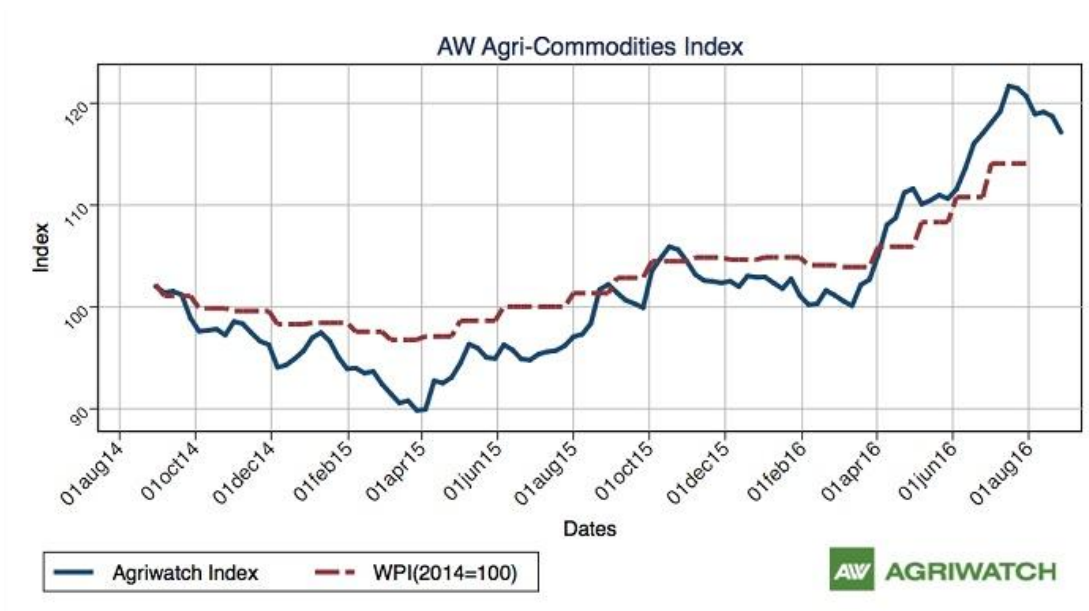


Guar Weekly Research Report

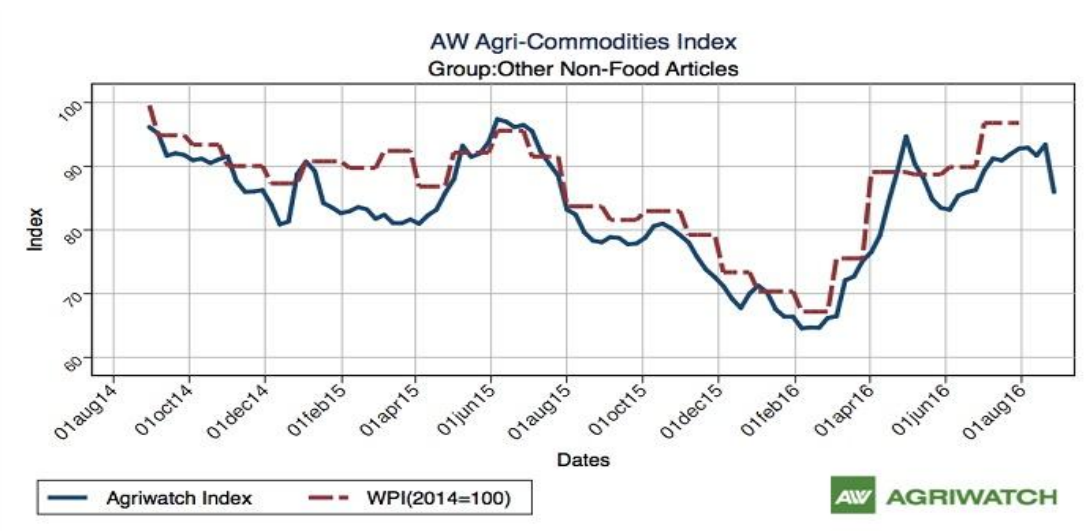
Contents

- ❖ Agriwatch Agri Commodity Index
- ❖ Executive Summary
- ❖ Recommendations
- ❖ Domestic Market Fundamentals
- ❖ Export Scenario
- ❖ Processing Margins
- ❖ Technical Analysis (Futures Market)
- ❖ Guar Seed & Gum Prices at Key Spot Markets

Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index dipped 1.32% to 115.24 during the week ended Sept 17, 2016 from 116.78 during the previous week with vegetables and edible oils leading the decline. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index decreased by 3.16% to 74.72 during the week ended September 17, 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 latest update, area sown in Gujarat until 12 September'16 is 220000 hectares compared to 339400 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.

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have decreased compared to last week. In the week (05-11 September), the exports were around 4282 metric tonnes compared to 6048 metric tonnes in the week (29 August -04 September). The export of guar meal and guar gum powder are down by 58.98% and 20.6% respectively.

According to IBIS (provisional data) for 05-11 September'16, the average \$FOB/Tonne has decreased for guar split and meal compared to last week. India has exported 3253 metric tonnes of guar gum powder at an average fob of \$1422.06 /tonne, 319 metric tonnes of guar split at an average fob of \$971.94/tonne and 710 metric tonnes of guar meal at an average fob of \$410.46/tonne.

Total guar seed products export from India for the week (29 August -04 September) was 4282 tonnes. Out of the total around 1801.67 tonnes was exported from Mundra Port, 1423.24 tonnes from Jodhpur concor ICD and 164.8 tonnes from Ahmedabad ICD. Whereas last week (29 August -04 September) 2272.94 tonnes was exported from Mundra Port, 1691.88 tonnes from Jodhpur concor ICD and 403.56 tonnes from Ahmedabad ICD.

According to IBIS (provisional data) for the month of August, Export of guar seed products i.e. powder, Split and meal has decreased by 786 metric tonnes compared to last month. India has exported 17669.73 metric tonnes of guar gum powder, 2141 metric tonnes of guar split and 6137.12 metric tonnes of guar meal in the month of August.

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 far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (7000 quintals) compared to previous week 6800 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (1400 quintals) compared to previous week 1350 quintals.

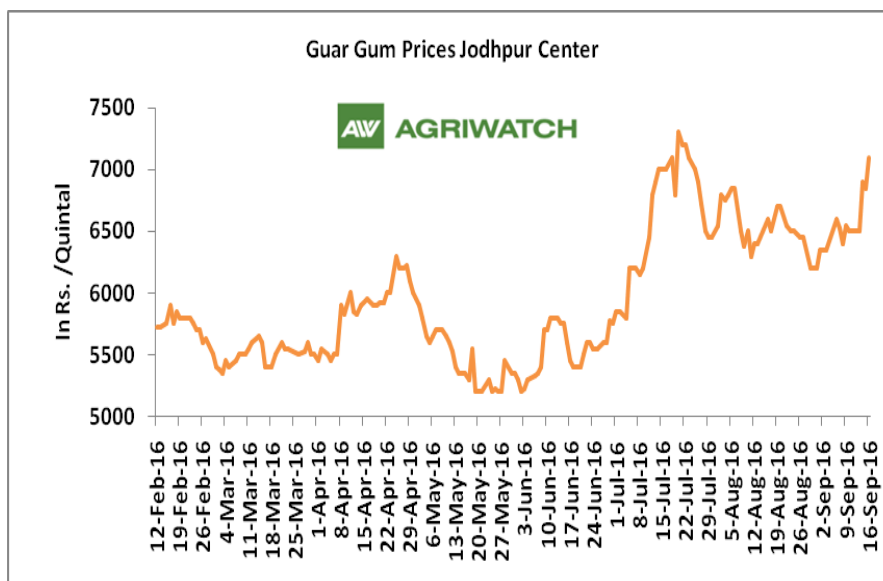
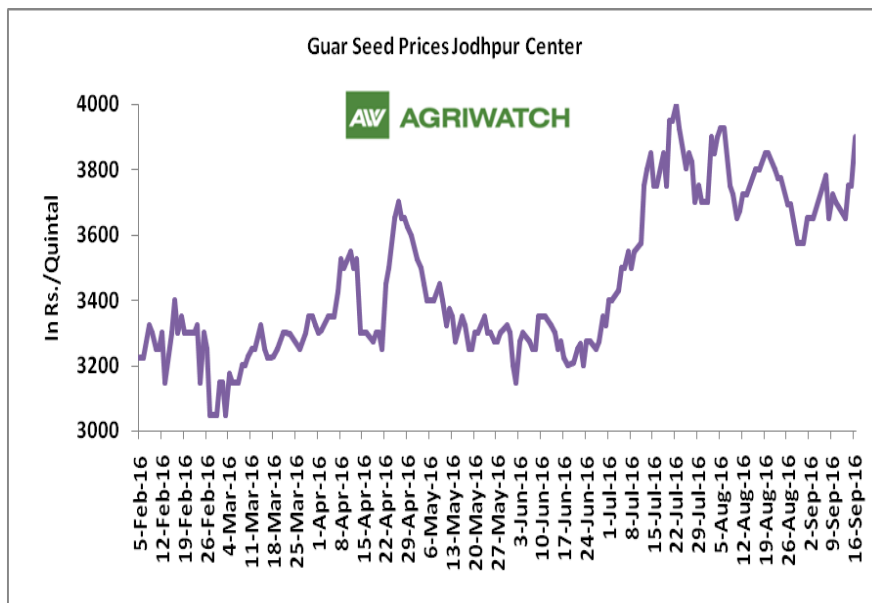
Recommendation:

Weekly Call - : Market participants are advised to BUY Guar seed at 3720 levels for a target of 3830 with a stop loss at 3654 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

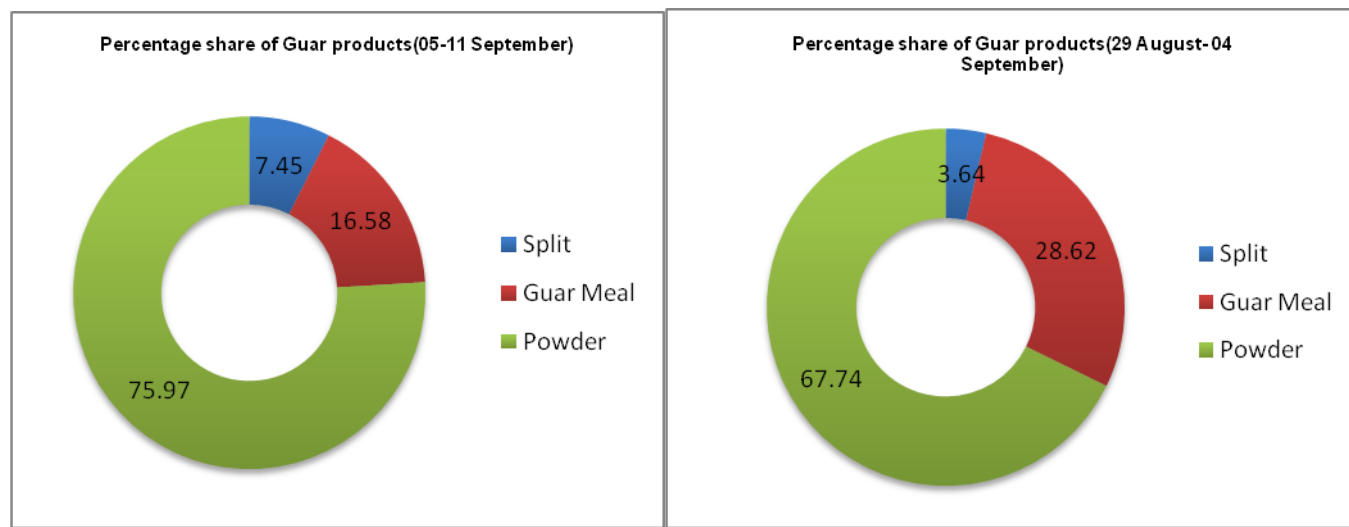
- In the week ended 16 September'16, Guar seed weekly average prices increased by Rs 39 /- qtl during the week compared to previous week and settled at Rs 3750 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 285/- qtl and settled at Rs. 6770 per quintal. Firm demand for guar gum from domestic as well as overseas market led the prices up 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 first advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 2223474 hectares, 1962424 tonnes and 549 kg/hectare respectively. As compared to fourth advance estimate for 2015-16, the area, production and yield have decreased by 1209842 hectares, 261050 tonnes and 84kg/hectare respectively.



Export Scenario

Export Scenario (05th to 11th September 2016)

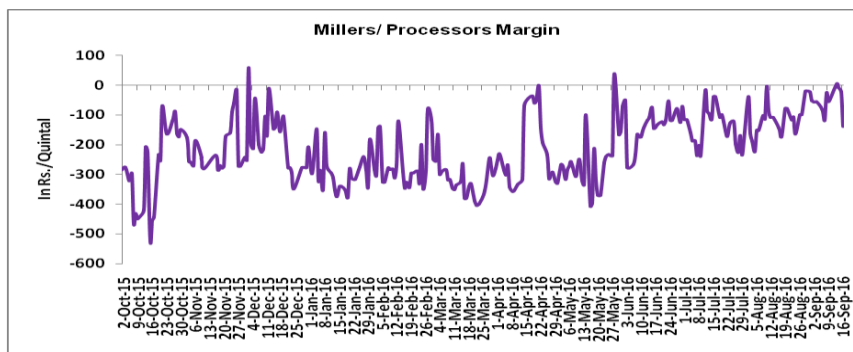
During this week 4282 tonnes of guar was exported out of which 3523 tonnes was guar gum powder, 710 tonnes was guar meal and 319 tonnes guar gum splits. As compared to last week, the export of guar meal and guar powder has decreased whereas export of guar split has increased.



Millers/Processors Margin

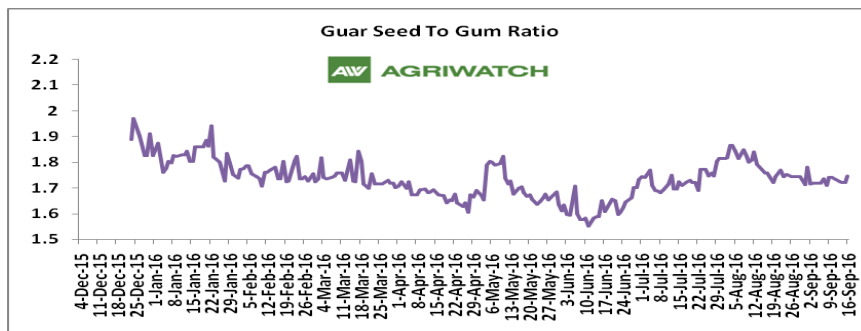
In the week ended 16 September'16, average crush margin is Rs. -41.97 /Quintal, compared to last week's -66.99 / Quintal. Therefore crushing is not favorable for Millers/Processors.

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 16th September'16 is 1.80, higher compared to last week's 1.75. 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 price and fall in open interest indicates short covering.
- RSI is moving in neutral region.
- Last candlestick depicts bullishness in market.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	October	3560	3475	3714	4020	4105
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	October	Buy	Above 3720	3830	3915	3654

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: October

Exchange: NCDEX
Expiry: Oct 20, 2016

Guar Gum (October Weekly Chart)



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	6740	6635	7000	7550	7655
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	Above 7010	7225	7395	6881

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	10th to 16th Sept.16	3rd to 9th Sept.16	Change
Churi	Jodhpur	1678	1710	-32
Korma	Jodhpur	2328	2344	-16
Churi	Sri-Ganganagar	1575	1579	-4
Korma	Sri-Ganganagar	2205	2213	-8
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	10th to 16th Sept.16	3rd to 9th Sept.16	Change
Guargum Split		1013	977	36
Guargum Powder	200 Mesh 5000 CPS	1312	1277	35
	200 Mesh 3500 CPS	1237	1202	35
Guargum Meal	40%	335	346	-11
	50%	383	436	-53
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			10th to 16th Sept.16	3rd to 9th Sept.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3600	3561	39
		Jodhpur(Delivery)	3750	3711	39
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3373	3329	44
		Sri-Ganganagar (Delivery)	3558	3524	34
		Rawla (Loose)	3456	3362	94
		Gharsana (Loose)	3466	3358	108
		Raisinghnagar (Loose)	3460	3425	35
	Bikaner	Bikaner (Loose)	3492	3455	37
		Bikaner (Delivery)	3662	3605	57
		Nokha(Loose)	3466	3335	131
		Nokha (Delivery)	3591	3455	136
		Khajuwala (Loose)	3513	3407	106
		Khajuwala (Delivery)	3654	3543	110
		Lunkaransar (Loose)	3520	3388	133
	Hanumangarh	Hanumangarh (Loose)	3338	3312	26
		Hanumangarh (Delivery)	3488	3462	26

		Nohar (Loose)	3508	3388	120
		Pilibanga (Loose)	3400	3313	88
	Nagaur	Nagaur (Loose)	3360	3367	-7
	Churu	Churu (Delivery)	3630	3500	130
	Alwar	Alwar (Loose)	3470	3308	162
Haryana	Hisar	Adampur (Loose)	3453	3402	51
		Adampur (Delivery)	3603	3552	51
	Bhiwani	Bhiwani (Delivery)	3670	3561	109
		Siwani (Loose)	3583	3526	58
	Sirsa	Sirsa (Loose)	3417	3336	81
		Dhabwali (Loose)	3418	3325	93
		Dhabwali (Delivery)	3478	3475	3
		Ellanabad (Loose)	3462	3396	66
	Fatehabad	Fatehabad (Loose)	3450	3442	8
Gujarat	Banaskantha	Deesa (Loose)	3418	2163	1254
	Patan	Patan (Loose)	3408	3368	40
	Rajkot	Rajkot (Loose)	3450	3388	63
	Jamnagar	Dhrol (Loose)	3190	3135	55
Madhya pradesh	Gwalior	Dabra (Loose)	NA	3300	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6770	6485	285
	Alwar	Alwar	6850	6517	333
	Hanumangarh	Nohar	6575	6358	217
Haryana	Bhiwani	Bhiwani	6800	6429	371
	Sirsa	Sirsa	6850	6492	358
		Dhabwali	6780	6500	280
		Ellanabad	6830	6517	313
	Fatehabad	Fatehabad	6810	6533	277

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			16-Sep-16	9-Sep-16	16-Aug-16	16-Sep-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3750	3575	3650	3800
		Jodhpur(Delivery)	3900	3725	3800	4000
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3400	3300	3500	3650
		Sri-Ganganagar (Delivery)	3625	3500	3650	3850
		Rawla (Loose)	3550	3340	3475	3722

		Gharsana (Loose)	3540	3350	3530	3700
		Raisinghnagar (Loose)	3550	3450	3550	3770
	Bikaner	Bikaner (Loose)	3600	3450	3550	3600
		Bikaner (Delivery)	3850	3600	3700	3800
		Nokha(Loose)	3580	3380	3450	3650
		Nokha (Delivery)	3709	3502	3574	3781
		Khajuwala (Loose)	3620	3400	3570	3625
		Khajuwala (Delivery)	3765	3536	3713	3770
		Lunkaransar (Loose)	3600	3400	3550	3785
	Hanumangarh	Hanumangarh (Loose)	3440	3390	3425	3700
		Hanumangarh (Delivery)	3590	3540	3575	3900
		Nohar (Loose)	3600	3400	3525	NA
		Pilibanga (Loose)	3450	3325	3420	NA
	Nagaur	Nagaur (Loose)	3550	3300	3300	3600
	Churu	Churu (Delivery)	3650	3500	3700	3700
	Alwar	Alwar (Loose)	3550	3300	3500	3600
Haryana	Hisar	Adampur (Loose)	3500	3400	3500	3775
		Adampur (Delivery)	3650	3550	3650	3975
	Bhiwani	Bhiwani (Delivery)	3750	3550	3670	3800
		Siwani (Loose)	NR	3525	3625	3775
	Sirsa	Sirsa (Loose)	3475	3330	3515	3690
		Dhabwali (Loose)	3500	3300	3500	3700
		Dhabwali (Delivery)	3500	3450	3650	3900
		Ellanabad (Loose)	3525	3400	3500	3650
	Fatehabad	Fatehabad (Loose)	3500	3400	3600	NA
Gujarat	Banaskantha	Deesa (Loose)	Closed	3250	3325	NA
	Patan	Patan (Loose)	Closed	3355	3490	3655
	Rajkot	Rajkot (Loose)	3565	3260	3510	3795
	Jamnagar	Dhrol (Loose)	3075	3135	3270	3775
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	3400	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7100	6550	6600	8100
	Alwar	Alwar	7000	6550	6600	8000
	Hanumangarh	Nohar	7000	6400	6600	NA
Haryana	Bhiwani	Bhiwani	7150	6450	6670	8400
	Sirsa	Sirsa	7100	6500	6550	8000
		Dhabwali	7000	6450	6500	8100
		Ellanabad	7100	6550	6550	8000
	Fatehabad	Fatehabad	7000	6600	6500	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			10th to 16th Sept.16	3rd to 9th Sept.16	
Rajasthan	Jodhpur	Jodhpur	729	657	72
	Sri-Ganganagar	Sri-Ganganagar	2948	2100	848
		Rawla	850	1150	-300
		Gharsana	1150	1250	-100
		Raisinghnagar	3000	1850	1150
	Bikaner	Bikaner	1400	1350	50
		Nokha	600	650	-50
		Khajuwala	1850	1800	50
		Lunkaransar	1300	1000	300
	Hanumangarh	Hanumangarh	1419	620	799
		Nohar	1800	4100	-2300
		Pilibanga	910	470	440
	Nagaur	Nagaur	510	260	250
	Churu	Churu	4400	5200	-800
	Alwar	Alwar	2050	1900	150
Haryana	Hisar	Adampur	7000	6800	200
	Bhiwani	Bhiwani	6500	8500	-2000
		Siwani	1900	3200	-1300
	Sirsa	Sirsa	6200	4250	1950
		Dhabwali	1100	1500	-400
		Ellanabad	2150	2200	-50
	Fatehabad	Fatehabad	NA	4	-
Gujarat	Banaskantha	Deesa	66	50	16
	Patan	Patan	395	281	114
	Rajkot	Rajkot	2390	1920	470
	Jamnagar	Dhrol	16	3	13
Madhya pradesh	Gwalior	Dabra	NA	20	-
Total Arrivals/Above Markets			52633	53085	-452

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.