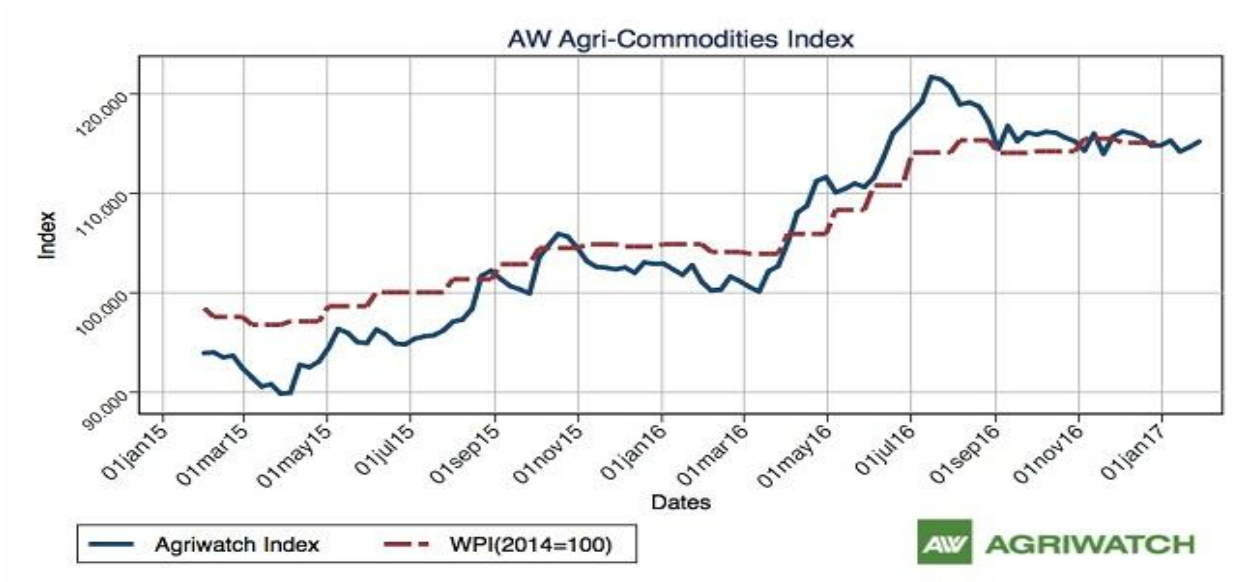


# Guar Weekly Research Report

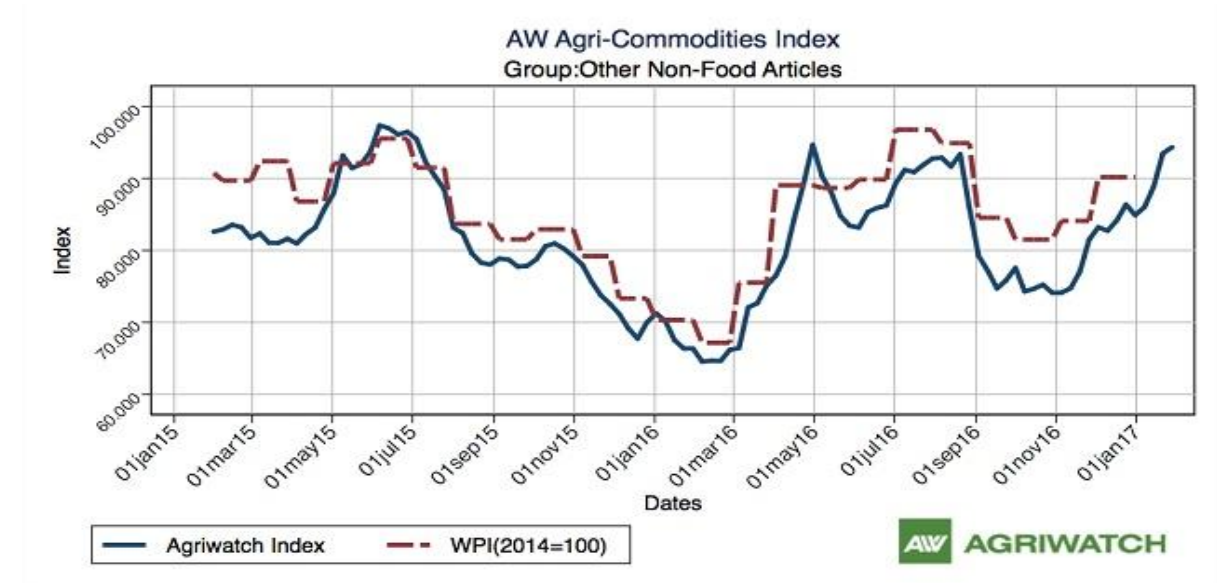
## Contents

- ❖ 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 rose 0.49% to 115.21 during the week ended Jan 28, 2017 from 114.66 during the previous week led by gains in cereals prices (rice and maize). The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index increased by 0.93% to 94.35 during the week ended January 28, 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 second advance estimate issued by Gujarat's department of agriculture for guar seed the area, production and yield are 352000 hectares, 242000 tonnes and 687 kg/hectare respectively compared to final advance estimate issued in December the area, production and yield has been increased by 43000 hectares, 85000 tonnes and 56 kg/hectare.*

*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.*

*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 (6500 quintals) compared to previous week 5900 quintals.*

*As far as arrivals are concerned Bikaner market, reported higher arrivals (4974 Quintals), arrivals compared to previous week 4380 quintals.*

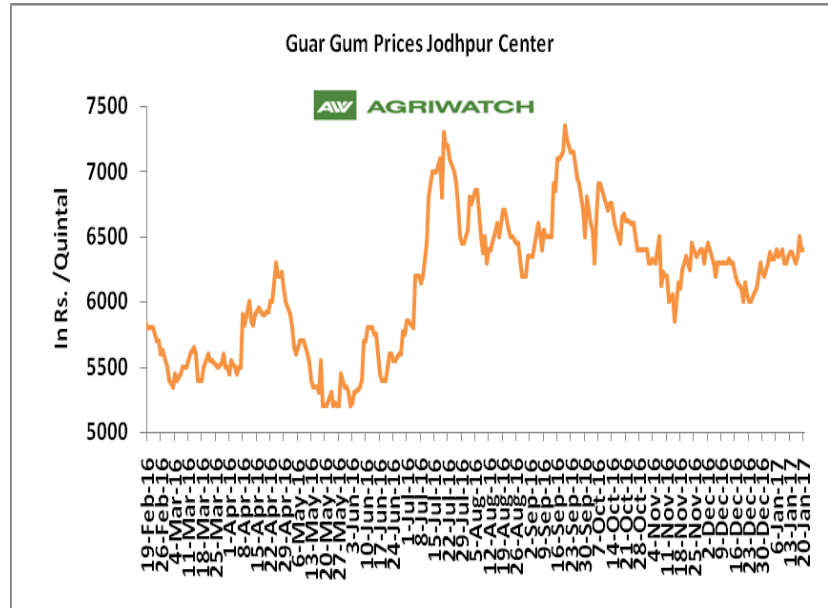
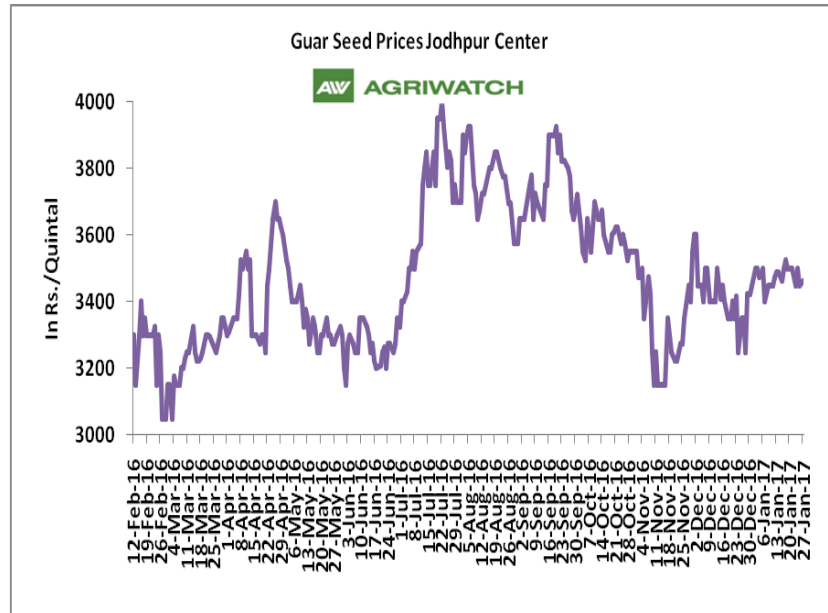
### Recommendation:

**Weekly Call - : Market participants are advised to Sell Guar seed at 3290 levels for a target of 3205 with a stop loss at 3317 on closing basis.**

## Guar Seed Fundamental Analysis and Outlook:-

### Domestic Front

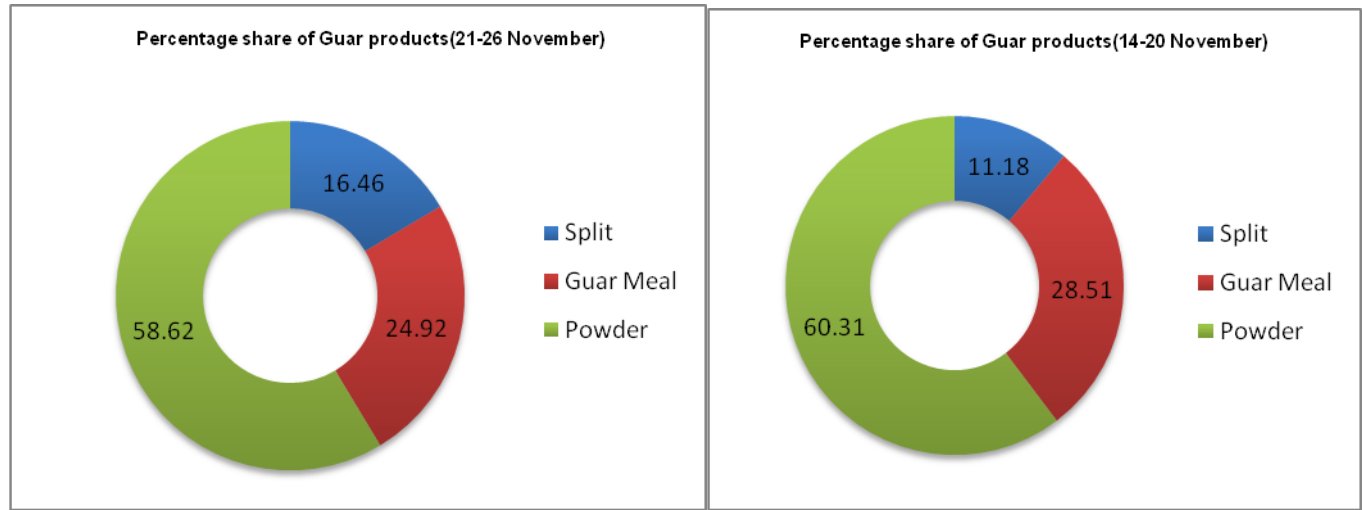
- In the week ended 27 January'17, Guar seed weekly average prices decreased by Rs 23.67 /- qtl during the week compared to previous week and settled at Rs 3473 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 2.50/- qtl and settled at Rs. 6390 per quintal. Firm demand for guar 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)

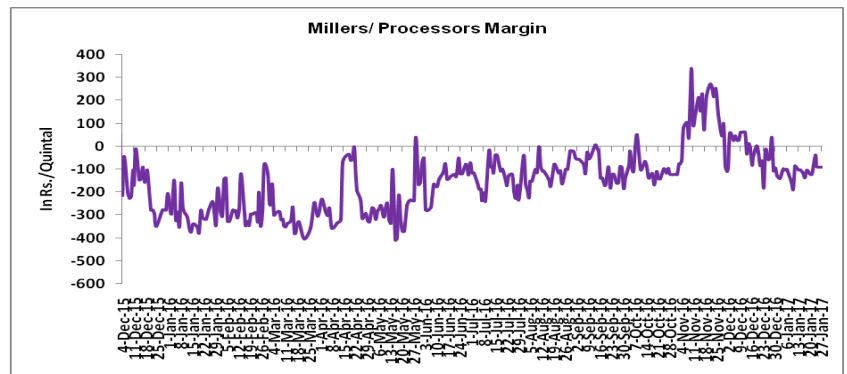
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



## Millers/Processors Margin

In the week ended 27 January '17, average crush margin is Rs. -85.85 /Quintal, compared to last week's -115.67 /Quintal. Therefore crushing is not favorable for Millers/Processors.

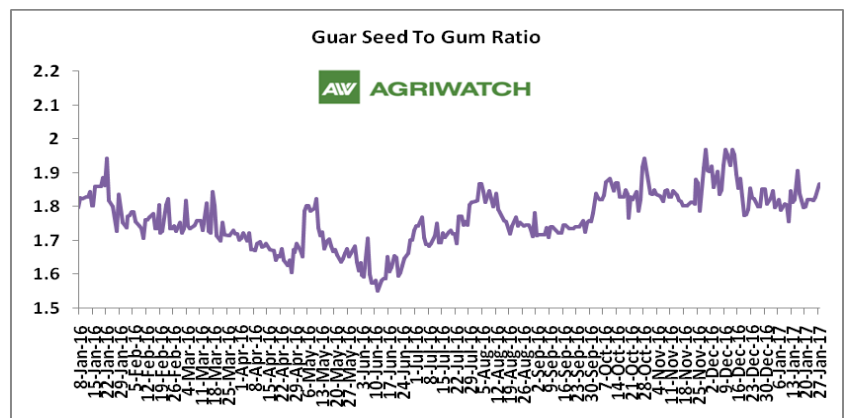
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



## Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 27 January'17 is 1.84, higher compared to last week's 1.83

Overall, buoyant demand of gum from overseas and good demand of seed from millers has increased 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 open interest indicates long liquidation.
- 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	3175	3150	3282	3350	3375
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	February	<b>Sell</b>	Below 3290	3245	3205	3317

## Technical Analysis (Guar Gum)

Commodity: Guar Gum  
Contract: February

Exchange: NCDEX  
Expiry: Feb 20, 2017



### Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- Last candlestick depicts bearishness in market.
- RSI is moving in neutral region.

### Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	February	6155	6120	6293	6410	6455
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	February	Sell	Below 6315	6245	6195	6357



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

<b>Guar by – Products Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Centre</b>	<b>21st Jan to 27th Jan.17</b>	<b>14th Jan to 20th Jan.17</b>	<b>Change</b>
<b>Churi</b>	Jodhpur	1568	1552	16
<b>Korma</b>	Jodhpur	1905	1910	-5
<b>Churi</b>	Sri-Ganganagar	1425	1418	7
<b>Korma</b>	Sri-Ganganagar	1777	1784	-7
<b>Prices in Rs/75kg</b>				

<b>Guar Export Weekly Average Prices:</b>				
<b>Commodity</b>	<b>Variety</b>	<b>21st Jan to 27th Jan.17</b>	<b>14th Jan to 20th Jan.17</b>	<b>Change</b>
<b>Guargum Split</b>		936	930	6
<b>Guargum Powder</b>	200 Mesh 5000 CPS	1230	1224	6
	200 Mesh 3500 CPS	1156	1150	6
<b>Guargum Meal</b>	40%	308	301	7
	50%	379	370	9
<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>21st Jan to 27th Jan.17</b>	<b>14th Jan to 20th Jan.17</b>	
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur (Loose)	3323	3348	-25
		Jodhpur(Delivery)	3473	3498	-25
	<b>Sri-Ganganagar</b>	Sri-Ganganagar(Loose)	3223	3170	53
		Sri-Ganganagar (Delivery)	3358	3331	27
		Rawla (Loose)	3166	3151	15
		Gharsana (Loose)	3203	3198	5
		Raisinghnagar (Loose)	3192	3224	-32
	<b>Bikaner</b>	Bikaner (Loose)	3184	3240	-56
		Bikaner (Delivery)	3334	3390	-56
		Nokha(Loose)	3232	3256	-24
		Nokha (Delivery)	3348	3374	-26
		Khajuwala (Loose)	3202	3198	4
		Khajuwala (Delivery)	3330	3326	4
		Lunkaransar (Loose)	3134	3175	-41
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3208	3211	-4
		Hanumangarh (Delivery)	3358	3361	-4



		Nohar (Loose)	3186	3175	11
		Pilibanga (Loose)	3175	3225	-50
	Nagaur	Nagaur (Loose)	3050	3125	-75
	Churu	Churu (Delivery)	3320	3341	-21
	Alwar	Alwar (Loose)	3090	3108	-18
Haryana	Hisar	Adampur (Loose)	3202	3210	-8
		Adampur (Delivery)	3352	3360	-8
	Bhiwani	Bhiwani (Delivery)	3230	3254	-24
		Siwani (Loose)	3237	3260	-23
	Sirsa	Sirsa (Loose)	3197	3210	-13
		Dhabwali (Loose)	3199	3219	-20
		Dhabwali (Delivery)	3311	3369	-58
		Ellanabad (Loose)	3185	3179	6
	Fatehabad	Fatehabad (Loose)	3222	3212	10
Gujarat	Banaskantha	Deesa (Loose)	3160	3100	60
	Patan	Patan (Loose)	3074	3117	-43
	Rajkot	Rajkot (Loose)	3065	3080	-15
	Jamnagar	Dhrol (Loose)	2760	2985	-225
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6390	6390	Unch
	Alwar	Alwar	6410	6425	-15
	Hanumangarh	Nohar	6390	6391	-1
Haryana	Bhiwani	Bhiwani	6350	6335	15
	Sirsa	Sirsa	6360	6387	-27
		Dhabwali	6438	6460	-23
		Ellanabad	6375	6375	Unch
	Fatehabad	Fatehabad	6380	6283	97

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

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			27-Jan-17	20-Jan-17	27-Dec-16	27-Jan-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3315	3350	3200	3200
		Jodhpur(Delivery)	3465	3500	3350	3400
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3225	3232	NR	3025
		Sri-Ganganagar (Delivery)	3350	3380	NR	3150
		Rawla (Loose)	3150	3140	3100	NR
		Gharsana (Loose)	3160	3225	3080	3038

		Raisinghnagar (Loose)	3180	3200	NR	3030
	<b>Bikaner</b>	Bikaner (Loose)	3150	3230	NR	2975
		Bikaner (Delivery)	3300	3380	NR	3175
		Nokha(Loose)	3230	3270	3100	3100
		Nokha (Delivery)	3346	3388	3200	3212
		Khajuwala (Loose)	3160	3220	3080	2990
		Khajuwala (Delivery)	3286	3349	3203	3110
		Lunkaransar (Loose)	3100	3200	3100	3100
	<b>Hanumangarh</b>	Hanumangarh (Loose)	NR	3210	3143	2980
		Hanumangarh (Delivery)	NR	3360	3293	3180
		Nohar (Loose)	3200	3180	3100	3000
		Pilibanga (Loose)	NA	3220	3100	3043
	<b>Nagaur</b>	Nagaur (Loose)	3050	3150	3050	3000
	<b>Churu</b>	Churu (Delivery)	3300	3350	3300	3200
	<b>Alwar</b>	Alwar (Loose)	3100	3100	3050	3000
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3200	3230	NR	3050
		Adampur (Delivery)	3350	3380	NR	3250
	<b>Bhiwani</b>	Bhiwani (Delivery)	3225	3250	3150	3225
		Siwani (Loose)	3225	3250	3200	3125
	<b>Sirsa</b>	Sirsa (Loose)	3200	3225	3135	3015
		Dhabwali (Loose)	3175	3200	3100	3020
		Dhabwali (Delivery)	3175	3350	3250	3220
		Ellanabad (Loose)	3175	3200	3100	3000
	<b>Fatehabad</b>	Fatehabad (Loose)	3230	3250	3100	2950
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	3000	3300	Closed	3110
	<b>Patan</b>	Patan (Loose)	3035	3110	3090	3090
	<b>Rajkot</b>	Rajkot (Loose)	3050	NR	NA	3125
	<b>Jamnagar</b>	Dhrol (Loose)	2750	NA	NA	3080
<b>Madhya pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	NA	3000
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	6350	6400	6100	6050
	<b>Alwar</b>	Alwar	6400	6400	6200	5900
	<b>Hanumangarh</b>	Nohar	6300	6500	6200	5900
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	6325	6300	6150	6200
	<b>Sirsa</b>	Sirsa	6300	6375	6150	5900
		Dhabwali	6400	6400	6200	5950
		Ellanabad	6400	6400	6200	5950
	<b>Fatehabad</b>	Fatehabad	6400	6300	6150	5900

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			21st Jan to 27th Jan.17	14th Jan to 20th Jan.17	
Rajasthan	Jodhpur	Jodhpur	800	749	51
	Sri-Ganganagar	Sri-Ganganagar	3217	1487	1730
		Rawla	3100	3700	-600
		Gharsana	3800	3500	300
		Raisinghnagar	3100	2900	200
	Bikaner	Bikaner	4974	4380	594
		Nokha	1700	1500	200
		Khajuwala	7300	7400	-100
		Lunkaransar	1700	2700	-1000
	Hanumangarh	Hanumangarh	416	300	116
		Nohar	7900	9600	-1700
		Pilibanga	500	850	-350
	Nagaur	Nagaur	560	775	-215
	Churu	Churu	2900	3200	-300
	Alwar	Alwar	1200	1600	-400
Haryana	Hisar	Adampur	6500	5900	600
	Bhiwani	Bhiwani	9000	9000	Unch
		Siwani	4500	6200	-1700
	Sirsa	Sirsa	7500	8200	-700
		Dhabwali	600	975	-375
		Ellanabad	2250	3250	-1000
	Fatehabad	Fatehabad	575	600	-25
Gujarat	Banaskantha	Deesa	589	430	159
	Patan	Patan	2194	1914	280
	Rajkot	Rajkot	1300	200	1100
	Jamnagar	Dhrol	4	10	-6
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			78179	81320	-3141

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.