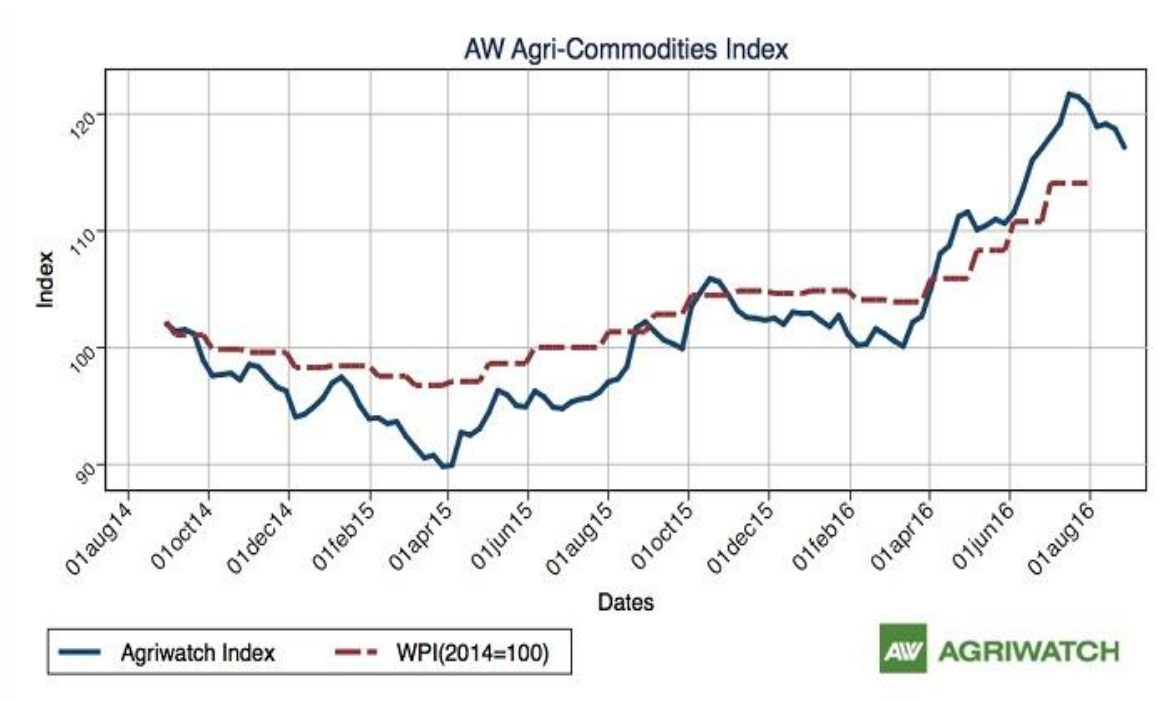


Guar Weekly Research Report

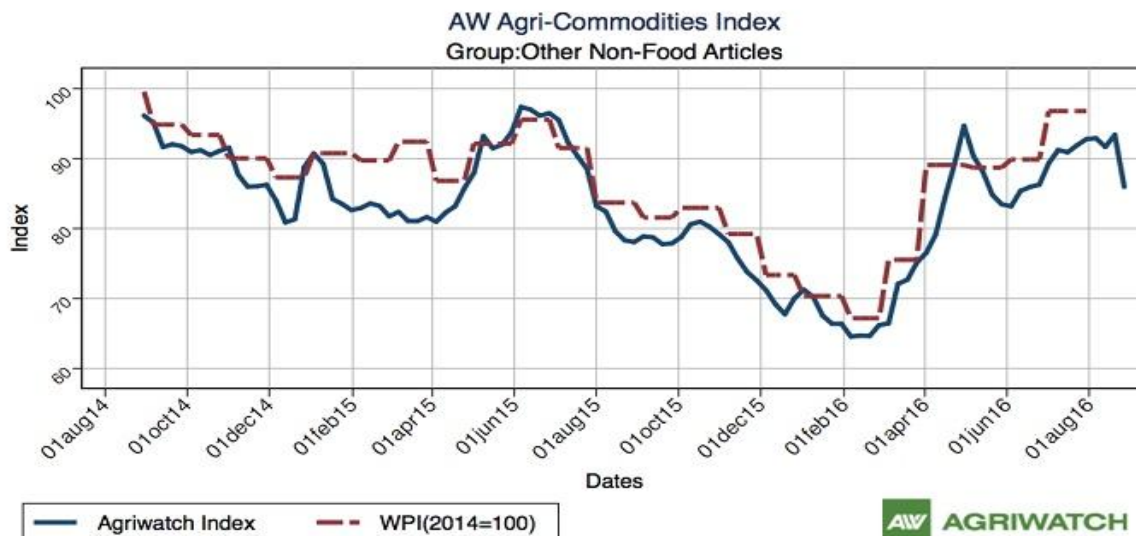
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index fell 1.33% to 117.15 during the week ended August 27, 2016 from 118.73 during the previous week, led by sharply lower pulses prices. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index decreased by 7.95% to 85.95 during the week ended August 27, 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

Total guar seed products export from India for the week (22-28 August'16) was 6152 tonnes. Out of the total around 1683.02 tonnes was exported from Mundra Port, 1737.02 tonnes from Jodhpur concor ICD and 877.56 tonnes from Ahmedabad ICD. Whereas last week (15-21 August'16) 2453.61 tonnes was exported from Mundra Port, 1463.59 tonnes from Jodhpur concor ICD and 804.54 tonnes from Ahmedabad ICD.

According to IBIS (provisional data) for 22-28 August'16, the average \$FOB/Tonne has increased for guar split, meal and powder compared to last week. India has exported 4555 metric tonnes of guar gum powder at an average fob of \$1308.64 /tonne, 360 metric tonnes of guar split at an average fob of \$992.01/tonne and 1237 metric tonnes of guar meal at an average fob of \$517.51/tonne.

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have decreased compared to last week. In the week (22-28 August) the exports were around 6152 metric tonnes compared to 6925 metric tonnes in the week (15-21 August). The export of guar meal and guar split are up by 31.96% and 40.10% respectively.

According to latest update, area sown in Gujarat until 29 August'16 is 192800 hectares compared to 293600 hectares in the previous kharif season. Area of guar is expected to be lower this season as farmers are shifting to other crops like cotton and pulses as these crops are fetching more returns. The last three year average normal area for guar seed in Gujarat is 378800 hectares.

The wholesale price index of guar seed has increased from 231.6 in June 2016 to 253.9 in July 2016. The WPI for July 2016 is down by 50.5 compared to last year for the same month and by 139.8 compared to July 2014.

As per latest update, guar acreage in main producing states i.e. Gujarat, Rajasthan and Haryana is lower compared to last year. This is mainly due to farmers shift to more remunerative crops like Pulses and cotton. Acreage in Rajasthan and Gujarat until August'08, is down by 45% and 20.5% respectively compared to last year. Whereas in Haryana area sown until July'18 is only 91000 hectares compared to 3.39 lakh hectares last year as on July'20.

Guar seed prices have increased by around 21 percent since February because of lower sowing as farmers have shifted to crops fetching higher returns such as pulses and kapas. This year production is expected to be around 8 Lakh tonnes; therefore, traders are expecting firm prices on account of steady demand and lower production.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (3800 quintals) compared to previous week 3100 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (1900 quintals) compared to previous week 1600 quintals

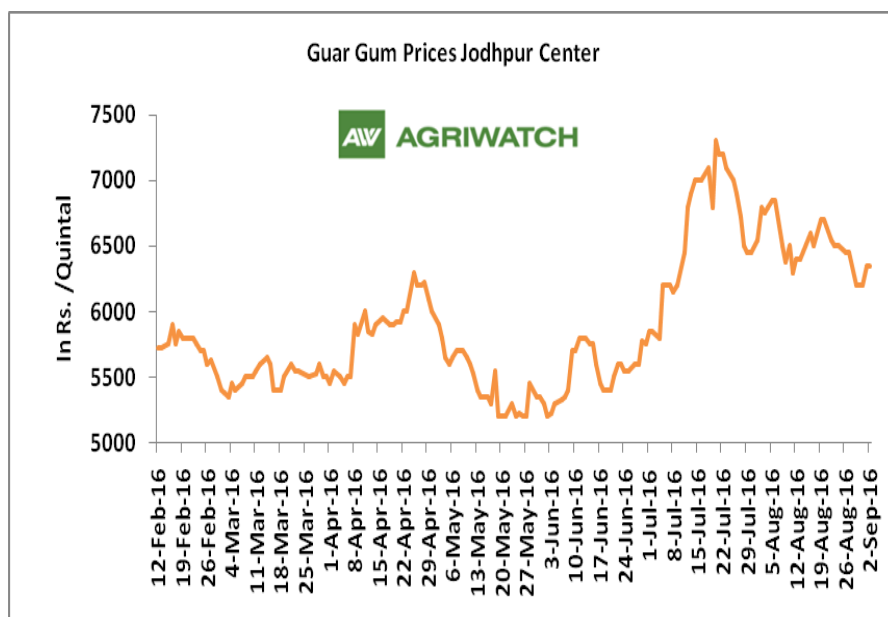
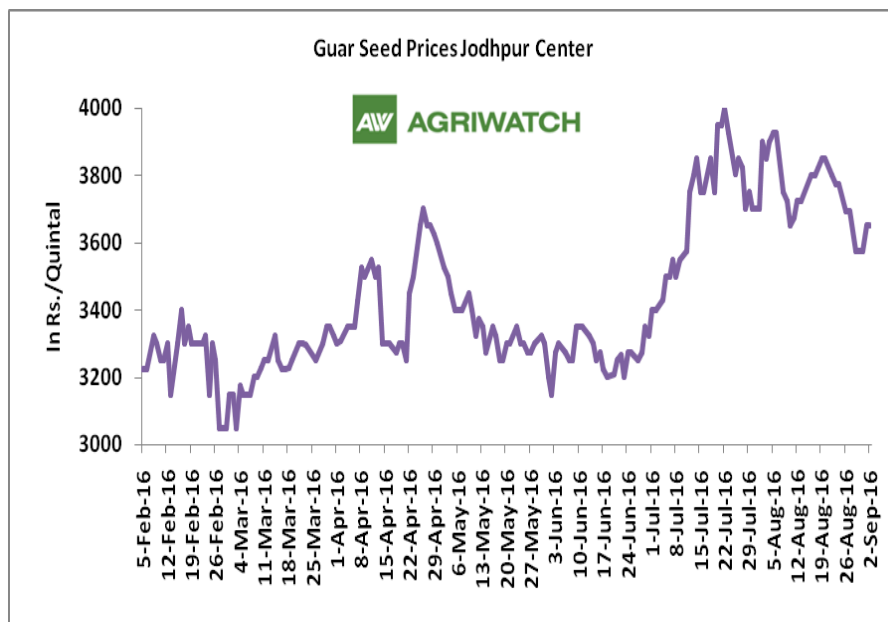
Recommendation:

Weekly Call - : Market participants are advised to BUY Guar seed at 3470 levels for a target of 3575 with a stop loss at 3407 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

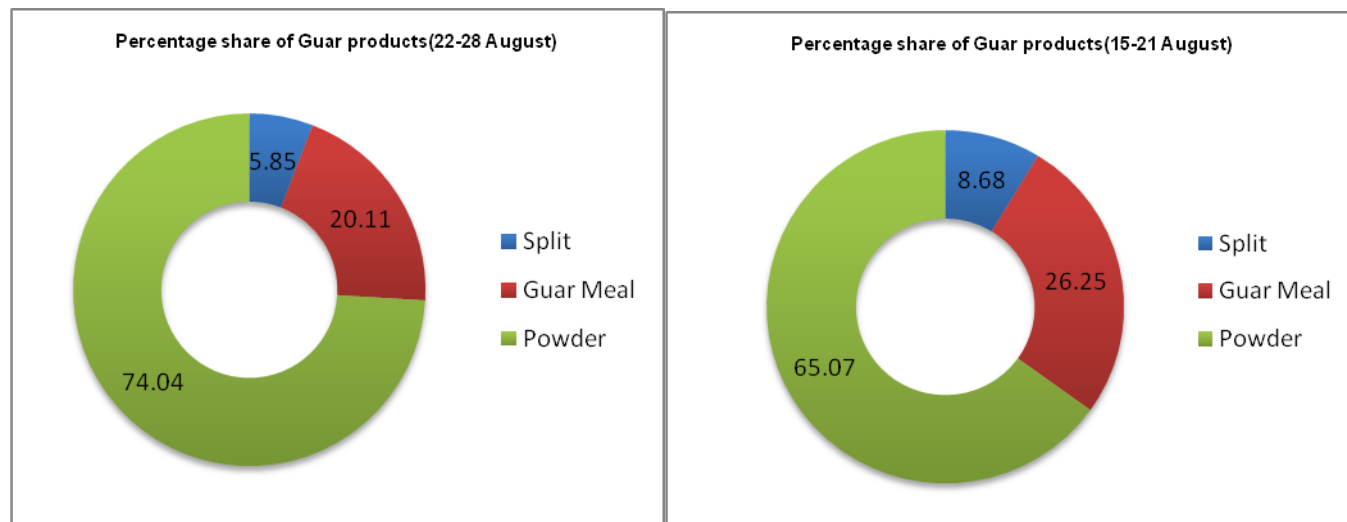
- In the week ended 2 September'16, Guar seed weekly average prices decreased by Rs 159 /- qtl during the week compared to previous week and settled at Rs 3620 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 248/- qtl and settled at Rs. 6292 per quintal. Weak demand for guar gum from domestic as well as overseas market led the prices down this week.
- Sources revealed that guar seed area in Rajasthan, Haryana and Gujarat might decrease approximately by 35 – 40% as other crops like pulses and cotton are more remunerative. Guar prices are likely to move from range bound to firm on cues of lower production and steady demand.
- According to fourth 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 (22nd to 28th August 2016)

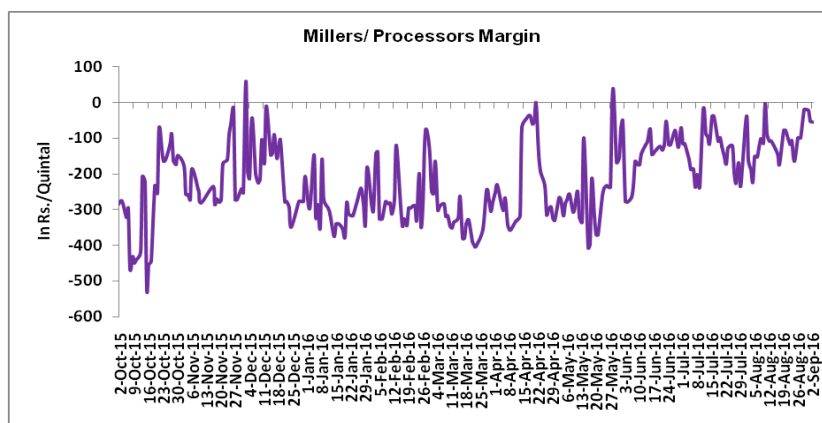
During this week 6152 tonnes of guar was exported out of which 4555 tonnes was guar gum powder, 1237 tonnes was guar meal and 360 tonnes guar gum splits. As compared to last week, the export of guar split and guar meal has decreased whereas export of guar gum powder has increased.



Millers/Processors Margin

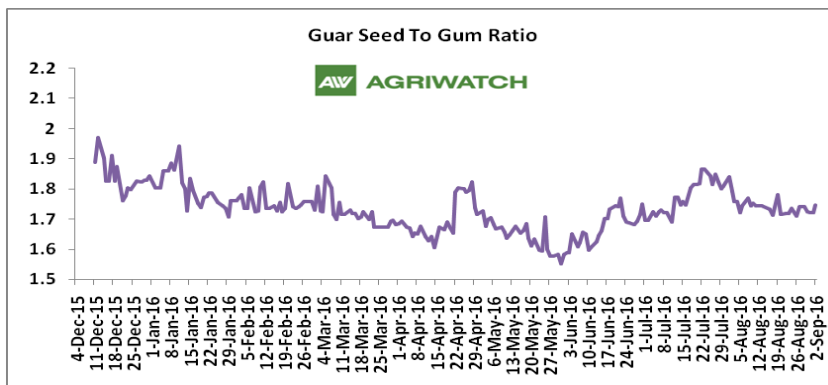
In the week ended 2 September'16, average crush margin is Rs. -44.52 /Quintal, compared to last week's -112.94 / Quintal. Therefore crushing is not favorable for Millers/Processors.

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 2nd September'16 is 1.74, higher compared to last week's 1.73. 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:

- Fall in price, volume and open interest indicates long liquidation.
- RSI is moving in neutral region.
- Last candlestick depicts bearishness in market.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	October	3325	3270	3484	3735	3790
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	October	Buy	Above 3470	3575	3650	3407

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: October

Exchange: NCDEX
Expiry: Oct 20, 2016

Guar Gum (October Weekly Chart)

GUARGUM 1610(NCGUGV6)2016/08/28 - Weekly B:6360.00 A:6380.00
O:6240.00 H:6380.00 L:6060.00 C:6360.00 V:77,007 I:41,702 -20 -0.31%
BOL(SIMPLE, 10, 2.0) 6608.00 7339.45 5876.55



Technical Commentary:

- Rise in price and fall in open interest indicates short covering.
- Last candlestick depicts bullishness in the market.
- RSI is moving in neutral region.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	6145	6050	6360	6645	6710
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	Above 6335	6450	6530	6266

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	27th Aug to 2nd Sept.16	20th to 26th Aug.16	Change
Churi	Jodhpur	1727	1772	-45
Korma	Jodhpur	2299	2280	19
Churi	Sri-Ganganagar	1562	1672	-110
Korma	Sri-Ganganagar	2181	2280	-99
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	27th Aug to 2nd Sept.16	20th to 26th Aug.16	Change
Guargum Split		972	980	-8
Guargum Powder	200 Mesh 5000 CPS	1271	1279	-8
	200 Mesh 3500 CPS	1196	1204	-8
Guargum Meal	40%	346	358	-12
	50%	435	465	-30
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			27th Aug to 2nd Sept.16	20th to 26th Aug.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3470	3629	-159
		Jodhpur(Delivery)	3620	3779	-159
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3308	3410	-102
		Sri-Ganganagar (Delivery)	3475	3570	-95
		Rawla (Loose)	3262	3407	-145
		Gharsana (Loose)	3258	3373	-115
		Raisinghnagar (Loose)	3313	3426	-114
	Bikaner	Bikaner (Loose)	3328	3470	-143
		Bikaner (Delivery)	3478	3620	-143
		Nokha(Loose)	3272	3452	-180
		Nokha (Delivery)	3389	3576	-187
		Khajuwala (Loose)	3282	3460	-178
		Khajuwala (Delivery)	3413	3598	-185
		Lunkaransar (Loose)	3268	3465	-198
	Hanumangarh	Hanumangarh (Loose)	3341	3418	-77
		Hanumangarh	3491	3568	-77

		(Delivery)			
		Nohar (Loose)	3300	3459	-159
		Pilibanga (Loose)	3254	3367	-113
	Nagaur	Nagaur (Loose)	3242	3250	-8
	Churu	Churu (Delivery)	3425	3683	-258
	Alwar	Alwar (Loose)	3325	3500	-175
Haryana	Hisar	Adampur (Loose)	3304	3469	-165
		Adampur (Delivery)	3454	3619	-165
	Bhiwani	Bhiwani (Delivery)	3459	3600	-141
		Siwani (Loose)	3437	3567	-130
	Sirsa	Sirsa (Loose)	3261	3426	-165
		Dhabwali (Loose)	3303	3438	-135
		Dhabwali (Delivery)	3425	3588	-163
		Ellanabad (Loose)	3275	3433	-158
	Fatehabad	Fatehabad (Loose)	3383	3440	-57
Gujarat	Banaskantha	Deesa (Loose)	3252	3325	-73
	Patan	Patan (Loose)	3253	3388	-135
	Rajkot	Rajkot (Loose)	3214	3515	-301
	Jamnagar	Dhrol (Loose)	3110	3475	-365
Madhya Pradesh	Gwalior	Dabra (Loose)	3300	3400	-100
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6292	6540	-248
	Alwar	Alwar	6283	6666	-383
	Hanumangarh	Nohar	6283	6560	-277
Haryana	Bhiwani	Bhiwani	6288	6580	-292
	Sirsa	Sirsa	6225	6410	-185
		Dhabwali	6290	6488	-198
		Ellanabad	6250	6480	-230
	Fatehabad	Fatehabad	6333	6480	-147

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			2-Sep-16	26-Aug-16	2-Aug-16	2-Sep-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3500	3545	3750	4300
		Jodhpur(Delivery)	3650	3695	3900	4500
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3350	3600	4100
		Sri-Ganganagar (Delivery)	3450	3550	3750	4300
		Rawla (Loose)	3300	3360	3560	4158

		Gharsana (Loose)	3315	3325	3590	4125
		Raisinghnagar (Loose)	3425	3400	3650	4111
	Bikaner	Bikaner (Loose)	3370	3400	3600	4125
		Bikaner (Delivery)	3520	3550	3750	4300
		Nokha(Loose)	3280	3430	3600	4100
		Nokha (Delivery)	3398	3553	3730	4248
		Khajuwala (Loose)	3330	3400	3560	4100
		Khajuwala (Delivery)	3463	3536	3702	4264
		Lunkaransar (Loose)	3325	3400	3600	4125
	Hanumangarh	Hanumangarh (Loose)	3255	3345	3415	4050
		Hanumangarh (Delivery)	3405	3495	3565	4250
		Nohar (Loose)	3330	3400	3600	NA
		Pilibanga (Loose)	3270	3330	3400	4150
	Nagaur	Nagaur (Loose)	3200	3300	3400	4250
	Churu	Churu (Delivery)	3500	3650	3800	4100
	Alwar	Alwar (Loose)	3350	3500	3600	4000
Haryana	Hisar	Adampur (Loose)	3325	3410	3650	4200
		Adampur (Delivery)	3475	3560	3800	4400
	Bhiwani	Bhiwani (Delivery)	3525	3500	3750	4300
		Siwani (Loose)	3450	3520	3700	4225
	Sirsa	Sirsa (Loose)	3300	3400	3600	4075
		Dhabwali (Loose)	3300	3350	3615	4100
		Dhabwali (Delivery)	3450	3500	3710	4300
		Ellanabad (Loose)	3300	3350	3625	4250
	Fatehabad	Fatehabad (Loose)	3350	3400	3600	4200
Gujarat	Banaskantha	Deesa (Loose)	NA	3350	3375	NA
	Patan	Patan (Loose)	3290	3275	3450	3800
	Rajkot	Rajkot (Loose)	3255	3515	3615	4030
	Jamnagar	Dhrol (Loose)	3110	NA	3400	NA
Madhya pradesh	Gwalior	Dabra (Loose)	3300	3400	3700	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6350	6450	6800	9500
	Alwar	Alwar	6400	6500	6800	9600
	Hanumangarh	Nohar	6300	6450	6500	NA
Haryana	Bhiwani	Bhiwani	6350	6400	6950	9350
	Sirsa	Sirsa	6300	6300	6700	9500
		Dhabwali	6300	6400	6700	9600
		Ellanabad	6300	6350	6800	9800
	Fatehabad	Fatehabad	6300	6400	6900	9700

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			27th Aug to 2nd Sept.16	20th to 26th Aug.16	
Rajasthan	Jodhpur	Jodhpur	174	323	-149
	Sri-Ganganagar	Sri-Ganganagar	1100	1100	Unch
		Rawla	1300	750	550
		Gharsana	900	1000	-100
		Raisinghnagar	1450	1250	200
	Bikaner	Bikaner	1900	1600	300
		Nokha	700	750	-50
		Khajuwala	1550	1900	-350
		Lunkaransar	920	1300	-380
	Hanumangarh	Hanumangarh	236	416	-180
		Nohar	3100	2100	1000
		Pilibanga	312	230	82
	Nagaur	Nagaur	440	390	50
	Churu	Churu	2800	2200	600
	Alwar	Alwar	1000	600	400
Haryana	Hisar	Adampur	3800	3100	700
	Bhiwani	Bhiwani	5000	5500	-500
		Siwani	3300	2700	600
	Sirsa	Sirsa	3100	2900	200
		Dhabwali	770	500	270
		Ellanabad	670	500	170
	Fatehabad	Fatehabad	35	35	Unch
Gujarat	Banaskantha	Deesa	23	105	-82
	Patan	Patan	222	246	-24
	Rajkot	Rajkot	370	417	-47
	Jamnagar	Dhrol	NA	1	-
Madhya pradesh	Gwalior	Dabra	60	60	Unch
Total Arrivals/Above Markets			35232	31973	3259

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