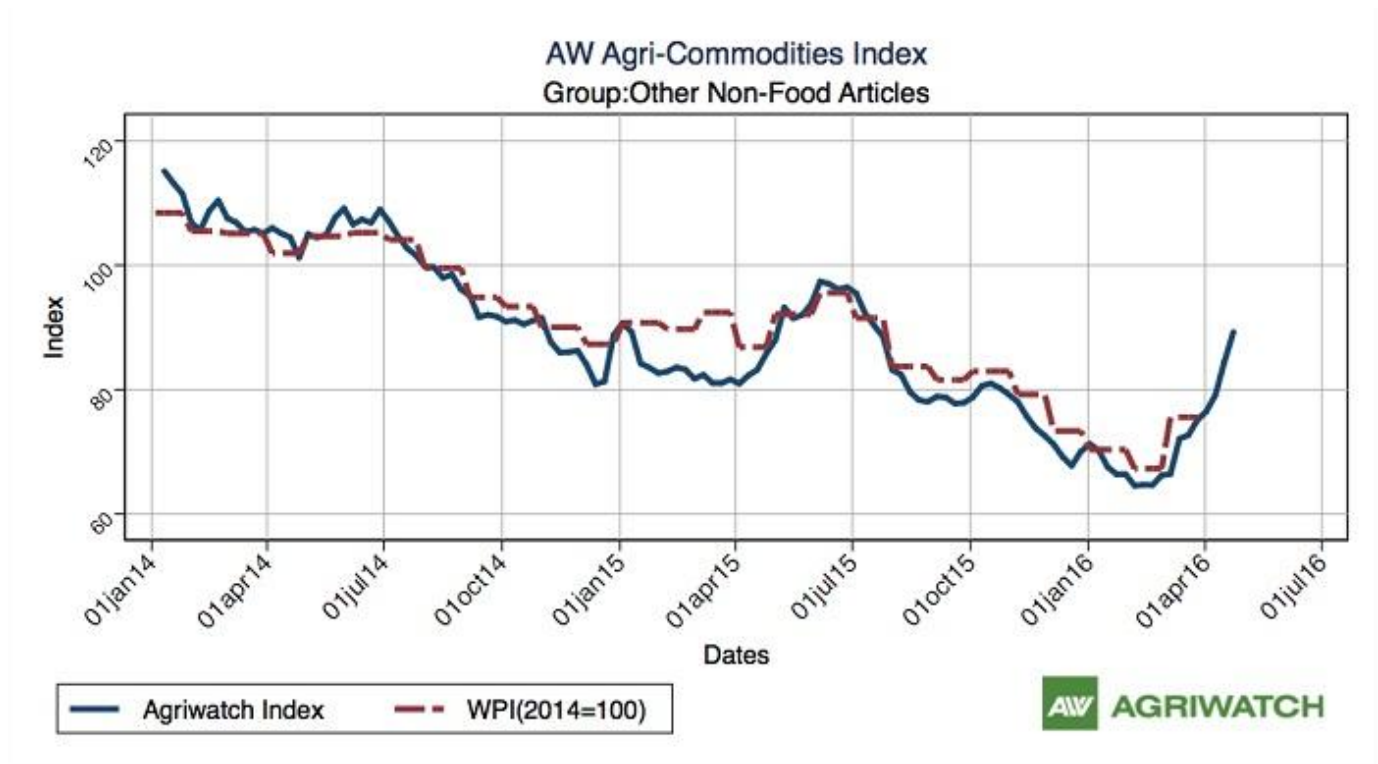


Guar Weekly Research Report

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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 5.66% during the week ending on Apr 23, 2016.

Executive Summary

Domestic Guar Seed Market Summary

Guar seed prices fell down this week due to higher arrivals and firm Churi and Korma prices.

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 (~3521 bags) compared to previous week ~3417 bags.

Similarly, In Ganganagar market, arrivals had increased last week to 3375 bags compared to prior week arrivals data i.e.3300 bags.

We expect guar seed prices to increase in the coming week.

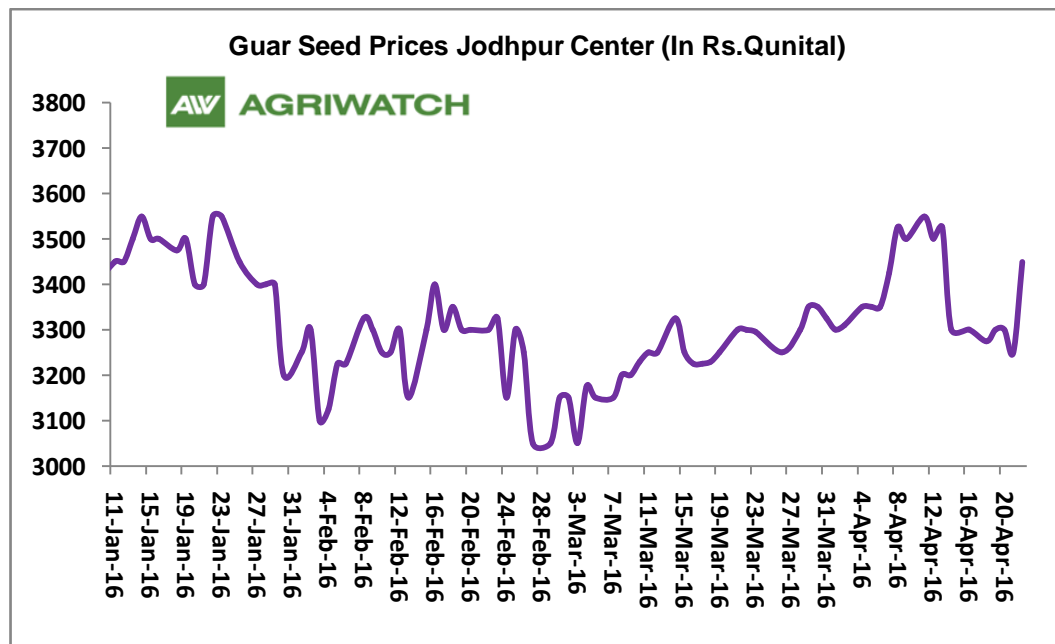
Recommendation:

Weekly Call - : Market participants are advised to buy Guar seed at 3550 levels for a target of 3700 with a stop loss at 3490 on closing basis.

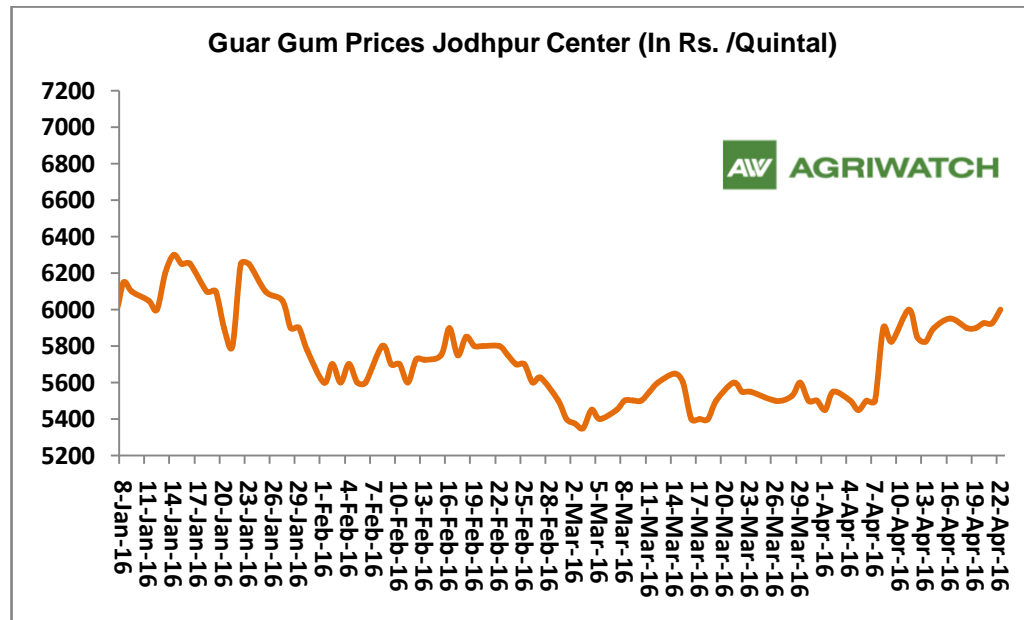
Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

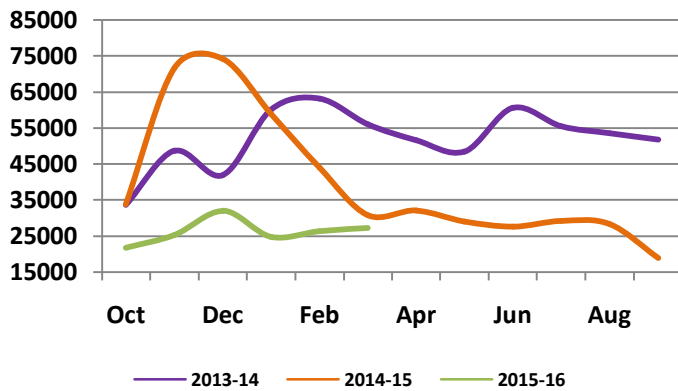
- In the third week of April 2016, Guar seed weekly average prices fell down during the week by 4.9% compared to prior week and settled at Rs. 3313 per quintal.



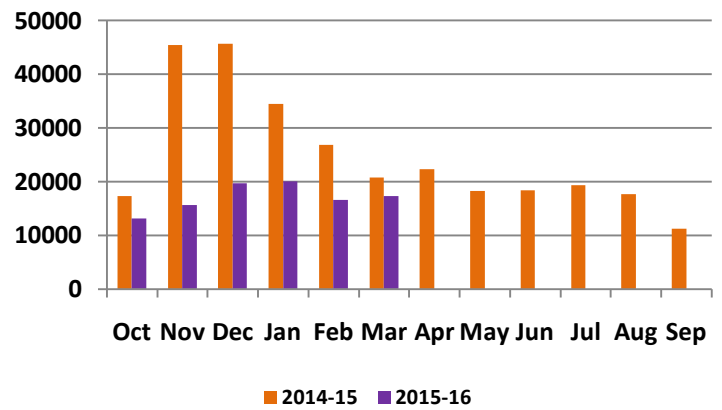
- However, Guar gum weekly average prices surged by 0.91% and settled at Rs 5933 per quintal.
- Declining cotton prices and back to back crop failures urge Haryana and Punjab farmers to shift to other substitute crops like guar and pulses. However, prices of guar seed also trading near to its 5 years 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.



India M-o-M Exports Scenario of Guar Products (Gum Powder, Splits & Meal) (In Tons)



Monthly Guar Gum Powder Export (In Tons)



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.

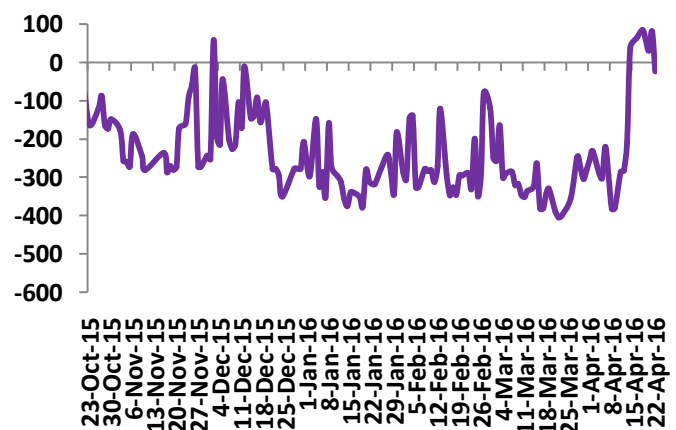
Also, recent month guar gum powder export increased by 4.3% compared to previous month due to good demand from local industries (food and textiles). Reportedly, some trade has been done for food grade guar gum at \$800-850 per ton.

Millers/Processors Margin

As seen in the chart, the average crushing margin of guar seed has increased compared to previous week. In the third week of April 2016, average crush margin surged to Rs. 49.17 /Quintal, which was -223.60 per quintal last week.

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

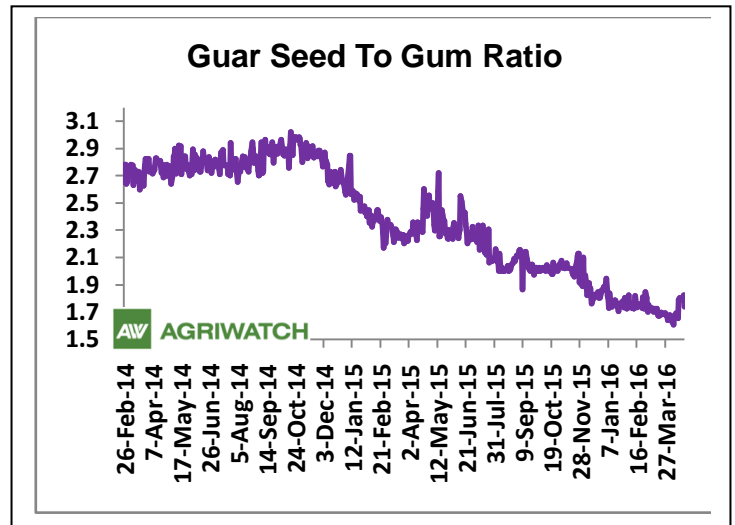
Millers/ Processors Margin (Rs/Qtl.)



Guar Seed To Gum Ratio:

Ratio of guar seed to gum increased last week to 1.79, which in the earlier week was 1.69.

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.



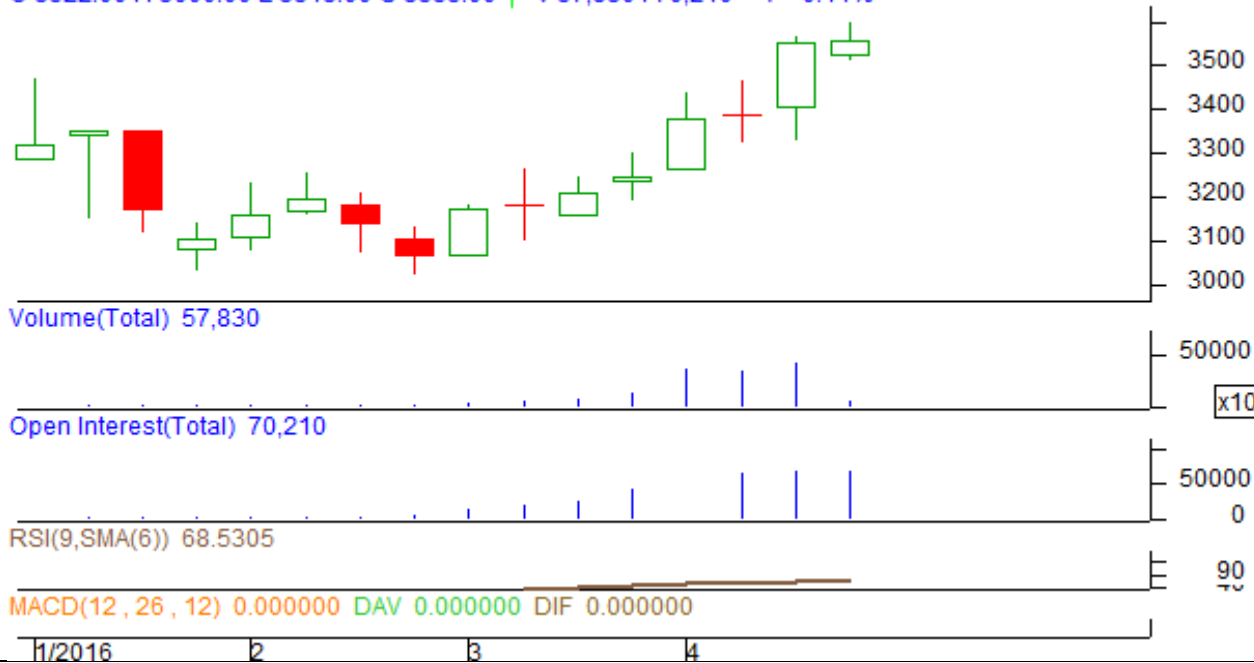


Commodity: Guar Seed 10MT
Contract: May

Exchange: NCDEX
Expiry: May 20, 2016

Guar Seed 10MT (Weekly May Contract Chart)

GUAR SEED 1605(NCGRSK6)2016/04/24 - Weekly B:3555.00 A:3556.00
O 3522.00 H 3600.00 L 3513.00 C 3555.00 ↑ V 57,830 I 70,210 +4 +0.11%



Technical Commentary:

- Guar prices, O.I and volume increased indicating consolidation in the market.
- However, RSI is hovering near to neutral region
- MACD also hovering in a neutral zone.

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	May	3300	3400	3551	3750	3820
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	May	Buy	Above 3550	3650	3700	3490

Contract: May
Expiry: May 20, 2016
Guar Gum (May Weekly Chart)

GUARGUM 1605(NCGUGK6)2016/04/24 - Weekly B:6320.00 A:6330.00
O 6200.00 H 6390.00 L 6150.00 C 6320.00 ↑ V 11,002 I 26,450 +110 +1.77%


Technical Commentary:

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

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	May	4800	5170	6210	6800	7000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Buy	Above 6200	6400	6500	6080

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	15th to 22th Apr.16	09th to 14th Apr.16	Change
Churi	Jodhpur	1921	1820	101
Korma	Jodhpur	2167	2040	127
Churi	Sri-Ganganagar	1825	1740	85
Korma	Sri-Ganganagar	2138	1980	158
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	15th to 22th Apr.16	09th to 14th Apr.16	Change
Guargum Split		948	890	58
Guargum Powder	200 Mesh 5000 CPS	1199	1191	8
	200 Mesh 3500 CPS	1124	1116	8
Guargum Meal	40%	366	373	-7
	50%	426	418	8
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			15th to 22th Apr.16	09th to 14th Apr.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3163	3325	-163
		Jodhpur(Delivery)	3313	3475	-163
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3275	3210	65
		Sri-Ganganagar (Delivery)	3375	3300	75
		Rawla (Loose)	3218	3170	48
		Gharsana (Loose)	3243	3191	52
		Raisinghnagar (Loose)	3248	3173	75
	Bikaner	Bikaner (Loose)	3258	3192	66
		Bikaner (Delivery)	3406	3342	64
		Nokha(Loose)	3243	3166	77
		Nokha (Delivery)	3359	3280	79
		Khajuwala (Loose)	3277	3180	97
		Khajuwala (Delivery)	3408	3307	101
		Lunkaransar (Loose)	3242	3172	70
	Hanumangarh	Hanumangarh (Loose)	NA	3110	-
		Hanumangarh (Delivery)	NA	3280	-

		Nohar (Loose)	3252	3245	7
		Pilibanga (Loose)	3174	3134	40
	Nagaur	Nagaur (Loose)	3213	3070	143
	Churu	Churu (Delivery)	3375	3340	35
	Alwar	Alwar (Loose)	3217	3190	27
Haryana	Hisar	Adampur (Loose)	3372	3267	105
		Adampur (Delivery)	3522	3417	105
	Bhiwani	Bhiwani (Delivery)	3438	3330	108
		Siwani (Loose)	3413	3340	73
	Sirsa	Sirsa (Loose)	3275	3259	16
		Dhabwali (Loose)	3192	3163	29
		Dhabwali (Delivery)	3342	3283	59
		Ellanabad (Loose)	3233	3182	51
	Fatehabad	Fatehabad (Loose)	3375	3090	285
Gujarat	Banaskantha	Deesa (Loose)	NA	3250	-
	Patan	Patan (Loose)	3080	3140	-60
	Rajkot	Rajkot (Loose)	3203	3235	-33
	Jamnagar	Dhrol (Loose)	3140	NR	-
Madhya pradesh	Gwalior	Dabra (Loose)	3450	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5933	5880	53
	Alwar	Alwar	5967	5860	107
	Hanumangarh	Nohar	5917	5820	97
Haryana	Bhiwani	Bhiwani	5858	5980	-122
	Sirsa	Sirsa	5933	5830	103
		Dhabwali	5967	5820	147
		Ellanabad	5933	5890	43
	Fatehabad	Fatehabad	5933	5760	173

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			22-Apr-16	14-Apr-16	22-Mar-16	22-Apr-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3300	3150	3150	4400
		Jodhpur(Delivery)	3450	3300	3300	4600
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3250	2975	4450
		Sri-Ganganagar (Delivery)	3400	3350	3025	4650
		Rawla (Loose)	3235	3175	2910	4399

		Gharsana (Loose)	3275	3230	2870	NA
		Raisinghnagar (Loose)	3325	3180	2890	4434
	Bikaner	Bikaner (Loose)	3300	3250	3000	4550
		Bikaner (Delivery)	3450	3400	3150	4700
		Nokha(Loose)	3300	3230	3000	4550
		Nokha (Delivery)	3419	3346	3108	4714
		Khajuwala (Loose)	3300	3170	2960	4450
		Khajuwala (Delivery)	3432	3297	3078	4628
		Lunkaransar (Loose)	3250	3200	2900	NA
	Hanumangarh	Hanumangarh (Loose)	NA	3200	2875	NA
		Hanumangarh (Delivery)	NA	3350	3025	NA
		Nohar (Loose)	3300	3250	2960	NA
		Pilibanga (Loose)	3275	3150	2950	4350
	Nagaur	Nagaur (Loose)	3250	3100	2850	4400
	Churu	Churu (Delivery)	3500	3350	3100	4600
	Alwar	Alwar (Loose)	3300	3200	2900	4400
Haryana	Hisar	Adampur (Loose)	3350	3260	2960	4400
		Adampur (Delivery)	3500	3410	3110	4600
	Bhiwani	Bhiwani (Delivery)	3500	3400	3125	4650
		Siwani (Loose)	3475	3350	3075	4625
	Sirsa	Sirsa (Loose)	3500	3200	2950	4400
		Dhabwali (Loose)	NA	3100	2900	NA
		Dhabwali (Delivery)	NA	3250	3050	NA
		Ellanabad (Loose)	NA	3225	2925	4600
	Fatehabad	Fatehabad (Loose)	3550	3100	2900	NA
Gujarat	Banaskantha	Deesa (Loose)	NA	3000	4000	NA
	Patan	Patan (Loose)	Closed	3085	2950	NA
	Rajkot	Rajkot (Loose)	Closed	3260	3005	4400
	Jamnagar	Dhrol (Loose)	NR	3140	2620	NA
Madhya pradesh	Gwalior	Dabra (Loose)	3500	NA	3000	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6000	5900	5550	11300
	Alwar	Alwar	6200	5900	5600	11000
	Hanumangarh	Nohar	6000	5800	5750	NA
Haryana	Bhiwani	Bhiwani	6000	6200	5700	10600
	Sirsa	Sirsa	6000	5850	5500	11000
		Dhabwali	NA	6000	5700	NA
		Ellanabad	NA	5850	5500	11450
	Fatehabad	Fatehabad	6000	5800	5500	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			15th to 22th Apr.16	09th to 14th Apr.16	
Rajasthan	Jodhpur	Jodhpur	912	1096	-184
	Sri-Ganganagar	Sri-Ganganagar	1800	3200	-1400
		Rawla	2200	2800	-600
		Gharsana	1300	1125	175
		Raisinghnagar	1050	2350	-1300
	Bikaner	Bikaner	2900	3400	-500
		Nokha	1350	1450	-100
		Khajuwala	3700	2500	1200
		Lunkaransar	1500	2150	-650
	Hanumangarh	Hanumangarh	NA	145	-
		Nohar	3400	2350	1050
		Pilibanga	535	700	-165
	Nagaur	Nagaur	950	875	75
Haryana	Churu	Churu	4400	3000	1400
	Alwar	Alwar	2600	1400	1200
	Hisar	Adampur	1100	2100	-1000
	Bhiwani	Bhiwani	3900	3400	500
		Siwani	6800	5700	1100
	Sirsa	Sirsa	300	1000	-700
		Dhabwali	120	300	-180
		Ellanabad	130	490	-360
Gujarat	Fatehabad	Fatehabad	280	480	-200
	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	175	483	-308
	Rajkot	Rajkot	2686	2070	616
	Jamnagar	Dhrol	3	NR	-
Madhya pradesh	Gwalior	Dabra	550	NA	-
Total Arrivals/Above Markets			44641	44564	77



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