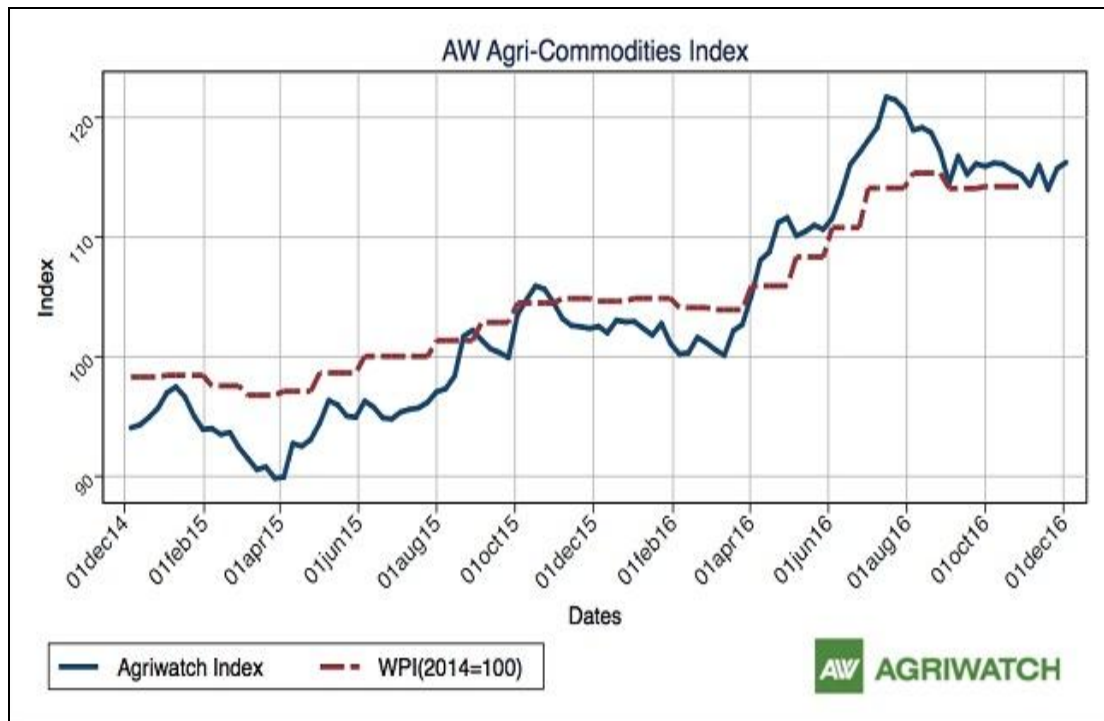


Guar Weekly Research Report

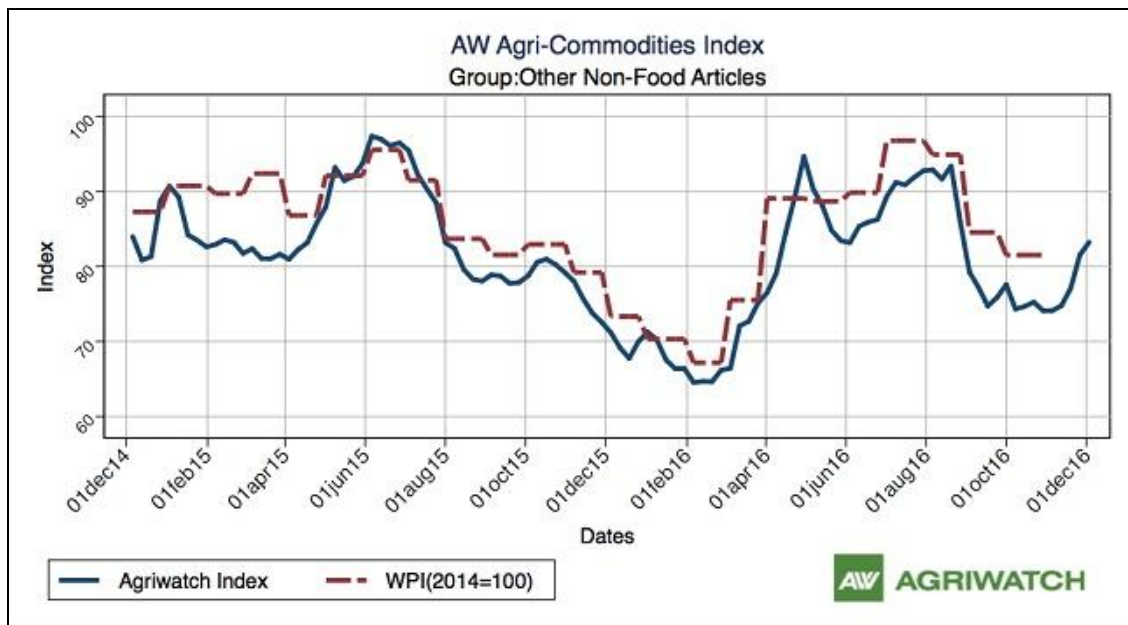
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index rose 0.44% to 116.24 during the week ended Dec 3, 2016 from 115.72 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 2.09% to 83.22 during the week ended December 03, 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) for the month of November, Export of guar seed products i.e. powder, Split and meal has decreased by 3666 metric tonnes compared to last month. India has exported 25872 tonnes of guar products in the month of November. Of the total quantity, 16053 tonnes is guar gum powder and the remaining is Guar split (3209 tonnes) and Guar meal (6610 tonnes).

According to IBIS (provisional data), export of guar seed products (Guar Powder, Split and Meal) have increased compared to last week. In the week (21-26 November) the exports were around 8625 metric tonnes compared to 7684 metric tonnes in the week (14-20 November). The export of all guar split and guar gum powder has increased.

According to IBIS (provisional data) for 21-26 November'16, the average \$FOB/Tonne has increased for guar split, guar meal and guar gum compared to last week. India has exported 5056 metric tonnes of guar gum powder at an average fob of \$1401.56/tonne, 1420 metric tonnes of guar split at an average fob of \$969.24/tonne and 2149 metric tonnes of guar meal at an average fob of \$497.99/tonne.

Total guar seed products export from India for the week (21-26 November) was 8625 tonnes. Out of the total around 4157.41 tonnes was exported from Mundra Port, 1352.61 tonnes from Jodhpur concor ICD and 1145.68 tonnes from Ahmedabad ICD. Whereas last week (14-20 November) 3133.26 tonnes was exported from Mundra Port, 1143.64 tonnes from Jodhpur concor ICD and 1181.7 tonnes from Ahmedabad ICD.

The wholesale price index of guar seed has decreased from 261.7 in September 2016 to 251.7 in October 2016. The WPI for October 2016 is down by 63.1 compared to last year for the same month and by 136.5 compared to October 2014.

As per 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 (5600 quintals) compared to previous week 4420 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (1800 Quintals), arrivals compared to previous week 300 quintals.

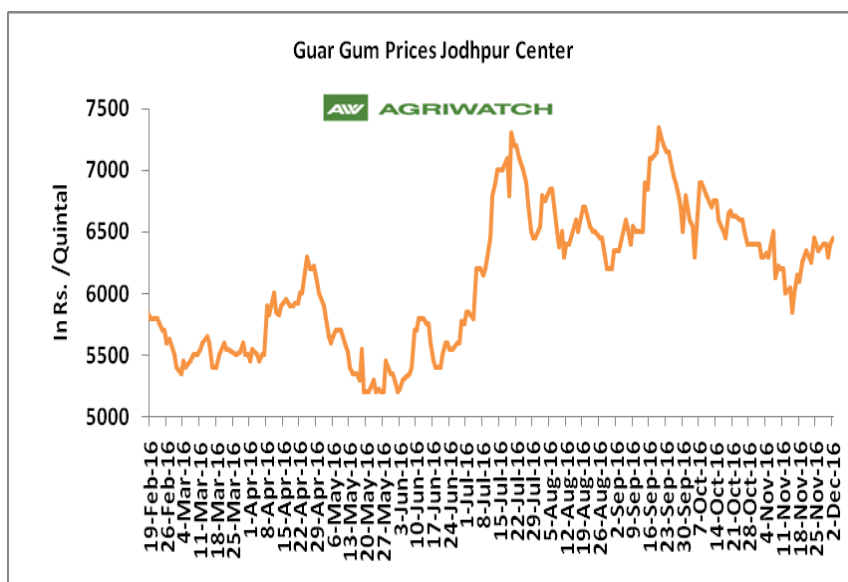
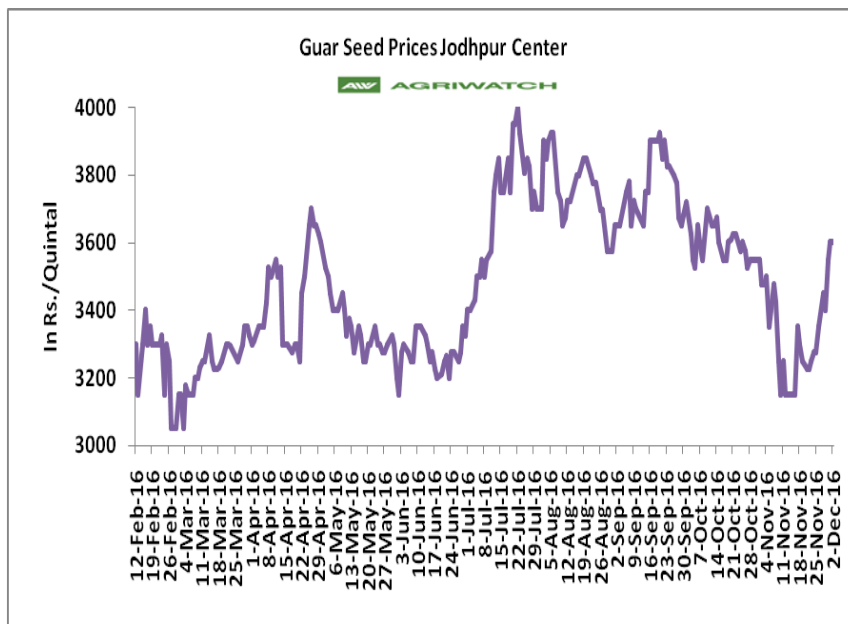
Recommendation:

Weekly Call - : Market participants are advised to Buy Guar seed at 3375 levels for a target of 3545 with a stop loss at 3312 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

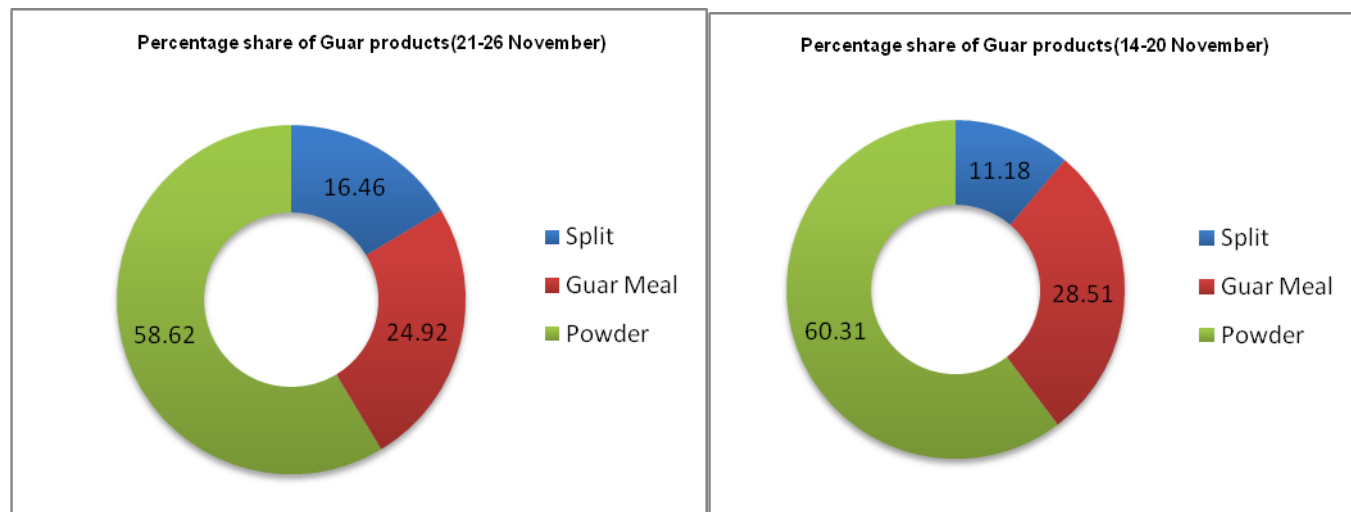
- In the week ended 02 December'16, Guar seed weekly average prices increased by Rs 241.67 /- qtl during the week compared to previous week and settled at Rs 3492 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 50/- qtl and settled at Rs. 6383 per quintal. Firm demand for guar 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 (21st - 26th November 2016)

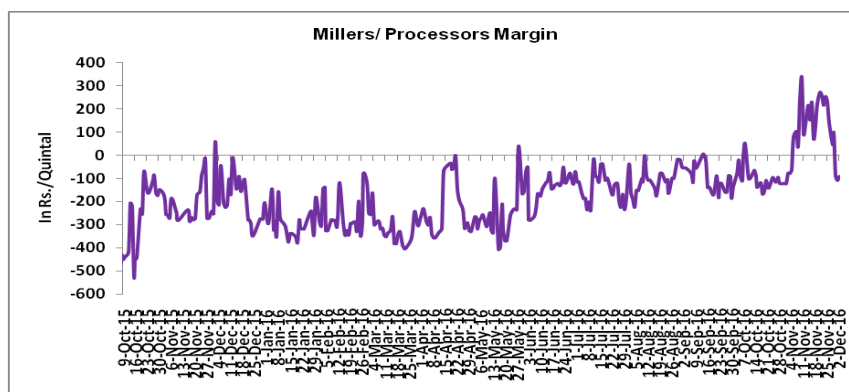
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 02 November'16, average crush margin is Rs. -1.53 /Quintal, compared to last week's 241.59 /Quintal. Therefore crushing is not favorable for Millers/Processors.

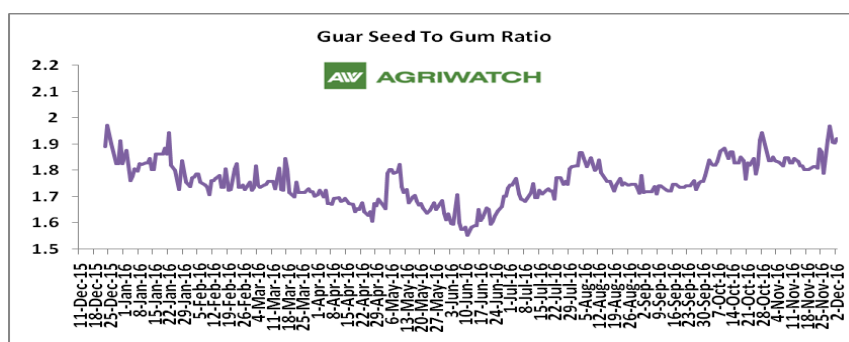
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 02 December'16 is 1.83, lower compared to last week's 1.95

Weak overseas demand of gum and good demand of seed from millers has decreased the overall ratio.





Technical Analysis (Guar Seed)

Commodity: Guar Seed 10MT
Contract: January

Exchange: NCDEX
Expiry: Jan 20, 2017



Technical Commentary:

- Rise in price and open interest indicates long buildup.
- 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	January	3225	3150	3379	3635	3710
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	January	Buy	Above 3375	3480	3545	3312

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: January

Exchange: NCDEX
Expiry: Jan 20, 2017



Technical Commentary:

- Rise in price and open interest indicates long buildup.
- Last candlestick depicts bullishness in market.
- RSI is moving in neutral region.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	January	6145	6035	6373	6785	6890
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	January	Buy	Above 6365	6510	6635	6278

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	26th Nov to 02th Dec.16	19th to 25th Nov.16	Change
Churi	Jodhpur	1705	1759	-55
Korma	Jodhpur	2014	1987	27
Churi	Sri-Ganganagar	1606	1641	-34
Korma	Sri-Ganganagar	1909	1866	44
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	26th Nov to 02th Dec.16	19th to 25th Nov.16	Change
Guargum Split		929	905	24
Guargum Powder	200 Mesh 5000 CPS	1221	1197	24
	200 Mesh 3500 CPS	1148	1124	24
Guargum Meal	40%	336	339	-3
	50%	392	380	11
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			26th Nov to 02th Dec.16	19th to 25th Nov.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3342	3100	242
		Jodhpur(Delivery)	3492	3250	242
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3268	3194	74
		Sri-Ganganagar (Delivery)	3383	3344	39
		Rawla (Loose)	3210	3185	25
		Gharsana (Loose)	3218	3162	56
		Raisinghnagar (Loose)	3244	3197	47
	Bikaner	Bikaner (Loose)	3296	3275	21
		Bikaner (Delivery)	3446	3425	21
		Nokha(Loose)	3227	3200	27
		Nokha (Delivery)	3343	3315	28
		Khajuwala (Loose)	3241	3211	30
		Khajuwala (Delivery)	3370	3339	31
		Lunkaransar (Loose)	3223	3192	31

	Hanumangarh	Hanumangarh (Loose)	3235	3191	44
		Hanumangarh (Delivery)	3385	3341	44
		Nohar (Loose)	3264	3267	-3
		Pilibanga (Loose)	3207	3188	19
	Nagaur	Nagaur (Loose)	3138	Closed	-
	Churu	Churu (Delivery)	3325	3308	17
	Alwar	Alwar (Loose)	3067	3067	0
Haryana	Hisar	Adampur (Loose)	3281	3235	46
		Adampur (Delivery)	3431	3385	46
	Bhiwani	Bhiwani (Delivery)	3425	3392	33
		Siwani (Loose)	3348	3317	31
	Sirsa	Sirsa (Loose)	3269	3223	46
		Dhabwali (Loose)	3267	3251	16
		Dhabwali (Delivery)	3345	3351	-6
		Ellanabad (Loose)	3253	3234	19
	Fatehabad	Fatehabad (Loose)	3175	3050	125
Gujarat	Banaskantha	Deesa (Loose)	3135	Closed	-
	Patan	Patan (Loose)	3197	3078	119
	Rajkot	Rajkot (Loose)	3224	3165	59
	Jamnagar	Dhrol (Loose)	2760	Closed	-
Madhya pradesh	Gwalior	Dabra (Loose)	NA	Closed	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6383	6333	50
	Alwar	Alwar	6317	6308	9
	Hanumangarh	Nohar	6400	6533	-133
Haryana	Bhiwani	Bhiwani	6392	7015	-623
	Sirsa	Sirsa	6371	6233	138
		Dhabwali	6375	6342	33
		Ellanabad	6350	6292	58
	Fatehabad	Fatehabad	6317	6000	317

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			26th Nov to 02th Dec.16	19th to 25th Nov.16	
Rajasthan	Jodhpur	Jodhpur	555	153	402
	Sri-Ganganagar	Sri-Ganganagar	9000	9480	-480
		Rawla	7300	7700	-400
		Gharsana	7800	13000	-5200
		Raisinghnagar	5400	6900	-1500
	Bikaner	Bikaner	1800	300	1500
		Nokha	870	350	520
		Khajuwala	9700	9450	250
		Lunkaransar	1400	760	640
	Hanumangarh	Hanumangarh	1250	710	540
		Nohar	6300	3900	2400
		Pilibanga	805	1500	-695
	Nagaur	Nagaur	135	Closed	-
	Churu	Churu	9500	7500	2000
	Alwar	Alwar	2300	2000	300
Haryana	Hisar	Adampur	5600	4420	1180
	Bhiwani	Bhiwani	4300	5000	-700
		Siwani	2550	2600	-50
	Sirsa	Sirsa	3800	3600	200
		Dhabwali	1050	700	350
		Ellanabad	1625	1750	-125
	Fatehabad	Fatehabad	700	100	600
Gujarat	Banaskantha	Deesa	2472	Closed	-
	Patan	Patan	2566	765	1801
	Rajkot	Rajkot	845	185	660
	Jamnagar	Dhrol	3	Closed	-
Madhya Pradesh	Gwalior	Dabra	NA	Closed	-
Total Arrivals/Above Markets			89626	82823	6803

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