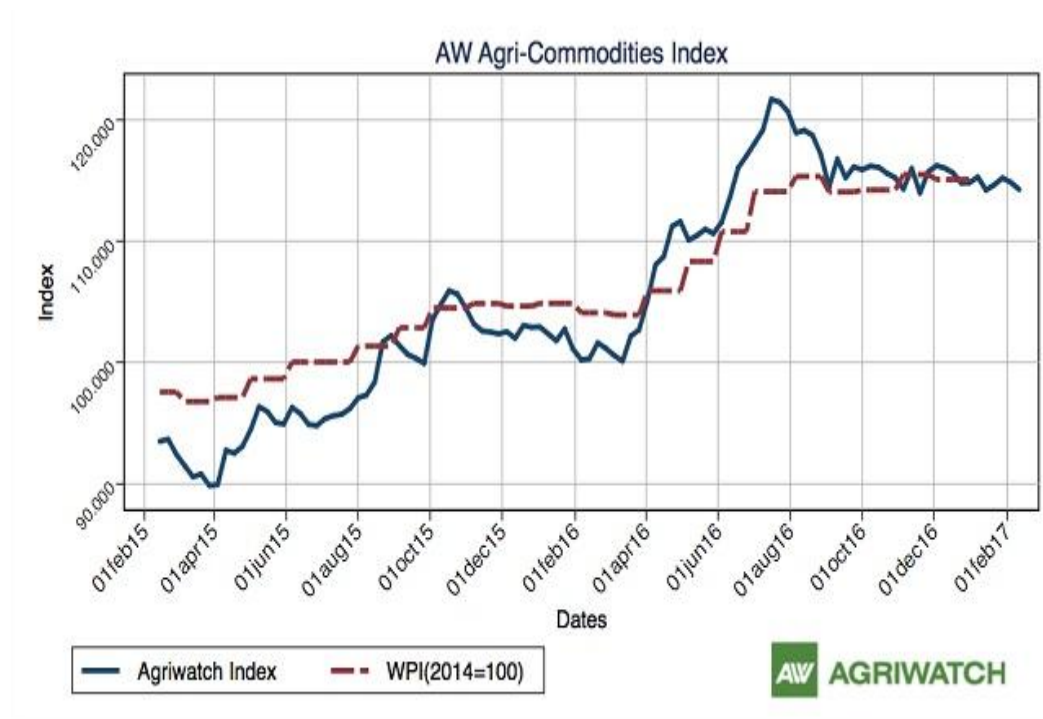


Guar Weekly Research Report

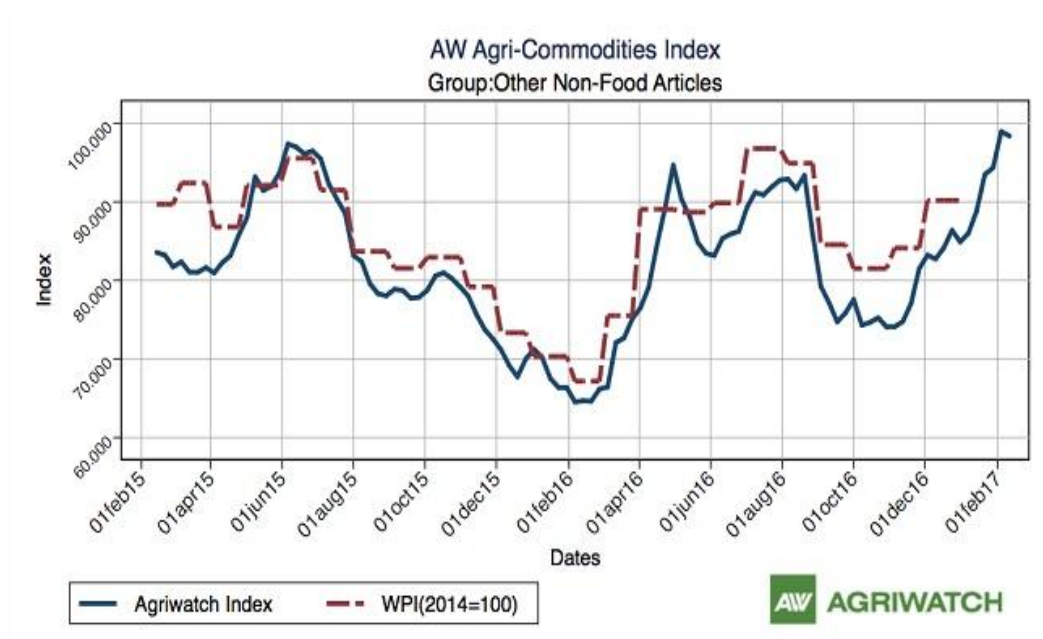
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities Index fell 0.50% to 114.27 during the week ended Feb 11, 2017 from 114.85 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 0.55% to 98.39 during the week ended February 12, 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

Guargum February contract has increased by around 12% because of export demand. In the month of December 2016, around 48000 tonnes of guar gum was exported compared to 36000 tonnes in the previous month. Lower domestic production and increase in crude oil prices are providing support to prices.

The wholesale price index of guar seed has increased from 239 in December 2016 to 239.8 in January 2017. The WPI for January 2017 is down by 2.3 compared to last year for the same month and by 90.6 compared to January 2015.

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 lower arrivals (8500 quintals) compared to previous week 8700 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (3600 Quintals), arrivals compared to previous week 4400 quintals.

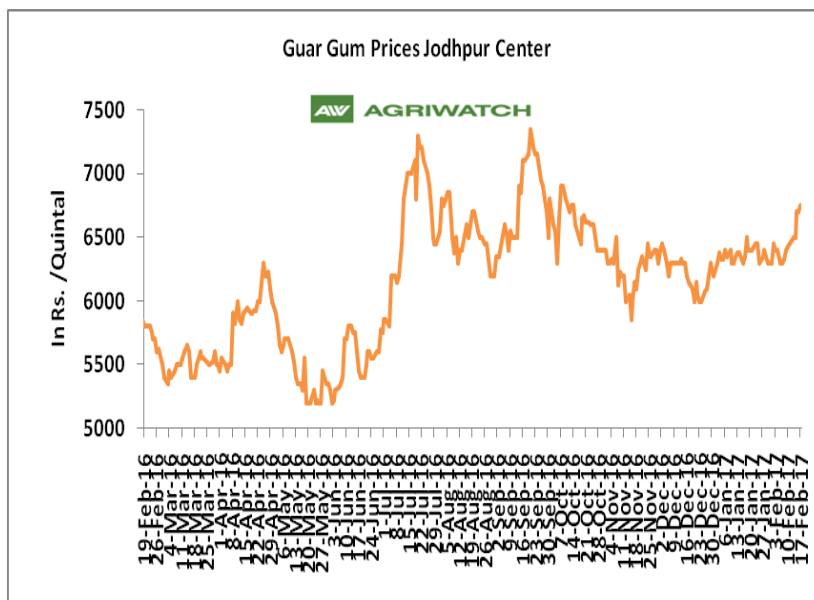
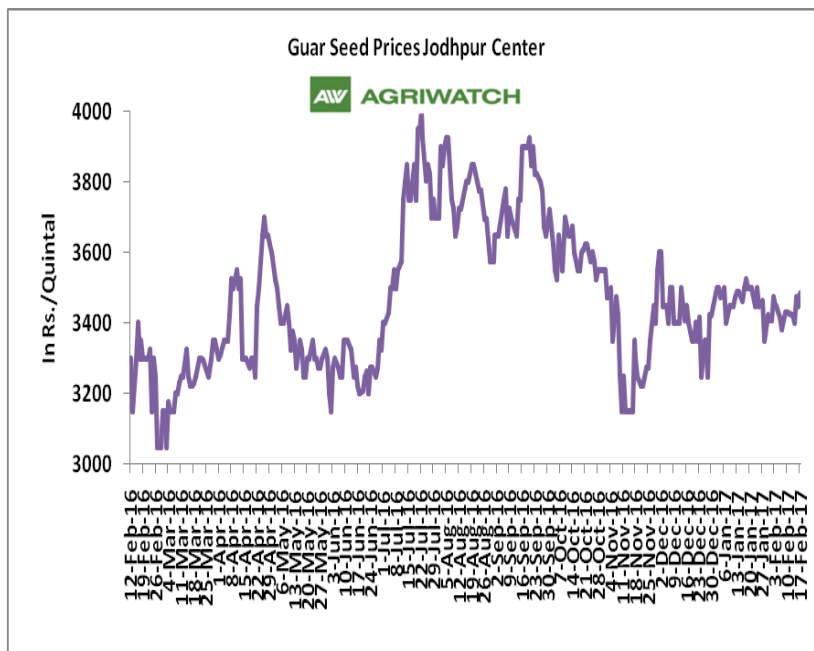
Recommendation:

Weekly Call - : Market participants are advised to Buy Guar seed at 3345 levels for a target of 3450 with a stop loss at 3309 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

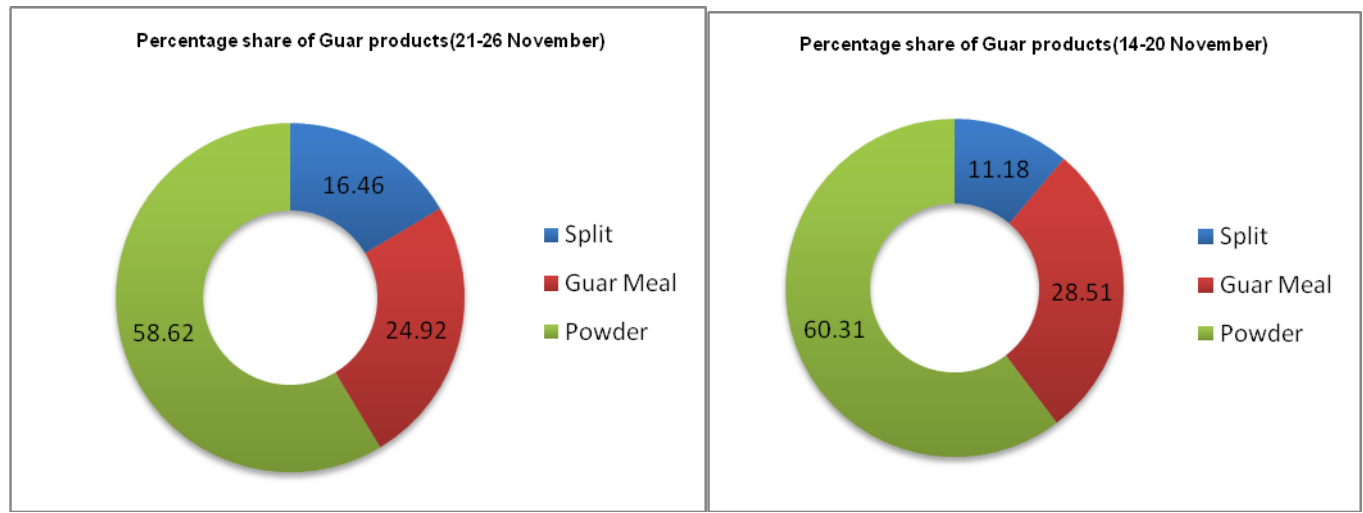
- In the week ended 17 February'17, Guar seed weekly average prices increased by Rs 27 /- qtl during the week compared to previous week and settled at Rs 3447 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 271.67/- qtl and settled at Rs. 6630 per quintal. Firm demand for guar gum from domestic as well as overseas market led the prices up 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)

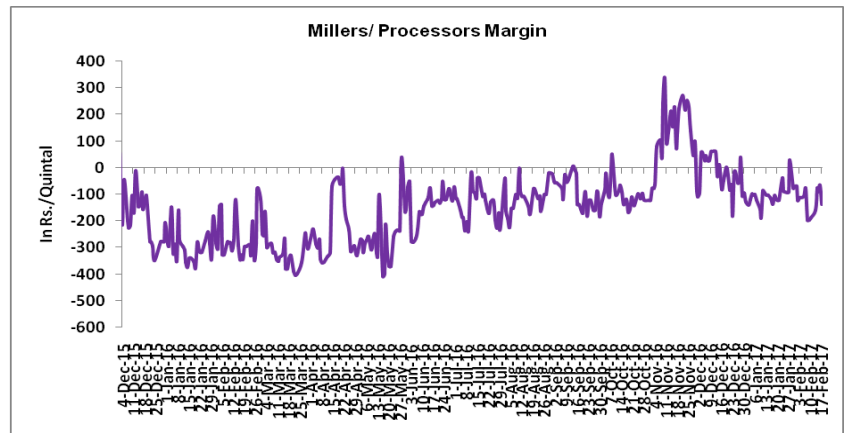
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 17 February '17, average crush margin is Rs. -106.69 /Quintal, compared to last week's -146.37 /Quintal. Therefore crushing is not favorable for Millers/Processors.

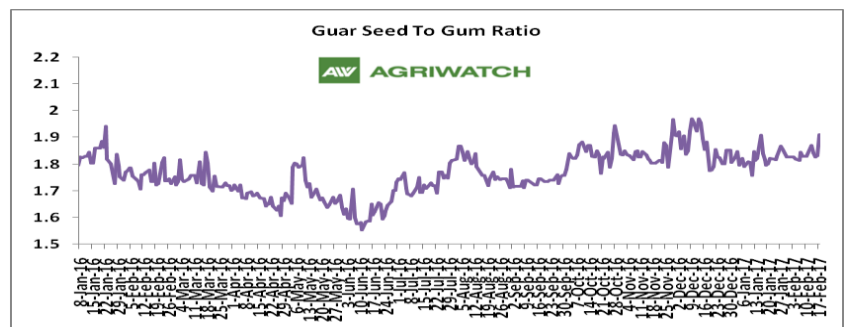
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 17 February'17 is 1.92, higher compared to last week's 1.86

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:

- 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	March	3285	3265	3347	3485	3515
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	March	Buy	Above 3345	3405	3450	3309

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: March

Exchange: NCDEX
Expiry: March 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: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	March	6780	6705	6914	7245	7320
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	March	Buy	Above 6940	7055	7145	6871

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices:				
Commodity	Centre	11th to 17th Feb.17	04th to 10th Feb.17	Change
Churi	Jodhpur	1414	1425	-11
Korma	Jodhpur	1778	1807	-29
Churi	Sri-Ganganagar	1293	1351	-57
Korma	Sri-Ganganagar	1658	1726	-68
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	11th to 17th Feb.17	04th to 10th Feb.17	Change
Guargum Split		989	931	58
Guargum Powder	200 Mesh 5000 CPS	1287	1228	59
	200 Mesh 3500 CPS	1213	1154	59
Guargum Meal	40%	299	313	-14
	50%	361	380	-18
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			11th to 17th Feb.17	04th to 10th Feb.17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3297	3270	27
		Jodhpur(Delivery)	3447	3420	27
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3107	3004	103
		Sri-Ganganagar (Delivery)	3257	3259	-2
		Rawla (Loose)	3143	3125	18
		Gharsana (Loose)	3158	3168	-10
		Raisinghnagar (Loose)	3168	3173	-5
	Bikaner	Bikaner (Loose)	3167	3140	27
		Bikaner (Delivery)	3317	3290	27
		Nokha(Loose)	3166	3157	9
		Nokha (Delivery)	3280	3270	10
		Khajuwala (Loose)	3157	3146	11
		Khajuwala (Delivery)	3283	3272	11
		Lunkaransar (Loose)	3111	3110	1
	Hanumangarh	Hanumangarh (Loose)	3167	3158	9
		Hanumangarh (Delivery)	3317	3308	9
		Nohar (Loose)	3171	3134	37

		Pilibanga (Loose)	3092	3138	-46
	Nagaur	Nagaur (Loose)	3070	3083	-13
	Churu	Churu (Delivery)	3290	3267	23
	Alwar	Alwar (Loose)	3040	3008	32
Haryana	Hisar	Adampur (Loose)	3239	3192	47
		Adampur (Delivery)	3389	3342	47
	Bhiwani	Bhiwani (Delivery)	3250	3213	38
		Siwani (Loose)	3223	3173	50
	Sirsa	Sirsa (Loose)	3211	3206	5
		Dhabwali (Loose)	3198	3148	51
		Dhabwali (Delivery)	3348	3298	51
		Ellanabad (Loose)	3177	3054	123
	Fatehabad	Fatehabad (Loose)	3360	3183	177
Gujarat	Banaskantha	Deesa (Loose)	3021	3026	-5
	Patan	Patan (Loose)	3003	3003	0
	Rajkot	Rajkot (Loose)	3025	3058	-33
	Jamnagar	Dhrol (Loose)	2775	2838	-63
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6630	6358	272
	Alwar	Alwar	6640	6467	173
	Hanumangarh	Nohar	6470	6342	128
Haryana	Bhiwani	Bhiwani	6432	6422	10
	Sirsa	Sirsa	6585	6375	210
		Dhabwali	6640	6367	273
		Ellanabad	6600	6363	238
	Fatehabad	Fatehabad	6560	6233	327

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			17-Feb-17	10-Feb-17	17-Jan-17	17-Feb-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3335	3280	3350	3100
		Jodhpur(Delivery)	3485	3430	3500	3300
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3100	3146	3127	2925
		Sri-Ganganagar (Delivery)	3250	3296	3277	3000
		Rawla (Loose)	3175	3170	3140	2925
		Gharsana (Loose)	3160	3220	3160	2880
		Raisinghnagar (Loose)	3200	3210	3180	2900

	Bikaner	Bikaner (Loose)	3215	3150	3250	2975
		Bikaner (Delivery)	3365	3300	3400	3175
		Nokha(Loose)	3220	3150	3250	2970
		Nokha (Delivery)	3336	3263	3367	3077
		Khajuwala (Loose)	3215	3140	3160	2910
		Khajuwala (Delivery)	3344	3266	3286	3026
		Lunkaransar (Loose)	3150	3140	3150	2925
	Hanumangarh	Hanumangarh (Loose)	3190	3145	3220	2900
		Hanumangarh (Delivery)	3340	3295	3370	3100
		Nohar (Loose)	3200	3150	3175	2940
		Pilibanga (Loose)	3030	3150	3210	2875
	Nagaur	Nagaur (Loose)	3100	3050	3150	2900
	Churu	Churu (Delivery)	3350	3300	3300	3200
	Alwar	Alwar (Loose)	3100	3000	3100	3000
Haryana	Hisar	Adampur (Loose)	3325	3225	3170	2900
		Adampur (Delivery)	3475	3375	3320	3100
	Bhiwani	Bhiwani (Delivery)	3300	3200	3225	3100
		Siwani (Loose)	3275	3200	3300	3050
	Sirsa	Sirsa (Loose)	3260	3215	3175	2900
		Dhabwali (Loose)	3240	3200	3225	2850
		Dhabwali (Delivery)	3390	3350	3375	3050
		Ellanabad (Loose)	3235	3000	3150	2950
	Fatehabad	Fatehabad (Loose)	3500	3200	3200	2850
Gujarat	Banaskantha	Deesa (Loose)	3015	3020	3035	3500
	Patan	Patan (Loose)	3010	3015	3080	3005
	Rajkot	Rajkot (Loose)	3000	3035	3080	3000
	Jamnagar	Dhrol (Loose)	NA	2855	3000	2910
Madhya pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	3100
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6750	6425	6350	5750
	Alwar	Alwar	6850	6400	6400	5800
	Hanumangarh	Nohar	6500	6400	6300	5825
Haryana	Bhiwani	Bhiwani	6400	6480	6280	5750
	Sirsa	Sirsa	6800	6350	6350	5700
		Dhabwali	6950	6400	6500	5850
		Ellanabad	6800	6350	6300	5800
	Fatehabad	Fatehabad	6800	6200	6300	5650

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			11th to 17th Feb.17	04th to 10th Feb.17	
Rajasthan	Jodhpur	Jodhpur	435	989	-554
	Sri-Ganganagar	Sri-Ganganagar	3623	4240	-617
		Rawla	2600	3000	-400
		Gharsana	3100	2200	900
		Raisinghnagar	3200	2700	500
	Bikaner	Bikaner	3600	4400	-800
		Nokha	3000	1950	1050
		Khajuwala	4600	5300	-700
		Lunkaransar	2900	1650	1250
	Hanumangarh	Hanumangarh	1200	830	370
		Nohar	11100	11900	-800
		Pilibanga	1350	750	600
	Nagaur	Nagaur	900	800	100
	Churu	Churu	4000	3800	200
	Alwar	Alwar	2300	2100	200
Haryana	Hisar	Adampur	8500	8700	-200
	Bhiwani	Bhiwani	9500	9000	500
		Siwani	4500	5400	-900
	Sirsa	Sirsa	9100	11200	-2100
		Dhabwali	1000	1600	-600
		Ellanabad	1650	2300	-650
	Fatehabad	Fatehabad	430	440	-10
Gujarat	Banaskantha	Deesa	707	635	72
	Patan	Patan	701	849	-148
	Rajkot	Rajkot	930	1120	-190
	Jamnagar	Dhrol	31	15	16
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			84957	87868	-2911

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