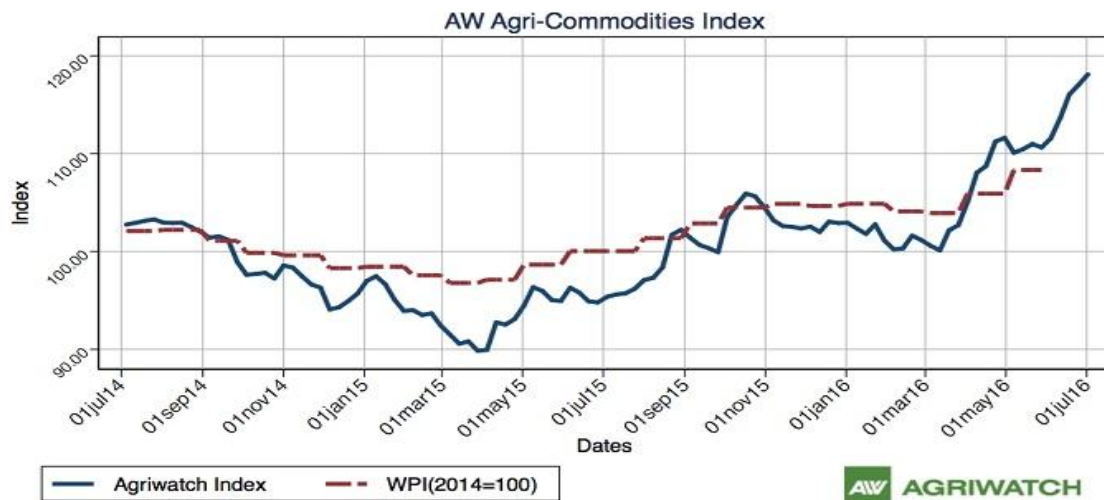


Guar Weekly Research Report

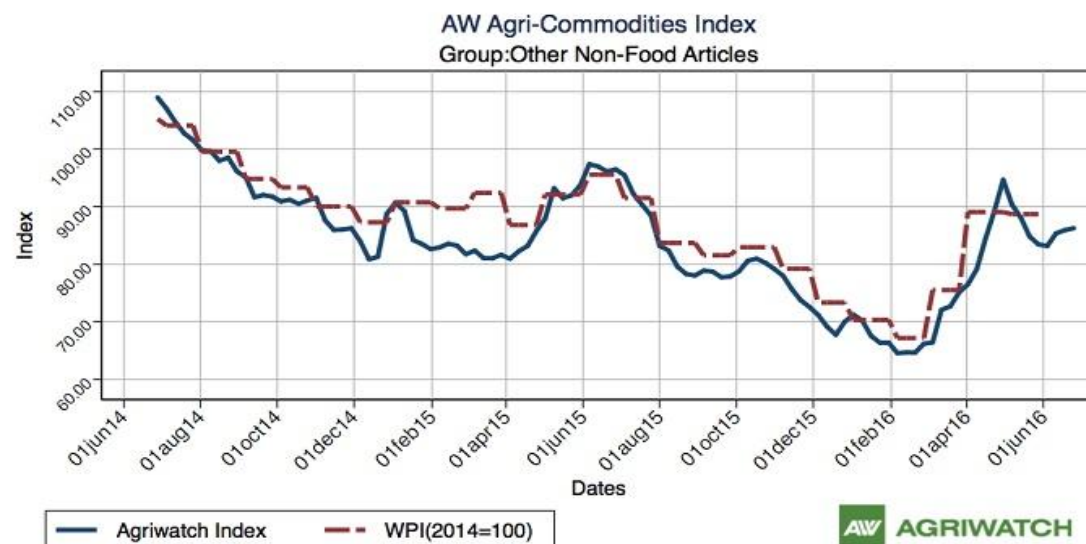
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index rose 0.91% to 118.11 during the week ended July 2, 2016, its 5th straight weekly gain, led by higher price of pulses. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index increased by 3.55 % to 89.32 during the week ended July 2, 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 trade sources, area of guar in Anoopgarh is expected to fall by 45% as farmers are shifting to other remunerative crops like pulses and kapas. Approximately 1.25 lakh quintals of guar stock are available in Anoopgarh, major share of which was bought in range of Rs 3500-5000. Therefore, if prices increase beyond 3500 stockiest may release their stock which will cap prices.

According to IBIS (provisional data) for the month of June, Export of guar seed products i.e. powder, Split and meal has increased by 8085.91 metric tonnes as compared to last month. India has exported 18999.38 metric tonnes of guar gum powder, 4500 metric tonnes of guar split and 6665.54 metric tonnes of guar meal in the month of June.

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) in the week (27June-03 July) was around 6148 metric tonnes compared to 7381 in the week (20-26 June). The exports of guar meal, guar split and guar gum powder are down by 23.52%, 77.78% and 2.69% respectively.

According to IBIS (provisional data) for 27 June-03 July'16, Export of guar meal, guar gum powder and guar split has decreased compared to last week. India has exported 4631 metric tonnes of guar gum powder at an average fob of \$1265/tonne, 200 metric tonnes of guar split at an average fob of \$850.04/tonne and 1317 metric tonnes of guar meal at an average fob of \$547.76/tonne.

Total guar seed products export from India for the week (27 June-03 July'16) was 6148 tonnes. Out of the total around 2712.03 tonnes was exported from Mundra Port, 1447.76 tonnes from Jodhpur concor ICD and 1108.8 tonnes from Jodhpur Thar ICD. Whereas last week (20-26 June'16) 3407.8 tonnes was exported from Mundra Port, 1303.3 tonnes from Jodhpur concor ICD and 1209 tonnes from Jodhpur Thar ICD.

Farmers in Sri Ganganagar are shifting their guar area to other remunerative crops like Arhar, Moong as their cost of cultivation for guar in one acre is around Rs 5000, and they are able to get a return of around Rs 3000 only. Therefore, guar acreage is likely to fall by 50% compared to last year in Sri Ganganagar. Last year total area in Rajasthan was around 47.86 Lakh hectare and we expect that approx 43 lakh hectare will be sown under Guar in 2016-17.

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 compared to corresponding month of last year and by 129.6 compared to May 2014.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4700 quintals) compared to previous week 5300 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (2700 quintals) compared to previous week 4000 quintals

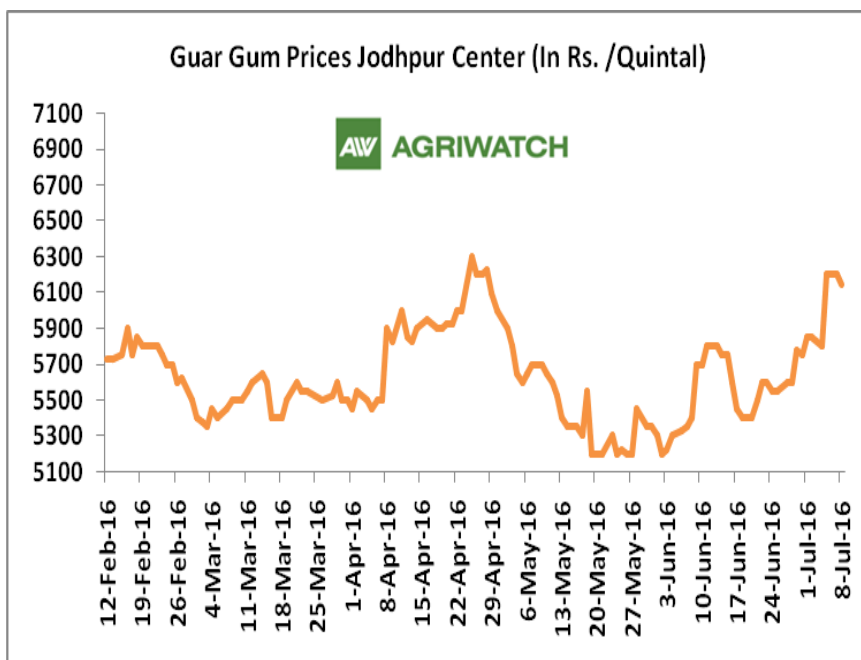
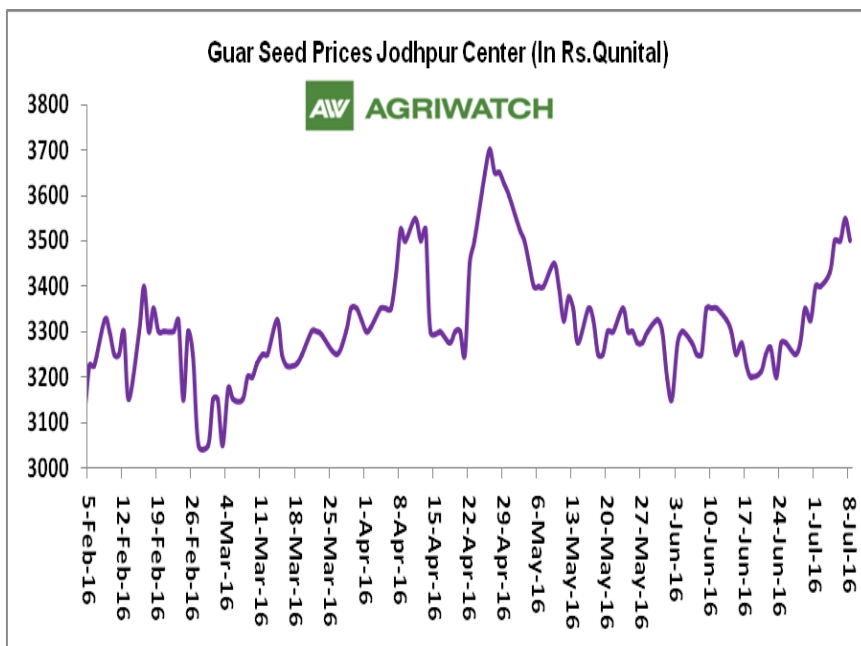
Recommendation:

Weekly Call - : Market participants are advised to BUY Guar seed at 3525 levels for a target of 3605 with a stop loss at 3477 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

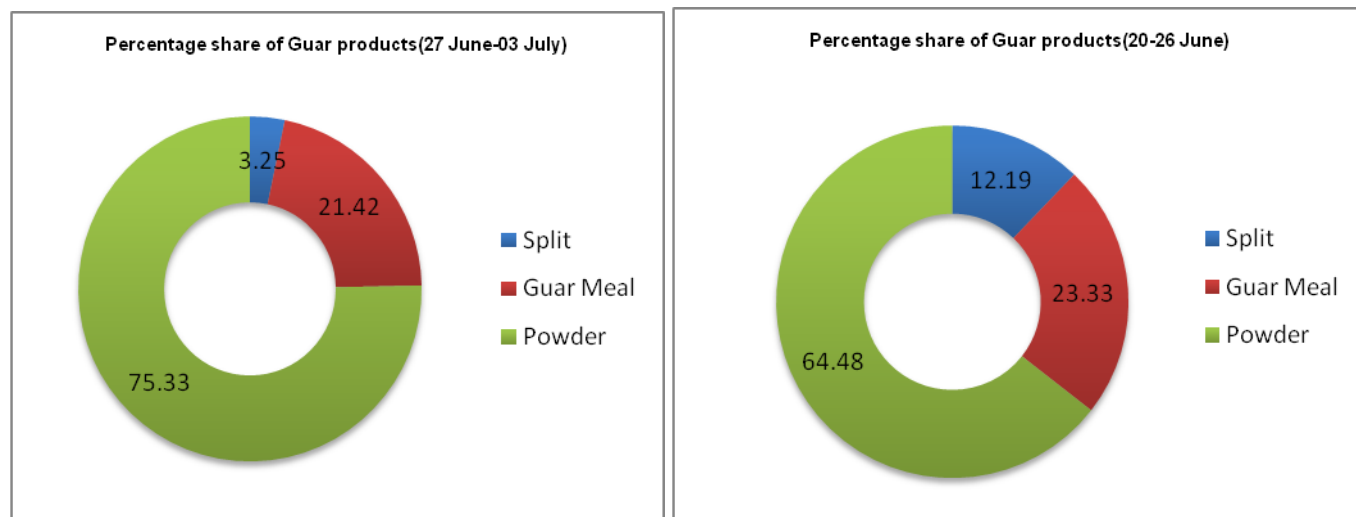
- In the week ended 8 July'16, Guar seed weekly average prices increased by Rs167.5/-qtl during the week compared to previous week and settled at Rs 3480 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 379.17/- qtl and settled at Rs. 6066.67 per quintal. Firm demand for guar gum from domestic as well as overseas market led the prices up this week.
- 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 2800-2950 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 (27th June to 03rd July 2016)

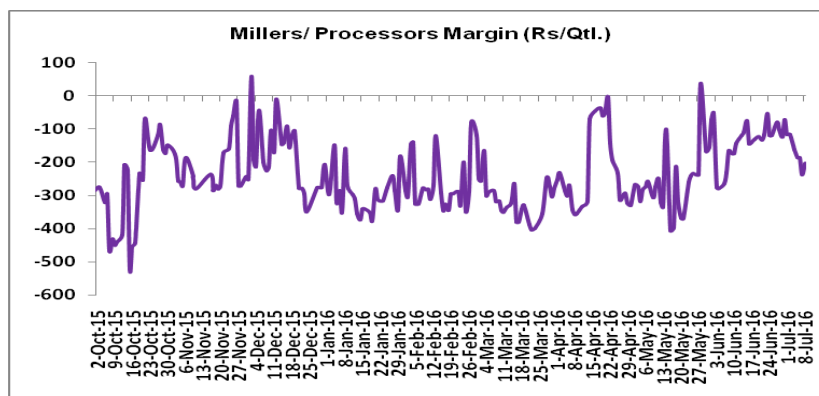
During this week 6148 tonnes of guar was exported out of which 4631 tonnes was guar gum powder, 1317 tonnes was guar meal and 200 tonnes guar gum splits. As compared to last week, the export of guar meal, guar split and guar gum powder has decreased.



Millers/Processors Margin

In the week ended 8 July'16, average crush margin is Rs. -181.67/Quintal, compared to last week's -107.81/ Quintal. Therefore crushing is not favorable for Millers/Processors

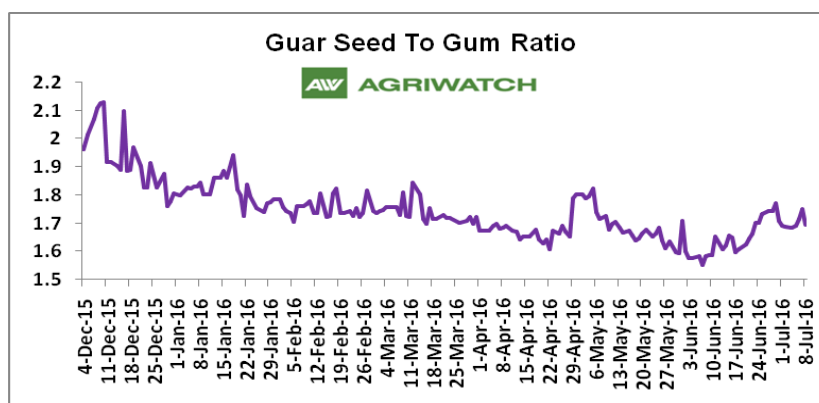
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 8 July'16 is 1.74, which is higher compared to last week's 1.72

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: October

Exchange: NCDEX
Expiry: Oct 20, 2016



Technical Commentary:

- Rise in prices, volume and Open interest indicates long buildup.
- RSI is moving up in neutral region.
- Last candlestick depicts bullishness in market.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	October	3435	3400	3507	3705	3745
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	October	Buy	Above 3525	3605	3645	3477

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: October

Exchange: NCDEX
Expiry: Oct 20, 2016

Guar Gum (October Weekly Chart)



Technical Commentary:

- Rise in prices, volume and Open interest indicates long buildup.
- Guar gum prices are moving firm as chart depicts
- Last candlestick depicts bullishness in the market

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	6210	6145	6340	6630	6655
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	Above 6365	6490	6585	6290

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	02nd July to 08th July.16	25thJune to 01st July.16	Change
Churi	Jodhpur	1517	1550	-33
Korma	Jodhpur	2000	2033	-33
Churi	Sri-Ganganagar	1463	1388	75
Korma	Sri-Ganganagar	2013	1975	38
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	02nd July to 08th July.16	25thJune to 01st July.16	Change
Guargum Split		896	839	57
Guargum Powder	200 Mesh 5000 CPS	1168	1134	33
	200 Mesh 3500 CPS	1143	1058	85
Guargum Meal	40%	327	315	12
	50%	421	416	5
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			02nd July to 08th July.16	25thJune to 01st July.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3330	3163	168
		Jodhpur(Delivery)	3480	3313	168
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3067	3002	65
		Sri-Ganganagar (Delivery)	3233	3158	75
		Rawla (Loose)	3103	2993	110
		Gharsana (Loose)	3148	2993	155
		Raisinghnagar (Loose)	3183	3030	153
	Bikaner	Bikaner (Loose)	3148	3008	140
		Bikaner (Delivery)	3298	3158	140
		Nokha(Loose)	3212	3003	209
		Nokha (Delivery)	3328	3111	216
		Khajuwala (Loose)	3132	3013	118
		Khajuwala (Delivery)	3257	3134	123
		Lunkaransar (Loose)	3126	2977	149
	Hanumangarh	Hanumangarh (Loose)	3053	2922	131

		Hanumangarh (Delivery)	3203	3064	139
		Nohar (Loose)	3160	3025	135
		Pilibanga (Loose)	3013	2982	32
	Nagaur	Nagaur (Loose)	3040	2917	123
	Churu	Churu (Delivery)	3275	3167	108
	Alwar	Alwar (Loose)	3083	3000	83
Haryana	Hisar	Adampur (Loose)	3169	3021	148
		Adampur (Delivery)	3319	3156	163
	Bhiwani	Bhiwani (Delivery)	3258	3183	74
		Siwani (Loose)	3210	3116	94
	Sirsa	Sirsa (Loose)	3115	2963	153
		Dhabwali (Loose)	3112	2988	125
		Dhabwali (Delivery)	3262	3129	133
		Ellanabad (Loose)	3138	2992	146
	Fatehabad	Fatehabad (Loose)	3108	2973	135
Gujarat	Banaskantha	Deesa (Loose)	NA	2838	-
	Patan	Patan (Loose)	3050	2973	78
	Rajkot	Rajkot (Loose)	3220	3004	216
	Jamnagar	Dhrol (Loose)	3005	2857	148
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6067	5688	379
	Alwar	Alwar	6000	5650	350
	Hanumangarh	Nohar	6080	5617	463
Haryana	Bhiwani	Bhiwani	5917	5583	333
	Sirsa	Sirsa	6040	5658	382
		Dhabwali	6060	5650	410
		Ellanabad	6033	5625	408
	Fatehabad	Fatehabad	5867	5575	292

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			8-Jul-16	1-Jul-16	8-Jun-16	8-Jul-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3350	3250	3100	4000
		Jodhpur(Delivery)	3500	3400	3250	4200
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3150	3100	3000	4050
		Sri-Ganganagar (Delivery)	3350	3250	3150	4150
		Rawla (Loose)	3125	3050	2920	NA
		Gharsana (Loose)	3160	3080	2950	4041

		Raisinghnagar (Loose)	3240	3130	2950	NA
	Bikaner	Bikaner (Loose)	3200	3050	2950	4200
		Bikaner (Delivery)	3350	3200	3100	4400
		Nokha(Loose)	3300	3080	3020	4150
		Nokha (Delivery)	3419	3191	3129	4299
		Khajuwala (Loose)	3210	3100	2930	4150
		Khajuwala (Delivery)	3338	3224	3047	4316
		Lunkaransar (Loose)	3200	3060	2950	4215
	Hanumangarh	Hanumangarh (Loose)	NR	3050	2990	4100
		Hanumangarh (Delivery)	NR	3200	3140	4300
		Nohar (Loose)	3200	3100	2980	NA
		Pilibanga (Loose)	NR	3050	2860	4050
	Nagaur	Nagaur (Loose)	3100	3050	3100	4100
	Churu	Churu (Delivery)	3300	3200	3075	4200
	Alwar	Alwar (Loose)	3100	3000	2900	4000
Haryana	Hisar	Adampur (Loose)	3225	3100	2950	4185
		Adampur (Delivery)	3375	3250	3100	4385
	Bhiwani	Bhiwani (Delivery)	3300	3250	3170	4250
		Siwani (Loose)	3200	3160	3025	4300
	Sirsa	Sirsa (Loose)	3175	3000	2950	4100
		Dhabwali (Loose)	3135	3100	2950	4250
		Dhabwali (Delivery)	3285	3250	3100	4450
		Ellanabad (Loose)	3175	3070	3000	4200
	Fatehabad	Fatehabad (Loose)	3300	3000	3000	NA
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	NA
	Patan	Patan (Loose)	3150	3030	2935	4145
	Rajkot	Rajkot (Loose)	3335	3115	2950	4175
	Jamnagar	Dhrol (Loose)	3175	3005	2835	4185
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6150	5850	5400	9800
	Alwar	Alwar	6100	5700	5300	9600
	Hanumangarh	Nohar	6300	5800	5300	NA
Haryana	Bhiwani	Bhiwani	6000	5750	5580	9900
	Sirsa	Sirsa	6150	5800	5390	9700
		Dhabwali	6300	5750	5350	9900
		Ellanabad	6200	5750	5500	9800
	Fatehabad	Fatehabad	6300	5700	5500	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			02nd July to 08th July.16	25th June to 01st July.16	
Rajasthan	Jodhpur	Jodhpur	505	586	-81
	Sri-Ganganagar	Sri-Ganganagar	3200	2700	500
		Rawla	1850	1500	350
		Gharsana	1900	1350	550
		Raisinghnagar	2450	3600	-1150
	Bikaner	Bikaner	2700	4000	-1300
		Nokha	1400	1550	-150
		Khajuwala	3200	3500	-300
		Lunkaransar	5300	3650	1650
	Hanumangarh	Hanumangarh	598	736	-138
		Nohar	2300	4700	-2400
		Pilibanga	350	785	-435
	Nagaur	Nagaur	500	600	-100
	Churu	Churu	6600	6000	600
	Alwar	Alwar	3250	2950	300
Haryana	Hisar	Adampur	4700	5300	-600
	Bhiwani	Bhiwani	25000	17000	8000
		Siwani	7800	5700	2100
	Sirsa	Sirsa	1300	2600	-1300
		Dhabwali	5670	1050	4620
		Ellanabad	800	850	-50
	Fatehabad	Fatehabad	50	40	10
Gujarat	Banaskantha	Deesa	NA	25	-
	Patan	Patan	321	292	29
	Rajkot	Rajkot	1125	2075	-950
	Jamnagar	Dhrol	14	15	-2
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			82883	73154	9729

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