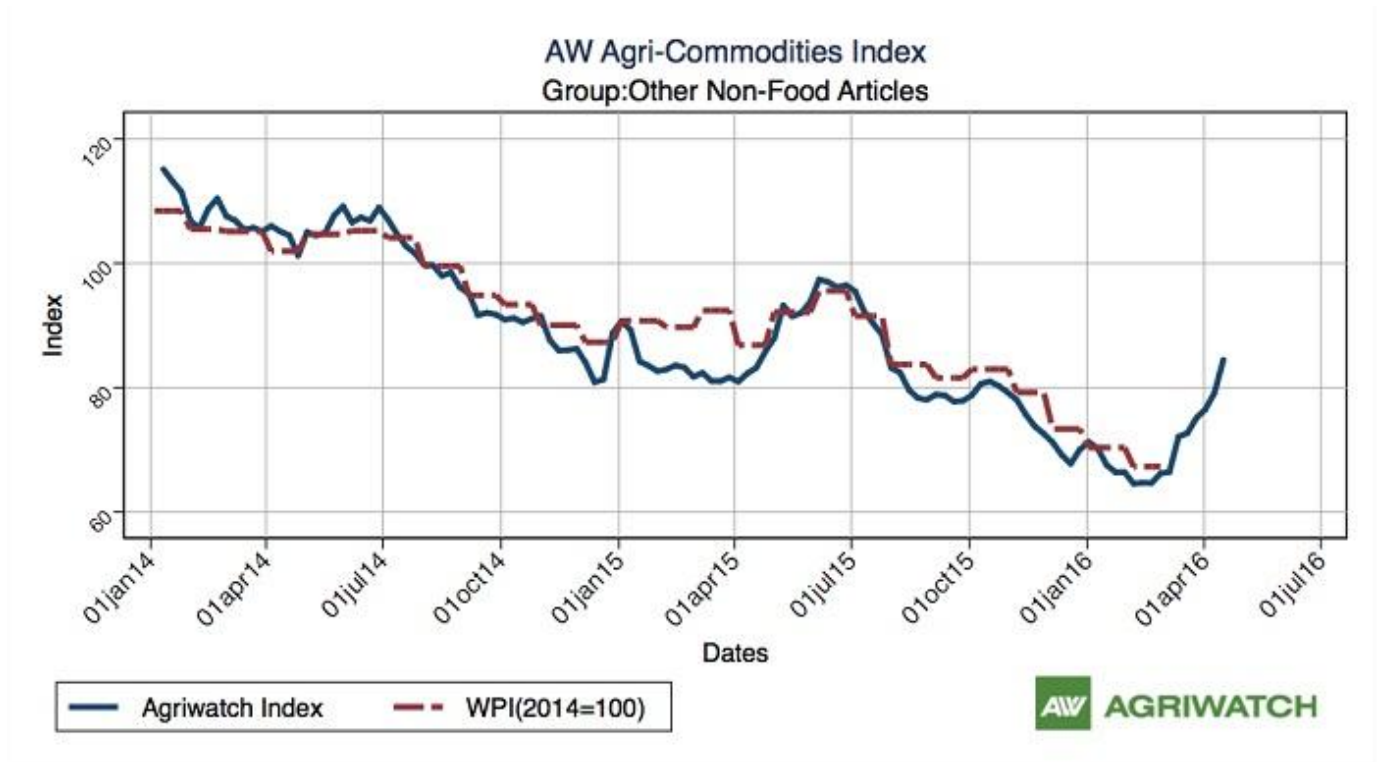


Guar Weekly Research Report

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Agriwatch Agri Commodity Index – Other Non-Food Articles



The above chart depicts Agriwatch Agri Commodity Other non-food articles index. Other non-food articles Index rose 6.72% during the week ended Apr 17, 2016.

Executive Summary

Domestic Guar Seed Market Summary

Guar seed prices surged up this week despite higher arrivals and firm Churi and Korma prices, which supported the guar seed in spot markets.

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

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (~3417 bags) compared to previous week ~3225 bags.

Similarly, In Ganganagar market, arrivals had increased last week to 3300 bags compared to prior week arrivals data i.e.3062.5 bags.

We expect guar seed prices to stay in a range with in the coming week.

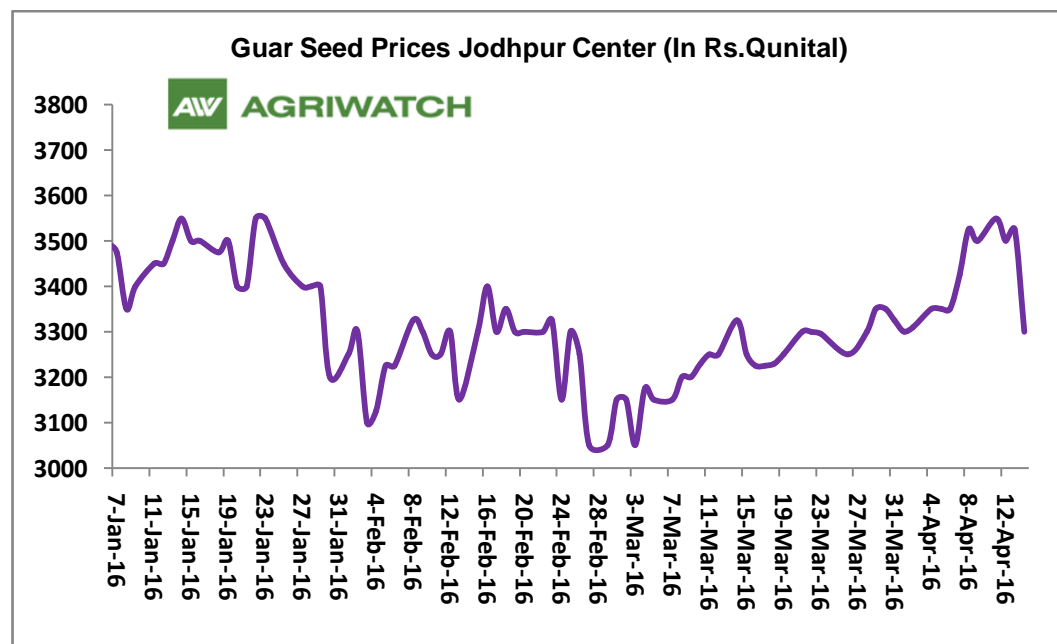
Recommendation:

Weekly Call - : Market participants advised to go short in Guar seed at 3390 levels for a target of 3240 with a stop loss at 3450 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

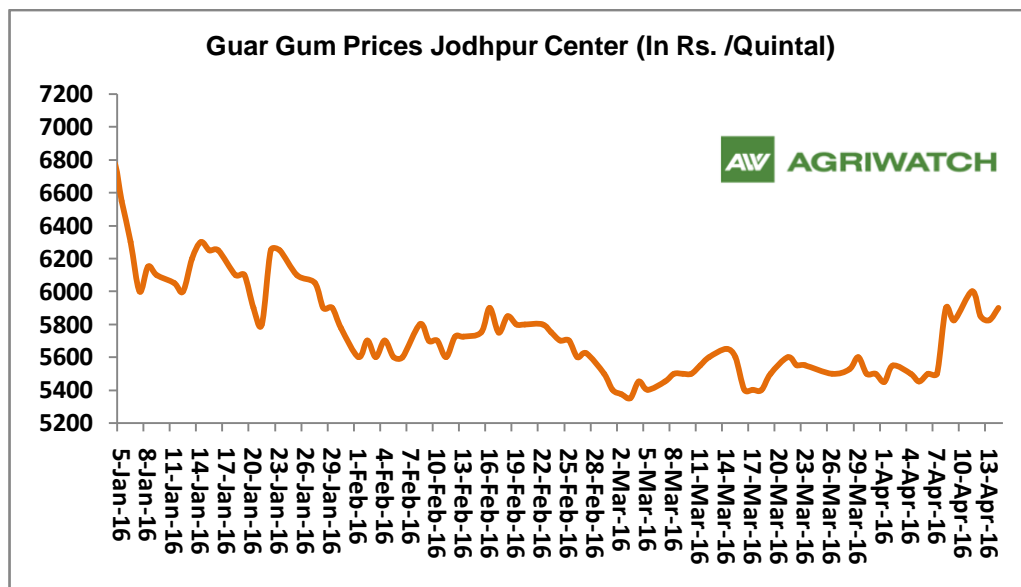
Domestic Front

- Guar seed and gum prices surged last week due to lower arrivals.
- In the second week of April 2016, Guar seed weekly average prices



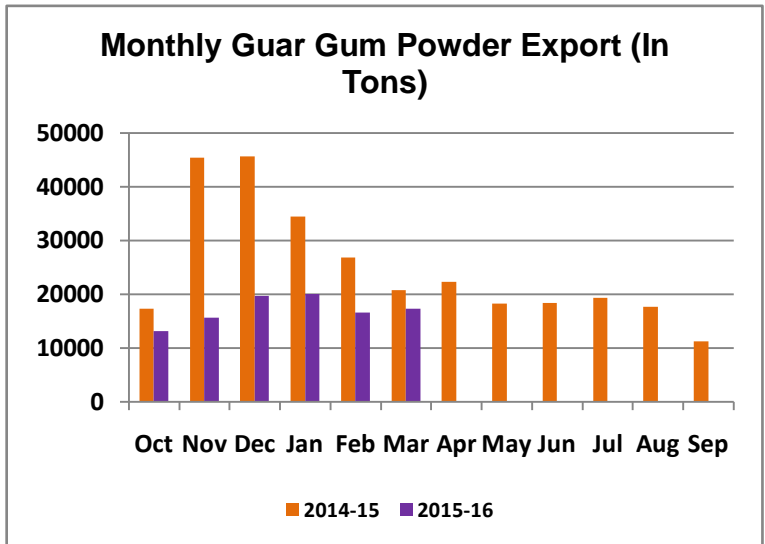
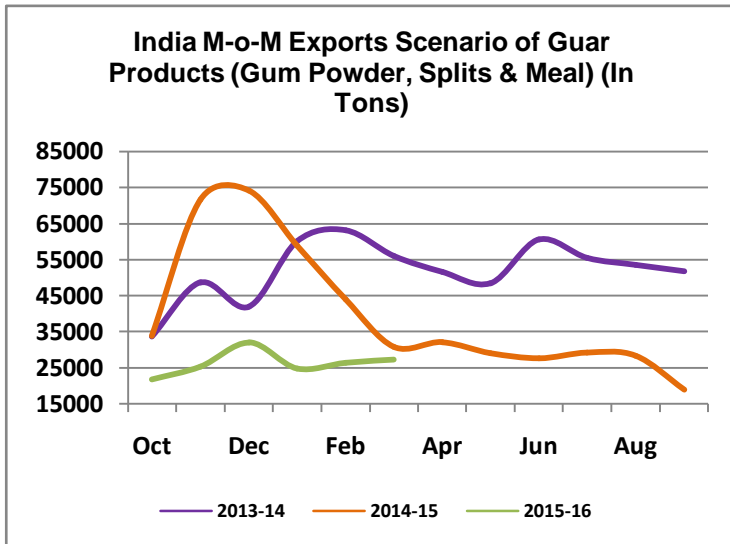
surged during the week by 2.9% compared to prior week and settled at Rs. 3483 per quintal. Lower arrivals of guar seed and good demand of Churi and Korma prices support the prices.

- Similarly, Guar gum weekly average prices surged by 5.63% and settled at Rs 5880 per quintal.
- Declining cotton prices and back to back crop failures urge Haryana and Punjab farmers to shift to other substitute crops like guar and pulses. However, prices of guar seed also trading near to its 5 years lowest levels but farmers would prefer guar over cotton due to lower cost of production of guar seed.
- Guar seed summer sowing continuously falling and lacking behind last year sowing figures. According to Gujarat agriculture director recent report, farmers have sown only 3700 hectares of guar seed till 28th March 2016 which is 74% less sowing compared to sowing progress done in last year same period. Farmers in Gujarat find guar seed less lucrative due to falling prices of guar seed. Farmers are shifting to substitute crop like Groundnut, Castor etc as per survey done by Agriwatch.
- India export 4932.4 tons of guar gum powder in the third week of March which is 10.5% higher compared to prior week. Recent export figures takes the overall month export figures to 12857 tons till third week of March.



- We expect guar seed and gum prices to trade sideways in the coming days.

Export Scenario



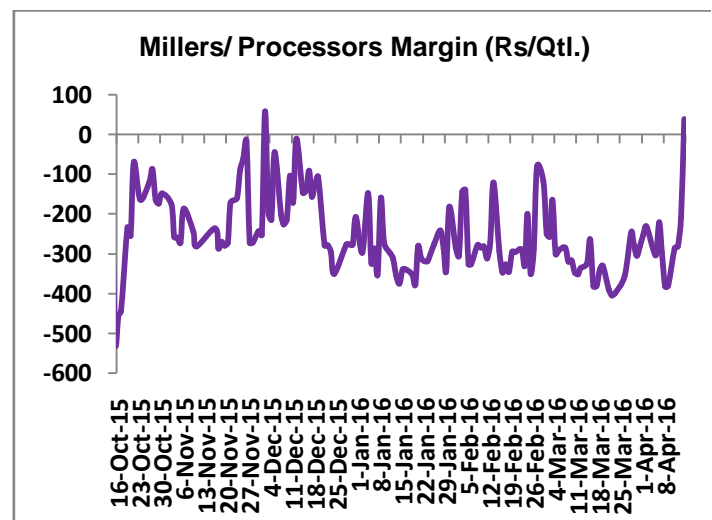
On export front, guar products export demand improved slightly compared to prior month. India has exported 27351.7 tons of guar seed products (Gum powder, Splits & Meal) in the month of March 2016 up 3.3% compared to last month.

Also, recent month guar gum powder export increased by 4.3% compared to previous month due to good demand from local industries (food and textiles). Reportedly, some trade has been done for food grade guar gum at \$800-850 per ton.

Millers/Processors Margin

As seen in the chart, the average crushing margin of guar seed has decreased compared to previous week. In the second week of April 2016, average crush margin declined marginally down to Rs. -223.60/Quintal, which were -286.17 per quintal last week.

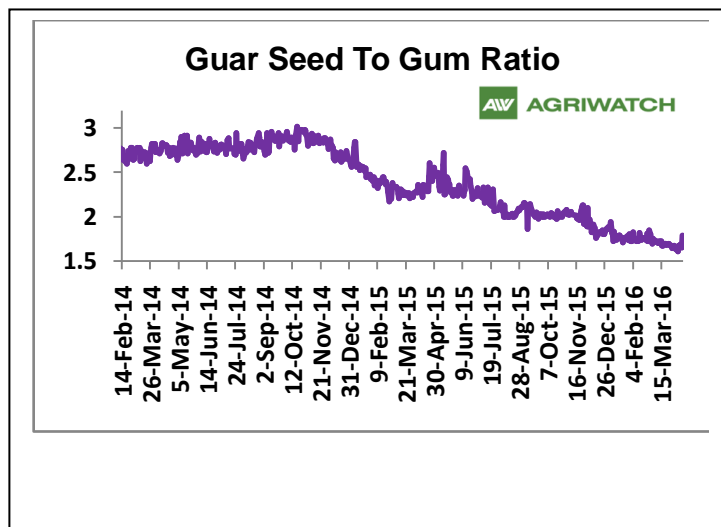
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down last week.



Guar Seed To Gum Ratio:

Ratio of guar seed to gum increased last week to 1.69, which in the earlier week was 1.64. Increase in guar seed prices and guar gum prices increased the ratio.

Overall buoyant demand of gum from overseas and good demand of seed from millers due to higher, churi and korma prices increased the overall ratio.



Technical Analysis (Guar Seed)

Commodity: Guar Seed 10MT
Contract: May

Exchange: NCDEX
Expiry: May 20, 2016

Guar Seed 10MT (Weekly May Contract Chart)



Technical Commentary:

- Guar prices and volume increased while O.I fell down for the week.
- However, RSI is hovering near to neutral region
- MACD also hovering in a positive zone.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	May	3120	3190	3384	3500	3620
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	May	Sell	Below 3390	3290	3240	3450



Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 20, 2016

Guar Gum (May Weekly Chart)



Technical Commentary:

- Guar gum prices and O.I increased while volume fell down for the week.
- RSI is hovering at neutral region
- Last candlestick depicts bearishness in the market.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	May	4800	5170	5870	6500	6800
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Sell	Below 6000	5800	5700	6120

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	09th to 14th Apr.16	02nd to 08th Apr.16	Change
Churi	Jodhpur	1820	1725	95
Korma	Jodhpur	2040	2008	32
Churi	Sri-Ganganagar	1740	1675	65
Korma	Sri-Ganganagar	1980	1958	22
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	09th to 14th Apr.16	02nd to 08th Apr.16	Change
Guargum Split		890	841	49
Guargum Powder	200 Mesh 5000 CPS	1191	1142	49
	200 Mesh 3500 CPS	1116	1067	49
Guargum Meal	40%	373	354	19
	50%	418	412	6
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			09th to 14th Apr.16	02nd to 08th Apr.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3325	3235	90
		Jodhpur(Delivery)	3475	3385	90
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3210	3000	210
		Sri-Ganganagar (Delivery)	3300	3063	238
		Rawla (Loose)	3170	3023	148
		Gharsana (Loose)	3191	3065	126
		Raisinghnagar (Loose)	3173	3045	128
	Bikaner	Bikaner (Loose)	3192	3068	125
		Bikaner (Delivery)	3342	3218	125
		Nokha(Loose)	3166	3108	58
		Nokha (Delivery)	3280	3220	60
		Khajuwala (Loose)	3180	3080	100

		Khajuwala (Delivery)	3307	3203	104
		Lunkaransar (Loose)	3172	3053	119
	Hanumangarh	Hanumangarh (Loose)	3110	3013	98
		Hanumangarh (Delivery)	3280	3163	118
		Nohar (Loose)	3245	3103	142
		Pilibanga (Loose)	3134	2994	140
	Nagaur	Nagaur (Loose)	3070	3000	70
	Churu	Churu (Delivery)	3340	3225	115
	Alwar	Alwar (Loose)	3190	3067	123
Haryana	Hisar	Adampur (Loose)	3267	3080	187
		Adampur (Delivery)	3417	3226	191
	Bhiwani	Bhiwani (Delivery)	3330	3238	93
		Siwani (Loose)	3340	3178	163
	Sirsa	Sirsa (Loose)	3259	3036	223
		Dhabwali (Loose)	3163	2950	213
		Dhabwali (Delivery)	3283	3100	183
		Ellanabad (Loose)	3182	3021	161
	Fatehabad	Fatehabad (Loose)	3090	3017	73
Gujarat	Banaskantha	Deesa (Loose)	3250	3708	-458
	Patan	Patan (Loose)	3140	3036	104
	Rajkot	Rajkot (Loose)	3235	3072	163
	Jamnagar	Dhrol (Loose)	NR	2903	-
Madhya pradesh	Gwalior	Dabra (Loose)	NA	2992	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5880	5567	313
	Alwar	Alwar	5860	5567	293
	Hanumangarh	Nohar	5820	5750	70
Haryana	Bhiwani	Bhiwani	5980	5775	205
	Sirsa	Sirsa	5830	5592	238
		Dhabwali	5820	5577	243
		Ellanabad	5890	5617	273
	Fatehabad	Fatehabad	5760	5575	185

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			14-Apr-16	7-Apr-16	14-Mar-16	14-Apr-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3150	3275	3175	4200
		Jodhpur(Delivery)	3300	3425	3325	4450
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3250	3000	2970	4250
		Sri-Ganganagar (Delivery)	3350	3050	3100	4450
		Rawla (Loose)	3175	3070	2935	NR
		Gharsana (Loose)	3230	3060	2950	NR
		Raisinghnagar (Loose)	3180	3150	3000	NR
	Bikaner	Bikaner (Loose)	3250	3050	2975	4325
		Bikaner (Delivery)	3400	3200	3125	4450
		Nokha(Loose)	3230	3100	2980	4250
		Nokha (Delivery)	3346	3212	3087	4403
		Khajuwala (Loose)	Closed	3100	3000	4300
		Khajuwala (Delivery)	Closed	3224	3120	4472
		Lunkaransar (Loose)	3200	3100	2950	NR
	Hanumangarh	Hanumangarh (Loose)	3200	3050	2925	4400
		Hanumangarh (Delivery)	3350	3200	3075	4600
		Nohar (Loose)	3250	3150	3000	NR
		Pilibanga (Loose)	3150	2950	2940	NR
	Nagaur	Nagaur (Loose)	3100	2950	2900	4300
	Churu	Churu (Delivery)	3350	3250	3100	4500
	Alwar	Alwar (Loose)	3200	3100	2950	4500
Haryana	Hisar	Adampur (Loose)	3260	3125	2960	4200
		Adampur (Delivery)	3410	3275	3110	4400
	Bhiwani	Bhiwani (Delivery)	3400	3250	3160	4500
		Siwani (Loose)	3350	3110	3125	4400
	Sirsa	Sirsa (Loose)	3200	3100	2965	4200
		Dhabwali (Loose)	3100	3000	2900	4300
		Dhabwali (Delivery)	3250	3150	3050	4450
		Ellanabad (Loose)	3225	3025	3000	4330

	Fatehabad	Fatehabad (Loose)	3100	3100	3000	NR
Gujarat	Banaskantha	Deesa (Loose)	3000	3500	4000	NA
	Patan	Patan (Loose)	3085	3080	3050	NA
	Rajkot	Rajkot (Loose)	3260	3100	3055	4250
	Jamnagar	Dhrol (Loose)	NR	2830	2820	NA
Madhya pradesh	Gwalior	Dabra (Loose)	NA	2950	3000	NR
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5900	5500	5650	10500
	Alwar	Alwar	5900	5600	5700	10500
	Hanumangarh	Nohar	5800	5700	5700	NR
Haryana	Bhiwani	Bhiwani	6200	5800	5750	10550
	Sirsa	Sirsa	5850	5600	5600	10500
		Dhabwali	6000	5600	5750	10300
		Ellanabad	5850	5550	5700	10500
	Fatehabad	Fatehabad	5800	5700	5600	NR

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			09th to 14th Apr.16	02nd to 08th Apr.16	
Rajasthan	Jodhpur	Jodhpur	1096	1390	-294
	Sri-Ganganagar	Sri-Ganganagar	3200	3000	200
		Rawla	2800	1750	1050
		Gharsana	1125	1550	-425
		Raisinghnagar	2350	2450	-100
	Bikaner	Bikaner	3400	3000	400
		Nokha	1450	1550	-100
		Khajuwala	2500	3900	-1400
		Lunkaransar	2150	1850	300
	Hanumangarh	Hanumangarh	145	370	-225
		Nohar	2350	4100	-1750
		Pilibanga	700	950	-250
	Nagaur	Nagaur	875	480	395
	Churu	Churu	3000	2700	300
	Alwar	Alwar	1400	1100	300

Haryana	Hisar	Adampur	2100	3150	-1050
	Bhiwani	Bhiwani	3400	3200	200
		Siwani	5700	6300	-600
	Sirsa	Sirsa	1000	3850	-2850
		Dhabwali	300	950	-650
		Ellanabad	490	2200	-1710
	Fatehabad	Fatehabad	480	100	380
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	483	370	113
	Rajkot	Rajkot	2070	813	1257
	Jamnagar	Dhrol	NR	51	-
Madhya pradesh	Gwalior	Dabra	NA	1050	-
Total Arrivals/Above Markets			44564	52174	-7610

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