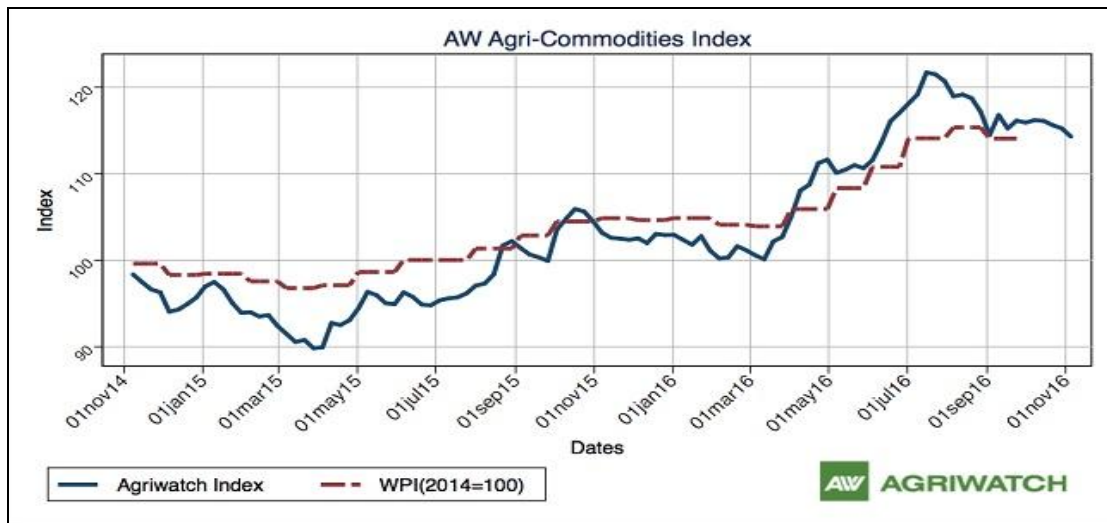


# Guar Weekly Research Report

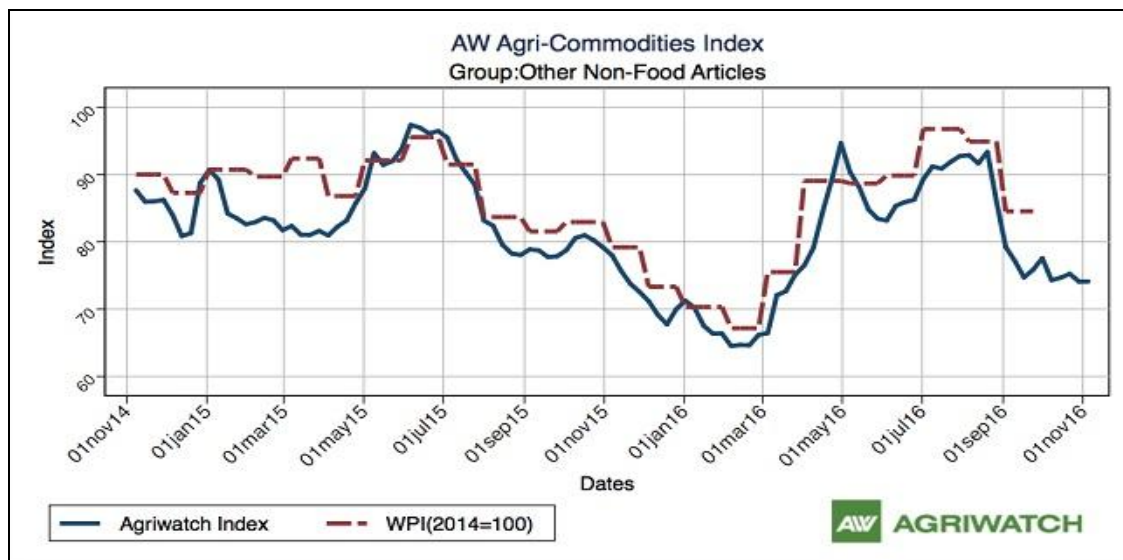
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### Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index eased for the fourth straight week, declining 0.81% to 114.30 during the week ended Nov 5, 2016 from 115.24 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 0.01% to 74.11 during the week ended November 05, 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](http://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 (31 October -06 November), the exports were around 3086 metric tonnes compared to 8557 metric tonnes in the week (24-30 October). The export of all guar split, guar gum powder and guar meal has decreased.

According to IBIS (provisional data) for 31 October -06 November'16, the average \$FOB/Tonne has increased for guar gum and guar meal compared to last week. India has exported 2458 metric tonnes of guar gum powder at an average fob of \$1395.87/tonne, 208 metric tonnes of guar split at an average fob of \$1070.14/tonne and 420 metric tonnes of guar meal at an average fob of \$581.28/tonne.

Total guar seed products export from India for the week (31 October -06 November) was 3086 tonnes. Out of the total around 1445.22 tonnes was exported from Mundra Port, 743.62 tonnes from Jodhpur concor ICD and 20 tonnes from Ahmedabad ICD. Whereas last week (24-30 October) 3370.31 tonnes was exported from Mundra Port, 1639.87 tonnes from Jodhpur concor ICD and 1384.44 tonnes from Ahmedabad ICD.

According to IBIS (provisional data) for the month of October, Export of guar seed products i.e. powder, Split and meal has increased by 258 metric tonnes compared to last month. India has exported 29538 tonnes of guar products in the month of October. Of the total quantity, 20437 tonnes is guar gum powder and the remaining is Guar split (702 tonnes) and Guar meal (8399 tonnes).

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

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.

On the currency front, Indian rupee against USD (Average) closed at 66.73, devalued by Rs. 0.01 compared to the previous month. Overall weakening of Rupee in terms of dollar also discourages export of guar gum and powder.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (5700 quintals) compared to previous week 4500 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (1300 quintals) compared to previous week 1500 quintals.

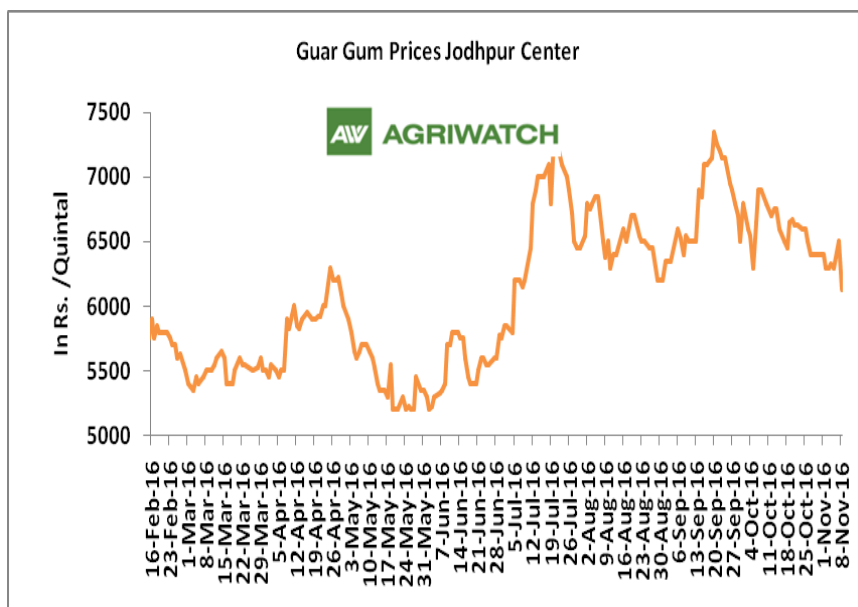
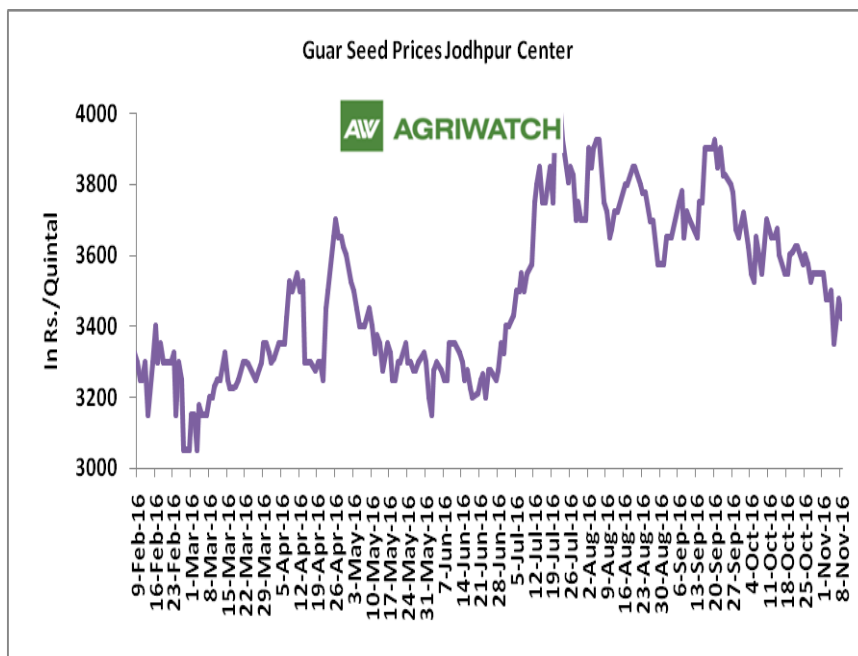
### Recommendation:

**Weekly Call - : Market participants are advised to Sell Guar seed at 3175 levels for a target of 3070 with a stop loss at 3238 on closing basis.**

## Guar Seed Fundamental Analysis and Outlook:-

### Domestic Front

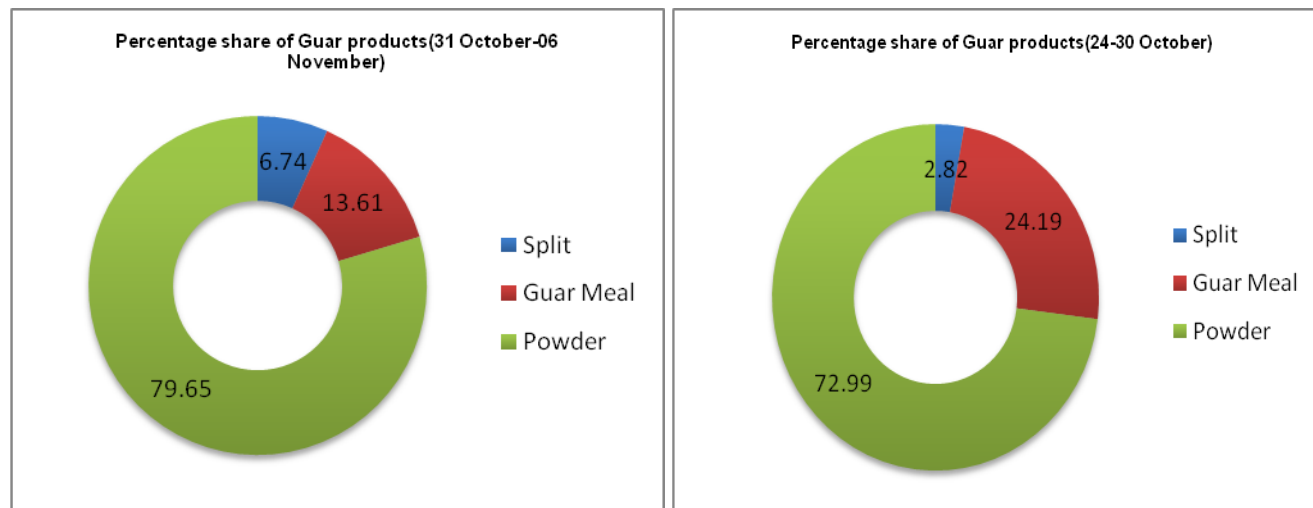
- In the week ended 11 November'16, Guar seed weekly average prices decreased by Rs 93.33 /- qtl during the week compared to previous week and settled at Rs 3417 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 36.67/- qtl and settled at Rs. 6308 per quintal. Weak demand for 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 (31<sup>st</sup> October-06<sup>th</sup> November 2016)

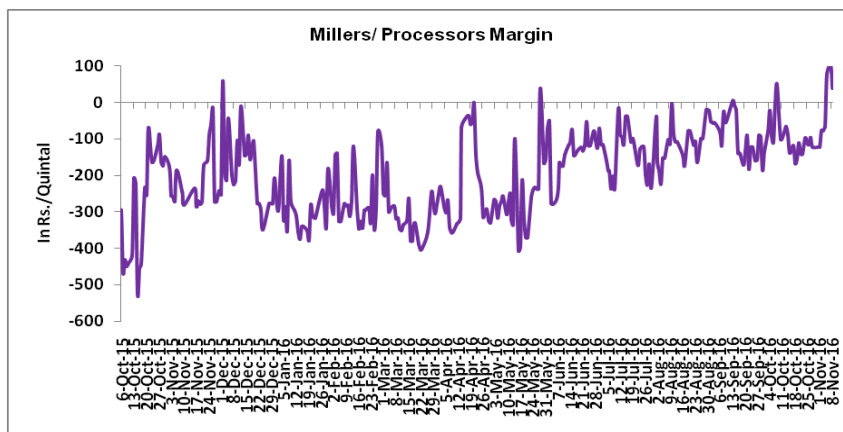
During this week 3086 tonnes of guar was exported out of which 2458 tonnes was guar gum powder, 420 tonnes was guar meal and 208 tonnes guar gum splits. As compared to last week, the export of all guar gum powder, guar split and guar meal has decreased.



## Millers/Processors Margin

In the week ended 11 November'16, average crush margin is Rs. 73.88 /Quintal, compared to last week's -92.09 /Quintal. Therefore crushing is not favorable for Millers/Processors.

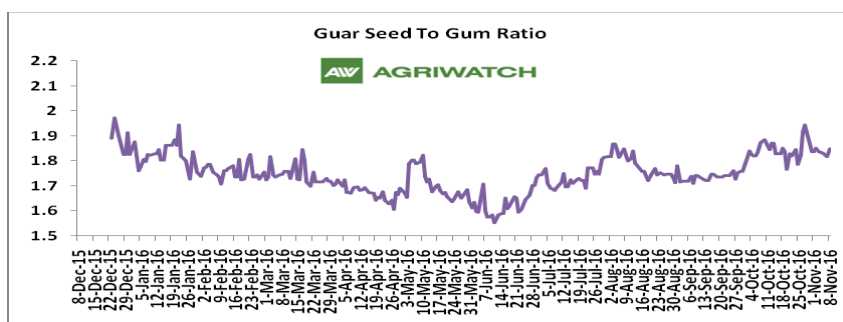
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



## Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 11 November'16 is 1.85, higher compared to last week's 1.81

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: December

Exchange: NCDEX  
Expiry: Dec 20, 2016



#### Technical Commentary:

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

#### Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	December	2920	2845	3167	3310	3385
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	December	<b>Sell</b>	Below 3175	3070	3005	3238



## Technical Analysis (Guar Gum)

Commodity: Guar Gum  
Contract: December

Exchange: NCDEX  
Expiry: Dec 20, 2016



### Technical Commentary:

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

### Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	5610	5525	5905	6095	6160
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	<b>Sell</b>	Below 5910	5800	5715	5976



**Guar Seed & Gum Prices at Key Spot Markets**

<b>Guar by – Products Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Centre</b>	<b>5th to 11th Nov.16</b>	<b>29th Oct. to 4th Nov.16</b>	<b>Change</b>
<b>Churi</b>	Jodhpur	1708	1610	<b>98</b>
<b>Korma</b>	Jodhpur	2048	1972	<b>76</b>
<b>Churi</b>	Sri-Ganganagar	1536	1433	<b>103</b>
<b>Korma</b>	Sri-Ganganagar	2094	1882	<b>212</b>
<b>Prices in Rs/75kg</b>				

<b>Guar Export Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Variety</b>	<b>5th to 11th Nov.16</b>	<b>29th Oct. to 4th Nov.16</b>	<b>Change</b>
<b>Guargum Split</b>		929	941	<b>-12</b>
<b>Guargum Powder</b>	200 Mesh 5000 CPS	1228	1241	<b>-12</b>
	200 Mesh 3500 CPS	1153	1166	<b>-12</b>
<b>Guargum Meal</b>	40%	315	318	<b>-3</b>
	50%	389	393	<b>-3</b>
<b>Prices in \$/MT</b>				

<b>Guar Seed Weekly Average Prices:</b>					
<b>Commodity</b>	<b>District</b>	<b>Centre</b>	<b>Weekly Prices (Average ) (Rs/Qtl)</b>		<b>Change</b>
<b>Guar Seed</b>			<b>5th to 11th Nov.16</b>	<b>29th Oct. to 4th Nov.16</b>	
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur (Loose)	3267	3333	<b>-67</b>
		Jodhpur(Delivery)	3417	3483	<b>-67</b>
	<b>Sri-Ganganagar</b>	Sri-Ganganagar(Loose)	3139	3135	<b>4</b>
		Sri-Ganganagar (Delivery)	3289	3285	<b>4</b>
		Rawla (Loose)	3043	3104	<b>-61</b>
		Gharsana (Loose)	3060	3098	<b>-38</b>
		Raisinghnagar (Loose)	3108	3109	<b>-1</b>
	<b>Bikaner</b>	Bikaner (Loose)	3181	3185	<b>-4</b>
		Bikaner (Delivery)	3300	3335	<b>-35</b>
		Nokha(Loose)	3150	3118	<b>33</b>
		Nokha (Delivery)	3263	3230	<b>34</b>
		Khajuwala (Loose)	3073	3134	<b>-62</b>
		Khajuwala (Delivery)	3195	3259	<b>-64</b>
		Lunkaransar (Loose)	3105	3117	<b>-12</b>
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3141	3139	<b>2</b>



		Hanumangarh (Delivery)	3291	3289	2
		Nohar (Loose)	3114	3125	-11
		Pilibanga (Loose)	3063	3138	-74
	Nagaur	Nagaur (Loose)	3100	3183	-83
	Churu	Churu (Delivery)	3260	3300	-40
	Alwar	Alwar (Loose)	2960	3025	-65
Haryana	Hisar	Adampur (Loose)	3110	3138	-28
		Adampur (Delivery)	3260	3288	-28
	Bhiwani	Bhiwani (Delivery)	3205	3243	-38
		Siwani (Loose)	3161	3219	-58
	Sirsa	Sirsa (Loose)	3096	3157	-61
		Dhabwali (Loose)	3098	3152	-53
		Dhabwali (Delivery)	3173	3302	-128
		Ellanabad (Loose)	3094	3125	-31
	Fatehabad	Fatehabad (Loose)	3100	3117	-17
Gujarat	Banaskantha	Deesa (Loose)	3005	Closed	-
	Patan	Patan (Loose)	Closed	Closed	-
	Rajkot	Rajkot (Loose)	3050	Closed	-
	Jamnagar	Dhrol (Loose)	2922	Closed	-
Madhya Pradesh	Gwalior	Dabra (Loose)	3200	3200	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6308	6308	Unch
	Alwar	Alwar	6160	6200	-40
	Hanumangarh	Nohar	6460	6438	23
Haryana	Bhiwani	Bhiwani	6083	6244	-160
	Sirsa	Sirsa	6158	6267	-108
		Dhabwali	6154	6267	-113
		Ellanabad	6225	6225	Unch
	Fatehabad	Fatehabad	6270	6400	-130

**Week on Week Price: Scenario of Guarseed and Guargum:**

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			11-Nov-16	4-Nov-16	11-Oct-16	11-Nov-15
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	3350	3550	3750
		Jodhpur(Delivery)	Closed	3500	3700	3950
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3150	3151	3350	3600
		Sri-Ganganagar (Delivery)	3300	3300	3500	3800
		Rawla (Loose)	3040	3100	3300	3338

		Gharsana (Loose)	3030	3120	3300	3540
		Raisinghnagar (Loose)	NA	3140	3350	3570
	<b>Bikaner</b>	Bikaner (Loose)	Closed	3230	3370	3700
		Bikaner (Delivery)	Closed	3380	3520	3900
		Nokha(Loose)	Closed	3150	3400	3550
		Nokha (Delivery)	Closed	3263	3522	3678
		Khajuwala (Loose)	3060	3150	3395	3650
		Khajuwala (Delivery)	3182	3276	3531	3796
		Lunkaransar (Loose)	3050	3150	3350	3565
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3100	3150	3250	3675
		Hanumangarh (Delivery)	3250	3300	3400	3875
		Nohar (Loose)	3080	3150	3300	NA
		Pilibanga (Loose)	3050	3150	3280	3500
	<b>Nagaur</b>	Nagaur (Loose)	Closed	3150	3150	3650
	<b>Churu</b>	Churu (Delivery)	3200	3300	3500	NA
	<b>Alwar</b>	Alwar (Loose)	2900	3000	3200	NA
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3080	3150	3300	3700
		Adampur (Delivery)	3230	3300	3450	3900
	<b>Bhiwani</b>	Bhiwani (Delivery)	3250	3270	3450	3770
		Siwani (Loose)	3100	3250	3425	3700
	<b>Sirsa</b>	Sirsa (Loose)	3050	3170	3400	3600
		Dhabwali (Loose)	3070	3165	3350	3500
		Dhabwali (Delivery)	3070	3315	3500	3700
		Ellanabad (Loose)	3050	3175	3250	3700
	<b>Fatehabad</b>	Fatehabad (Loose)	3100	3100	3300	NA
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	Closed	Closed	2950	NA
	<b>Patan</b>	Patan (Loose)	Closed	Closed	3300	NA
	<b>Rajkot</b>	Rajkot (Loose)	Closed	Closed	3300	3675
	<b>Jamnagar</b>	Dhrol (Loose)	Closed	Closed	3175	NA
<b>Madhya pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	Closed	3200	NA	NA
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	Closed	6325	6800	8125
	<b>Alwar</b>	Alwar	6100	6200	6700	NA
	<b>Hanumangarh</b>	Nohar	6400	6400	6400	NA
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	5950	6325	6800	8000
	<b>Sirsa</b>	Sirsa	6000	6350	6800	7900
		Dhabwali	6000	6350	6700	8100
		Ellanabad	6200	6300	6700	7900
	<b>Fatehabad</b>	Fatehabad	6200	6300	6700	NA

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			5th to 11th Nov.16	29th Oct. to 4th Nov.16	
Rajasthan	Jodhpur	Jodhpur	513	194	319
	Sri-Ganganagar	Sri-Ganganagar	19300	2500	16800
		Rawla	10000	3700	6300
		Gharsana	11500	3200	8300
		Raisinghnagar	11500	5400	6100
	Bikaner	Bikaner	1300	1500	-200
		Nokha	700	1400	-700
		Khajuwala	9300	3700	5600
		Lunkaransar	552	800	-248
	Hanumangarh	Hanumangarh	1450	3300	-1850
		Nohar	10300	8200	2100
		Pilibanga	2800	2300	500
	Nagaur	Nagaur	270	325	-55
	Churu	Churu	7500	8000	-500
	Alwar	Alwar	1900	2000	-100
Haryana	Hisar	Adampur	5700	4500	1200
	Bhiwani	Bhiwani	11400	9000	2400
		Siwani	5800	3900	1900
	Sirsa	Sirsa	5400	3200	2200
		Dhabwali	2550	2100	450
		Ellanabad	3350	3600	-250
	Fatehabad	Fatehabad	770	200	570
Gujarat	Banaskantha	Deesa	997	Closed	-
	Patan	Patan	Closed	Closed	-
	Rajkot	Rajkot	900	Closed	-
	Jamnagar	Dhrol	44	Closed	-
Madhya pradesh	Gwalior	Dabra	400	450	-50
Total Arrivals/Above Markets			126196	73469	52727

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