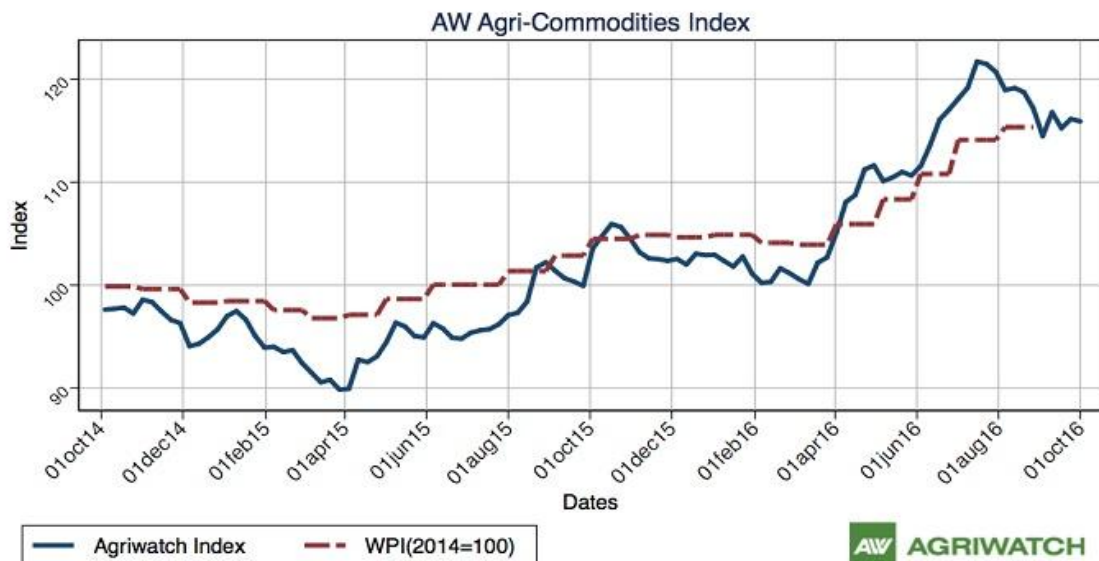


Guar Weekly Research Report

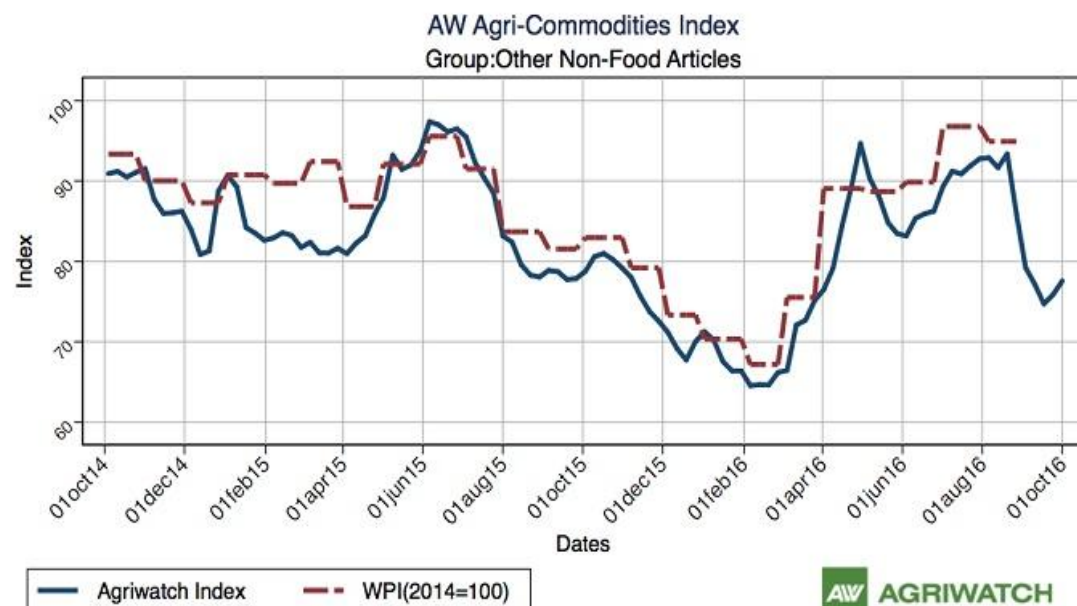
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index edged down 0.20% to 115.90 during the week ended Oct 1, 2016 from 116.13 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 2.25% to 77.57 during the week ended October 01, 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), export of guar seed products (Guar Powder, Split and Meal) have increased compared to last week. In the week (26 September-02 October) the exports were around 8389 metric tonnes compared to 6820 metric tonnes in the week (19-25 September). The export of all guar meal, guar split and guar gum powder has increased.

According to IBIS (provisional data) for 26 September-02 October'16, the average \$FOB/Tonne has decreased for guar split and guar gum powder compared to last week. India has exported 5780 metric tonnes of guar gum powder at an average fob of \$1378.62/tonne, 336 metric tonnes of guar split at an average fob of \$988.12/tonne and 2273 metric tonnes of guar meal at an average fob of \$553.17/tonne.

According to IBIS (provisional data) for the month of September, Export of guar seed products i.e. powder, Split and meal has increased by 3848 metric tonnes compared to last month. India has exported 20121 metric tonnes of guar gum powder, 2177 metric tonnes of guar split and 7498 metric tonnes of guar meal in the month of September.

According to IBIS (provisional data) for September'16, the average \$FOB/Tonne has increased for guar split, guar meal and powder compared to last week. India has exported 20121 metric tonnes of guar gum powder at an average fob of \$1383.04 /tonne, 2177 metric tonnes of guar split at an average fob of \$1012.48/tonne and 7498 metric tonnes of guar meal at an average fob of \$529.11/tonne.

According to latest update, area sown in Gujarat until 26 September'16 is 223700 hectares compared to 342500 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 253.9 in July 2016 to 266.2 in August 2016. The WPI for August 2016 is down by 14.6 compared to last year for the same month and by 125.7 compared to August 2014.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (6200 quintals) compared to previous week 7000 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (1300 quintals) compared to previous week 1650 quintals.

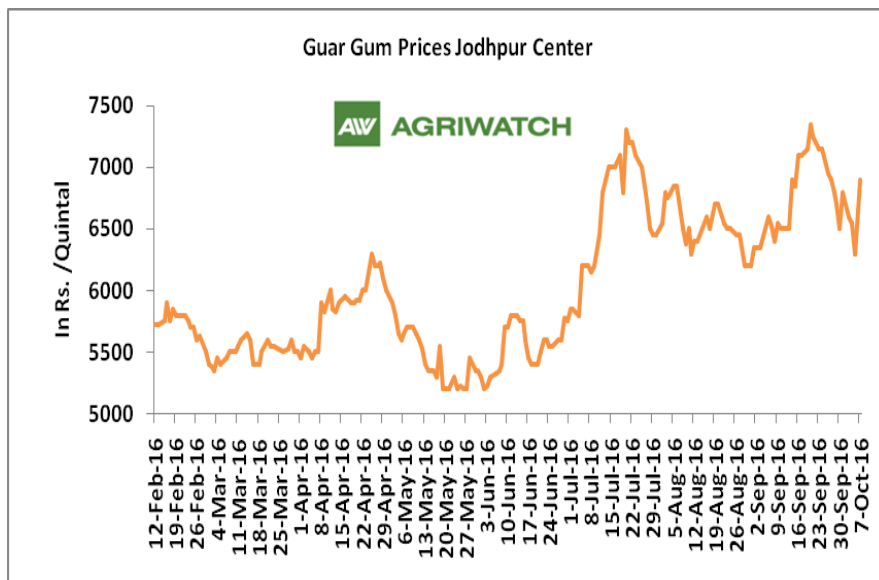
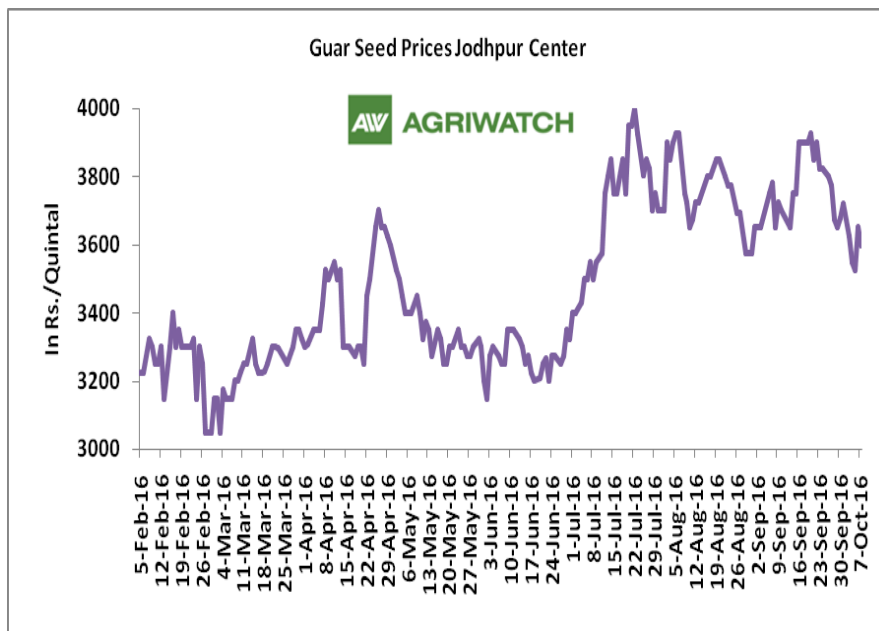
Recommendation:

Weekly Call - : Market participants are advised to Buy Guar seed at 3620 levels for a target of 3745 with a stop loss at 3545 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

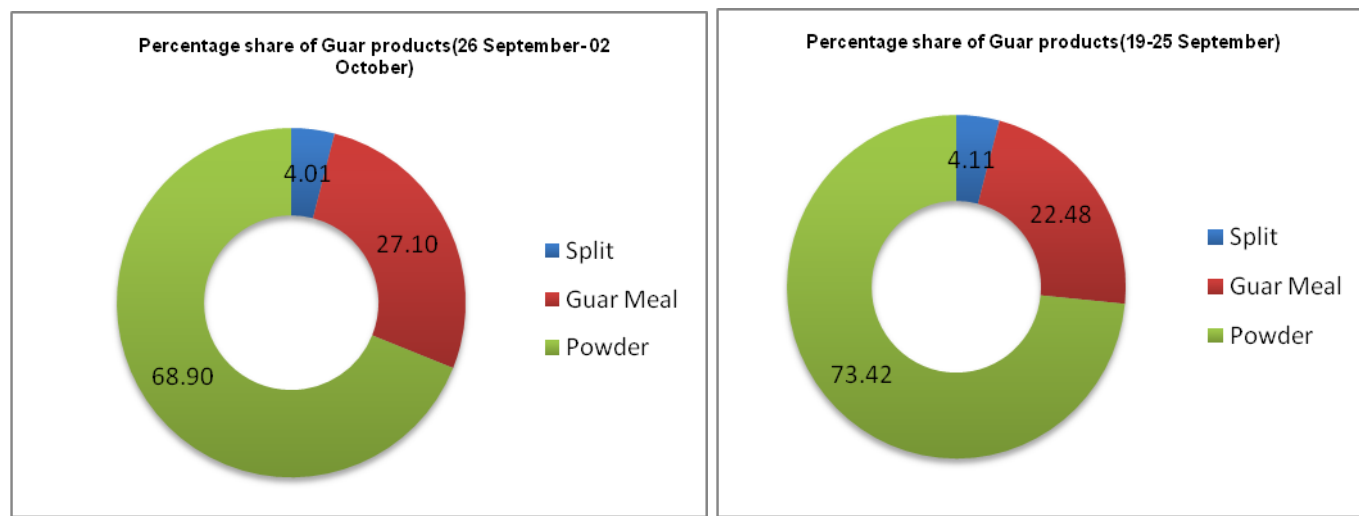
- In the week ended 07 October'16, Guar seed weekly average prices decreased by Rs 122.50 /- qtl during the week compared to previous week and settled at Rs 3612 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 200/- qtl and settled at Rs. 6633 per quintal. Weak demand for 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 such as 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 (26th September-02nd October 2016)

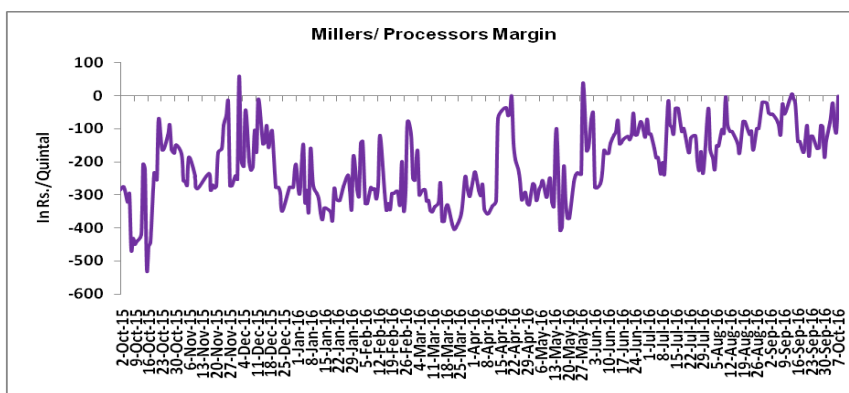
During this week 8389 tonnes of guar was exported out of which 5780 tonnes was guar gum powder, 2273 tonnes was guar meal and 336 tonnes guar gum splits. As compared to last week, the export of guar meal, guar gum powder and guar split has increased.



Millers/Processors Margin

In the week ended 07 October'16, average crush margin is Rs. -73.14 /Quintal, compared to last week's -134.92 /Quintal. Therefore crushing is not favorable for Millers/Processors.

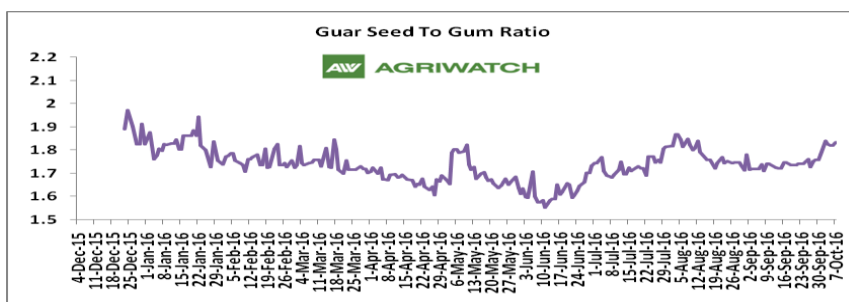
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 07 October'16 is 1.84, up compared to last week's 1.83

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



Technical Analysis (Guar Seed)

Commodity: Guar Seed 10MT
Contract: November

Exchange: NCDEX
Expiry: Nov 18, 2016



Technical Commentary:

- Fall in price and rise in open interest indicates short buildup.
- RSI is moving sideways in neutral region.
- Last candlestick depicts bullishness in market.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	November	3455	3390	3627	3915	3990
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	November	Buy	Above 3620	3745	3830	3545

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	6395	6260	6710	7205	7320
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	Above 6700	6925	7050	6565

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	01st to 07th Oct.16	24th to 30th Sept.16	Change
Churi	Jodhpur	1582	1563	19
Korma	Jodhpur	2100	2125	-25
Churi	Sri-Ganganagar	1365	1400	-35
Korma	Sri-Ganganagar	1956	1988	-32
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	01st to 07th Oct.16	24th to 30th Sept.16	Change
Guargum Split		986	1026	-40
Guargum Powder	200 Mesh 5000 CPS	1286	1326	-40
	200 Mesh 3500 CPS	1211	1251	-40
Guargum Meal	40%	300	320	-20
	50%	410	430	-20
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			01st to 07th Oct.16	24th to 30th Sept.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3483	3584	-101
		Jodhpur(Delivery)	3612	3734	-123
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3208	3400	-192
		Sri-Ganganagar (Delivery)	3388	3533	-146
		Rawla (Loose)	3247	3380	-133
		Gharsana (Loose)	3243	3313	-69
		Raisinghnagar (Loose)	3268	3343	-74
	Bikaner	Bikaner (Loose)	3356	3450	-94
		Bikaner (Delivery)	3506	3600	-94
		Nokha(Loose)	3355	3400	-45
		Nokha (Delivery)	3476	3522	-47
		Khajuwala (Loose)	3302	3385	-83
		Khajuwala (Delivery)	3434	3520	-87
		Lunkaransar (Loose)	3292	3450	-158
	Hanumangarh	Hanumangarh (Loose)	3200	3283	-83
		Hanumangarh (Delivery)	3367	3458	-91
		Nohar (Loose)	3223	3412	-189

		Pilibanga (Loose)	3167	3317	-150
	Nagaur	Nagaur (Loose)	3250	3442	-192
	Churu	Churu (Delivery)	3517	3617	-100
	Alwar	Alwar (Loose)	3300	3392	-92
Haryana	Hisar	Adampur (Loose)	3221	3315	-94
		Adampur (Delivery)	3371	3465	-94
	Bhiwani	Bhiwani (Delivery)	3375	3483	-108
		Siwani (Loose)	3363	3456	-94
	Sirsa	Sirsa (Loose)	3276	3332	-56
		Dhabwali (Loose)	3266	3261	5
		Dhabwali (Delivery)	3416	3286	130
		Ellanabad (Loose)	3203	3271	-68
	Fatehabad	Fatehabad (Loose)	3167	3433	-267
Gujarat	Banaskantha	Deesa (Loose)	3210	3299	-89
	Patan	Patan (Loose)	3209	3380	-171
	Rajkot	Rajkot (Loose)	3233	3354	-122
	Jamnagar	Dhrol (Loose)	NA	3140	-
Madhya pradesh	Gwalior	Dabra (Loose)	3000	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6633	7000	-367
	Alwar	Alwar	6633	6767	-133
	Hanumangarh	Nohar	6494	6850	-356
Haryana	Bhiwani	Bhiwani	6708	6967	-258
	Sirsa	Sirsa	6508	6817	-308
		Dhabwali	6600	6800	-200
		Ellanabad	6604	6767	-163
	Fatehabad	Fatehabad	6508	6617	-108

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			7-Oct-16	30-Sep-16	7-Sep-16	7-Oct-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3600	3530	3630	4150
		Jodhpur(Delivery)	3600	3680	3780	4350
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3225	3275	3350	3800
		Sri-Ganganagar (Delivery)	3375	3450	3525	4000
		Rawla (Loose)	3350	3280	3400	3537
		Gharsana (Loose)	3300	3260	3400	3615
		Raisinghnagar (Loose)	3280	3250	3465	3661

	Bikaner	Bikaner (Loose)	3425	3400	3460	3950
		Bikaner (Delivery)	3575	3550	3610	4100
		Nokha(Loose)	3450	3280	3400	4000
		Nokha (Delivery)	3574	3398	3522	4144
		Khajuwala (Loose)	3450	3310	3500	3900
		Khajuwala (Delivery)	3588	3442	3640	4056
		Lunkaransar (Loose)	3400	3300	3400	NA
	Hanumangarh	Hanumangarh (Loose)	3200	3250	3300	3870
		Hanumangarh (Delivery)	3350	3400	3450	4070
		Nohar (Loose)	NR	3300	3400	NA
		Pilibanga (Loose)	3250	3300	3350	3550
	Nagaur	Nagaur (Loose)	3200	3300	3450	NA
	Churu	Churu (Delivery)	3550	3600	3450	4200
	Alwar	Alwar (Loose)	3300	3400	3250	4100
Haryana	Hisar	Adampur (Loose)	3150	3250	3410	3950
		Adampur (Delivery)	3300	3400	3560	4150
	Bhiwani	Bhiwani (Delivery)	3400	3400	3570	4250
		Siwani (Loose)	3300	3400	3500	NA
	Sirsa	Sirsa (Loose)	3380	3300	3350	3800
		Dhabwali (Loose)	3325	3200	3350	3850
		Dhabwali (Delivery)	3475	3350	3500	4050
		Ellanabad (Loose)	3300	3250	3400	4100
	Fatehabad	Fatehabad (Loose)	3100	3400	3500	NA
	Gujarat	Banaskantha	Deesa (Loose)	NA	3275	NA
		Patan	Patan (Loose)	3230	3330	3415
		Rajkot	Rajkot (Loose)	3255	3250	3500
		Jamnagar	Dhrol (Loose)	NA	3280	3110
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6900	6500	6525	8750
	Alwar	Alwar	6900	6600	6500	8700
	Hanumangarh	Nohar	NR	6800	6500	NA
Haryana	Bhiwani	Bhiwani	6800	6800	6400	8650
	Sirsa	Sirsa	6700	6600	6600	8700
		Dhabwali	6900	6750	6550	8700
		Ellanabad	6700	6750	6500	8600
	Fatehabad	Fatehabad	6400	6500	6500	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			01st to 07th Oct.16	24th to 30th Sept.16	
Rajasthan	Jodhpur	Jodhpur	595	631	-36
	Sri-Ganganagar	Sri-Ganganagar	28500	7300	21200
		Rawla	900	900	Unch
		Gharsana	1050	950	100
		Raisinghnagar	5400	5500	-100
	Bikaner	Bikaner	1300	1650	-350
		Nokha	750	450	300
		Khajuwala	3500	2350	1150
		Lunkaransar	825	1450	-625
	Hanumangarh	Hanumangarh	1091	1172	-81
		Nohar	1150	3100	-1950
		Pilibanga	2900	550	2350
	Nagaur	Nagaur	870	700	170
	Churu	Churu	6700	3600	3100
	Alwar	Alwar	1750	1500	250
Haryana	Hisar	Adampur	6200	7000	-800
	Bhiwani	Bhiwani	4000	5200	-1200
		Siwani	2800	2100	700
	Sirsa	Sirsa	8100	5100	3000
		Dhabwali	1950	1800	150
		Ellanabad	1200	1700	-500
	Fatehabad	Fatehabad	440	30	410
Gujarat	Banaskantha	Deesa	13	66	-53
	Patan	Patan	333	801	-468
	Rajkot	Rajkot	830	1820	-990
	Jamnagar	Dhrol	NA	14	-14
Madhya pradesh	Gwalior	Dabra	500	NA	-
Total Arrivals/Above Markets			83647	57434	26214

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