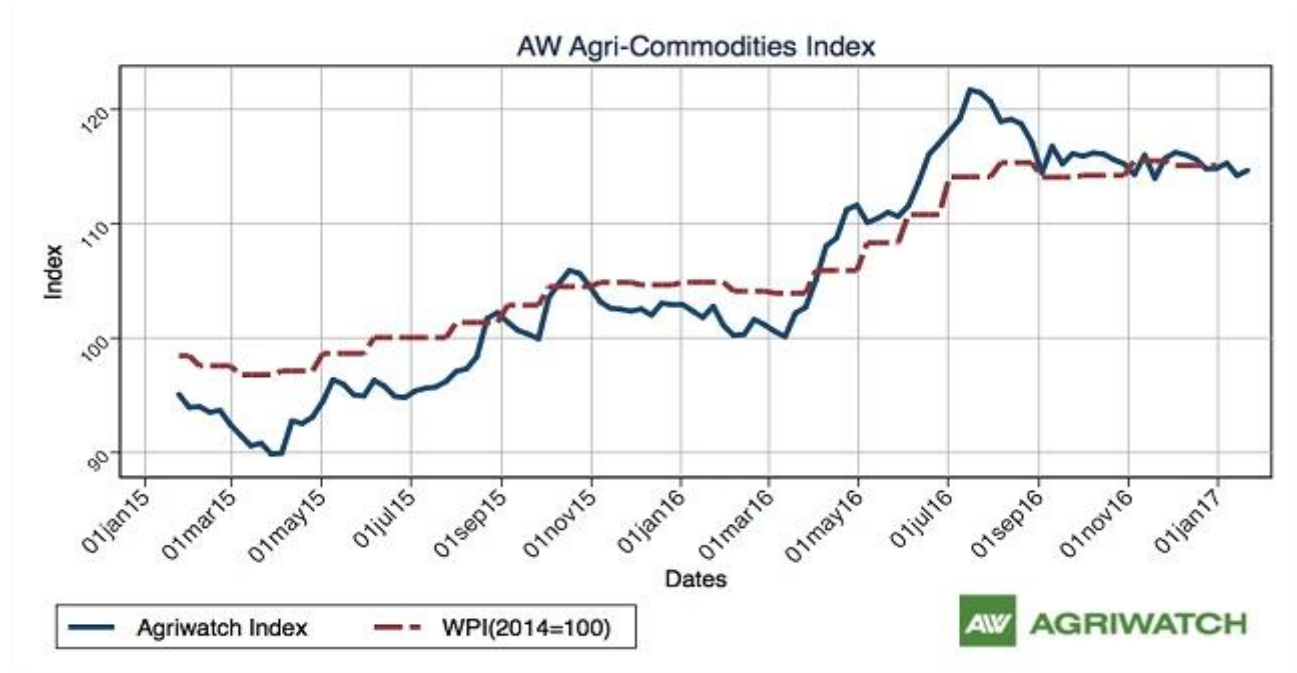


# Guar Weekly Research Report

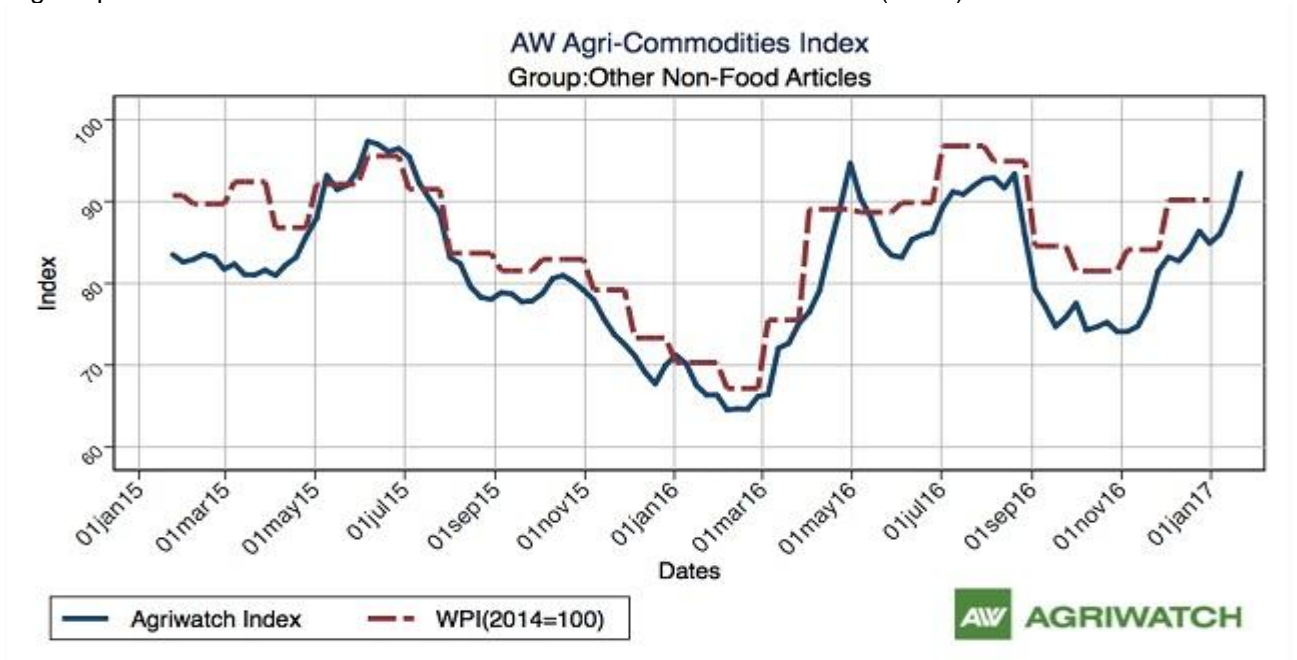
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## Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index gained 0.39% to 114.66 during the week ended Jan 21, 2017 from 114.21 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 5.22% to 93.48 during the week ended January 21, 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

*The wholesale price index of guar seed has increased from 238.5 in November 2016 to 239 in December 2016. The WPI for December 2016 is down by 2.1 compared to last year for the same month and by 94 compared to December 2014.*

*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 lower compared to last week by around 9409 tonnes. Currently guar seed loose prices are hovering around Rs. 3100-3350 per quintal. Prices are expected to be range bound to firm in the upcoming week.*

*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 (5900 quintals) compared to previous week 5100 quintals.*

*As far as arrivals are concerned Bikaner market, reported higher arrivals (4300 Quintals), arrivals compared to previous week 1000 quintals.*

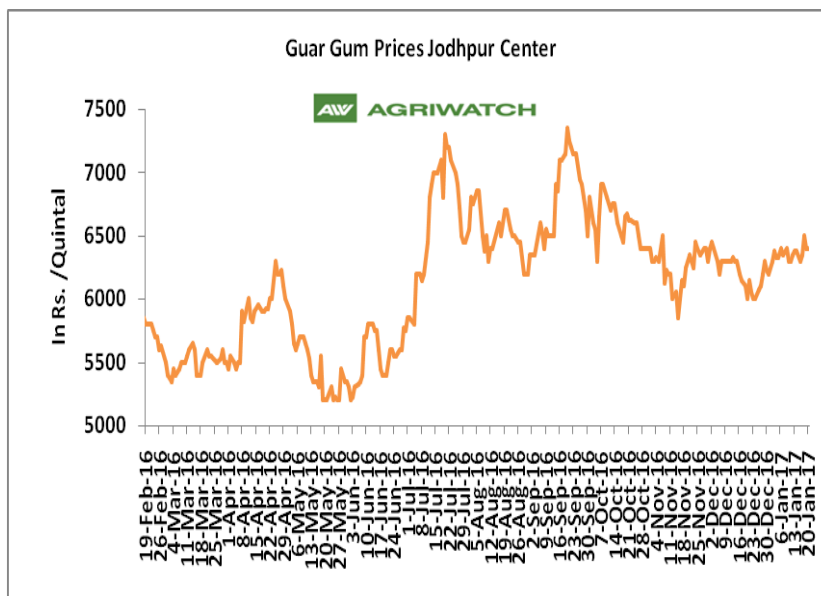
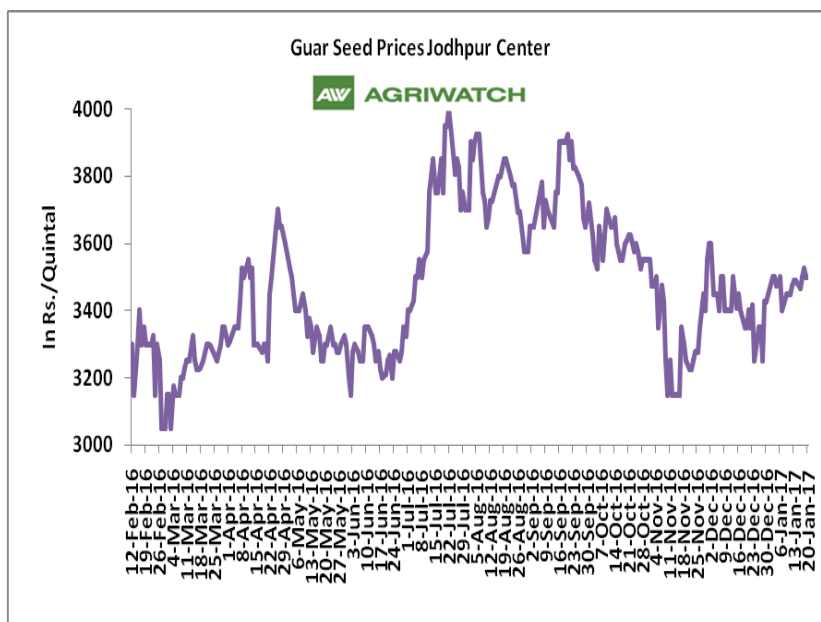
### Recommendation:

**Weekly Call - : Market participants are advised to Buy Guar seed at 3370 levels for a target of 3475 with a stop loss at 3331 on closing basis.**

## Guar Seed Fundamental Analysis and Outlook:-

### Domestic Front

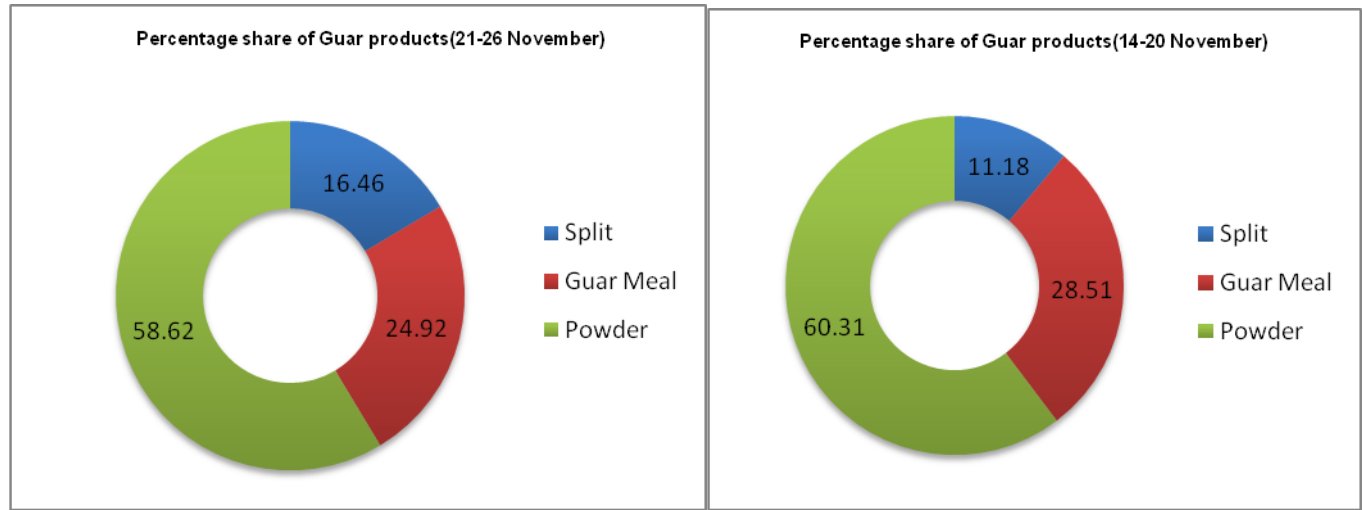
- In the week ended 20 January'17, Guar seed weekly average prices increased by Rs 44.17 /- qtl during the week compared to previous week and settled at Rs 3497 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 41.67/- qtl and settled at Rs. 6388 per quintal. Firm demand for guar 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 (21<sup>st</sup> - 26<sup>th</sup> November 2016)

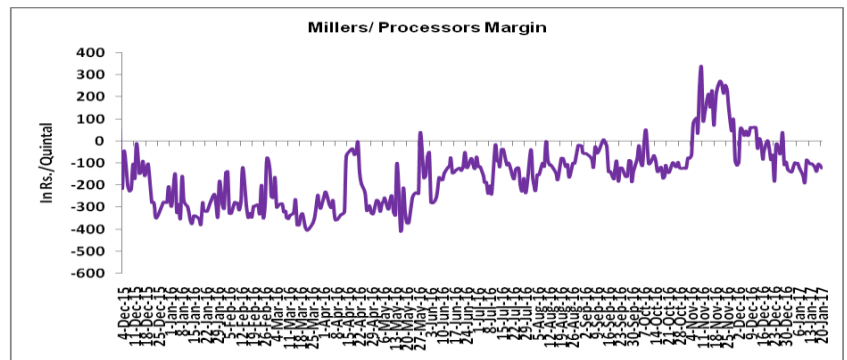
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



## Millers/Processors Margin

In the week ended 20 January '17, average crush margin is Rs. -115.67 /Quintal, compared to last week's -124.90 /Quintal. Therefore crushing is not favorable for Millers/Processors.

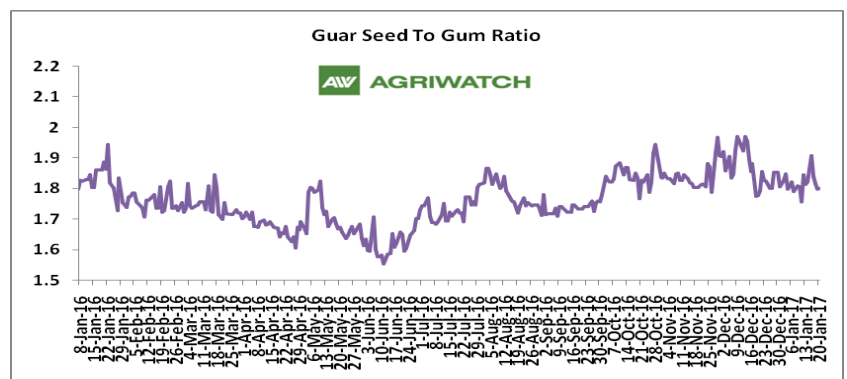
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



## Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 20 January'17 is 1.83, 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: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	February	3300	3275	3384	3510	3540
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	February	Buy	Above 3370	3435	3475	3331

### Technical Analysis (Guar Gum)

**Commodity:** Guar Gum  
**Contract:** February

**Exchange:** NCDEX  
**Expiry:** Feb 20, 2017



#### **Technical Commentary:**

- Rise in price and fall in open interest indicates short covering.
- 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	February	6315	6275	6419	6605	6645
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	February	Buy	Above 6410	6495	6560	6359



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

<b>Guar by – Products Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Centre</b>	<b>14th Jan to 20th Jan.17</b>	<b>7th Jan to 13th Jan.17</b>	<b>Change</b>
<b>Churi</b>	Jodhpur	1552	1587	<b>-35</b>
<b>Korma</b>	Jodhpur	1910	1751	<b>159</b>
<b>Churi</b>	Sri-Ganganagar	1418	1425	<b>-7</b>
<b>Korma</b>	Sri-Ganganagar	1784	1790	<b>-6</b>
<b>Prices in Rs/75kg</b>				

<b>Guar Export Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Variety</b>	<b>14th Jan to 20th Jan.17</b>	<b>7th Jan to 13th Jan.17</b>	<b>Change</b>
<b>Guargum Split</b>		930	924	<b>6</b>
<b>Guargum Powder</b>	200 Mesh 5000 CPS	1224	1218	<b>6</b>
	200 Mesh 3500 CPS	1150	1144	<b>6</b>
<b>Guargum Meal</b>	40%	301	315	<b>-14</b>
	50%	370	381	<b>-11</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>14th Jan to 20th Jan.17</b>	<b>7th Jan to 13th Jan.17</b>	
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur (Loose)	3348	3302	<b>46</b>
		Jodhpur(Delivery)	3498	3452	<b>46</b>
	<b>Sri-Ganganagar</b>	Sri-Ganganagar(Loose)	3170	3186	<b>-16</b>
		Sri-Ganganagar (Delivery)	3331	3336	<b>-5</b>
		Rawla (Loose)	3151	3170	<b>-19</b>
		Gharsana (Loose)	3198	3191	<b>7</b>
		Raisinghnagar (Loose)	3224	3201	<b>23</b>
	<b>Bikaner</b>	Bikaner (Loose)	3240	3215	<b>25</b>
		Bikaner (Delivery)	3390	3365	<b>25</b>
		Nokha(Loose)	3256	3223	<b>33</b>
		Nokha (Delivery)	3374	3339	<b>35</b>
		Khajuwala (Loose)	3198	3208	<b>-10</b>
		Khajuwala (Delivery)	3326	3336	<b>-10</b>
		Lunkaransar (Loose)	3175	3128	<b>47</b>
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3211	3215	<b>-4</b>
		Hanumangarh (Delivery)	3361	3365	<b>-4</b>



		Nohar (Loose)	3175	3191	-16
		Pilibanga (Loose)	3225	3134	91
	Nagaur	Nagaur (Loose)	3125	3108	17
	Churu	Churu (Delivery)	3341	3300	41
	Alwar	Alwar (Loose)	3108	3083	25
Haryana	Hisar	Adampur (Loose)	3210	3205	5
		Adampur (Delivery)	3360	3355	5
	Bhiwani	Bhiwani (Delivery)	3254	3275	-21
		Siwani (Loose)	3260	3281	-21
	Sirsa	Sirsa (Loose)	3210	3228	-18
		Dhabwali (Loose)	3219	3184	35
		Dhabwali (Delivery)	3369	3334	35
		Ellanabad (Loose)	3179	3190	-11
	Fatehabad	Fatehabad (Loose)	3212	3200	12
Gujarat	Banaskantha	Deesa (Loose)	3100	3060	40
	Patan	Patan (Loose)	3117	3089	28
	Rajkot	Rajkot (Loose)	3080	3085	-5
	Jamnagar	Dhrol (Loose)	2985	2945	40
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6390	6345	45
	Alwar	Alwar	6425	6358	67
	Hanumangarh	Nohar	6391	6366	25
Haryana	Bhiwani	Bhiwani	6335	6350	-15
	Sirsa	Sirsa	6387	6387	Unch
		Dhabwali	6460	6398	62
		Ellanabad	6375	6333	42
	Fatehabad	Fatehabad	6283	6300	-17

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

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			20-Jan-17	13-Jan-17	20-Dec-16	20-Jan-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3350	3340	3200	3200
		Jodhpur(Delivery)	3500	3490	3350	3400
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3232	3200	3170	3025
		Sri-Ganganagar (Delivery)	3380	3350	3320	3150
		Rawla (Loose)	3140	3160	3150	NA
		Gharsana (Loose)	3225	3220	3060	3039

		Raisinghnagar (Loose)	3200	3210	3125	3035
		<b>Bikaner</b>	Bikaner (Loose)	3230	3215	3200
			Bikaner (Delivery)	3380	3365	3350
			Nokha(Loose)	3270	3230	3120
			Nokha (Delivery)	3388	3346	3232
			Khajuwala (Loose)	3220	3215	3090
			Khajuwala (Delivery)	3349	3344	3214
			Lunkaransar (Loose)	3200	3100	3050
		<b>Hanumangarh</b>	Hanumangarh (Loose)	3210	3215	3170
			Hanumangarh (Delivery)	3360	3365	3320
			Nohar (Loose)	3180	3200	3080
			Pilibanga (Loose)	3220	3200	3100
		<b>Nagaur</b>	Nagaur (Loose)	3150	3150	3100
		<b>Churu</b>	Churu (Delivery)	3350	3300	3200
		<b>Alwar</b>	Alwar (Loose)	3100	3100	3000
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3230	3200	3200	3050
		Adampur (Delivery)	3380	3350	3350	3250
	<b>Bhiwani</b>	Bhiwani (Delivery)	3250	3250	3100	3150
		Siwani (Loose)	3250	3260	3200	3125
	<b>Sirsa</b>	Sirsa (Loose)	3225	3225	3125	3000
		Dhabwali (Loose)	3200	Closed	3080	3015
		Dhabwali (Delivery)	3350	Closed	3230	3215
		Ellanabad (Loose)	3200	3175	3100	3025
	<b>Fatehabad</b>	Fatehabad (Loose)	3250	3200	NR	3000
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	3300	3045	2950	3050
	<b>Patan</b>	Patan (Loose)	3110	3120	2985	3095
	<b>Rajkot</b>	Rajkot (Loose)	NR	NA	2950	3105
	<b>Jamnagar</b>	Dhrol (Loose)	NA	2960	2910	3145
<b>MP</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	NA	3150
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	6400	6375	6000	5900
	<b>Alwar</b>	Alwar	6400	6350	6000	6000
	<b>Hanumangarh</b>	Nohar	6500	6400	6200	6100
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	6300	6300	6150	5800
	<b>Sirsa</b>	Sirsa	3250	6400	6050	5800
		Dhabwali	6400	Closed	6200	5800
		Ellanabad	6400	6350	6050	5950
	<b>Fatehabad</b>	Fatehabad	6300	6300	NR	5950

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			14th Jan to 20th Jan.17	7th Jan to 13th Jan.17	
Rajasthan	Jodhpur	Jodhpur	749	439	310
	Sri-Ganganagar	Sri-Ganganagar	1487	4777	-3290
		Rawla	3700	3800	-100
		Gharsana	3500	4800	-1300
		Raisinghnagar	2900	3400	-500
	Bikaner	Bikaner	4380	1000	3380
		Nokha	1500	2250	-750
		Khajuwala	7400	5000	2400
		Lunkaransar	2700	2200	500
	Hanumangarh	Hanumangarh	300	930	-630
		Nohar	9600	8200	1400
		Pilibanga	850	1200	-350
	Nagaur	Nagaur	775	590	185
	Churu	Churu	3200	4600	-1400
	Alwar	Alwar	1600	1800	-200
Haryana	Hisar	Adampur	5900	5100	800
	Bhiwani	Bhiwani	9000	16000	-7000
		Siwani	6200	5600	600
	Sirsa	Sirsa	8200	9000	-800
		Dhabwali	975	1100	-125
		Ellanabad	3250	3200	50
	Fatehabad	Fatehabad	600	825	-225
Gujarat	Banaskantha	Deesa	430	834	-404
	Patan	Patan	1914	2674	-760
	Rajkot	Rajkot	200	1310	-1110
	Jamnagar	Dhrol	10	100	-90
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			81320	90729	-9409

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