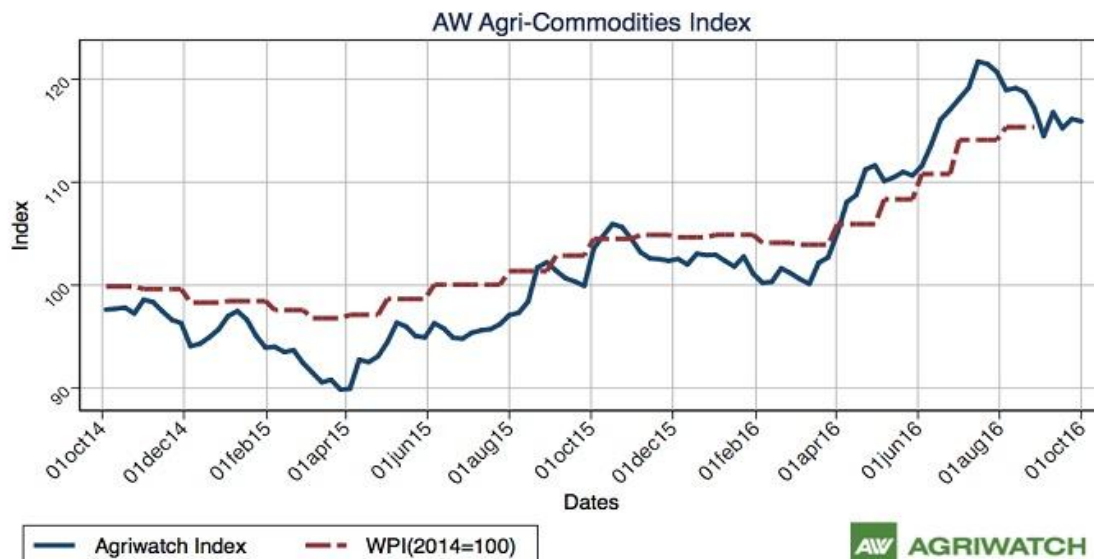


Guar Weekly Research Report

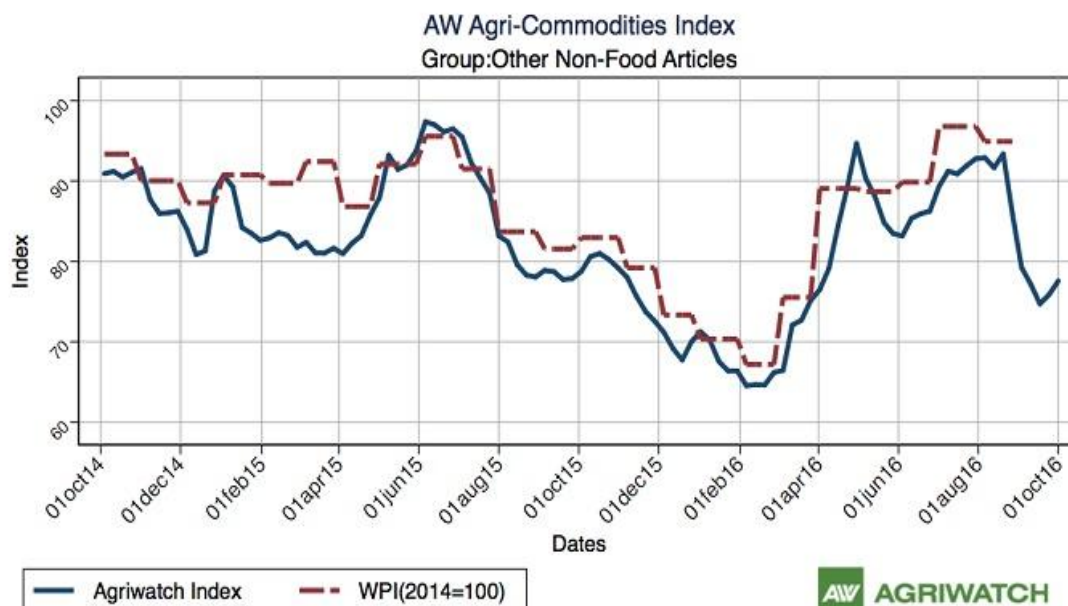
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Agriwatch Agri Commodity Index



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 decreased compared to last week. In the week (03-08 October) the exports were around 5299 metric tonnes compared to 8389 metric tonnes in the week (26 September-02 October). The export of all guar meal, guar split and guar gum powder has decreased.

According to IBIS (provisional data) for 03-08 October'16, the average \$FOB/Tonne has increased for guar split and guar gum powder compared to last week. India has exported 3916 metric tonnes of guar gum powder at an average fob of \$1451.34/tonne, 40.5 metric tonnes of guar split at an average fob of \$1150.04/tonne and 1342 metric tonnes of guar meal at an average fob of \$539.63/tonne.

Total guar seed products export from India for the week (03-08 October) was 5299 tonnes. Out of the total around 2030.87 tonnes was exported from Mundra Port, 1453.64 tonnes from Jodhpur concor ICD and 214.07 tonnes from Ahmedabad ICD. Whereas last week (26 September-02 October) 3193 tonnes was exported from Mundra Port, 2159.22 tonnes from Jodhpur concor ICD and 1190.67 tonnes from Ahmedabad ICD.

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 higher arrivals (12500 quintals) compared to previous week 6200 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (1450 quintals) compared to previous week 1300 quintals.

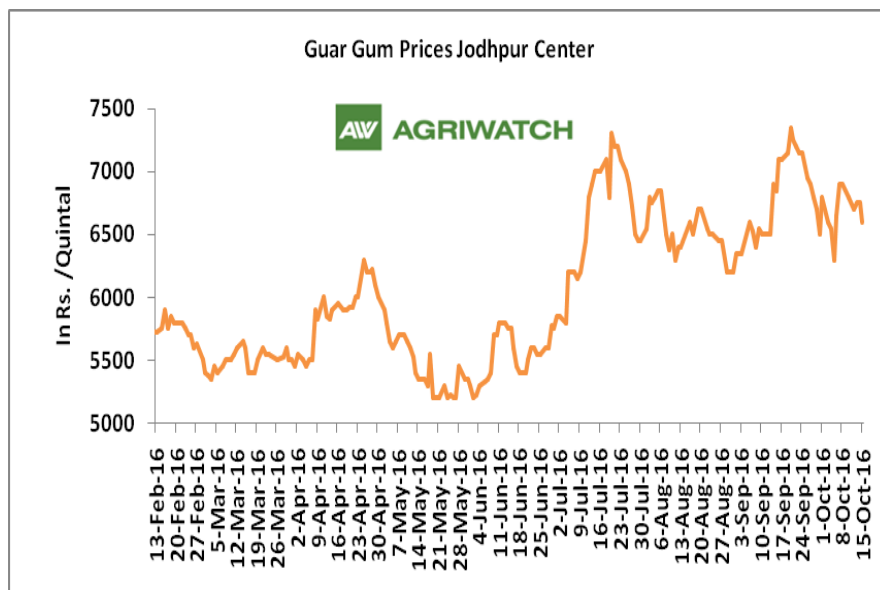
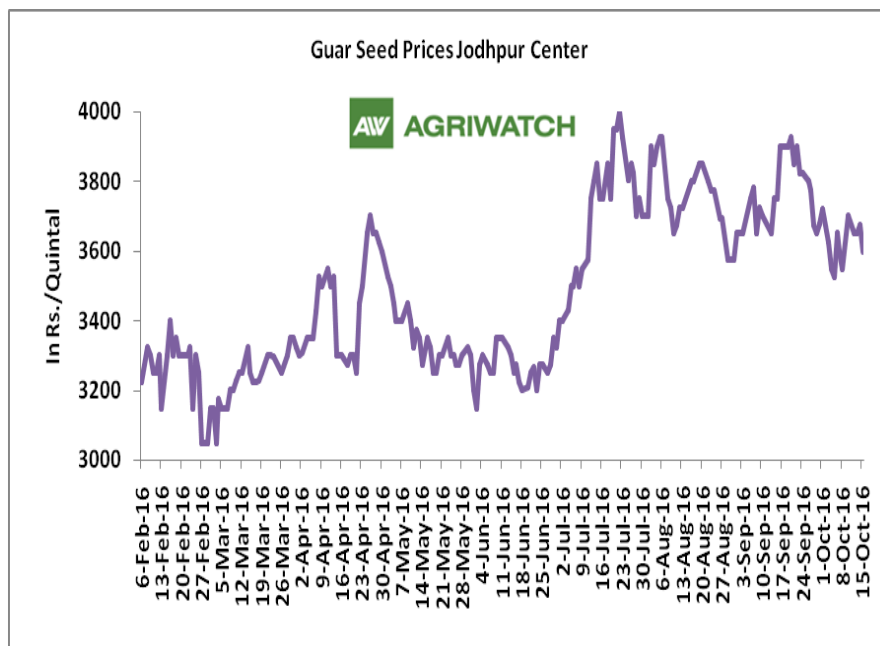
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3495 levels for a target of 3405 with a stop loss at 3549 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

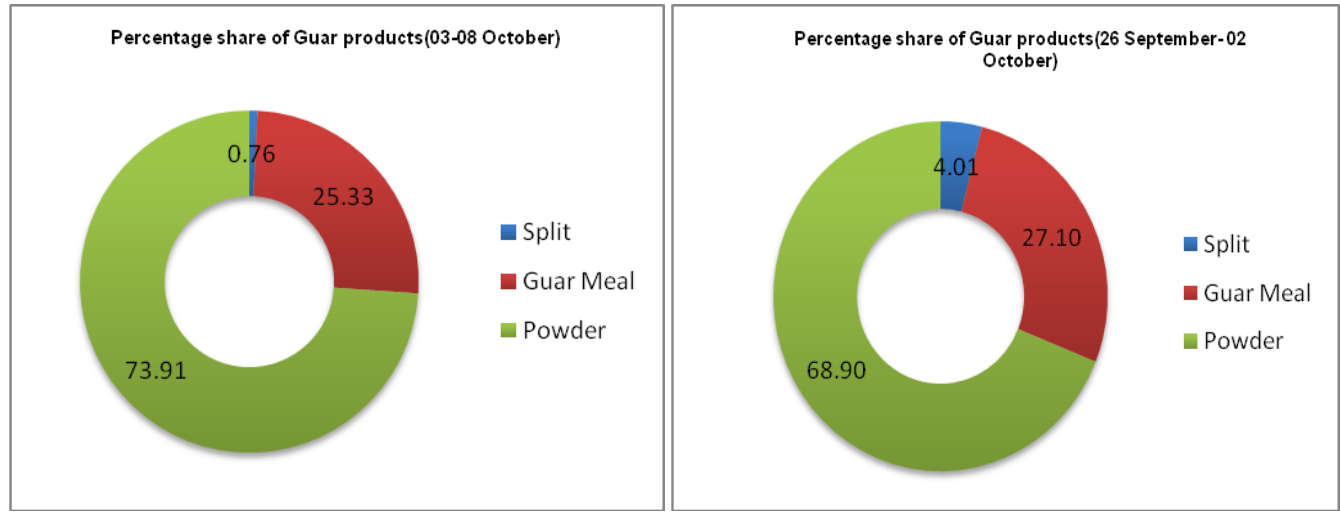
- In the week ended 15 October'16, Guar seed weekly average prices increased by Rs 25.83 /- qtl during the week compared to previous week and settled at Rs 3638 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 116.67/- qtl and settled at Rs. 6750 per quintal. Firm demand for 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 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 (03rd-08th October 2016)

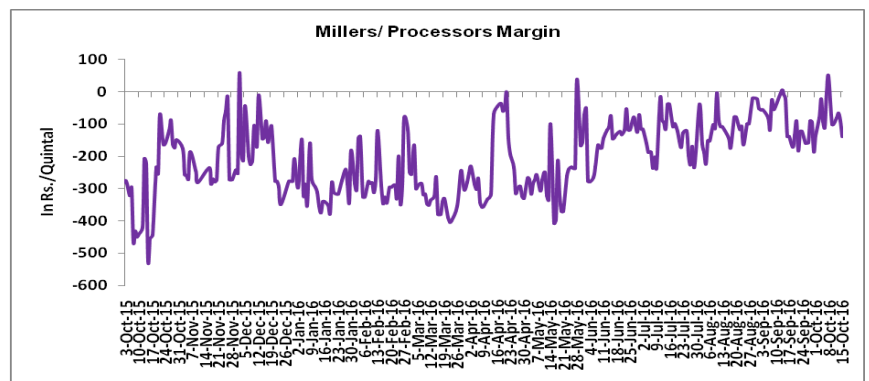
During this week 5299 tonnes of guar was exported out of which 3916 tonnes was guar gum powder, 1342 tonnes was guar meal and 40.5 tonnes guar gum splits. As compared to last week, the export of guar meal, guar gum powder and guar split has decreased.



Millers/Processors Margin

In the week ended 15 October'16, average crush margin is Rs. -71.41 /Quintal, compared to last week's -73.14 /Quintal. Therefore crushing is not favorable for Millers/Processors.

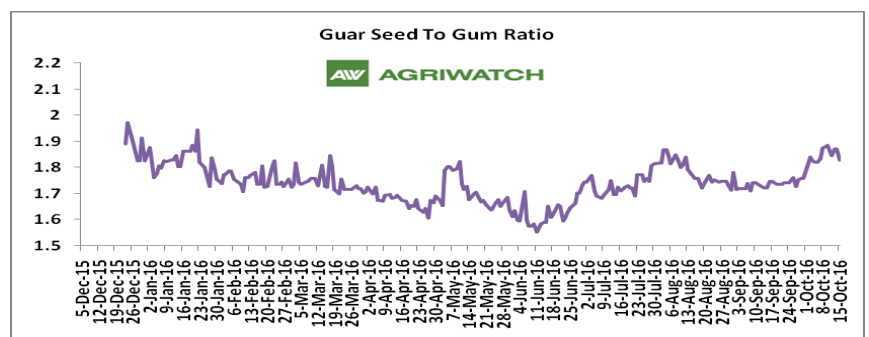
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 15 October'16 is 1.86, up compared to last week's 1.84

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

Guar Seed 10MT (Weekly November Contract Chart)



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	November	3250	3195	3487	3645	3730
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	November	Sell	Below 3495	3405	3320	3549

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: October

Exchange: NCDEX
Expiry: Oct 20, 2016

Guar Gum (October Weekly Chart)

GUARGUM 1610(NCUGV6)2016/10/09 - Weekly
 O 6700.00 H 6700.00 L 6410.00 C 6450.00 V 19,950 12,988 -260 -3.87%
 BOL(SIMPLE, 10, 2.0) 6613.00 7034.24 6191.76



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	5995	5880	6450	6640	6735
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Sell	Below 6420	6250	6125	6522

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	08th to 14th Oct.16	01st to 07th Oct.16	Change
Churi	Jodhpur	1567	1582	-15
Korma	Jodhpur	2130	2100	30
Churi	Sri-Ganganagar	1408	1365	44
Korma	Sri-Ganganagar	2017	1956	61
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	08th to 14th Oct.16	01st to 07th Oct.16	Change
Guargum Split		1016	986	30
Guargum Powder	200 Mesh 5000 CPS	1316	1286	30
	200 Mesh 3500 CPS	1241	1211	30
Guargum Meal	40%	300	300	-1
	50%	411	410	1
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			08th to 14th Oct.16	01st to 07th Oct.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3495	3483	12
		Jodhpur(Delivery)	3645	3612	33
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3320	3208	112
		Sri-Ganganagar (Delivery)	3475	3388	88
		Rawla (Loose)	3296	3247	49
		Gharsana (Loose)	3311	3243	68
		Raisinghnagar (Loose)	3340	3268	72
	Bikaner	Bikaner (Loose)	3379	3356	23
		Bikaner (Delivery)	3529	3506	23
		Nokha(Loose)	3380	3355	25
		Nokha (Delivery)	3502	3476	26
		Khajuwala (Loose)	3355	3302	53
		Khajuwala (Delivery)	3489	3434	55
		Lunkaransar (Loose)	3350	3292	58
	Hanumangarh	Hanumangarh (Loose)	3240	3200	40
		Hanumangarh (Delivery)	3390	3367	23
		Nohar (Loose)	3286	3223	63

		Pilibanga (Loose)	3226	3167	59
	Nagaur	Nagaur (Loose)	3200	3250	-50
	Churu	Churu (Delivery)	3500	3517	-17
	Alwar	Alwar (Loose)	3250	3300	-50
Haryana	Hisar	Adampur (Loose)	3281	3221	60
		Adampur (Delivery)	3431	3371	60
	Bhiwani	Bhiwani (Delivery)	3440	3375	65
		Siwani (Loose)	3420	3363	58
	Sirsa	Sirsa (Loose)	3353	3276	77
		Dhabwali (Loose)	3326	3266	60
		Dhabwali (Delivery)	3506	3416	90
		Ellanabad (Loose)	3280	3203	78
	Fatehabad	Fatehabad (Loose)	3276	3167	109
Gujarat	Banaskantha	Deesa (Loose)	3103	3210	-107
	Patan	Patan (Loose)	3241	3209	32
	Rajkot	Rajkot (Loose)	3273	3233	41
	Jamnagar	Dhrol (Loose)	3135	NA	-
Madhya pradesh	Gwalior	Dabra (Loose)	NA	3000	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6780	6633	147
	Alwar	Alwar	6760	6633	127
	Hanumangarh	Nohar	6620	6494	126
Haryana	Bhiwani	Bhiwani	6770	6708	62
	Sirsa	Sirsa	6730	6508	222
		Dhabwali	6740	6600	140
		Ellanabad	6765	6604	161
	Fatehabad	Fatehabad	6640	6508	132

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			14-Oct-16	7-Oct-16	14-Sep-16	14-Oct-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3525	3600	3600	4100
		Jodhpur(Delivery)	3675	3600	3750	4300
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3325	3225	3400	3925
		Sri-Ganganagar (Delivery)	3500	3375	3550	4125
		Rawla (Loose)	3260	3350	3560	NA
		Gharsana (Loose)	3290	3300	3505	3815

		Raisinghnagar (Loose)	3350	3280	3450	3865
	Bikaner	Bikaner (Loose)	3350	3425	3550	3925
		Bikaner (Delivery)	3500	3575	3700	4100
		Nokha(Loose)	3350	3450	3510	3950
		Nokha (Delivery)	3471	3574	3636	4092
		Khajuwala (Loose)	3280	3450	3540	3910
		Khajuwala (Delivery)	3411	3588	3682	4066
		Lunkaransar (Loose)	3350	3400	3500	3975
	Hanumangarh	Hanumangarh (Loose)	3200	3200	3290	3900
		Hanumangarh (Delivery)	3350	3350	3440	4100
		Nohar (Loose)	3300	3235	3530	NA
		Pilibanga (Loose)	3250	3250	3450	3825
	Nagaur	Nagaur (Loose)	3250	3200	3350	3950
	Churu	Churu (Delivery)	3500	3550	3700	4200
	Alwar	Alwar (Loose)	3300	3300	3500	3800
Haryana	Hisar	Adampur (Loose)	3280	3150	3450	3950
		Adampur (Delivery)	3430	3300	3600	4150
	Bhiwani	Bhiwani (Delivery)	3450	3400	3700	4000
		Siwani (Loose)	3425	3300	3600	4050
	Sirsa	Sirsa (Loose)	3300	3380	3450	NA
		Dhabwali (Loose)	3300	3325	3450	3960
		Dhabwali (Delivery)	3450	3475	3450	4160
		Ellanabad (Loose)	3300	3300	3500	3850
	Fatehabad	Fatehabad (Loose)	3300	3100	3500	NA
Gujarat	Banaskantha	Deesa (Loose)	3225	3175	3335	NA
	Patan	Patan (Loose)	3190	3230	3400	3800
	Rajkot	Rajkot (Loose)	3275	3255	3480	3915
	Jamnagar	Dhrol (Loose)	3115	3280	3245	3800
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6750	6900	6900	8700
	Alwar	Alwar	6800	6900	6900	8600
	Hanumangarh	Nohar	6700	6400	6200	NA
Haryana	Bhiwani	Bhiwani	6800	6800	6850	8450
	Sirsa	Sirsa	6700	6700	6900	NA
		Dhabwali	6700	6900	6900	8600
		Ellanabad	6700	6700	6900	8700
	Fatehabad	Fatehabad	6600	6400	6900	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			08th to 14th Oct.16	01st to 07th Oct.16	
Rajasthan	Jodhpur	Jodhpur	394	595	-201
	Sri-Ganganagar	Sri-Ganganagar	31000	28500	2500
		Rawla	850	900	-50
		Gharsana	950	1050	-100
		Raisinghnagar	3100	5400	-2300
	Bikaner	Bikaner	1450	1300	150
		Nokha	1000	750	250
		Khajuwala	2500	3500	-1000
		Lunkaransar	750	825	-75
	Hanumangarh	Hanumangarh	4200	1091	3109
		Nohar	1400	1150	250
		Pilibanga	3550	2900	650
	Nagaur	Nagaur	275	870	-595
	Churu	Churu	4600	6700	-2100
	Alwar	Alwar	1200	1750	-550
Haryana	Hisar	Adampur	12500	6200	6300
	Bhiwani	Bhiwani	5600	4000	1600
		Siwani	7500	2800	4700
	Sirsa	Sirsa	15500	8100	7400
		Dhabwali	4500	1950	2550
		Ellanabad	1700	1200	500
	Fatehabad	Fatehabad	1200	440	760
Gujarat	Banaskantha	Deesa	449	13	436
	Patan	Patan	250	333	-83
	Rajkot	Rajkot	1300	830	470
	Jamnagar	Dhrol	10	NA	-
Madhya pradesh	Gwalior	Dabra	NA	500	-
Total Arrivals/Above Markets			107728	83647	24081

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