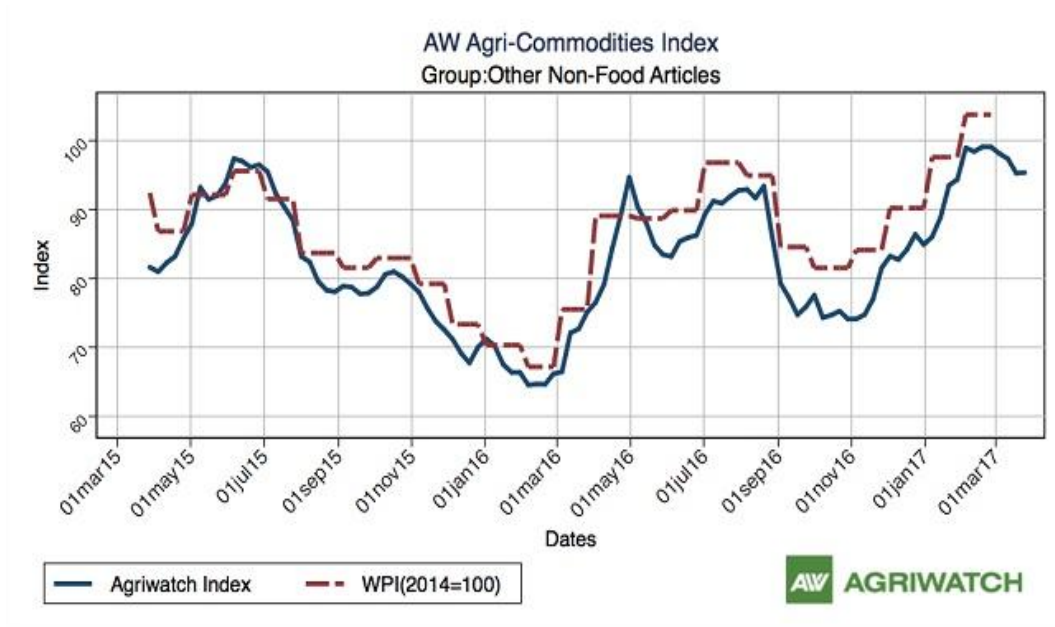


Guar Weekly Research Report

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 Commodity Index rose 0.74% to 110.34 during the week ended March 25, 2017 from 109.53 during the previous week led by higher cereals and pulses. The base for the Index and all sub-Indices is 2014 (= 100).



The Agriwatch Agri commodity other non-food articles Index increased by 0.08% to 95.34 during the week ended March 25, 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

All India weekly average prices increased by 9.52 percent to Rs. 3732.84 per quintal during the week ended 08th April 2017. Guar seed average price were ruling at Rs 3408.39 per quintal during 24-31st March 2017. As compared to prices in the week 01-08 April 2016, the prices are firm by 29.35 percent. Prices are expected to remain range bound to slightly firm in coming days.

As per data released by baker hughes the number of oil rigs in USA has increased to 672 up by 10 compared to last week highest in last 20 months. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore as the number of oil rigs is increasing demand for guar gum is also expected to increase. The number of oil rigs is expected to increase further in coming months which will provide support to guar gum prices.

As per market sources, in the month of February 2017 India has exported around 45000 tonnes of guar gum compared to around 26000 tonnes last year for the same month. For financial year 2016-17, in the first eleven months from April'16 to February'17 around 3.67 lakh tonnes of guar gum has been exported compared to 2.97 lakh tonnes in financial year 2015-16 for the same period.

The wholesale price index of guar seed has decreased slightly from 239.8 in January 2017 to 239.7 in February 2017. The WPI for February 2017 is up by 10.8 compared to last year for the same month and down by 52.4 compared to February 2015.

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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4200 quintals) compared to previous week 4900 quintals.

As far as arrivals are concerned Bikaner market, reported higher arrivals (2500 Quintals), arrivals compared to previous week 1800 quintals.

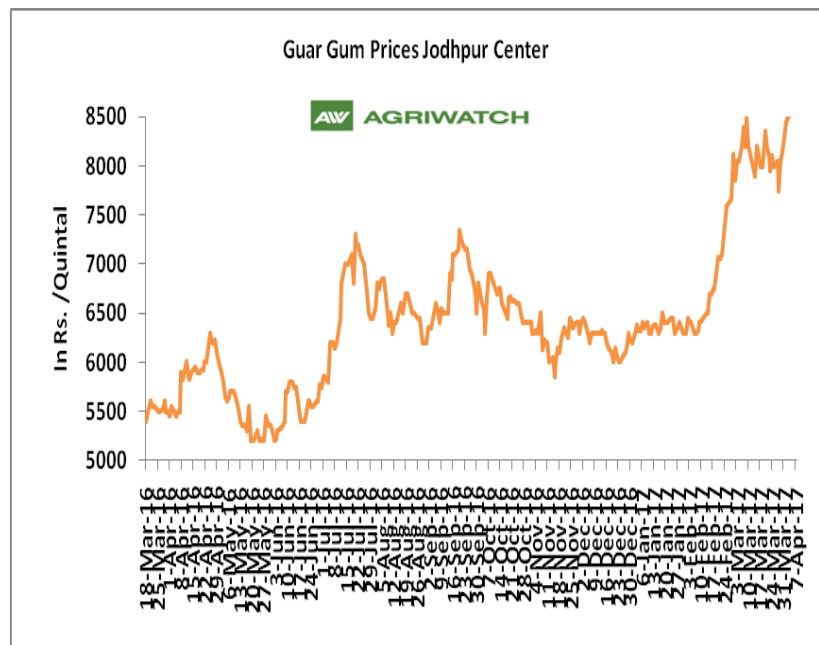
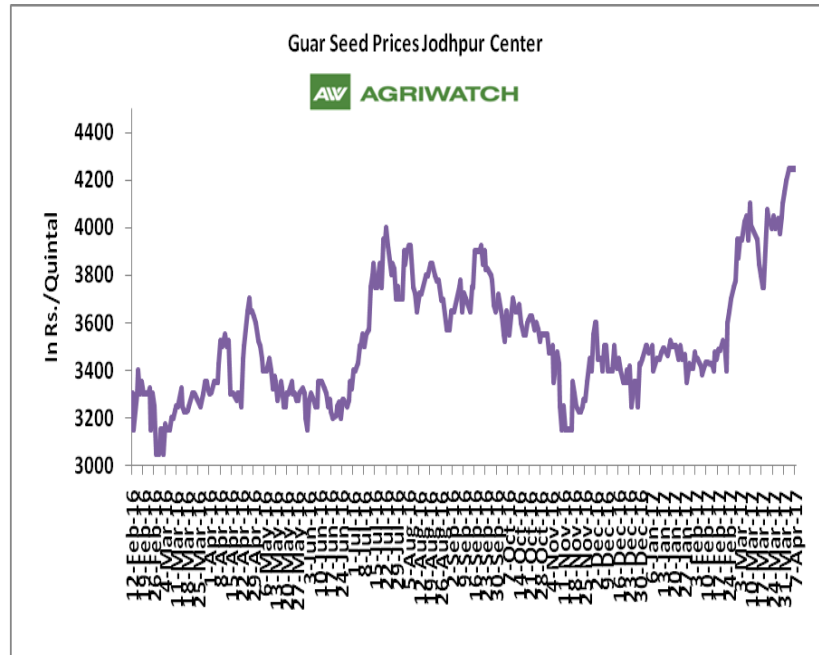
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 4070 levels for a target of 3880 with a stop loss at 4139 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

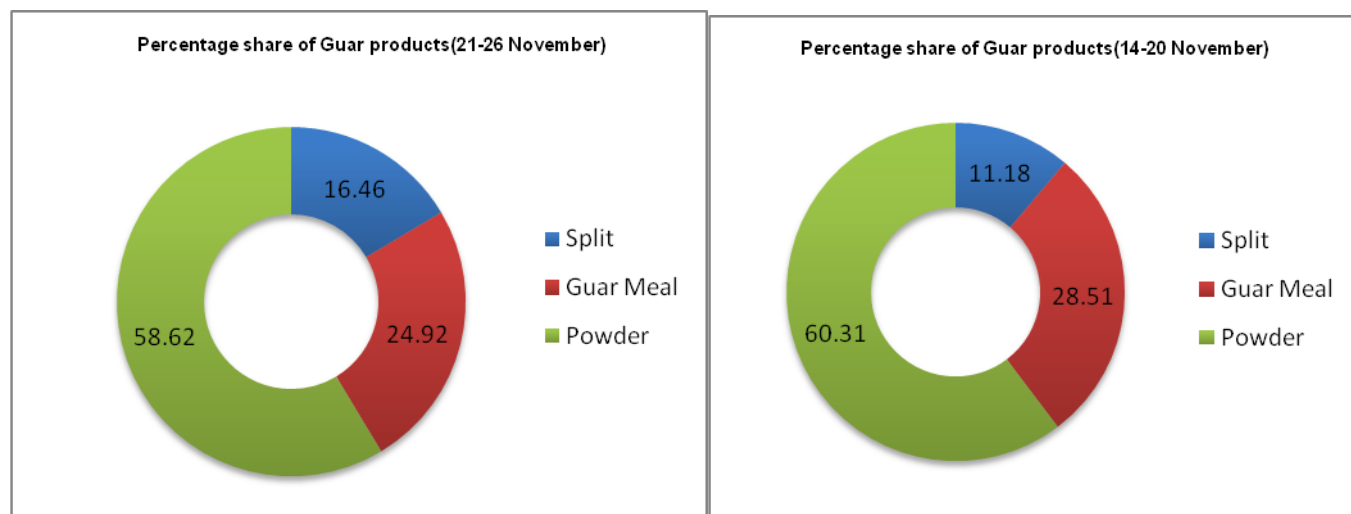
- In the week ended 07 April'17, Guar seed weekly average prices increased by Rs 188.33 /- qtl during the week compared to previous week and settled at Rs 4240 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 437.50/- qtl and settled at Rs. 8488 per quintal. Firm demand for guar 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)

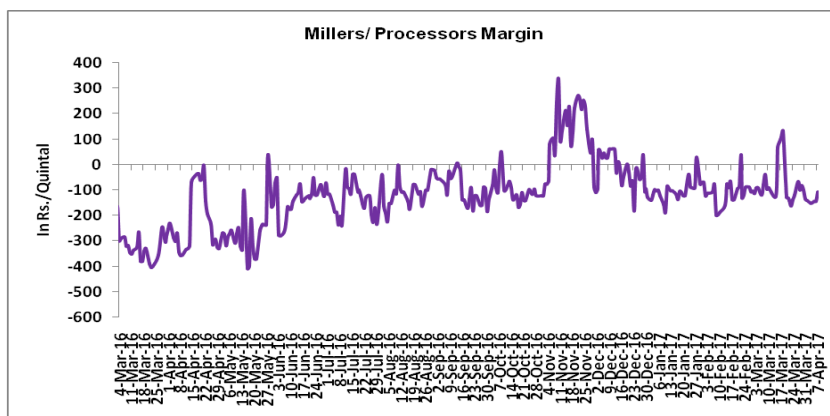
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 07 April '17, average crush margin is Rs. -137.04/Quintal, compared to last week's -101.10 /Quintal. Therefore crushing is not favorable for Millers/Processors.

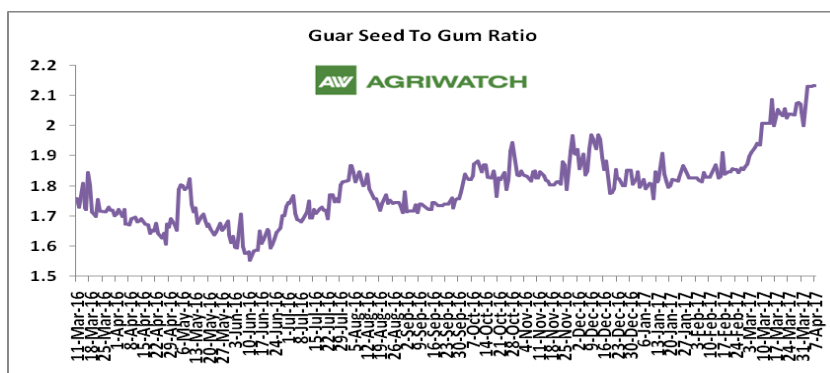
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 07 April'17 is 2.01, higher compared to last week's 1.99

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: May

Exchange: NCDEX
Expiry: May 19, 2017

Guar Seed 10MT (May Weekly Chart)



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	May	3815	3760	4060	4215	4270
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	May	Sell	Below 4070	3955	3880	4139



Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 19, 2017

Guar Gum (May Weekly Chart)



Technical Commentary:

- Fall in price and rise in open interest indicates short buildup.
- Prices closed above 9 and 18 days EMAs.
- RSI is moving down in overbought region.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	May	7845	7720	8436	8745	8890
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Sell	Below 8445	8210	8015	8586

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	01st to 07th Apr.17	25th to 31st Mar.17	Change
Churi	Jodhpur	1637	1644	-7
Korma	Jodhpur	1992	1962	30
Churi	Sri-Ganganagar	1560	1503	57
Korma	Sri-Ganganagar	1823	1784	38

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	01st to 07th Apr.17	25th to 31st Mar.17	Change
Guargum Split		1308	1232	76
Guargum Powder	200 Mesh 5000 CPS	1617	1540	77
	200 Mesh 3500 CPS	1540	1463	77
Guargum Meal	40%	355	343	11
	50%	417	405	12

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			01st to 07th Apr.17	25th to 31st Mar.17	
Rajasthan	Jodhpur	Jodhpur (Loose)	4090	3902	188
		Jodhpur(Delivery)	4240	4052	188
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3917	3756	161
		Sri-Ganganagar (Delivery)	4067	3914	152
		Rawla (Loose)	3879	3677	202
		Gharsana (Loose)	3924	3717	207
		Raisinghnagar (Loose)	3905	3743	162
	Bikaner	Bikaner (Loose)	3918	3713	205
		Bikaner (Delivery)	4040	3863	177
		Nokha(Loose)	3885	3663	222
		Nokha (Delivery)	4025	3795	230
		Khajuwala (Loose)	3945	3794	151
		Khajuwala (Delivery)	4103	3946	157
		Lunkaransar (Loose)	3900	3650	250
	Hanumangarh	Hanumangarh (Loose)	3960	3778	182
		Hanumangarh (Delivery)	4110	3928	182
		Nohar (Loose)	3979	3778	201

		Pilibanga (Loose)	3845	3675	170
	Nagaur	Nagaur (Loose)	3863	3525	338
	Churu	Churu (Delivery)	4017	3858	158
	Alwar	Alwar (Loose)	3733	3617	117
Haryana	Hisar	Adampur (Loose)	3960	3754	206
		Adampur (Delivery)	4110	3904	206
	Bhiwani	Bhiwani (Delivery)	4038	3845	193
		Siwani (Loose)	4000	3872	128
	Sirsa	Sirsa (Loose)	3950	3791	159
		Dhabwali (Loose)	3854	3730	124
		Dhabwali (Delivery)	3857	3760	97
		Ellanabad (Loose)	3910	3758	152
	Fatehabad	Fatehabad (Loose)	3800	3700	100
Gujarat	Banaskantha	Deesa (Loose)	3741	3552	189
	Patan	Patan (Loose)	3775	3645	130
	Rajkot	Rajkot (Loose)	3942	NA	-
	Jamnagar	Dhrol (Loose)	3785	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	4000	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8525	8050	475
	Alwar	Alwar	8483	8017	467
	Hanumangarh	Nohar	8555	8067	488
Haryana	Bhiwani	Bhiwani	8654	8198	457
	Sirsa	Sirsa	8610	8150	460
		Dhabwali	8490	8050	440
		Ellanabad	8550	8133	417
	Fatehabad	Fatehabad	8250	8040	210

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			7-Apr-17	31-Mar-17	7-Mar-17	7-Apr-16
Rajasthan	Jodhpur	Jodhpur (Loose)	4100	4000	3900	3275
		Jodhpur(Delivery)	4250	4150	4050	3425
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3900	3800	3730	3000
		Sri-Ganganagar (Delivery)	4100	4000	3880	3050
		Rawla (Loose)	3900	NR	3750	3070
		Gharsana (Loose)	3940	3800	3850	3060
		Raisinghnagar (Loose)	3850	3875	3800	3150

	Bikaner	Bikaner (Loose)	3900	Closed	3700	3050
		Bikaner (Delivery)	4050	Closed	3850	3200
		Nokha(Loose)	3800	Closed	3720	3100
		Nokha (Delivery)	3937	Closed	3854	3212
		Khajuwala (Loose)	3980	3949	3800	3100
		Khajuwala (Delivery)	4139	4107	3952	3224
		Lunkaransar (Loose)	3900	Closed	3800	3100
	Hanumangarh	Hanumangarh (Loose)	3930	3800	3800	3050
		Hanumangarh (Delivery)	4080	3950	3950	3200
		Nohar (Loose)	3990	3850	3850	3150
		Pilibanga (Loose)	3825	3750	3700	2950
	Nagaur	Nagaur (Loose)	3900	Closed	3725	2950
	Churu	Churu (Delivery)	4000	3950	3950	3250
	Alwar	Alwar (Loose)	3700	3700	3700	3100
Haryana	Hisar	Adampur (Loose)	4000	3875	3850	3125
		Adampur (Delivery)	4150	4025	4000	3275
	Bhiwani	Bhiwani (Delivery)	4070	4000	3900	3250
		Siwani (Loose)	NR	3960	3900	3110
	Sirsa	Sirsa (Loose)	3950	3875	3870	3100
		Dhabwali (Loose)	3810	NR	3850	3000
		Dhabwali (Delivery)	3820	NR	4000	3150
		Ellanabad (Loose)	3850	3900	3775	3025
	Fatehabad	Fatehabad (Loose)	NR	NA	3900	3100
Gujarat	Banaskantha	Deesa (Loose)	3825	Closed	3650	3500
	Patan	Patan (Loose)	3805	Closed	3655	3080
	Rajkot	Rajkot (Loose)	3950	Closed	3710	3100
	Jamnagar	Dhrol (Loose)	NR	Closed	3450	2830
Madhya Pradesh	Gwalior	Dabra (Loose)	4000	NA	NA	2950
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8550	8300	8400	5500
	Alwar	Alwar	8450	8300	8400	5600
	Hanumangarh	Nohar	8625	8200	8300	5700
Haryana	Bhiwani	Bhiwani	8570	8350	8400	5800
	Sirsa	Sirsa	8600	8400	8500	5600
		Dhabwali	8350	NR	8300	5600
		Ellanabad	8400	8500	8350	5550
	Fatehabad	Fatehabad	NR	NA	8700	5700

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			01st to 07th Apr.17	25th to 31st Mar.17	
Rajasthan	Jodhpur	Jodhpur	1202	724	478
	Sri-Ganganagar	Sri-Ganganagar	2463	3315	-852
		Rawla	2250	350	1900
		Gharsana	650	950	-300
		Raisinghnagar	1100	2250	-1150
	Bikaner	Bikaner	2500	1800	700
		Nokha	4000	2800	1200
		Khajuwala	1600	2800	-1200
		Lunkaransar	2000	1650	350
	Hanumangarh	Hanumangarh	924	490	434
		Nohar	3400	5400	-2000
		Pilibanga	890	1300	-410
	Nagaur	Nagaur	950	250	700
	Churu	Churu	3000	9000	-6000
	Alwar	Alwar	2200	2800	-600
Haryana	Hisar	Adampur	4200	4900	-700
	Bhiwani	Bhiwani	6000	2900	3100
		Siwani	1500	4600	-3100
	Sirsa	Sirsa	6300	5300	1000
		Dhabwali	900	700	200
		Ellanabad	1025	1125	-100
	Fatehabad	Fatehabad	250	520	-270
Gujarat	Banaskantha	Deesa	767	302	465
	Patan	Patan	227	220	7
	Rajkot	Rajkot	900	NA	-
	Jamnagar	Dhrol	9	NA	-
Madhya Pradesh	Gwalior	Dabra	300	NA	-
Total Arrivals/Above Markets			51507	56446	-4939

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