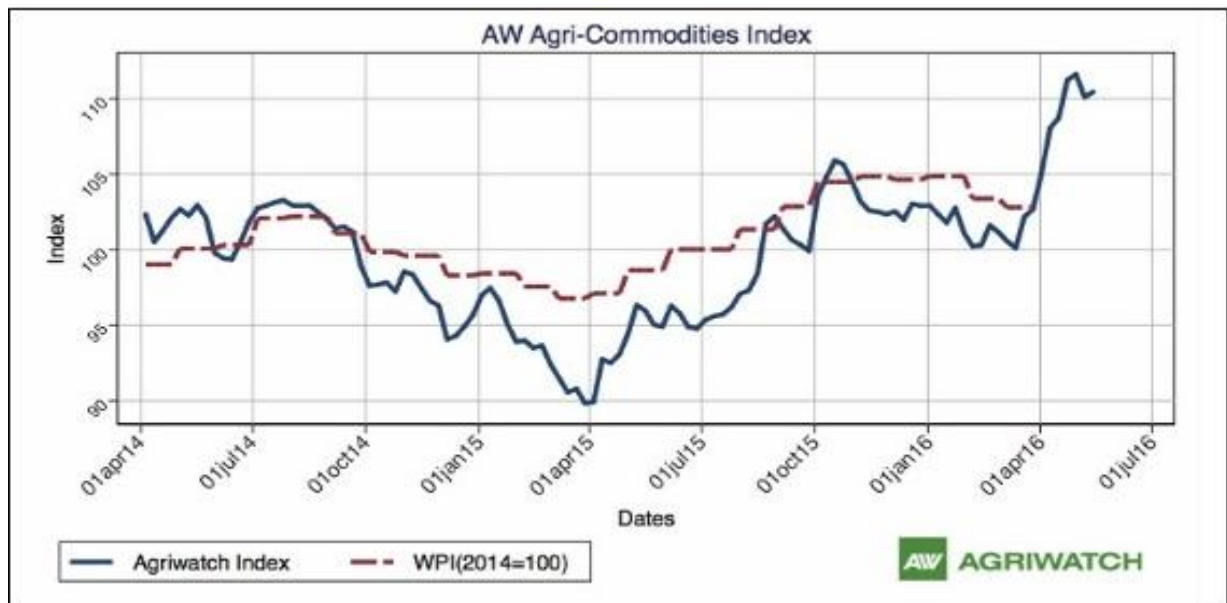


Guar Weekly Research Report

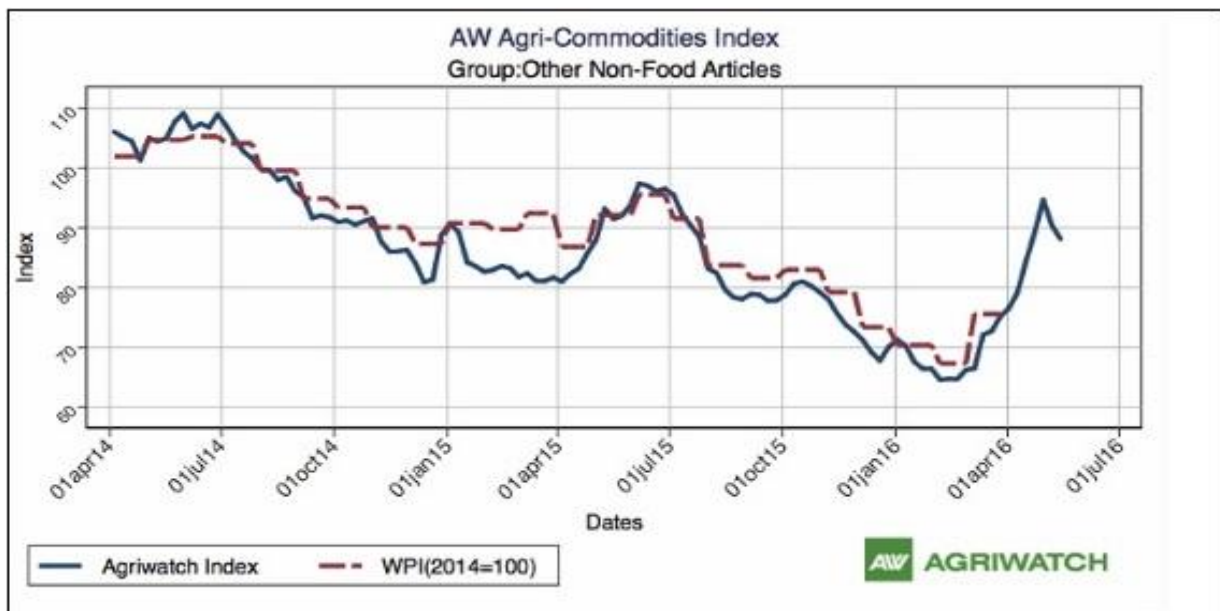
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index edged up 0.33% to 110.46 during the week ended May 14, 2016 from 110.10 during the previous week. Agri Commodities Index gains on higher Edible Oils prices. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri Commodity Other Non-food Articles Index 88.11 (-2.48%) during the week ended May 14, 2016.

Executive Summary

Domestic Guar Seed Market Summary

Guar seed prices declined sharply current week due to weak demand. Lower off take of guar from open markets depress the prices. Increasing supply also pressurizes the prices in the spot market.

Overall fundamentals are still downtrend for guar seed and gum due to lack of demand from overseas fracking industry.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (3300 quintals) compared to previous week 3100 quintals.

Similarly, In Ganganagar market, arrivals had increased current week to 1450 quintals compared to prior week arrivals data i.e.950 quintals.

We expect guar seed prices likely to move in a range bound to weak movement in coming ways.

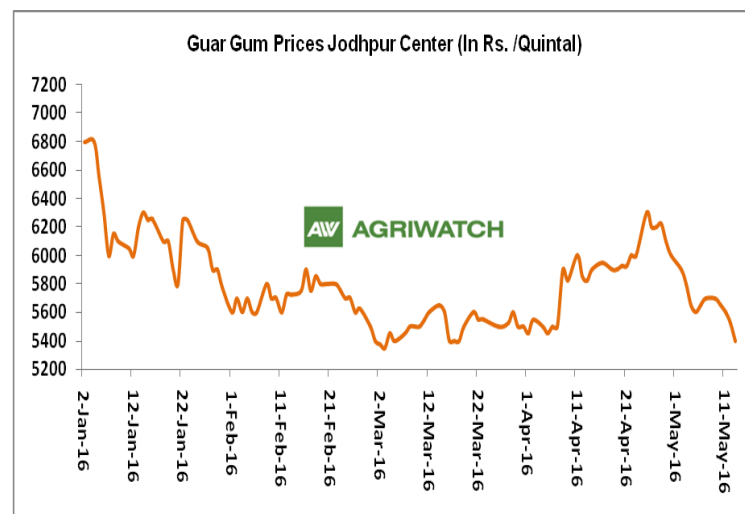
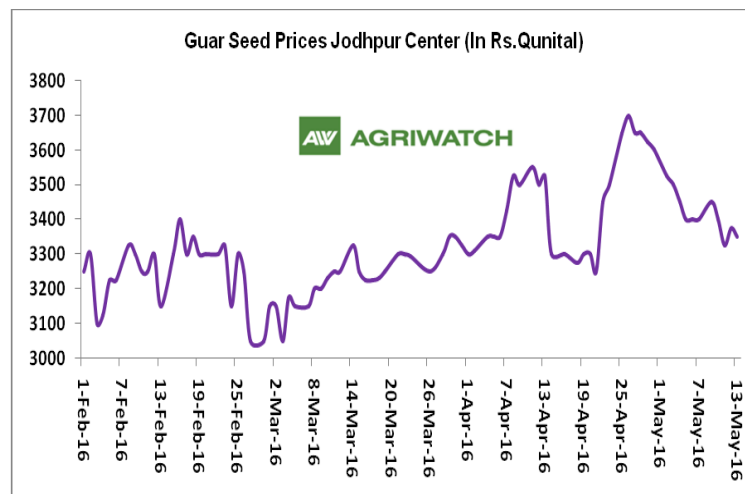
Recommendation:

Weekly Call - : Market participants are advised to SELL Guar seed at 3150 levels for a target of 3050 with a stop loss at 3210 on closing basis.

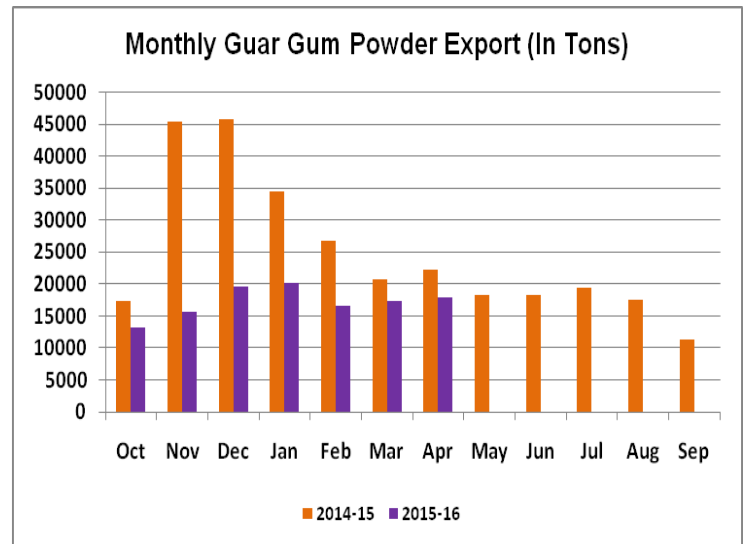
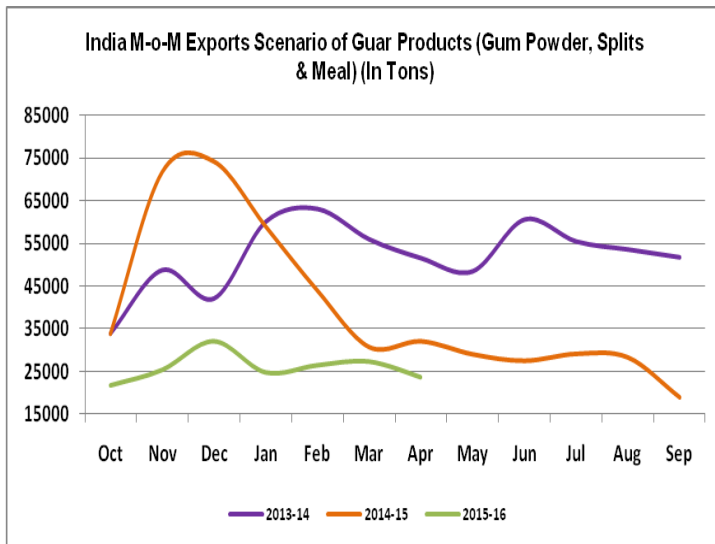
Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

- In the second week of May 2016, Guar seed weekly average prices declined slightly during the week by Rs.96/-qtl compared to prior week and settled at Rs. 3479 per quintal.
- In addition, Guar gum weekly average prices down by Rs. 171/- qtl and settled at Rs. 5596 per quintal.
- Demand for Guar Gum reported lower due to higher carry over stock in the spot market put cap on prices.
- Monsoon will play a vital role in the guar seed prices. Good amount of monsoon showers likely to pressurize the prices of guar seed down to Rs 2600-2900 per quintal in the coming days.
- Sources revealed that, in Rajasthan Guar area may decrease by 20 – 25% considering lower prices compared to other crops like Moong, which is currently moving in a range of Rs.6000/-qtl.
- According to third advance estimate issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 4786781 hectares, 2223474 tonnes and 465 kg/hectare respectively. As compared to final advance estimate, the area has increased by 161575 hectares whereas the production and yield have decreased by 520484 tonnes and 128kg/hectare respectively.
- ***We expect guar seed and gum prices may trade range bound to weak movement in the coming days.***



Export Scenario



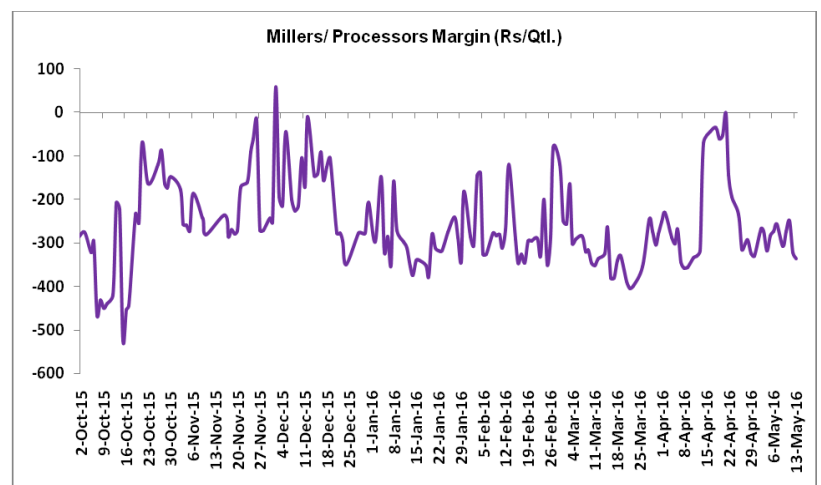
On export front, guar products export demand declined slightly compared to prior month. India has exported 23734.3 tons of guar seed products (Gum powder, Splits & Meal) in the month of April 2016 down 26% compared to last month.

However, recent month guar gum powder export increased slightly by 4% compared to previous month due to good demand from local industries (food and textiles).

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 May 2016, average crush margin declined to Rs. -264.4 /Quintal, which were Rs.-14.3 per quintal.

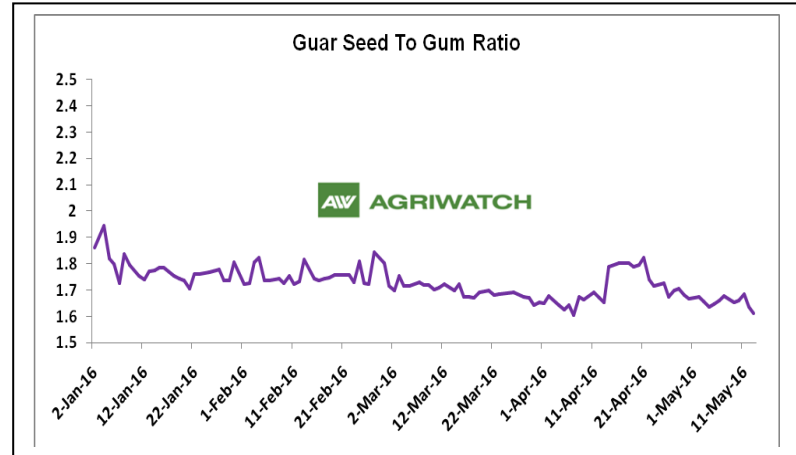
Higher degree of decrease in guar gum prices compared to guar seed prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to gum reported steady current week compared to corresponding period last week to 1.65.

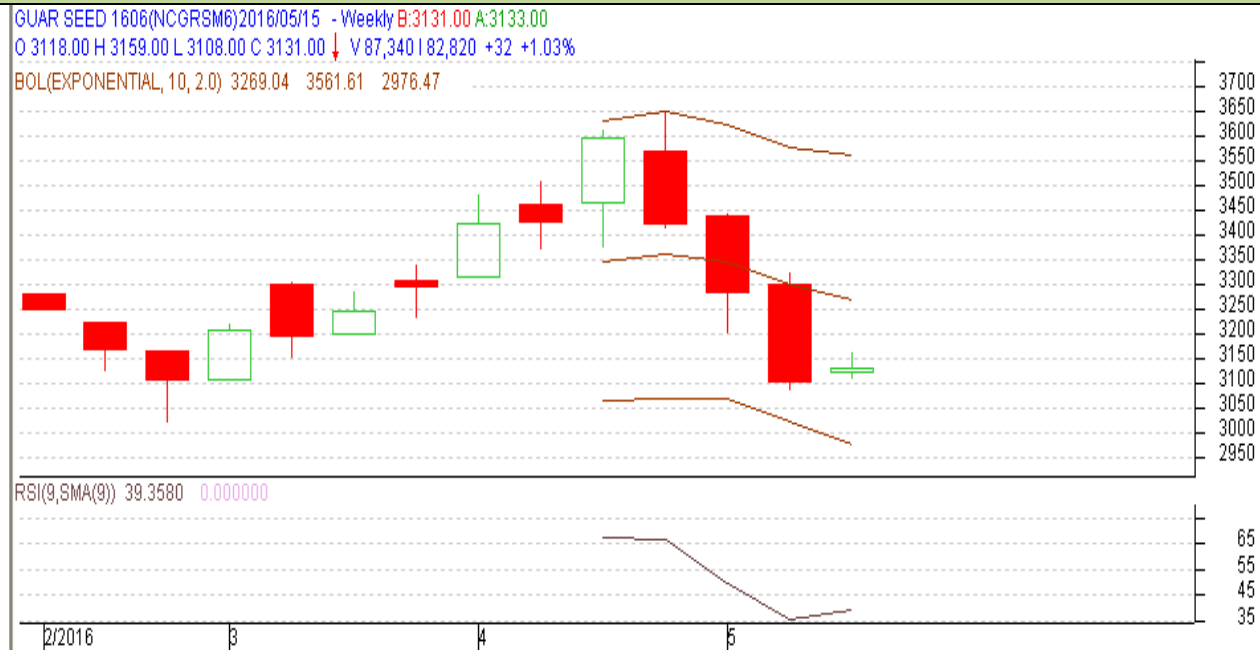
Overall weak demand of gum from overseas and good demand of seed from millers due to higher, churi and korma prices decreased the overall ratio.



Technical Analysis (Guar Seed)

Commodity: Guar Seed 10MT
Contract: June
Exchange: NCDEX
Expiry: June 20, 2016

Guar Seed 10MT (Weekly June Contract Chart)



Technical Commentary:

- Guar prices are moving downwards as chart depicts.
- However, RSI is hovering near to neutral region.
- Last candlestick depicts bearishness in market.

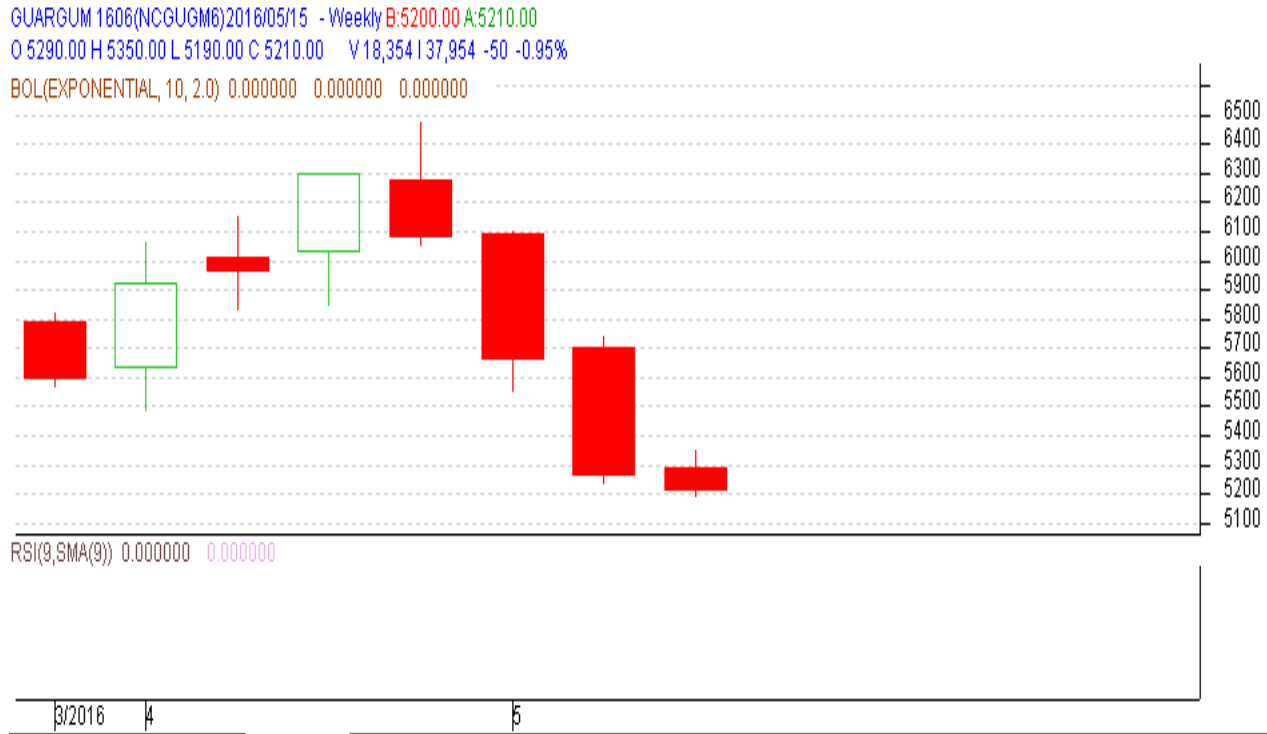
Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed 10MT	NCDEX	June	2800	2900	3084	3250	3300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	June	Sell	Below 3150	3050	3000	3210

Commodity: Guar Gum
Contract: June

Exchange: NCDEX
Expiry: June 20, 2016

Guar Gum (June Weekly Chart)



Technical Commentary:

- Guar gum prices are moving downwards as chart depicts.
- Last candlestick depicts bearishness in the market.
- Prices are continuously falling from last few weeks and expected to continue in coming weeks.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	June	4700	4800	5120	5500	5600
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Sell	Below 5200	5100	5000	5260

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	07th to 13th May.16	30th Apr.16 to 6th May.16	Change
Churi	Jodhpur	1688	1713	-25
Korma	Jodhpur	2000	2121	-121
Churi	Sri-Ganganagar	1788	1729	58
Korma	Sri-Ganganagar	2100	2083	17
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	07th to 13th May.16	30th Apr.16 to 6th May.16	Change
Guargum Split		840	898	-58
Guargum Powder	200 Mesh 5000 CPS	1141	1199	-58
	200 Mesh 3500 CPS	1066	1124	-58
Guargum Meal	40%	375	371	4
	50%	435	431	4
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			07th to 13th May.16	30th Apr.16 to 6th May.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3233	3329	-96
		Jodhpur(Delivery)	3383	3479	-96
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3158	3225	-67
		Sri-Ganganagar (Delivery)	3238	3321	-83
		Rawla (Loose)	3079	3114	-35
		Gharsana (Loose)	3002	3088	-87
		Raisinghnagar (Loose)	3073	3168	-95
	Bikaner	Bikaner (Loose)	3073	3163	-90
		Bikaner (Delivery)	3223	3313	-90
		Nokha(Loose)	3058	3104	-46
		Nokha (Delivery)	3168	3216	-47
		Khajuwala (Loose)	3093	3145	-52
		Khajuwala (Delivery)	3217	3271	-54
		Lunkaransar (Loose)	3070	3118	-48
	Hanumangarh	Hanumangarh (Loose)	2961	3045	-84

		Hanumangarh (Delivery)	3111	3195	-84
		Nohar (Loose)	3111	3154	-43
		Pilibanga (Loose)	3039	3107	-68
	Nagaur	Nagaur (Loose)	2917	3092	-175
	Churu	Churu (Delivery)	3150	3233	-83
	Alwar	Alwar (Loose)	2983	3067	-83
Haryana	Hisar	Adampur (Loose)	3074	3172	-98
		Adampur (Delivery)	3224	3322	-98
	Bhiwani	Bhiwani (Delivery)	3254	3291	-37
		Siwani (Loose)	3223	3283	-60
	Sirsa	Sirsa (Loose)	3088	3146	-58
		Dhabwali (Loose)	2975	NA	-
		Dhabwali (Delivery)	3125	NA	-
		Ellanabad (Loose)	3098	3131	-33
	Fatehabad	Fatehabad (Loose)	NA	NA	-
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	3050	3168	-118
	Rajkot	Rajkot (Loose)	3143	3270	-127
	Jamnagar	Dhrol (Loose)	2978	3126	-149
Madhya pradesh	Gwalior	Dabra (Loose)	NA	3567	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5596	5767	-171
	Alwar	Alwar	5483	5850	-367
	Hanumangarh	Nohar	5783	5875	-92
Haryana	Bhiwani	Bhiwani	5700	5792	-92
	Sirsa	Sirsa	5500	5767	-267
		Dhabwali	5375	NA	-
		Ellanabad	5575	5650	-75
	Fatehabad	Fatehabad	NA	NA	-

Week on Week Price: Scenario of Guar seed and Guar gum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			13-May-16	6-May-16	13-Apr-16	13-May-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3200	3250	3375	4950
		Jodhpur(Delivery)	3350	3400	3525	5150
	Sri-Ganganaga	Sri-Ganganagar(Loose)	3150	3150	3200	4800
		Sri-Ganganagar (Delivery)	3200	3225	3300	5000

	r	Rawla (Loose)	3025	3150	3100	NA
		Gharsana (Loose)	2900	3080	3220	NA
		Raisinghnagar (Loose)	3000	3100	3180	NA
	Bikaner	Bikaner (Loose)	3025	3130	3200	4750
		Bikaner (Delivery)	3175	3280	3350	4950
		Nokha(Loose)	3000	3140	3200	4700
		Nokha (Delivery)	3108	3253	3315	4869
		Khajuwala (Loose)	3000	3160	3170	4700
		Khajuwala (Delivery)	3120	3286	3297	4888
		Lunkaransar (Loose)	3000	3060	3160	NA
	Hanumang arh	Hanumangarh (Loose)	2985	2950	3200	NA
		Hanumangarh (Delivery)	3135	3100	3350	NA
		Nohar (Loose)	3050	3150	3200	NA
		Pilibanga (Loose)	2960	3050	3125	NA
	Nagaur	Nagaur (Loose)	2900	2950	3050	4800
	Churu	Churu (Delivery)	3100	3200	3350	4800
	Alwar	Alwar (Loose)	2900	3000	3200	4600
Haryana	Hisar	Adampur (Loose)	3000	3150	3250	4800
		Adampur (Delivery)	3150	3300	3400	5000
	Bhiwani	Bhiwani (Delivery)	3150	3300	3325	5000
		Siwani (Loose)	3150	3280	3350	4900
	Sirsa	Sirsa (Loose)	3050	3150	3150	4775
		Dhabwali (Loose)	3000	NA	3150	NA
		Dhabwali (Delivery)	3150	NA	3150	NA
		Ellanabad (Loose)	3050	3150	3150	4750
	Fatehabad	Fatehabad (Loose)	NA	NA	3100	4800
Gujarat	Banaskant ha	Deesa (Loose)	NA	NA	3000	NA
	Patan	Patan (Loose)	3010	3105	3155	NA
	Rajkot	Rajkot (Loose)	3090	3150	3200	4575
	Jamnagar	Dhrol (Loose)	3000	3000	3140	NA
Madhya pradesh	Gwalior	Dabra (Loose)	NA	3600	3050	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5400	5650	5825	14000
	Alwar	Alwar	5300	5700	5800	11800
	Hanumang arh	Nohar	5700	5750	5800	NA
Haryana	Bhiwani	Bhiwani	5300	5850	5900	11500
	Sirsa	Sirsa	5350	5700	5800	11600
		Dhabwali	5350	NA	5800	NA
		Ellanabad	5500	5700	5900	11700
	Fatehabad	Fatehabad	NA	NA	5800	11000

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			07th to 13th May.16	30th Apr.16 to 6th May.16	
Rajasthan	Jodhpur	Jodhpur	1016	990	26
	Sri-Ganganagar	Sri-Ganganagar	1450	950	500
		Rawla	1950	1900	50
		Gharsana	1100	1050	50
		Raisinghnagar	1950	1750	200
	Bikaner	Bikaner	4850	5500	-650
		Nokha	1300	1650	-350
		Khajuwala	4000	4100	-100
		Lunkaransar	1300	2350	-1050
	Hanumangarh	Hanumangarh	610	125	485
		Nohar	4600	3900	700
		Pilibanga	820	900	-80
	Nagaur	Nagaur	520	635	-115
	Churu	Churu	4100	3400	700
Haryana	Alwar	Alwar	2000	2000	Unch
	Hisar	Adampur	3300	3100	200
	Bhiwani	Bhiwani	4200	3600	600
		Siwani	4400	4800	-400
	Sirsa	Sirsa	2030	880	1150
		Dhabwali	225	NA	-
		Ellanabad	2850	450	2400
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	299	542	-243
	Rajkot	Rajkot	630	1595	-965
	Jamnagar	Dhrol	15	43	-28
Madhya pradesh	Gwalior	Dabra	NA	400	-
Total Arrivals/Above Markets			49515	46610	2905

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