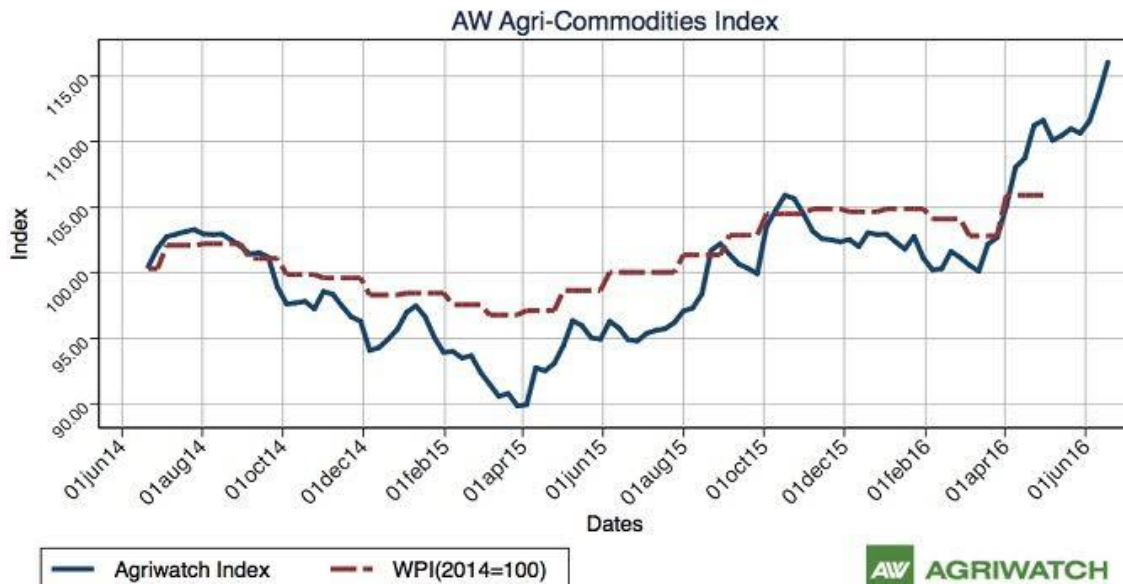


Guar Weekly Research Report

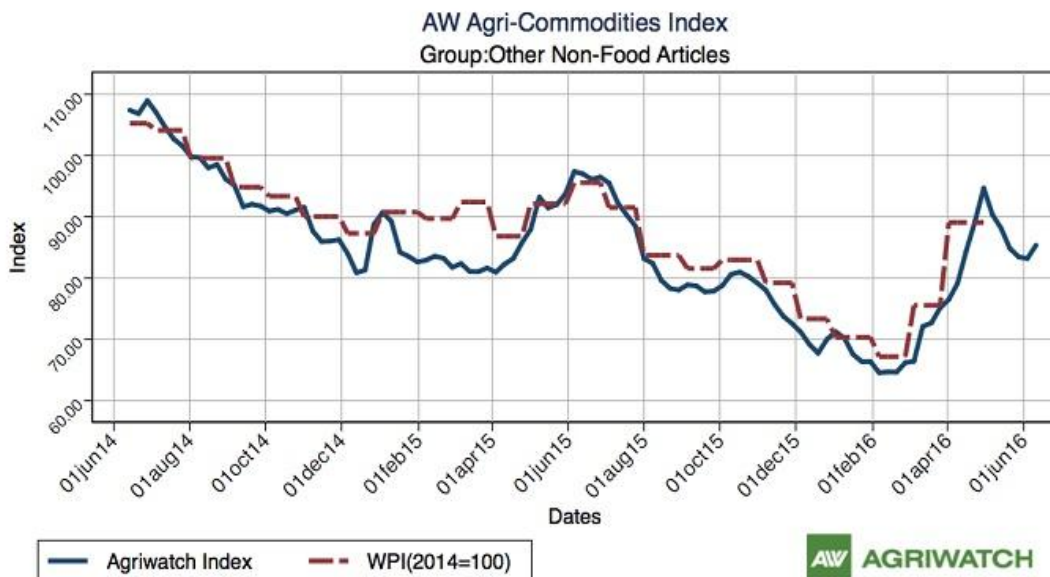
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index rose 2.15% to close at 116.06 during the week ended June 18, 2016 from 113.62 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index increased by 0.66 % to 85.92 during the week ended June 18, 2016.

Agriwatch has recently launched its AW Agri Commodity Indices to enable organizations access independent Indices to track and use to benchmark their purchases and sales. The Indices are based on the daily prices in the key benchmark markets for each commodity that AW has been covering for the past decade. The indices include an Aggregate Index, Category Indices and individual commodity indices. The weekly indices are free to access on our website www.agriwatch.com. The daily indices are available on subscription. Please contact for more details.

Executive Summary

Domestic Guar Seed Market Summary

According to IBIS (provisional data) for second week of June, Export of all guar seed products i.e. powder, Split and meal has decreased marginally compared to last week. India has exported 3762 metric tonnes of guar gum powder, 1000 metric tonnes of guar split at an average fob of \$828.7/tonne and 1457 metric tonnes of guar meal at an average fob of \$562.81/tonne. The main countries to which guar seed products were exported are USA, Germany, China, Russia and Norway

With increasing price as well as production of crude oil in global market, export demand for guar gum is expected to increase as it is used in hydraulic fracturing. USA, a major export destination for guar gum from India, has shown an increase in number of oilrigs drilling for oil by 10 to 424 compared to last week. Increase in export of guar gum from India will also lend support to domestic guar seed cash market.

The wholesale price index of guar seed has fallen marginally from 237.2 in April 2016 to 236.2 in May 2016. The WPI for May 2016 is down by 103.2 as compared to last year for the same month and by 129.6 as compared to May 2014.

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) in the week (06-12 June) was around 6219 metric tonnes. The exports have marginally decreased by around 0.67% as compared to last week.

According to IBIS (provisional data) for May, Export of guar seed products i.e. powder, Split and meal has fallen by 1140.25 metric tonnes compared to last month. India has exported 12815.2 metric tonnes of guar gum powder, 3811 metric tonnes of guar split and 5452.79 metric tonnes of guar meal in the month of May.

Export demand of guar seed since January 2015-16 has been low as compared to export demand last year. Guar is sown in 40 lakh hectares in India and Key guar sowing states are Rajasthan, Haryana and Gujarat. All three States are seeing a dip in guar acreage by 20-25% as farmers are shifting to other remunerative crops like pulses and cotton

According to trade sources, guar stock of around 2.5 lakh quintals is in lunkaransar region, which is higher compared to last year stock of around 1.25 lakh quintals. Currently the prices of guar are moving range bound, if the prices go up traders may sell their stock at high, which in turn may pressurize prices to move down.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (5600 quintals) compared to previous week 4700 quintals.

As far as arrivals are concerned in Bikaner market, reported higher arrivals (6400 quintals) compared to previous week 4900 quintals

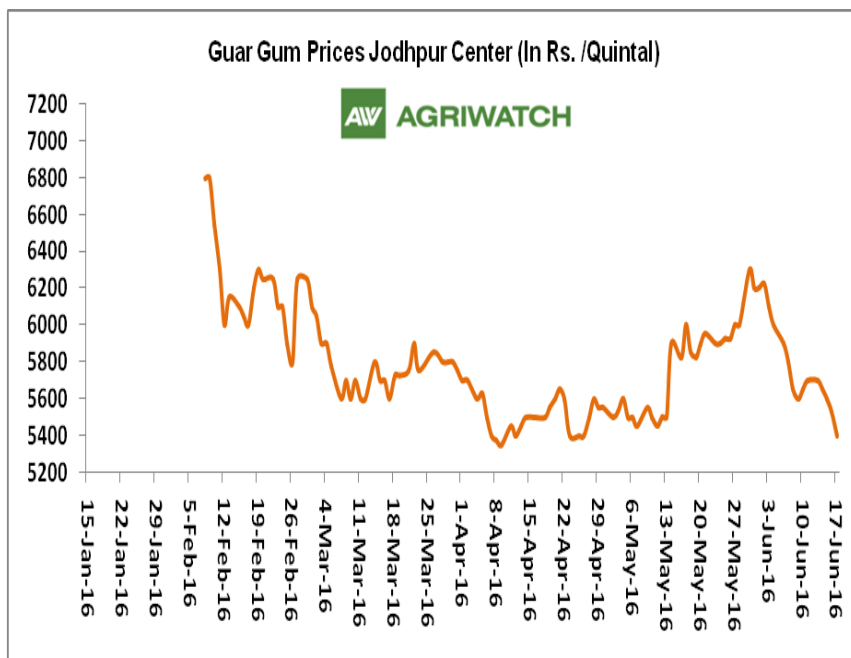
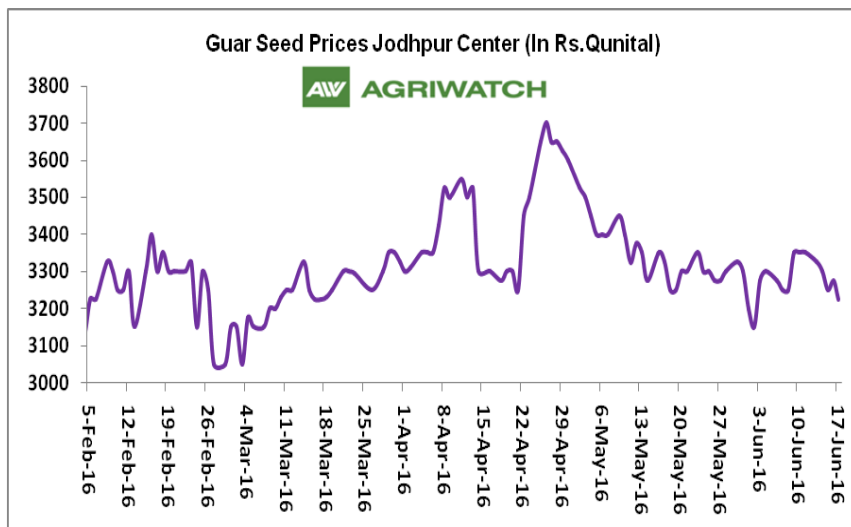
Recommendation:

Weekly Call - : Market participants are advised to BUY Guar seed at 3015 levels for a target of 3095 with a stop loss at 2967 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

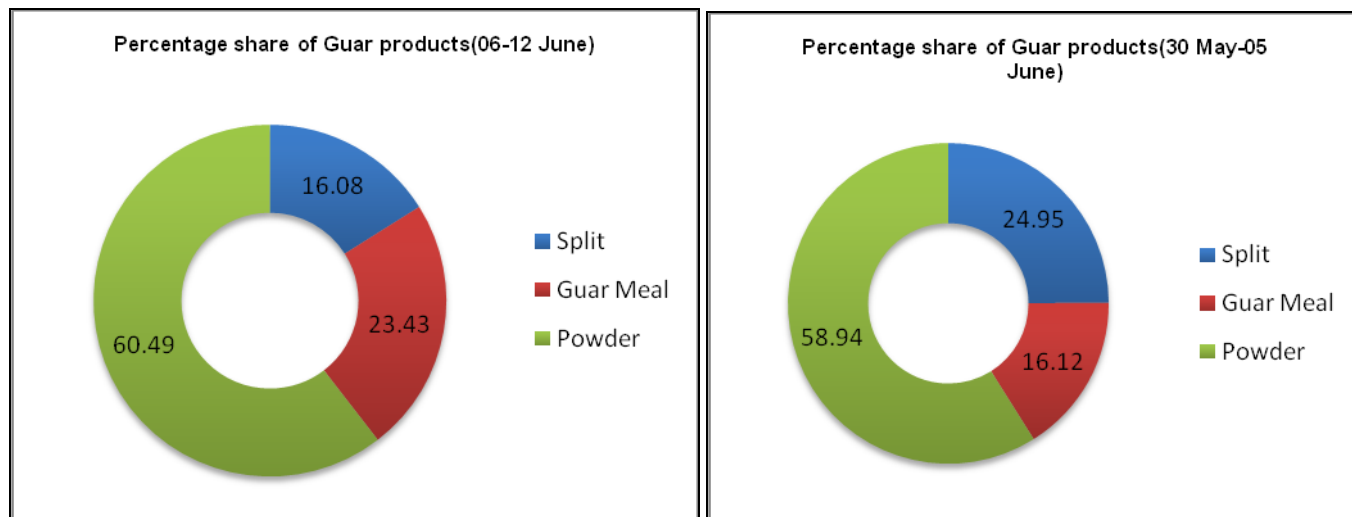
- In the week ended 18 June'16, Guar seed weekly average prices decreased slightly during the week by Rs.8.33/-qtl compared to prior week and settled at Rs. 3287.5 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 229 /- qtl and settled at Rs. 5691.7 per quintal. This rise in guar gum prices is mainly due to increasing prices of crude oil.
- 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 2700-2900 per quintal in the coming days.
- Sources revealed that guar seed area in Rajasthan, Haryana and Gujarat might decrease by 20 – 25% considering lower prices compared to other crops like Pulses and cotton, which are more remunerative for farmers as compared to guar.
- 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.



Export Scenario

Export Scenario (06th June to 12th June 2016)

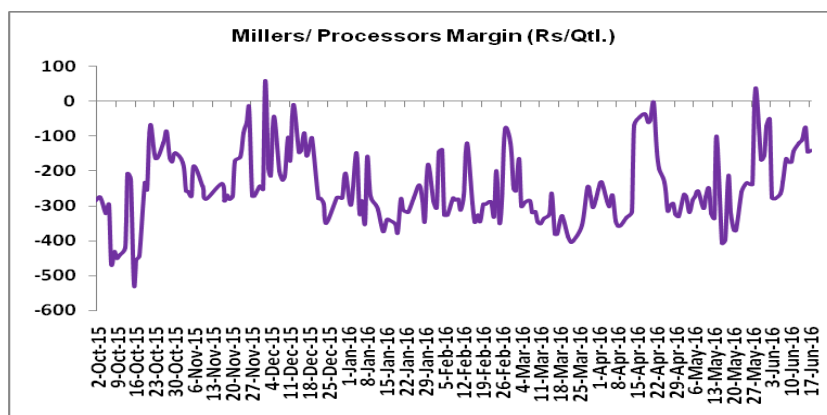
During this week 6219 tonnes of guar was exported out of which 3762 tonnes was guar gum powder, 1457 tonnes was guar meal and 1000 tonnes guar gum splits. As compared to last week, the export of guar gum splits, guar meal and guar gum have marginally decreased.



Millers/Processors Margin

In the week ended 18 June'16, average crush margin is Rs. -122.04/Quintal, compared to last week's -215.15/ Quintal. Therefore crushing is not favorable for Millers/Processors

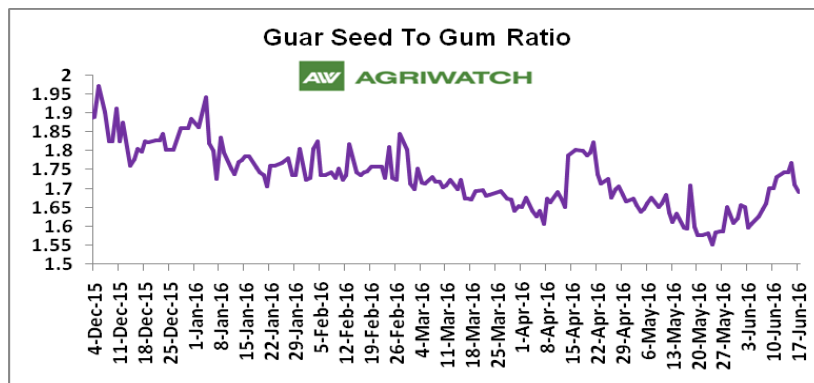
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 18 June'16 is 1.73, which is higher as compared to last week's 1.66

Overall, buoyant demand of gum from overseas and good demand of seed from millers has increased the overall ratio.





Technical Analysis (Guar Seed)

Commodity: Guar Seed 10MT
Contract: July

Exchange: NCDEX
Expiry: July 20, 2016



Technical Commentary:

- Fall in price and rise in Volume and Open interest indicates short buildup
- RSI is moving near oversold region.
- Last candlestick depicts bearishness in market.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	July	2910	2875	3022	3200	3240
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	July	Buy	Above 3015	3095	3140	2967

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: July

Exchange: NCDEX
Expiry: July 20, 2016



Technical Commentary:

- Fall in prices and rise in Volume and Open interest indicates short buildup
- Guar gum prices are moving from range bound to weak as chart depicts
- Last candlestick depicts bearishness in the market

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	July	5100	5075	5270	5580	5650
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Buy	Above 5250	5380	5470	5172

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	11th to 17th June.16	04th to 10th June.16	Change
Churi	Jodhpur	1525	1525	Unch
Korma	Jodhpur	1938	1896	42
Churi	Sri-Ganganagar	1479	1583	-104
Korma	Sri-Ganganagar	1913	1967	-54
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	11th to 17th June.16	04th to 10th June.16	Change
Guargum Split		857	804	53
Guargum Powder	200 Mesh 5000 CPS	1155	1103	52
	200 Mesh 3500 CPS	1080	1028	52
Guargum Meal	40%	315	319	-4
	50%	415	423	-8
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			11th to 17th June.16	04th to 10th June.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3138	3146	-8
		Jodhpur(Delivery)	3288	3296	-8
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3033	3008	25
		Sri-Ganganagar (Delivery)	3166	3142	24
		Rawla (Loose)	2948	2938	11
		Gharsana (Loose)	3016	2948	68
		Raisinghnagar (Loose)	2996	2987	9
	Bikaner	Bikaner (Loose)	2990	2983	7
		Bikaner (Delivery)	3140	3133	7
		Nokha(Loose)	2978	3002	-24
		Nokha (Delivery)	3085	3110	-25
		Khajuwala (Loose)	2956	2956	Unch
		Khajuwala (Delivery)	3075	3074	1

		Lunkaransar (Loose)	2965	2958	7
	Hanumangarh	Hanumangarh (Loose)	2958	2942	16
		Hanumangarh (Delivery)	3108	3092	16
		Nohar (Loose)	2973	2972	1
		Pilibanga (Loose)	2931	2898	34
	Nagaur	Nagaur (Loose)	3008	3021	-13
	Churu	Churu (Delivery)	3133	3113	21
	Alwar	Alwar (Loose)	2966	2958	8
Haryana	Hisar	Adampur (Loose)	2980	2985	-5
		Adampur (Delivery)	3130	3135	-5
	Bhiwani	Bhiwani (Delivery)	3083	3115	-32
		Siwani (Loose)	3065	3065	Unch
	Sirsa	Sirsa (Loose)	2973	2979	-6
		Dhabwali (Loose)	2953	2935	18
		Dhabwali (Delivery)	3103	3085	18
		Ellanabad (Loose)	2991	2983	8
	Fatehabad	Fatehabad (Loose)	2963	2995	-32
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	2930	2940	-10
	Rajkot	Rajkot (Loose)	2975	2951	24
	Jamnagar	Dhrol (Loose)	2815	2805	10
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5692	5463	230
	Alwar	Alwar	5633	5367	266
	Hanumangarh	Nohar	5650	5317	333
Haryana	Bhiwani	Bhiwani	5491	5305	186
	Sirsa	Sirsa	5667	5440	227
		Dhabwali	5595	5346	249
		Ellanabad	5658	5383	275
	Fatehabad	Fatehabad	5575	5483	92

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			17-Jun-16	10-Jun-16	17-May-16	17-Jun-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3075	3200	3175	4200
		Jodhpur(Delivery)	3225	3350	3325	4400
	Sri-Ganganagar	Sri-Ganganagar(Loose)	2950	3100	3125	4350
		Sri-Ganganagar (Delivery)	3050	3250	3200	4550
		Rawla (Loose)	2935	2960	3010	4156
		Gharsana (Loose)	2960	2950	3000	4200
		Raisinghnagar (Loose)	2900	3050	3000	NA
	Bikaner	Bikaner (Loose)	2950	3000	3025	4300
		Bikaner (Delivery)	3100	3150	3125	4450
		Nokha(Loose)	2940	3000	2960	4250
		Nokha (Delivery)	3046	3108	3067	4403
		Khajuwala (Loose)	2870	2950	3000	4250
		Khajuwala (Delivery)	2985	3068	3120	4420
		Lunkaransar (Loose)	2940	3000	3000	4330
	Hanumangarh	Hanumangarh (Loose)	2950	2945	2942	4200
		Hanumangarh (Delivery)	3100	3095	3092	4400
		Nohar (Loose)	2950	3000	3030	NA
		Pilibanga (Loose)	2860	2900	2925	NA
	Nagaur	Nagaur (Loose)	3050	3100	2900	4175
	Churu	Churu (Delivery)	3050	3150	3100	4400
	Alwar	Alwar (Loose)	2900	3000	2900	4200
Haryana	Hisar	Adampur (Loose)	2900	3100	3000	4350
		Adampur (Delivery)	3050	3250	3150	4550
	Bhiwani	Bhiwani (Delivery)	3000	3150	3150	4450
		Siwani (Loose)	3040	3100	3150	4425
	Sirsa	Sirsa (Loose)	2900	3000	3040	4270
		Dhabwali (Loose)	2900	3000	NA	4250
		Dhabwali (Delivery)	3050	3150	NA	4450
		Ellanabad (Loose)	2950	3040	NA	4300
	Fatehabad	Fatehabad (Loose)	3000	3100	NA	4200
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	4140

	Patan	Patan (Loose)	2930	2870	3050	NA
	Rajkot	Rajkot (Loose)	3005	3020	3140	4105
	Jamnagar	Dhrol (Loose)	2740	2810	3020	4140
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5450	5700	5300	10700
	Alwar	Alwar	5400	5600	5300	10800
	Hanumangar h	Nohar	5600	5400	5400	NA
Haryana	Bhiwani	Bhiwani	5350	5500	5080	10700
	Sirsa	Sirsa	5400	5650	5300	10700
		Dhabwali	5450	5550	NA	10800
		Ellanabad	5550	5550	NA	10600
	Fatehabad	Fatehabad	5550	5700	NA	10700

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			11th to 17th June.16	04th to 10th June.16	
Rajasthan	Jodhpur	Jodhpur	668	527	141
	Sri-Ganganagar	Sri-Ganganagar	3000	3000	Unch
		Rawla	1250	1550	-300
		Gharsana	1750	1175	575
		Raisinghnagar	4900	4900	Unch
	Bikaner	Bikaner	6400	4900	1500
		Nokha	1650	1150	500
		Khajuwala	3900	4300	-400
		Lunkaransar	843	2250	-1407
	Hanumangarh	Hanumangarh	946	811	135
		Nohar	5500	4100	1400
		Pilibanga	590	1238	-648
	Nagaur	Nagaur	1000	1150	-150
Haryana	Churu	Churu	4300	3800	500
	Alwar	Alwar	2700	2100	600
	Hisar	Adampur	5600	4700	900
		Bhiwani	27000	25000	2000
	Bhiwani	Siwani	3900	4300	-400
		Sirsa	2300	2300	Unch
	Sirsa	Dhabwali	850	950	-100



		Ellanabad	1000	1600	-600
	Fatehabad	Fatehabad	35	60	-25
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	385	377	8
	Rajkot	Rajkot	1725	1780	-55
	Jamnagar	Dhrol	34	27	7
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			82226	78045	4181

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