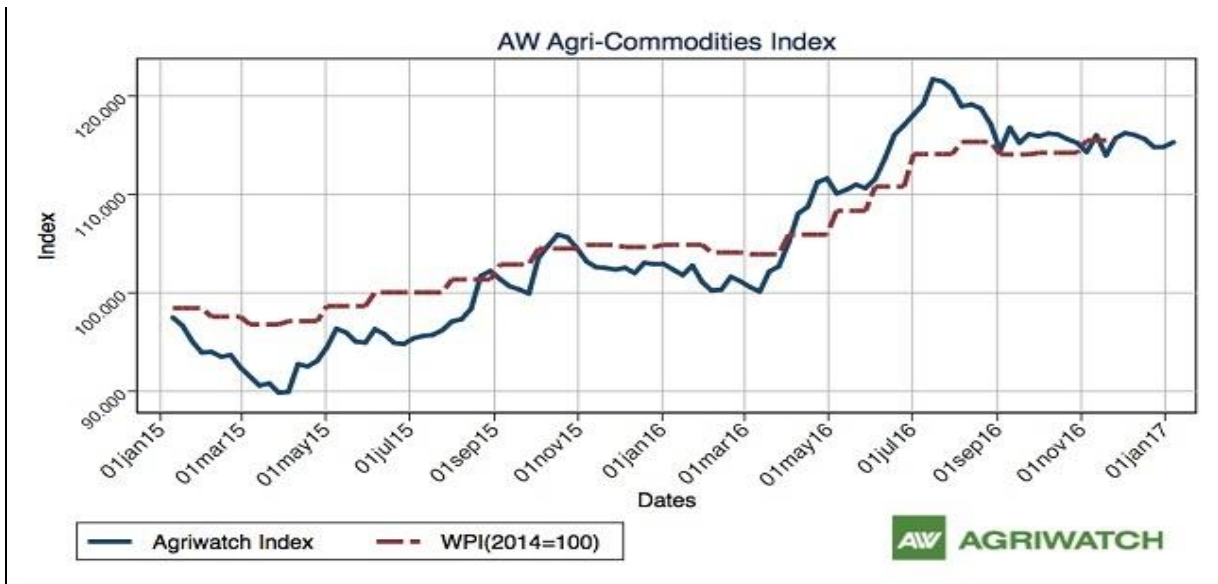


Guar Weekly Research Report

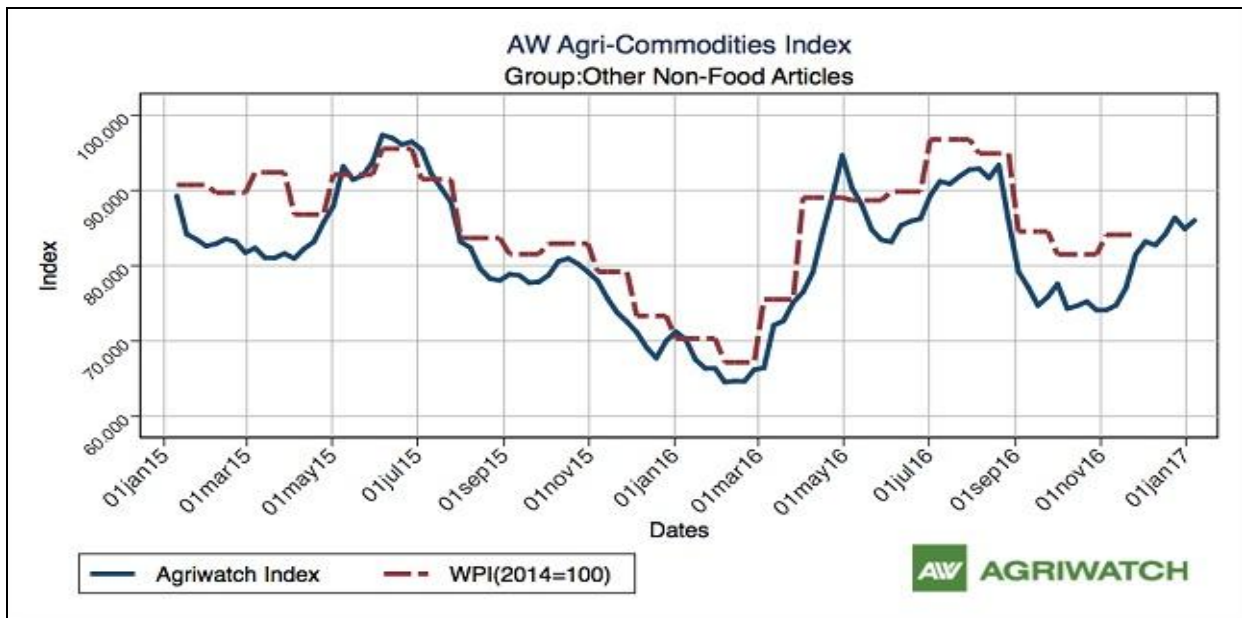
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index gained 0.41% to 115.30 during the week ended Jan 7, 2017 from 114.83 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 1.31% to 86.02 during the week ended January 07, 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

Guar prices are expected to recover in near future. Increase in crude oil prices have strengthened the demand for guar gum in the international market. The export demand for guar is expected to increase by around ten to fifteen percent in the year 2017. Currently guar is being traded around Rs 3400 per quintal in Jodhpur mandi.

The wholesale price index of guar seed has decreased from 251.7 in October 2016 to 238.5 in November 2016. The WPI for November 2016 is down by 31.4 compared to last year for the same month and by 126.8 compared to November 2014.

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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (5200 quintals) compared to previous week 4700 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (3800 Quintals), arrivals compared to previous week 4800 quintals.

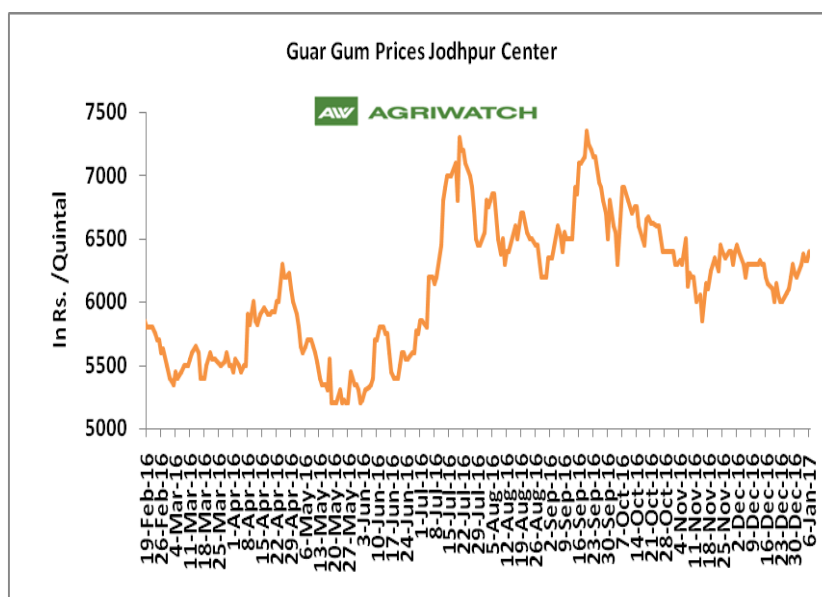
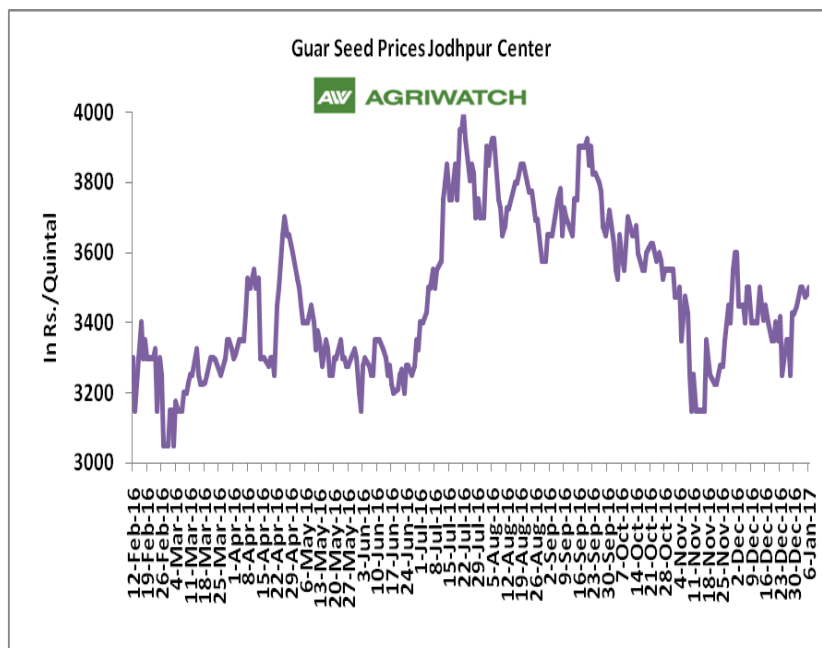
Recommendation:

Weekly Call - : Market participants are advised to Buy Guar seed at 3380 levels for a target of 3260 with a stop loss at 3419 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

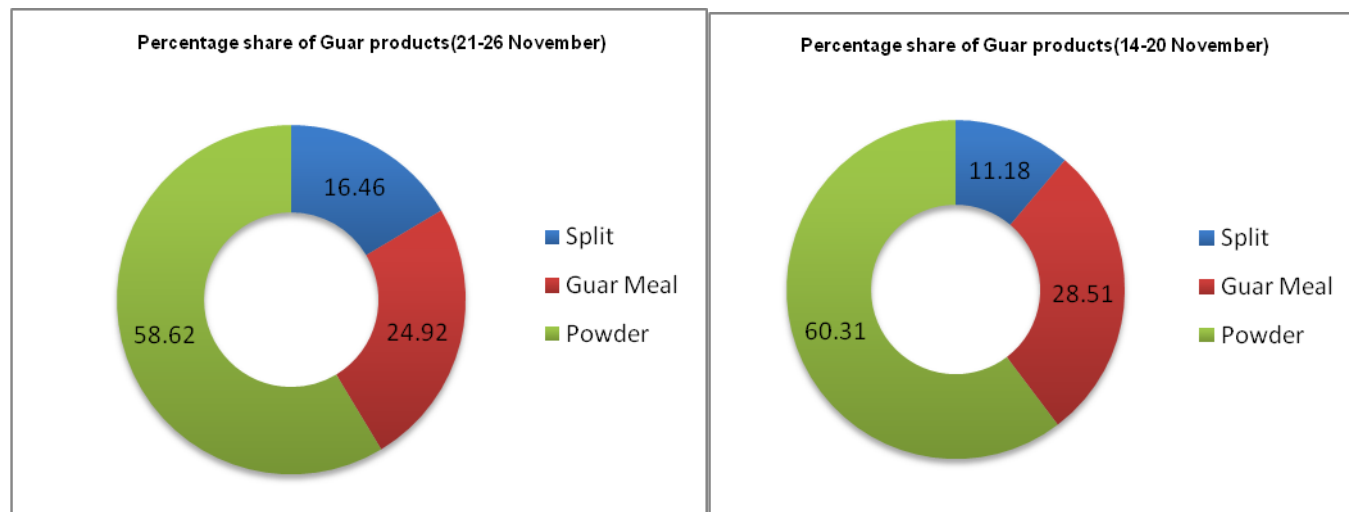
- In the week ended 06 January'17, Guar seed weekly average prices increased by Rs 142.5 /- qtl during the week compared to previous week and settled at Rs 3484 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 170.83/- qtl and settled at Rs. 6321 per quintal. Firm demand for 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)

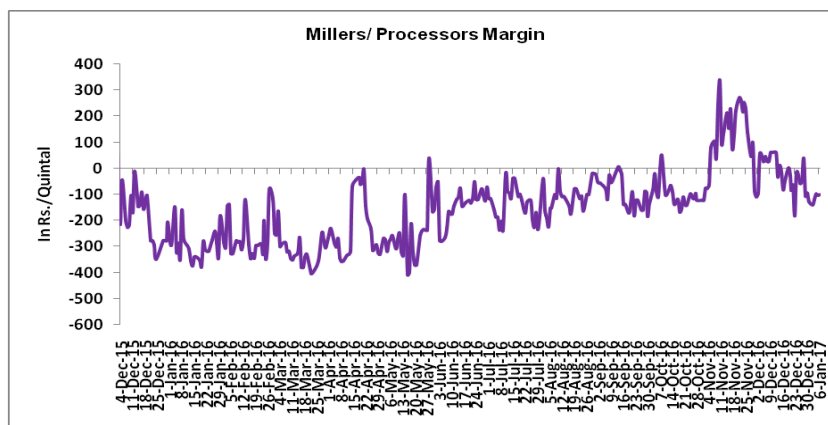
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 06 January '17, average crush margin is Rs. -115.05 /Quintal, compared to last week's -47.66 /Quintal. Therefore crushing is not favorable for Millers/Processors.

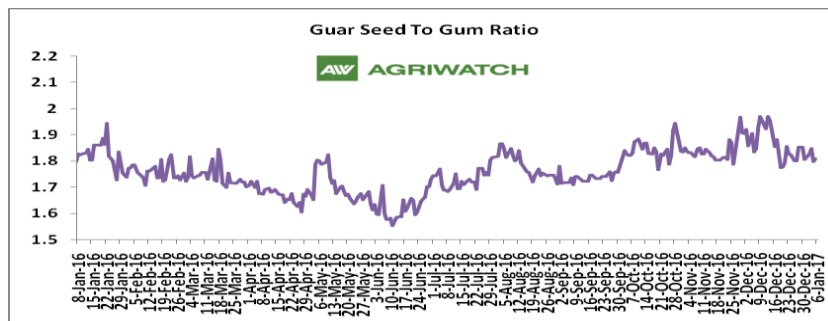
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 06 January'17 is 1.81, lower compared to last week's 1.84

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: February

Exchange: NCDEX
Expiry: Feb 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: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	February	3220	3185	3364	3460	3495
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	February	Sell	Above 3380	3315	3260	3419



Technical Analysis (Guar Gum)

Commodity: Guar Gum

Contract: February

Exchange: NCDEX

Expiry: Feb 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: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	February	6155	6075	6437	6625	6710
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	February	Sell	Above 6460	6345	6250	6529

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	31st Dec to 6th Jan.17	24th Dec to 30th Dec.16	Change
Churi	Jodhpur	1585	1581	4
Korma	Jodhpur	1891	1831	60
Churi	Sri-Ganganagar	1458	1459	-1
Korma	Sri-Ganganagar	1778	1781	-3
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	31st Dec to 6th Jan.17	24th Dec to 30th Dec.16	Change
Guargum Split		926	897	29
Guargum Powder	200 Mesh 5000 CPS	1220	1191	29
	200 Mesh 3500 CPS	1146	1118	28
Guargum Meal	40%	321	309	12
	50%	382	382	Unch
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			31st Dec to 6th Jan.17	24th Dec to 30th Dec.16	
Rajasthan	Jodhpur	Jodhpur (Loose)	3334	3191	143
		Jodhpur(Delivery)	3484	3341	143
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3163	3133	30
		Sri-Ganganagar (Delivery)	3325	3308	17
		Rawla (Loose)	3180	3100	80
		Gharsana (Loose)	3203	3100	103
		Raisinghnagar (Loose)	3211	3148	63
	Bikaner	Bikaner (Loose)	3215	3138	77
		Bikaner (Delivery)	3365	3288	77
		Nokha(Loose)	3212	3109	103
		Nokha (Delivery)	3346	3194	152
		Khajuwala (Loose)	3192	3084	108
		Khajuwala (Delivery)	3320	3167	153
		Lunkaransar (Loose)	3167	3083	84
	Hanumangarh	Hanumangarh (Loose)	3181	3134	47
		Hanumangarh (Delivery)	3331	3284	47

		Nohar (Loose)	3201	3111	90
		Pilibanga (Loose)	3190	3124	66
	Nagaur	Nagaur (Loose)	3025	2991	34
	Churu	Churu (Delivery)	3300	3275	25
	Alwar	Alwar (Loose)	3066	3033	33
Haryana	Hisar	Adampur (Loose)	3236	3180	56
		Adampur (Delivery)	3376	3330	46
	Bhiwani	Bhiwani (Delivery)	3267	3161	106
		Siwani (Loose)	3307	3210	97
	Sirsa	Sirsa (Loose)	3248	3160	88
		Dhabwali (Loose)	3181	3116	65
		Dhabwali (Delivery)	3332	3263	69
		Ellanabad (Loose)	3208	3133	75
	Fatehabad	Fatehabad (Loose)	3175	3096	79
Gujarat	Banaskantha	Deesa (Loose)	3083	2995	88
	Patan	Patan (Loose)	3117	3073	44
	Rajkot	Rajkot (Loose)	3113	3000	113
	Jamnagar	Dhrol (Loose)	3035	2802	233
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6321	6150	171
	Alwar	Alwar	6329	6200	129
	Hanumangarh	Nohar	6366	6250	116
Haryana	Bhiwani	Bhiwani	6316	6150	166
	Sirsa	Sirsa	6400	6200	200
		Dhabwali	6391	6200	191
		Ellanabad	6300	6166	134
	Fatehabad	Fatehabad	6237	6125	112

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			6-Jan-17	30-Dec-16	6-Dec-16	6-Jan-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3350	3275	3250	3300
		Jodhpur(Delivery)	3500	3425	3400	3500
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3200	3275	3250	3150
		Sri-Ganganagar (Delivery)	3350	3425	3350	3350
		Rawla (Loose)	3170	3140	3175	3036
		Gharsana (Loose)	3200	3180	3160	3165

		Raisinghnagar (Loose)	3230	3170	3170	3208
	Bikaner	Bikaner (Loose)	NR	3170	NR	3100
		Bikaner (Delivery)	NR	3320	NR	3300
		Nokha(Loose)	3250	3160	3200	3140
		Nokha (Delivery)	3367	3275	3315	3253
		Khajuwala (Loose)	3225	3100	3170	3100
		Khajuwala (Delivery)	3354	3150	3297	3224
		Lunkaransar (Loose)	3200	3100	3100	3230
	Hanumangarh	Hanumangarh (Loose)	3235	3180	3200	3150
		Hanumangarh (Delivery)	3385	3330	3300	3350
		Nohar (Loose)	3200	3150	3200	3150
		Pilibanga (Loose)	3200	3125	3200	3251
	Nagaur	Nagaur (Loose)	3000	3000	3200	3200
	Churu	Churu (Delivery)	3250	3300	3300	3300
	Alwar	Alwar (Loose)	3050	3050	3100	3150
Haryana	Hisar	Adampur (Loose)	3225	3200	3200	3200
		Adampur (Delivery)	3375	3350	3300	3400
	Bhiwani	Bhiwani (Delivery)	3300	3200	3400	3250
		Siwani (Loose)	3310	3260	3280	3225
	Sirsa	Sirsa (Loose)	3260	3225	3200	3200
		Dhabwali (Loose)	3150	3150	3200	3150
		Dhabwali (Delivery)	3300	3300	3350	3350
		Ellanabad (Loose)	3225	3200	3200	3150
	Fatehabad	Fatehabad (Loose)	3200	3050	NR	3150
Gujarat	Banaskantha	Deesa (Loose)	3075	3000	NR	3250
	Patan	Patan (Loose)	3100	3085	NA	3315
	Rajkot	Rajkot (Loose)	3120	3105	3150	3455
	Jamnagar	Dhrol (Loose)	2965	NA	NA	3130
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	3200
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6400	6225	6200	6300
	Alwar	Alwar	6350	6300	6300	6500
	Hanumangarh	Nohar	6400	6300	6300	6200
Haryana	Bhiwani	Bhiwani	6350	6250	6400	6500
	Sirsa	Sirsa	6450	6350	6300	6200
		Dhabwali	6450	6300	6200	6300
		Ellanabad	6350	6250	6300	6325
	Fatehabad	Fatehabad	6300	6000	NR	6300

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			31st Dec to 6th Jan.17	24th Dec to 30 th Dec.16	
Rajasthan	Jodhpur	Jodhpur	518	681	-163
	Sri-Ganganagar	Sri-Ganganagar	1350	3083	-1733
		Rawla	4500	4800	-300
		Gharsana	5100	4800	300
		Raisinghnagar	2500	3800	-1300
	Bikaner	Bikaner	3800	4800	-1000
		Nokha	1800	1750	50
		Khajuwala	7400	7900	-500
		Lunkaransar	2300	2500	-200
	Hanumangarh	Hanumangarh	1393	1278	115
		Nohar	5600	5000	600
		Pilibanga	1400	1050	350
	Nagaur	Nagaur	430	425	5
	Churu	Churu	2800	5000	-2200
	Alwar	Alwar	1500	2100	-600
Haryana	Hisar	Adampur	5200	4700	500
	Bhiwani	Bhiwani	9000	7000	2000
		Siwani	4200	4500	-300
	Sirsa	Sirsa	6000	4700	1300
		Dhabwali	1025	1100	-75
		Ellanabad	2350	3200	-850
	Fatehabad	Fatehabad	550	800	-250
Gujarat	Banaskantha	Deesa	1183	719	464
	Patan	Patan	2592	2853	-261
	Rajkot	Rajkot	1265	500	765
	Jamnagar	Dhrol	255	4	251
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			76011	79043	-3032

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