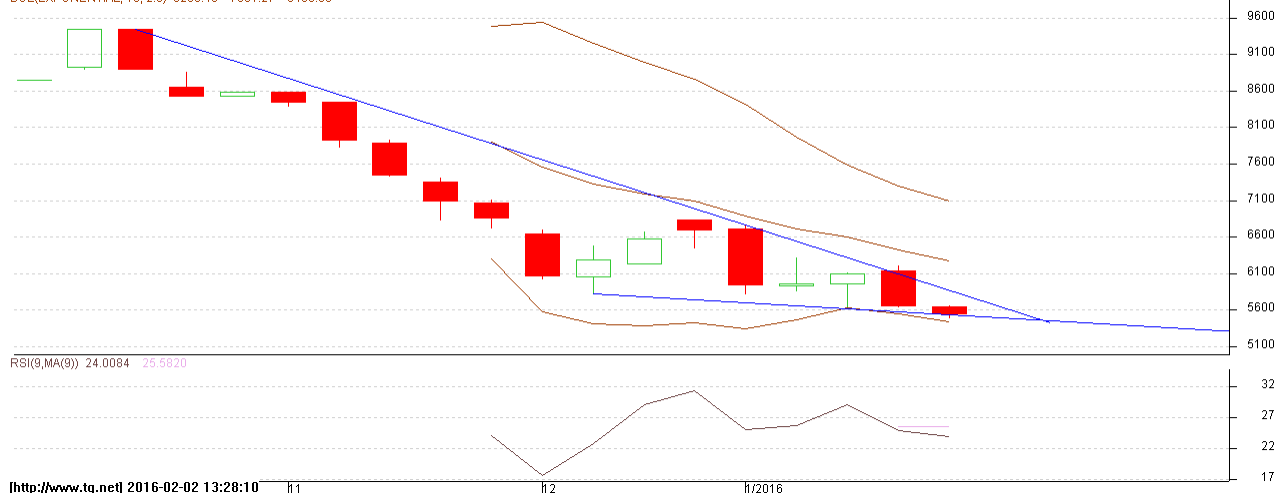


Commodity: Guar Gum  
Contract: Feb

Exchange: NCDEX  
Expiry: Feb 20, 2016

### Guar Gum (Feb Weekly Chart)

GUARGUM 1602(NCGUGG6)2016/01/31 - Weekly B:5530.00 A:5540.00  
O:5640.00 H:5650.00 L:5480.00 C:5530.00 V:22,008 I:0 -110 -1.95%  
BOL(EXPONENTIAL, 10, 2.0) 6265.46 7091.27 5439.66



### Technical Commentary:

- Guar gum prices are trading in a falling wedge.
- RSI is hovering at oversold region
- Last candlestick depicts bearishness in the market.
- Prices likely to trade between Rs 5200-6200 per quintal in the coming weeks.

### Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	Feb	4800	5170	5640	6300	6624
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb	<b>Sell</b>	Below 5800	5400	5200	6040

### Spot Market Outlook:

Guar seed prices are likely to trade in a range with weak bias. We estimate prices to trade in between Rs 3300-2900 per quintal in the coming weeks ahead.



### 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.