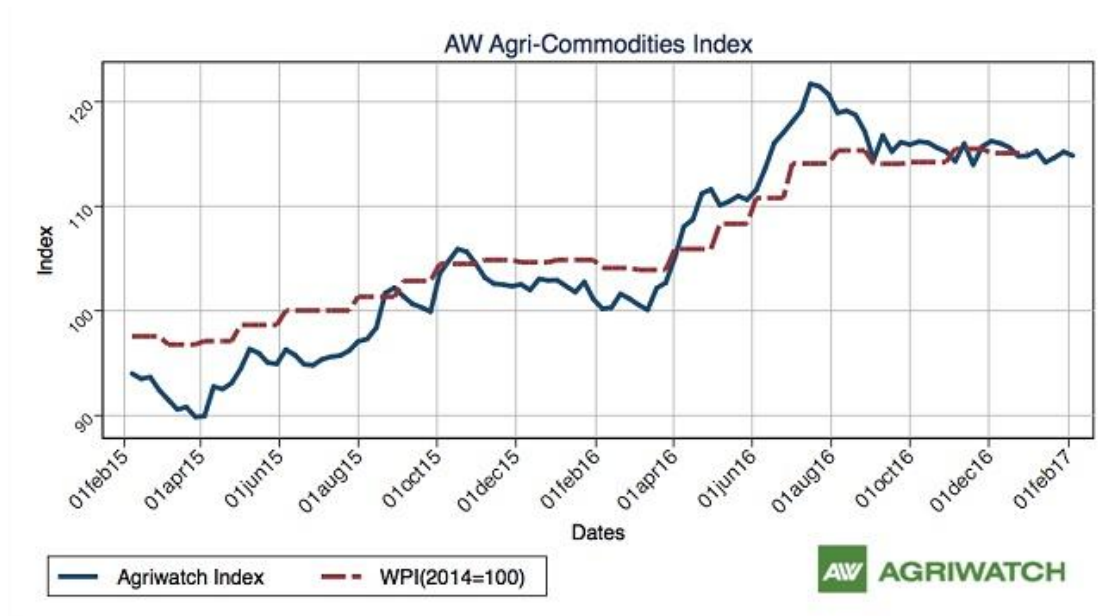


Guar Weekly Research Report

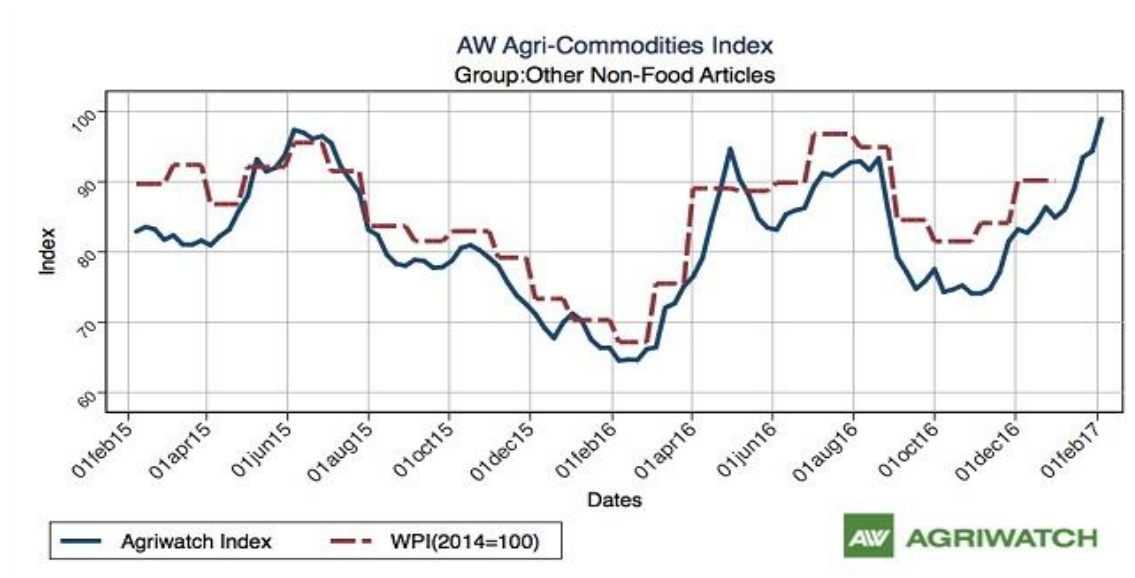
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index dipped 0.32% to 114.85 during the week ended Feb 4, 2017 from 115.21 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 4.86% to 98.94 during the week ended February 04, 2017.

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. Stocking activities are high as traders are stocking major portion of arrivals. Guar seed arrivals in this week are higher compared to last week by around 16276 tonnes. Currently guar seed loose prices are hovering around Rs. 3000-3200 per quintal. Prices are expected to be range bound to weak in the upcoming week.

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.

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 (9000 quintals) compared to previous week 6500 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (5200 Quintals), arrivals compared to previous week 4974 quintals.

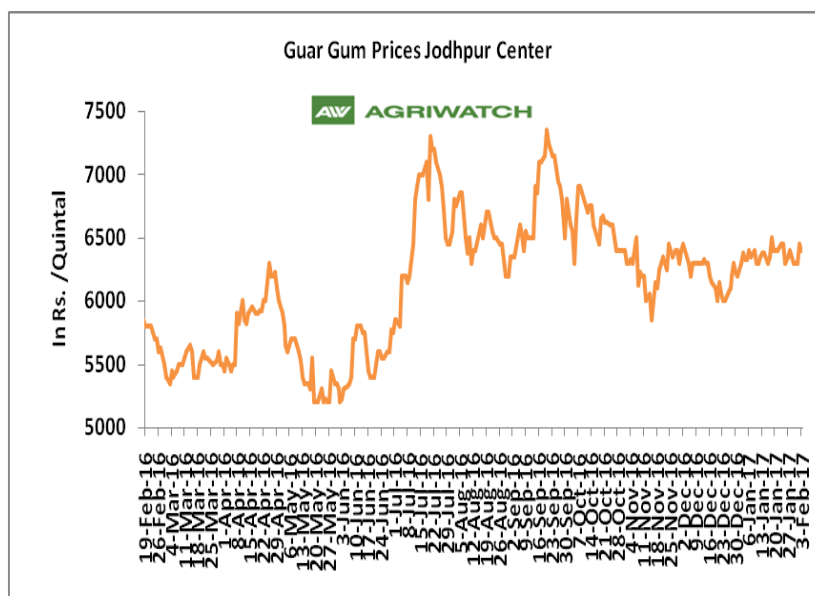
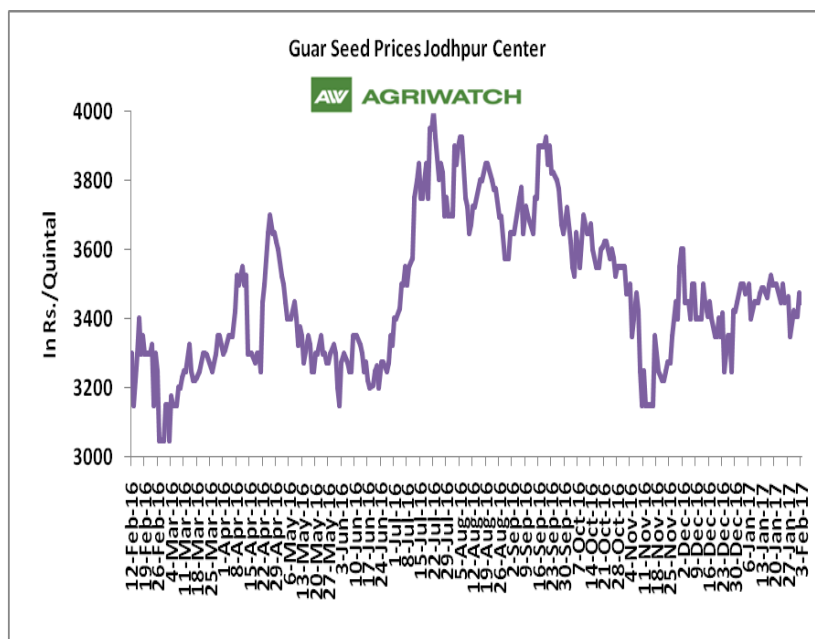
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3345 levels for a target of 3240 with a stop loss at 3381 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

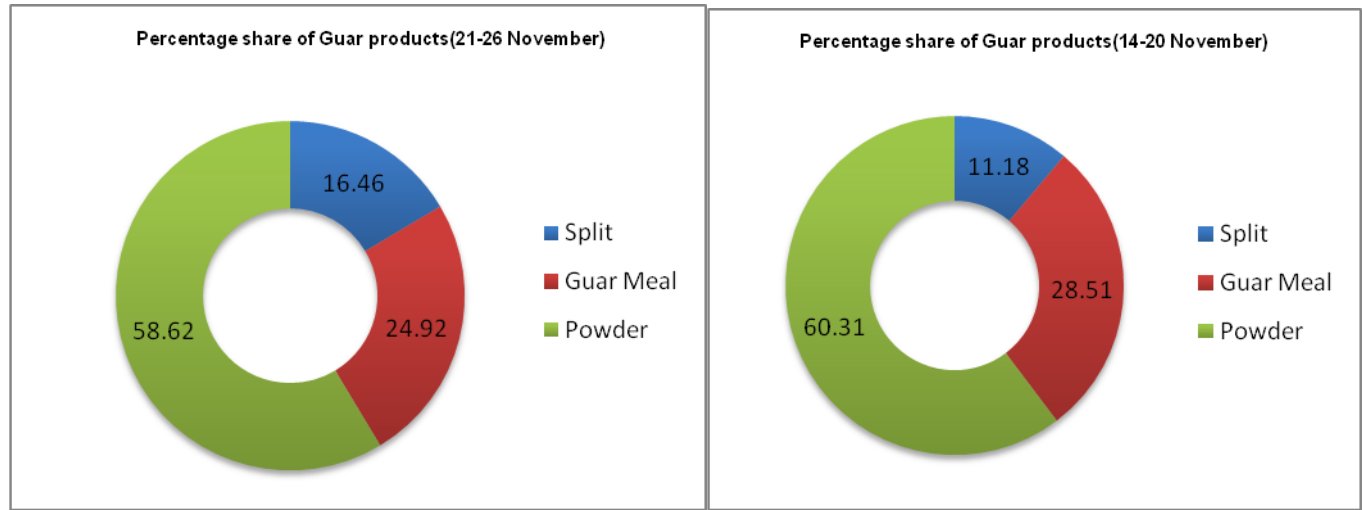
- In the week ended 03 February'17, Guar seed weekly average prices decreased by Rs 53 /- qtl during the week compared to previous week and settled at Rs 3420 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 31.67/- qtl and settled at Rs. 6358 per quintal. Weak demand for guar gum from domestic as well as overseas market led the prices down this week.
- 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.
- 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.



Export Scenario

Export Scenario (21st - 26th November 2016)

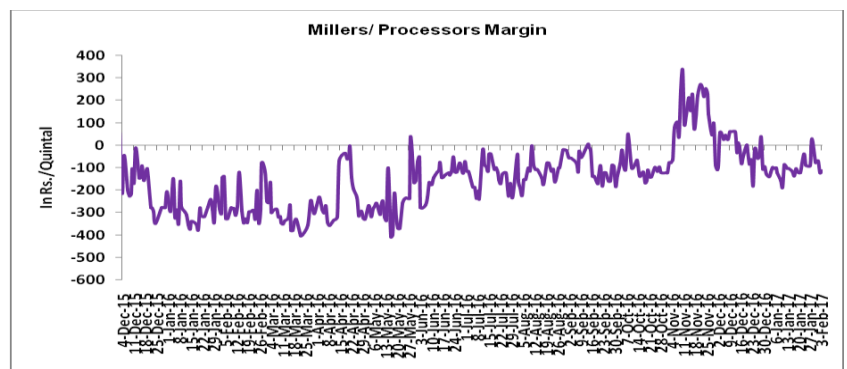
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 03 February '17, average crush margin is Rs. -69.82 /Quintal, compared to last week's -85.85 /Quintal. Therefore crushing is not favorable for Millers/Processors.

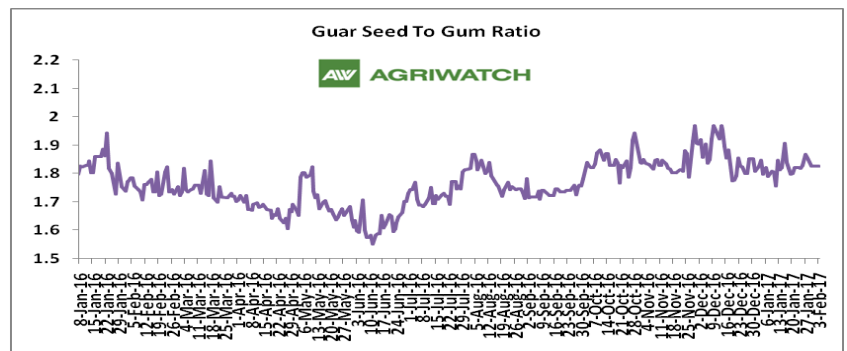
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 03 February'17 is 1.86, higher compared to last week's 1.84

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: March

Exchange: NCDEX
Expiry: March 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	March	3205	3175	3336	3435	3470
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	March	Sell	Below 3345	3285	3240	3381

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: March

Exchange: NCDEX
Expiry: March 20, 2017

Guar Gum (March Weekly Chart)



Technical Commentary:

- Rise in price and open interest indicates long buildup.
- 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	March	6225	6175	6411	6575	6630
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	March	Sell	Below 6440	6345	6280	6497

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	28th Jan.17 to 03rd Feb.17	21st Jan to 27th Jan.17	Change
Churi	Jodhpur	1525	1568	-43
Korma	Jodhpur	1886	1905	-19
Churi	Sri-Ganganagar	1388	1425	-37
Korma	Sri-Ganganagar	1763	1777	-14
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	28th Jan.17 to 03rd Feb.17	21st Jan to 27th Jan.17	Change
Guargum Split		925	936	-11
Guargum Powder	200 Mesh 5000 CPS	1220	1230	-10
	200 Mesh 3500 CPS	1147	1156	-9
Guargum Meal	40%	315	308	7
	50%	384	379	5
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			28th Jan.17 to 03rd Feb.17	21st Jan to 27th Jan.17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3270	3323	-53
		Jodhpur(Delivery)	3420	3473	-53
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3184	3223	-39
		Sri-Ganganagar (Delivery)	3330	3358	-29
		Rawla (Loose)	3132	3166	-34
		Gharsana (Loose)	3138	3203	-65
		Raisinghnagar (Loose)	3156	3192	-36
	Bikaner	Bikaner (Loose)	3176	3184	-9
		Bikaner (Delivery)	3326	3334	-9
		Nokha(Loose)	3167	3232	-65
		Nokha (Delivery)	3281	3348	-68
		Khajuwala (Loose)	3163	3202	-39
		Khajuwala (Delivery)	3290	3330	-40
		Lunkaransar (Loose)	3092	3134	-42
	Hanumangarh	Hanumangarh (Loose)	3170	3208	-38

		Hanumangarh (Delivery)	3320	3358	-38
		Nohar (Loose)	3161	3186	-25
		Pilibanga (Loose)	3120	3175	-55
	Nagaur	Nagaur (Loose)	3067	3050	17
	Churu	Churu (Delivery)	3258	3320	-62
	Alwar	Alwar (Loose)	3025	3090	-65
Haryana	Hisar	Adampur (Loose)	3211	3202	9
		Adampur (Delivery)	3361	3352	9
	Bhiwani	Bhiwani (Delivery)	3245	3230	15
		Siwani (Loose)	3210	3237	-27
	Sirsa	Sirsa (Loose)	3196	3197	-1
		Dhabwali (Loose)	3179	3199	-20
		Dhabwali (Delivery)	3329	3311	18
		Ellanabad (Loose)	3186	3185	1
	Fatehabad	Fatehabad (Loose)	3231	3222	9
Gujarat	Banaskantha	Deesa (Loose)	3002	3160	-158
	Patan	Patan (Loose)	3030	3074	-44
	Rajkot	Rajkot (Loose)	3046	3065	-19
	Jamnagar	Dhrol (Loose)	2888	2760	128
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6358	6390	-32
	Alwar	Alwar	6317	6410	-93
	Hanumangarh	Nohar	6300	6390	-90
Haryana	Bhiwani	Bhiwani	6367	6350	17
	Sirsa	Sirsa	6354	6360	-6
		Dhabwali	6408	6438	-29
		Ellanabad	6321	6375	-54
	Fatehabad	Fatehabad	6413	6380	33

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			3-Feb-17	27-Jan-17	3-Jan-17	3-Feb-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3300	3315	3350	2900
		Jodhpur(Delivery)	3450	3465	3500	3100
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3150	3225	3125	2900
		Sri-Ganganagar (Delivery)	3300	3350	3350	3050
		Rawla (Loose)	3150	3150	3200	2860

		Gharsana (Loose)	3140	3160	3270	2850
		Raisinghnagar (Loose)	3150	3180	3230	2870
	Bikaner	Bikaner (Loose)	3160	3150	3225	2875
		Bikaner (Delivery)	3310	3300	3375	2910
		Nokha(Loose)	3150	3230	3260	2920
		Nokha (Delivery)	3263	3346	3377	3025
		Khajuwala (Loose)	3160	3160	3200	2880
		Khajuwala (Delivery)	3286	3286	3328	2995
		Lunkaransar (Loose)	3100	3100	3200	2900
	Hanumangarh	Hanumangarh (Loose)	3200	3241	3250	2850
		Hanumangarh (Delivery)	3350	3391	3400	2950
		Nohar (Loose)	3140	3200	3260	2850
		Pilibanga (Loose)	NR	3125	3232	2800
	Nagaur	Nagaur (Loose)	3100	3050	3000	2850
	Churu	Churu (Delivery)	3250	3300	3350	3050
	Alwar	Alwar (Loose)	3000	3100	3100	2850
Haryana	Hisar	Adampur (Loose)	3215	3200	3275	2950
		Adampur (Delivery)	3365	3350	3425	3050
	Bhiwani	Bhiwani (Delivery)	3250	3225	3300	3000
		Siwani (Loose)	3215	3225	3340	2975
	Sirsa	Sirsa (Loose)	3220	3200	3275	2800
		Dhabwali (Loose)	3150	3175	3240	2800
		Dhabwali (Delivery)	3300	3325	3390	3000
		Ellanabad (Loose)	3200	3175	3250	2835
	Fatehabad	Fatehabad (Loose)	3250	3230	NR	2800
Gujarat	Banaskantha	Deesa (Loose)	3050	3000	3150	2900
	Patan	Patan (Loose)	3025	3035	3145	3025
	Rajkot	Rajkot (Loose)	2950	3050	3175	3065
	Jamnagar	Dhrol (Loose)	3000	2750	3110	2805
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	3000
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6400	6350	6375	5600
	Alwar	Alwar	6300	6400	6325	5650
	Hanumangarh	Nohar	6300	6300	6400	5550
Haryana	Bhiwani	Bhiwani	6550	6325	6350	5500
	Sirsa	Sirsa	6450	6300	6500	5550
		Dhabwali	6400	6400	6400	5600
		Ellanabad	6400	6400	6325	5600
	Fatehabad	Fatehabad	6400	6400	NR	5600

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			28th Jan.17 to 03rd Feb.17	21st Jan to 27th Jan.17	
Rajasthan	Jodhpur	Jodhpur	311	800	-489
	Sri-Ganganagar	Sri-Ganganagar	4595	3217	1378
		Rawla	3200	3100	100
		Gharsana	3300	3800	-500
		Raisinghnagar	3600	3100	500
	Bikaner	Bikaner	5200	4974	226
		Nokha	1900	1700	200
		Khajuwala	6700	7300	-600
		Lunkaransar	1525	1700	-175
	Hanumangarh	Hanumangarh	620	416	204
		Nohar	10300	7900	2400
		Pilibanga	200	500	-300
	Nagaur	Nagaur	900	560	340
	Churu	Churu	3800	2900	900
	Alwar	Alwar	1900	1200	700
Haryana	Hisar	Adampur	9000	6500	2500
	Bhiwani	Bhiwani	12500	9000	3500
		Siwani	7500	4500	3000
	Sirsa	Sirsa	9000	7500	1500
		Dhabwali	1450	600	850
		Ellanabad	2750	2250	500
	Fatehabad	Fatehabad	310	575	-265
Gujarat	Banaskantha	Deesa	970	589	381
	Patan	Patan	1573	2194	-621
	Rajkot	Rajkot	1336	1300	36
	Jamnagar	Dhrol	15	4	11
Madhya pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			94455	78179	16276

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