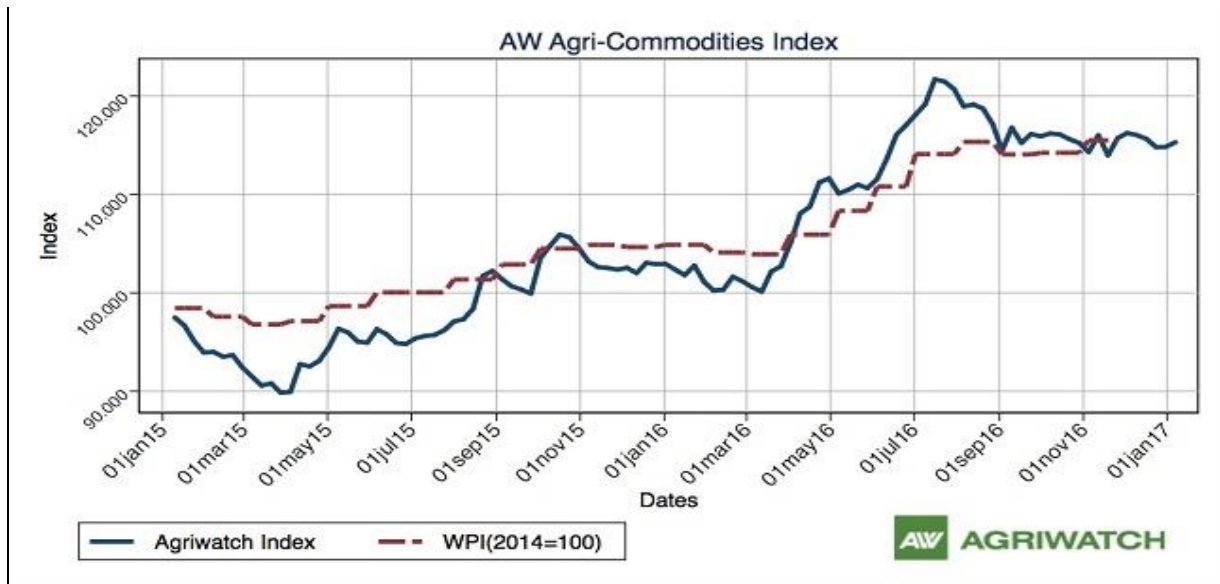


Guar Weekly Research Report

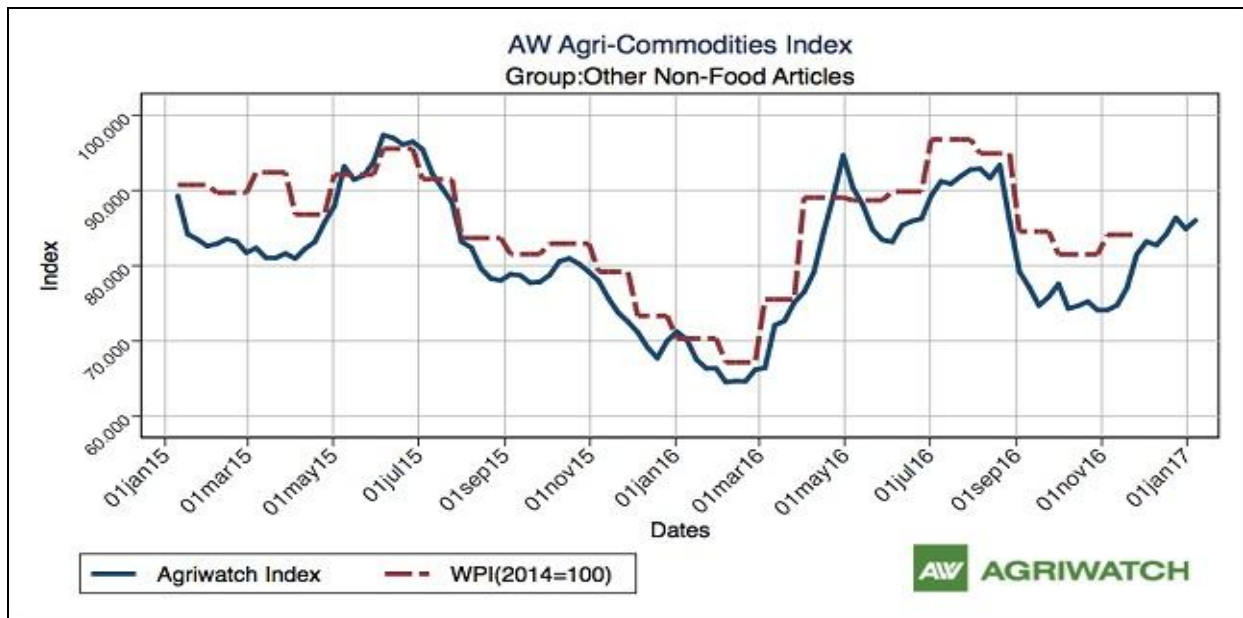
Contents

- ❖ Agriwatch Agri Commodity Index
- ❖ Executive Summary
- ❖ Recommendations
- ❖ Domestic Market Fundamentals
- ❖ Export Scenario
- ❖ Processing Margins
- ❖ Technical Analysis (Futures Market)
- ❖ Guar Seed & Gum Prices at Key Spot Markets

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 remain lower compared to last year. The principal reason for this is higher carryover stocks. Guar seed arrivals in this week are higher compared to last week by around 14710 tonnes. Currently guar seed loose prices are hovering around Rs. 3000-3250 per quintal. Prices are expected to be range bound to firm in the upcoming week.

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 lower arrivals (5100 quintals) compared to previous week 5200 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (1000 Quintals), arrivals compared to previous week 3800 quintals.

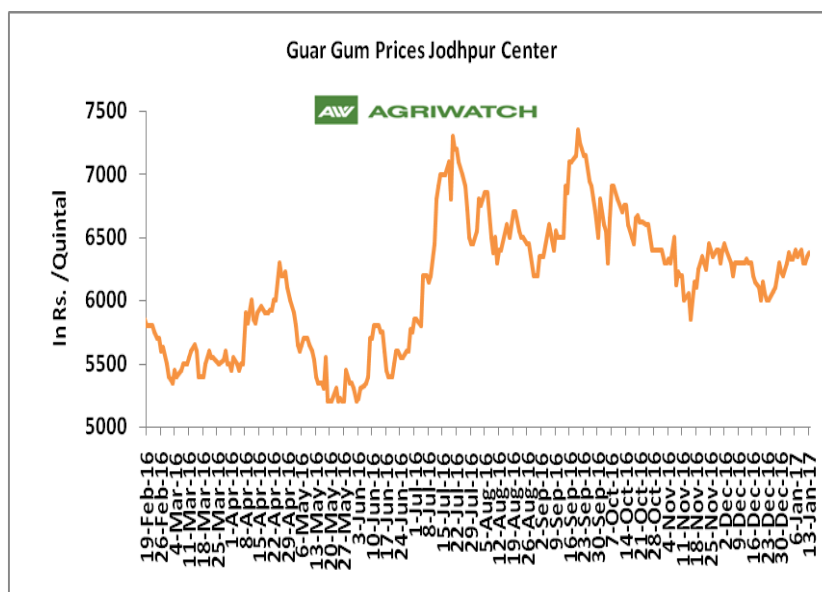
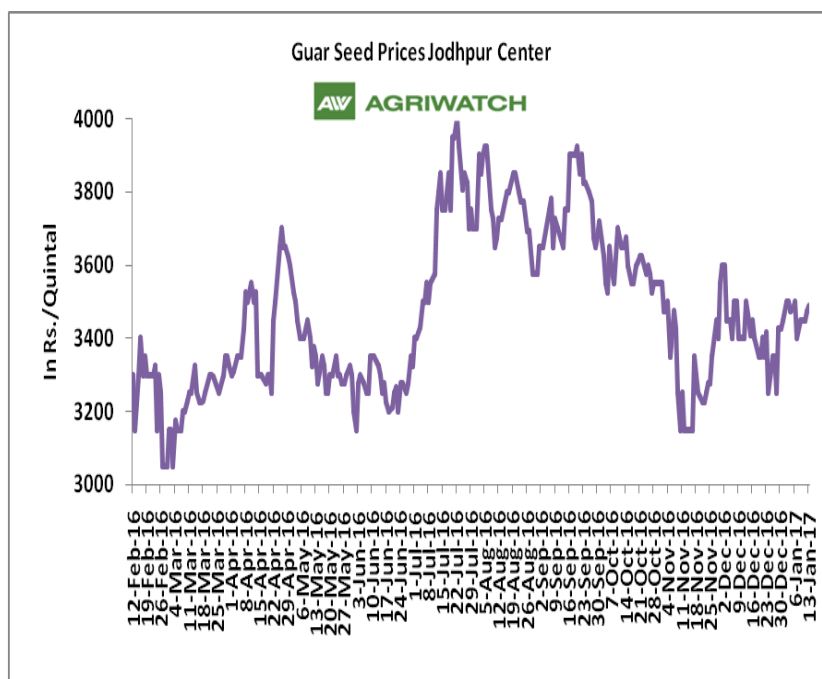
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3350 levels for a target of 3230 with a stop loss at 3389 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

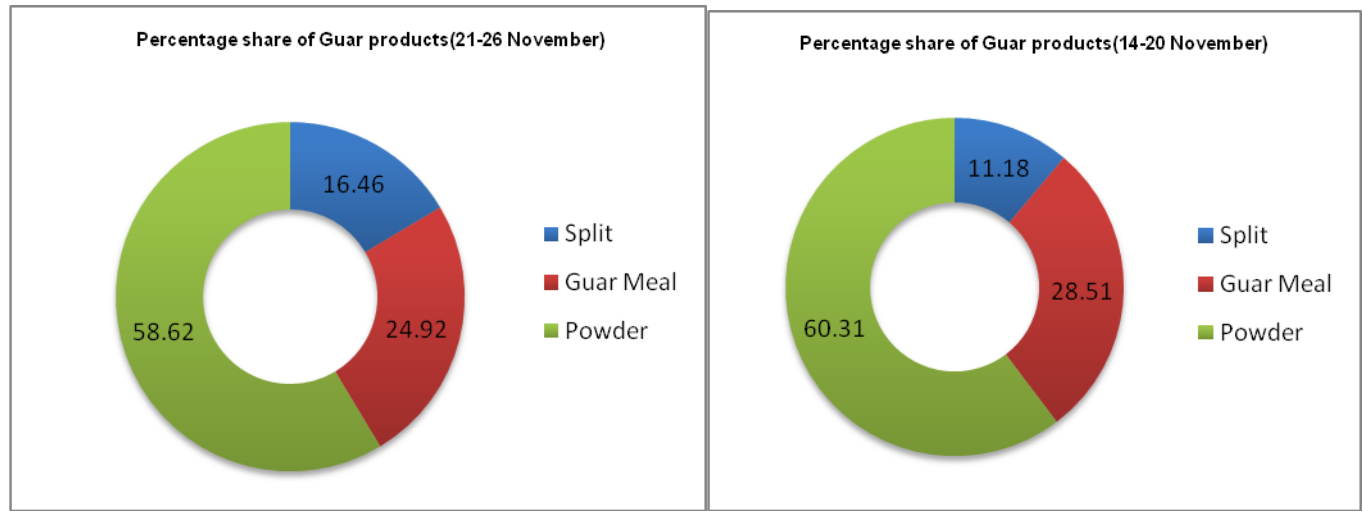
- In the week ended 13 January'17, Guar seed weekly average prices decreased by Rs 31.67 /- qtl during the week compared to previous week and settled at Rs 3453 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 25/- qtl and settled at Rs. 6346 per quintal. Firm demand for guar 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)

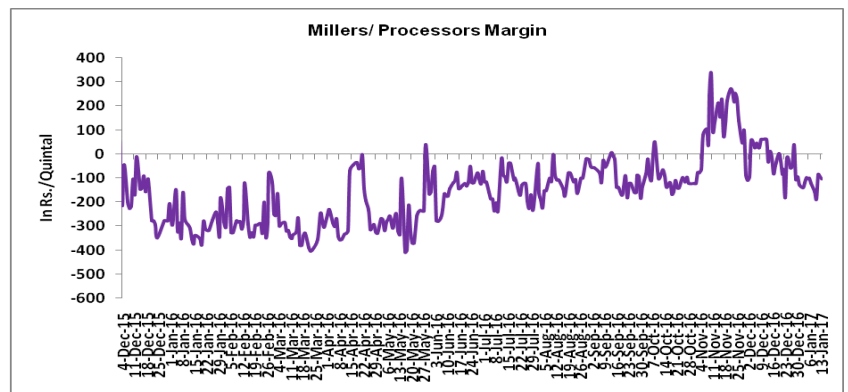
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 13 January '17, average crush margin is Rs. -124.9 /Quintal, compared to last week's -115.05 /Quintal. Therefore crushing is not favorable for Millers/Processors.

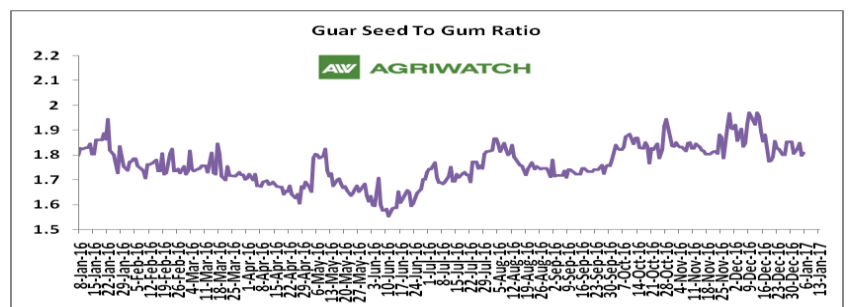
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 13 January'17 is 1.84, 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: February

Exchange: NCDEX
Expiry: Feb 20, 2017



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	February	3190	3155	3333	3430	3465
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	February	Sell	Below 3350	3285	3230	3389



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	6060	5985	6363	6530	6615
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	February	Sell	Below 6365	6250	6155	6434

Guar Seed & Gum Prices at Key Spot Markets
Guar by – Products Weekly Average Prices:

Commodity	Centre	7th Jan to 13th Jan.17	31st Dec to 6th Jan.17	Change
Churi	Jodhpur	1587	1585	2
Korma	Jodhpur	1751	1891	-140
Churi	Sri-Ganganagar	1425	1458	-33
Korma	Sri-Ganganagar	1790	1778	12
Prices in Rs/75kg				

Guar Export Weekly Average Prices (Prices in \$/MT):

Commodity	Variety	7th Jan to 13th Jan.17	31st Dec to 6th Jan.17	Change
Guargum Split		924	926	-2
Guargum Powder	200 Mesh 5000 CPS	1218	1220	-2
	200 Mesh 3500 CPS	1144	1146	-2
Guargum Meal	40%	315	321	-6
	50%	381	382	-1

Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			7th Jan to 13th Jan.17	31st Dec to 6th Jan.17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3302	3334	-32
		Jodhpur(Delivery)	3452	3484	-32
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3186	3163	23
		Sri-Ganganagar (Delivery)	3336	3325	11
		Rawla (Loose)	3170	3180	-10
		Gharsana (Loose)	3191	3203	-12
		Raisinghnagar (Loose)	3201	3211	-10
	Bikaner	Bikaner (Loose)	3215	3215	Unch
		Bikaner (Delivery)	3365	3365	Unch
		Nokha(Loose)	3223	3212	11
		Nokha (Delivery)	3339	3346	-7
		Khajuwala (Loose)	3208	3192	16
		Khajuwala (Delivery)	3336	3320	16
		Lunkaransar (Loose)	3128	3167	-39
	Hanumangarh	Hanumangarh (Loose)	3215	3181	34
		Hanumangarh (Delivery)	3365	3331	34
		Nohar (Loose)	3191	3201	-10

		Pilibanga (Loose)	3134	3190	-56
	Nagaur	Nagaur (Loose)	3108	3025	83
	Churu	Churu (Delivery)	3300	3300	Unch
	Alwar	Alwar (Loose)	3083	3066	17
Haryana	Hisar	Adampur (Loose)	3205	3236	-31
		Adampur (Delivery)	3355	3376	-21
	Bhiwani	Bhiwani (Delivery)	3275	3267	8
		Siwani (Loose)	3281	3307	-26
	Sirsa	Sirsa (Loose)	3228	3248	-20
		Dhabwali (Loose)	3184	3181	3
		Dhabwali (Delivery)	3334	3332	2
		Ellanabad (Loose)	3190	3208	-18
	Fatehabad	Fatehabad (Loose)	3200	3175	25
Gujarat	Banaskantha	Deesa (Loose)	3060	3083	-23
	Patan	Patan (Loose)	3089	3117	-28
	Rajkot	Rajkot (Loose)	3085	3113	-28
	Jamnagar	Dhrol (Loose)	2945	3035	-90
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6345	6321	24
	Alwar	Alwar	6358	6329	29
	Hanumangarh	Nohar	6366	6366	Unch
Haryana	Bhiwani	Bhiwani	6350	6316	34
	Sirsa	Sirsa	6387	6400	-13
		Dhabwali	6398	6391	7
		Ellanabad	6333	6300	33
	Fatehabad	Fatehabad	6300	6237	63

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			13-Jan-17	6-Jan-17	13-Dec-16	13-Jan-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3340	3350	3350	3300
		Jodhpur(Delivery)	3490	3500	3500	3500
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3200	3200	3200	3200
		Sri-Ganganagar (Delivery)	3350	3350	3350	3350
		Rawla (Loose)	3160	3170	3215	NA
		Gharsana (Loose)	3220	3200	3200	NA

		Raisinghnagar (Loose)	3210	3230	3220	NA
	Bikaner	Bikaner (Loose)	3215	3210	NR	3200
		Bikaner (Delivery)	3365	3360	NR	3300
		Nokha(Loose)	3230	3250	3250	3100
		Nokha (Delivery)	3346	3367	3367	3212
		Khajuwala (Loose)	3215	3225	3240	3160
		Khajuwala (Delivery)	3344	3354	3370	3286
		Lunkaransar (Loose)	3100	3200	3200	3030
	Hanumangarh	Hanumangarh (Loose)	3215	3235	3267	3150
		Hanumangarh (Delivery)	3365	3385	3417	3350
		Nohar (Loose)	3200	3200	3230	3200
		Pilibanga (Loose)	3200	3200	3230	3075
	Nagaur	Nagaur (Loose)	3150	3000	3150	3000
	Churu	Churu (Delivery)	3300	3250	3350	3200
	Alwar	Alwar (Loose)	3100	3050	3100	3000
Haryana	Hisar	Adampur (Loose)	3200	3225	NR	3200
		Adampur (Delivery)	3350	3375	NR	3400
	Bhiwani	Bhiwani (Delivery)	3250	3300	3400	NR
		Siwani (Loose)	3260	3310	3325	3325
	Sirsa	Sirsa (Loose)	3225	3260	3275	3175
		Dhabwali (Loose)	Closed	3150	3215	3050
		Dhabwali (Delivery)	Closed	3300	3365	3150
		Ellanabad (Loose)	3175	3225	3200	3225
	Fatehabad	Fatehabad (Loose)	3200	3200	3200	3150
Gujarat	Banaskantha	Deesa (Loose)	3045	3075	NR	3200
	Patan	Patan (Loose)	3120	3100	NA	3250
	Rajkot	Rajkot (Loose)	NA	3120	3155	3330
	Jamnagar	Dhrol (Loose)	2960	2965	2805	3305
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6375	6400	6325	6200
	Alwar	Alwar	6350	6350	6400	6200
	Hanumangarh	Nohar	6400	6400	6500	6350
Haryana	Bhiwani	Bhiwani	6300	6350	6400	NR
	Sirsa	Sirsa	6400	6450	6350	6100
		Dhabwali	Closed	6450	6400	6150
		Ellanabad	6350	6350	6350	6350
	Fatehabad	Fatehabad	6300	6300	6400	6200

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			7th Jan to 13th Jan.17	31st Dec to 6th Jan.17	
Rajasthan	Jodhpur	Jodhpur	439	518	-79
	Sri-Ganganagar	Sri-Ganganagar	4777	1350	3427
		Rawla	3800	4500	-700
		Gharsana	4800	5100	-300
		Raisinghnagar	3400	2500	900
	Bikaner	Bikaner	1000	3800	-2800
		Nokha	2250	1800	450
		Khajuwala	5000	7400	-2400
		Lunkaransar	2200	2300	-100
	Hanumangarh	Hanumangarh	930	1393	-463
		Nohar	8200	5600	2600
		Pilibanga	1200	1400	-200
	Nagaur	Nagaur	590	430	160
	Churu	Churu	4600	2800	1800
	Alwar	Alwar	1800	1500	300
Haryana	Hisar	Adampur	5100	5200	-100
	Bhiwani	Bhiwani	16000	9000	7000
		Siwani	5600	4200	1400
	Sirsa	Sirsa	9000	6000	3000
		Dhabwali	1100	1025	75
		Ellanabad	3200	2350	850
	Fatehabad	Fatehabad	825	550	275
Gujarat	Banaskantha	Deesa	834	1183	-349
	Patan	Patan	2674	2592	82
	Rajkot	Rajkot	1310	1265	45
	Jamnagar	Dhrol	100	255	-155
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			90729	76011	14718

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