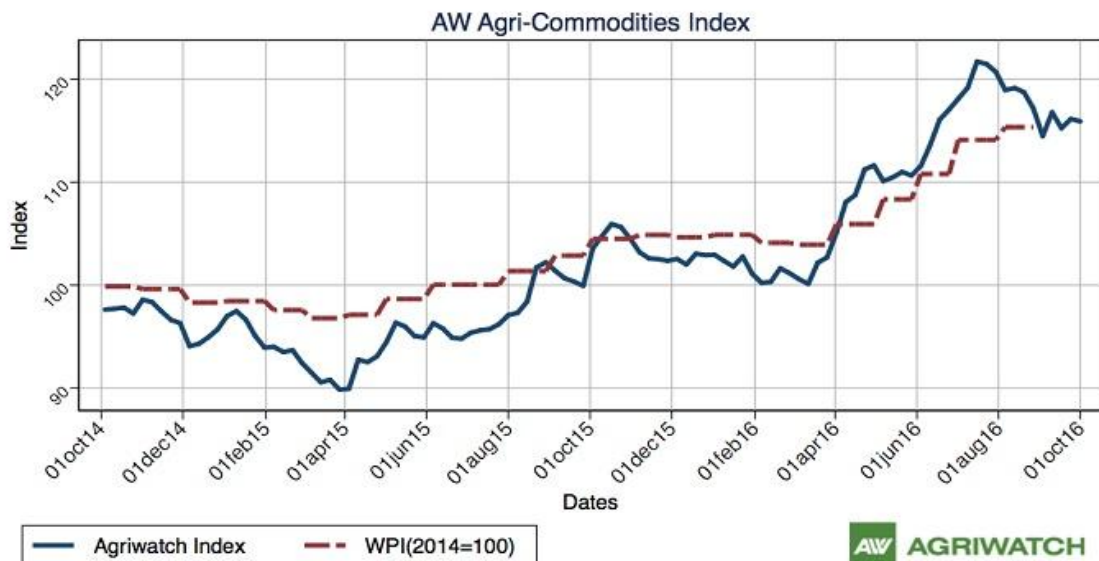


Guar Weekly Research Report

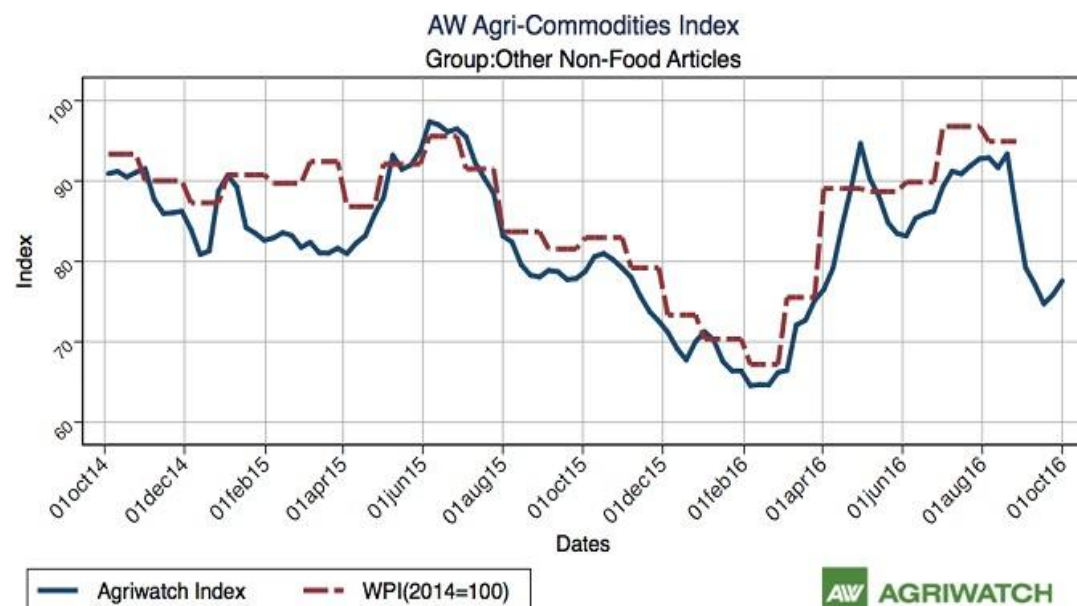
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Agriwatch Agri Commodity Index



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

The wholesale price index of guar seed has decreased from 266.2 in August 2016 to 261.7 in September 2016. The WPI for August 2016 is down by 29.5 compared to last year for the same month and by 149.4 compared to September 2014.

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have increased compared to last week. In the week (09-16 October), the exports were around 6914 metric tonnes compared to 5299 metric tonnes in the week (03-08 October). The export of all guar meal, guar split and guar gum powder has increased.

According to IBIS (provisional data) for 09-16 October'16, the average \$FOB/Tonne has decreased for guar split, guar meal and guar gum powder compared to last week. India has exported 4396 metric tonnes of guar gum powder at an average fob of \$1393.56/tonne, 200 metric tonnes of guar split at an average fob of \$974.77/tonne and 2318 metric tonnes of guar meal at an average fob of \$527/tonne.

Total guar seed products export from India for the week (09-16 October) was 6914 tonnes. Out of the total around 2602.81 tonnes was exported from Mundra Port, 1980.65 tonnes from Jodhpur concor ICD and 880.75 tonnes from Ahmedabad ICD. Whereas last week (03-08 October) 2030.87 tonnes was exported from Mundra Port, 1453.64 tonnes from Jodhpur concor ICD and 214.07 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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (11500 quintals) compared to previous week 12500 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (2600 quintals) compared to previous week 1450 quintals.

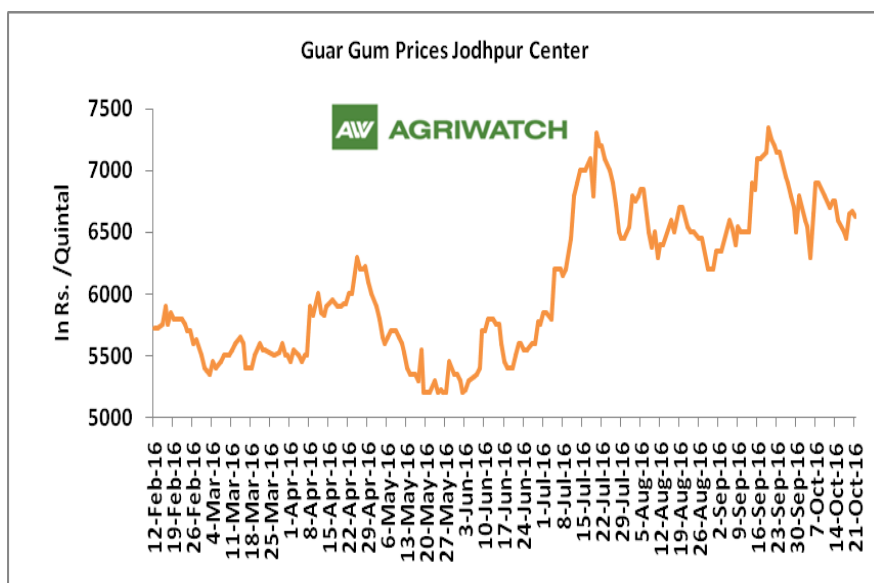
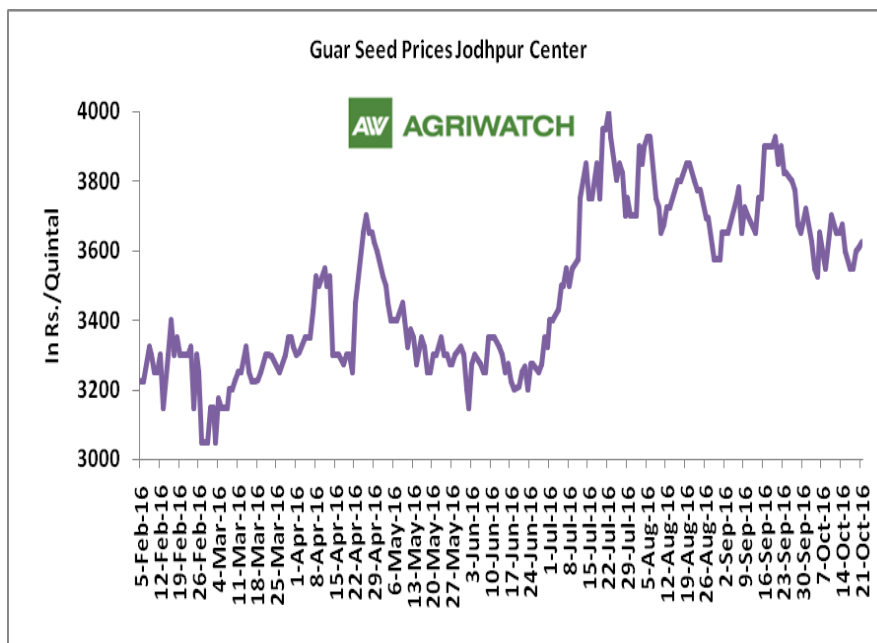
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3450 levels for a target of 3320 with a stop loss at 3501 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

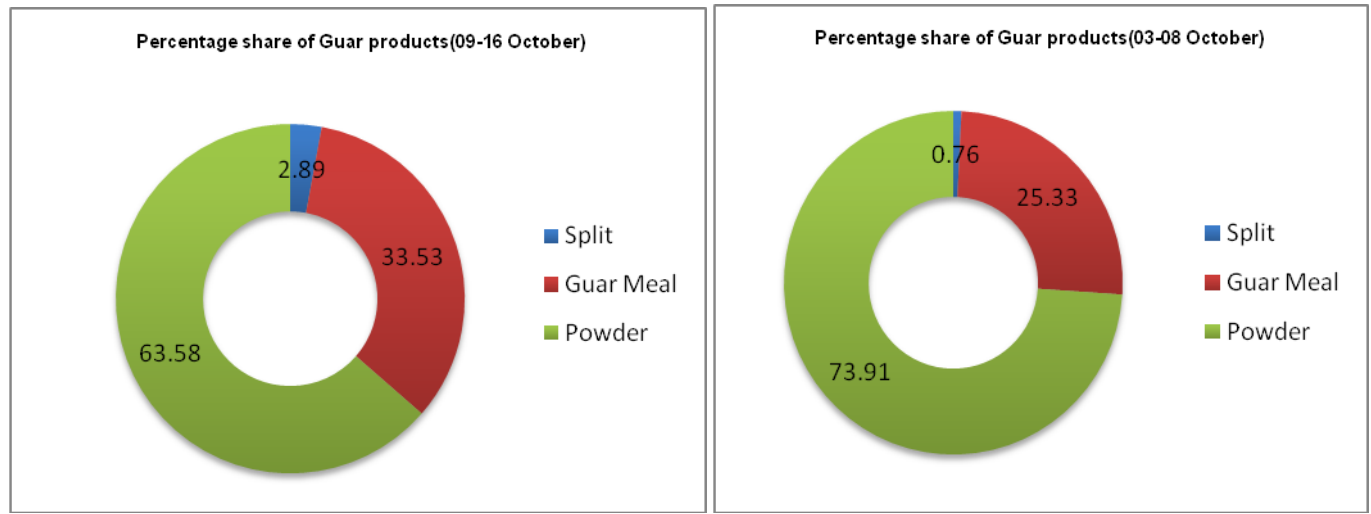
- In the week ended 21 October'16, Guar seed weekly average prices decreased by Rs 48.33 /- qtl during the week compared to previous week and settled at Rs 3589 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 166.67/- qtl and settled at Rs. 6583 per quintal. Weak demand for 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 (09th-16th October 2016)

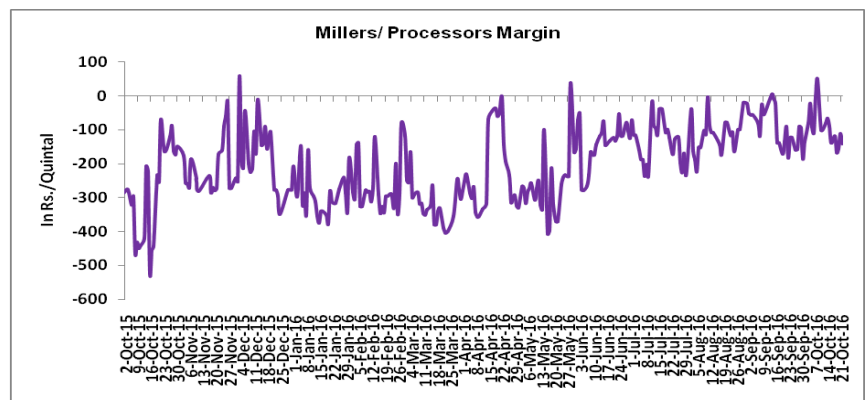
During this week 6914 tonnes of guar was exported out of which 4396 tonnes was guar gum powder, 2318 tonnes was guar meal and 200 tonnes guar gum splits. As compared to last week, the export of guar meal, guar gum powder and guar split has increased.



Millers/Processors Margin

In the week ended 21 October'16, average crush margin is Rs. -138.25 /Quintal, compared to last week's -71.41 /Quintal. Therefore crushing is not favorable for Millers/Processors.

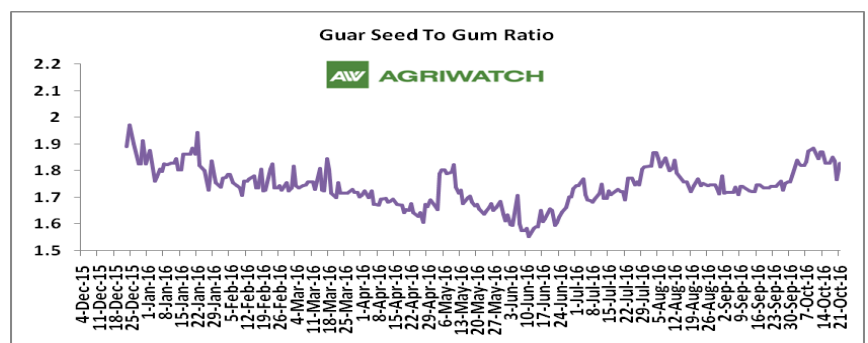
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 21 October'16 is 1.83, lower compared to last week's 1.86

Overall, weak 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	3444	3552	3600
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	November	Sell	Below 3450	3365	3320	3501

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: November

Exchange: NCDEX
Expiry: Nov 18, 2016



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	November	6225	6130	6534	6740	6815
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	November	Sell	Below 6540	6420	6335	6612

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	15th to 21st Oct.16	08th to 14th Oct.16	Change
Churi	Jodhpur	1500	1567	-67
Korma	Jodhpur	2008	2130	-121
Churi	Sri-Ganganagar	1383	1408	-25
Korma	Sri-Ganganagar	1870	2017	-147
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	15th to 21 st Oct.16	08th to 14th Oct.16	Change
Guargum Split		989	1016	-28
Guargum Powder	200 Mesh 5000 CPS	1288	1316	-28
	200 Mesh 3500 CPS	1213	1241	-28
Guargum Meal	40%	310	300	10
	50%	404	411	-6
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			15th to 21 st Oct.16	08th to 14th Oct.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3439	3495	-56
		Jodhpur(Delivery)	3589	3645	-56
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3246	3320	-74
		Sri-Ganganagar (Delivery)	3425	3475	-50
		Rawla (Loose)	3217	3296	-79
		Gharsana (Loose)	3211	3311	-100
		Raisinghnagar (Loose)	3223	3340	-118
	Bikaner	Bikaner (Loose)	3279	3379	-100
		Bikaner (Delivery)	3429	3529	-100
		Nokha(Loose)	3238	3380	-142
		Nokha (Delivery)	3355	3502	-147
		Khajuwala (Loose)	3238	3355	-117
		Khajuwala (Delivery)	3368	3489	-121
		Lunkaransar (Loose)	3258	3350	-92
	Hanumangarh	Hanumangarh (Loose)	3213	3240	-27
		Hanumangarh (Delivery)	3363	3390	-27

		Nohar (Loose)	3237	3286	-49
		Pilibanga (Loose)	3228	3226	2
	Nagaur	Nagaur (Loose)	3205	3200	5
	Churu	Churu (Delivery)	3433	3500	-67
	Alwar	Alwar (Loose)	3200	3250	-50
Haryana	Hisar	Adampur (Loose)	3188	3281	-94
		Adampur (Delivery)	3338	3431	-94
	Bhiwani	Bhiwani (Delivery)	3342	3440	-98
		Siwani (Loose)	3321	3420	-99
	Sirsa	Sirsa (Loose)	3253	3353	-100
		Dhabwali (Loose)	3173	3326	-154
		Dhabwali (Delivery)	3323	3506	-184
		Ellanabad (Loose)	3219	3280	-61
	Fatehabad	Fatehabad (Loose)	3250	3276	-26
Gujarat	Banaskantha	Deesa (Loose)	2979	3103	-124
	Patan	Patan (Loose)	3114	3241	-127
	Rajkot	Rajkot (Loose)	3185	3273	-88
	Jamnagar	Dhrol (Loose)	3060	3135	-75
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6583	6780	-197
	Alwar	Alwar	6600	6760	-160
	Hanumangarh	Nohar	6650	6620	30
Haryana	Bhiwani	Bhiwani	6621	6770	-149
	Sirsa	Sirsa	6567	6730	-163
		Dhabwali	6617	6740	-123
		Ellanabad	6567	6765	-198
	Fatehabad	Fatehabad	6550	6640	-90

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			21-Oct-16	14-Oct-16	21-Sep-16	21-Oct-15
Rajasthan	Jodhpur	Jodhpur (Loose)	3475	3525	3700	3950
		Jodhpur(Delivery)	3625	3675	3850	4150
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3325	3550	3900
		Sri-Ganganagar (Delivery)	3450	3500	3650	4100
		Rawla (Loose)	3235	3260	3475	NA

		Gharsana (Loose)	3210	3290	3430	NA
		Raisinghnagar (Loose)	3250	3350	3510	NA
	Bikaner	Bikaner (Loose)	3300	3350	3625	3875
		Bikaner (Delivery)	3450	3500	3775	4075
		Nokha(Loose)	3270	3350	3550	3900
		Nokha (Delivery)	3388	3471	3678	4040
		Khajuwala (Loose)	3280	3280	3500	3830
		Khajuwala (Delivery)	3411	3411	3640	3983
		Lunkaransar (Loose)	3250	3350	3630	NA
	Hanumangarh	Hanumangarh (Loose)	3200	3200	3475	3800
		Hanumangarh (Delivery)	3350	3350	3625	4000
		Nohar (Loose)	3225	3300	3520	NA
		Pilibanga (Loose)	3250	3250	3450	NA
	Nagaur	Nagaur (Loose)	3200	3250	3750	3750
	Churu	Churu (Delivery)	3450	3500	3800	4000
	Alwar	Alwar (Loose)	3200	3300	3600	3800
Haryana	Hisar	Adampur (Loose)	3250	3280	3540	3950
		Adampur (Delivery)	3400	3430	3680	4150
	Bhiwani	Bhiwani (Delivery)	3350	3450	3650	4000
		Siwani (Loose)	3325	3425	3600	3975
	Sirsa	Sirsa (Loose)	3290	3300	3550	3925
		Dhabwali (Loose)	3280	3300	3425	3825
		Dhabwali (Delivery)	3430	3450	3425	4025
		Ellanabad (Loose)	3240	3300	3500	3900
	Fatehabad	Fatehabad (Loose)	3250	3300	3550	NA
Gujarat	Banaskantha	Deesa (Loose)	3025	3225	3450	NA
	Patan	Patan (Loose)	3080	3190	3520	3605
	Rajkot	Rajkot (Loose)	3200	3275	3455	3895
	Jamnagar	Dhrol (Loose)	3050	3115	3075	3720
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6625	6750	7250	8550
	Alwar	Alwar	6600	6800	7200	8500
	Hanumangarh	Nohar	6700	6700	7100	NA
Haryana	Bhiwani	Bhiwani	6550	6800	7150	8650
	Sirsa	Sirsa	6650	6700	7150	8500
		Dhabwali	6700	6700	7100	8300
		Ellanabad	6600	6700	7200	8500
	Fatehabad	Fatehabad	6500	6600	7050	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			15th to 21 st Oct.16	08th to 14th Oct.16	
Rajasthan	Jodhpur	Jodhpur	635	394	241
	Sri-Ganganagar	Sri-Ganganagar	41000	31000	10000
		Rawla	1550	850	700
		Gharsana	1550	950	600
		Raisinghnagar	9700	3100	6600
	Bikaner	Bikaner	2600	1450	1150
		Nokha	750	1000	-250
		Khajuwala	2200	2500	-300
		Lunkaransar	2300	750	1550
	Hanumangarh	Hanumangarh	10400	4200	6200
		Nohar	4450	1400	3050
		Pilibanga	5900	3550	2350
	Nagaur	Nagaur	500	275	225
	Churu	Churu	8800	4600	4200
	Alwar	Alwar	2000	1200	800
Haryana	Hisar	Adampur	11500	12500	-1000
	Bhiwani	Bhiwani	11300	5600	5700
		Siwani	3700	7500	-3800
	Sirsa	Sirsa	16300	15500	800
		Dhabwali	4600	4500	100
		Ellanabad	4400	1700	2700
	Fatehabad	Fatehabad	1100	1200	-100
Gujarat	Banaskantha	Deesa	1210	449	761
	Patan	Patan	598	250	348
	Rajkot	Rajkot	1305	1300	5
	Jamnagar	Dhrol	34	10	24
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			150382	107728	42654

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