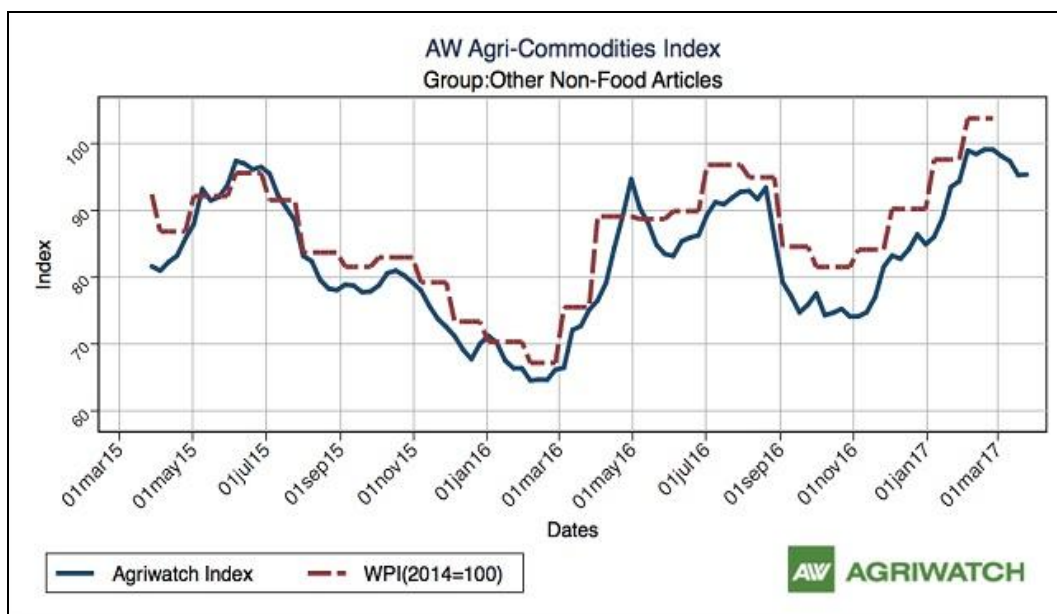


Guar Weekly Research Report

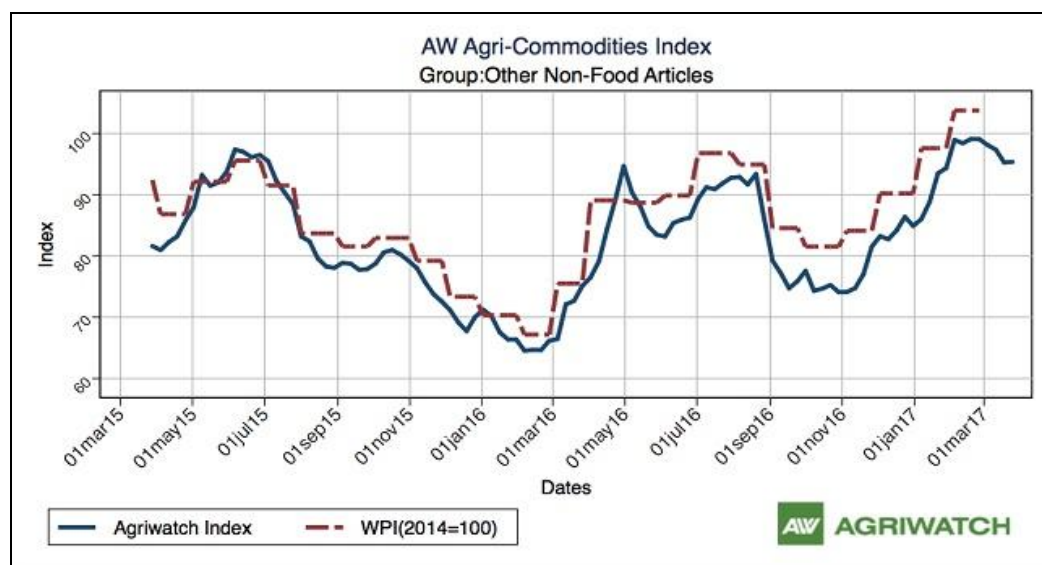
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Agriwatch Agri Commodity Index



The Agriwatch Agri Commodities 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 decreased by 4.04 percent to Rs. 3426.77 per quintal during the week ended 08th May 2017. Guar seed average price were ruling at Rs 3571.16 per quintal during 24-30 April 2017. As compared to prices in the week 01-08 May 2016, the prices are firm by 14.69 percent. Prices are expected to remain range bound to slightly weak in coming days.

As per data released by baker hughes the number of oil rigs in USA has increased to 877 until 05th May up by 7 compared to last week and by 462 compared to 06th May 2016. 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 March 2017 India has exported around 56000 tonnes of guar gum compared to around 28000 tonnes last year for the same month. In fiscal year 2016-17, around 4.23 lakh tonnes of guar gum has been exported compared to 3.25 lakh tonnes in 2015-16. 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 further.

The wholesale price index of guar seed has increased slightly from 239.8 in February 2017 to 277.3 in March 2017. The WPI for March 2017 is up by 55 compared to last year for the same month and down by 16.5 compared to March 2015.

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.

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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (1850 quintals) compared to previous week 1600 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (1800 Quintals), arrivals compared to previous week 2600 quintals.

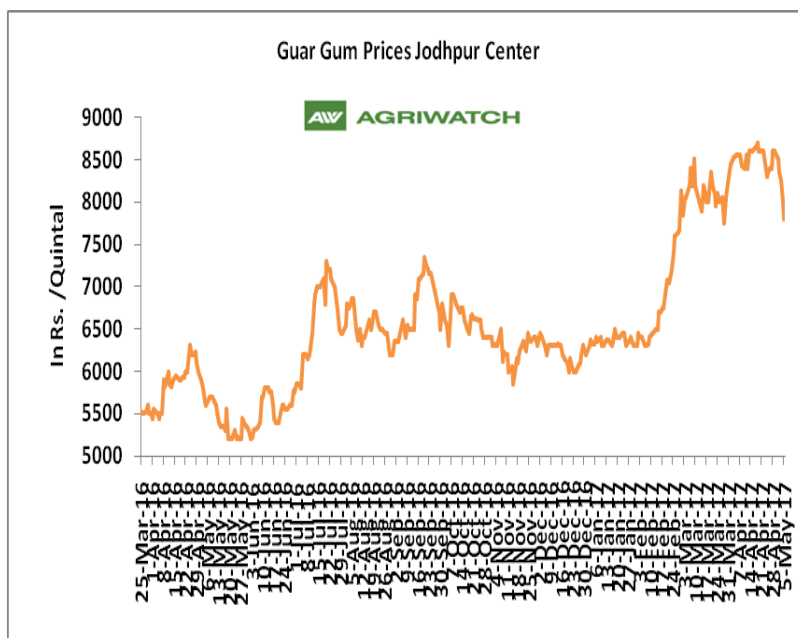
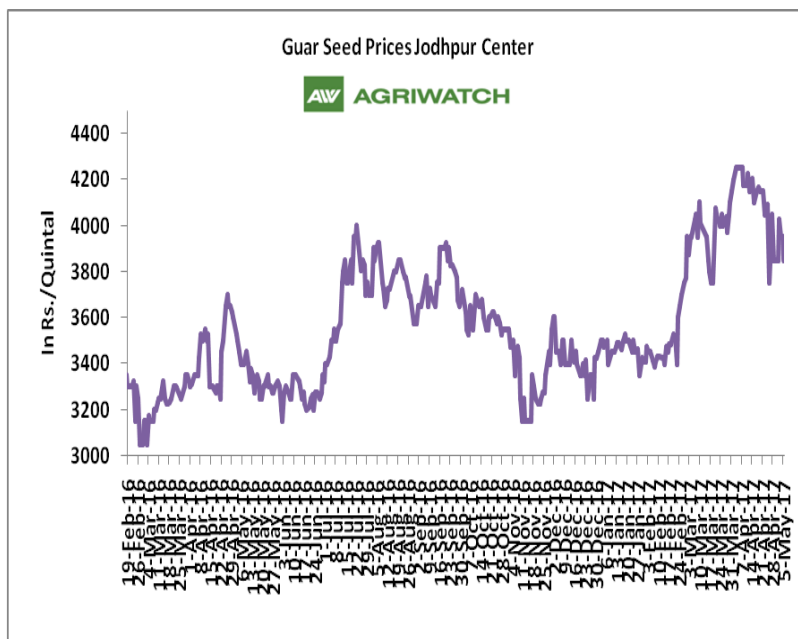
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3750 levels for a target of 3580 with a stop loss at 3813 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

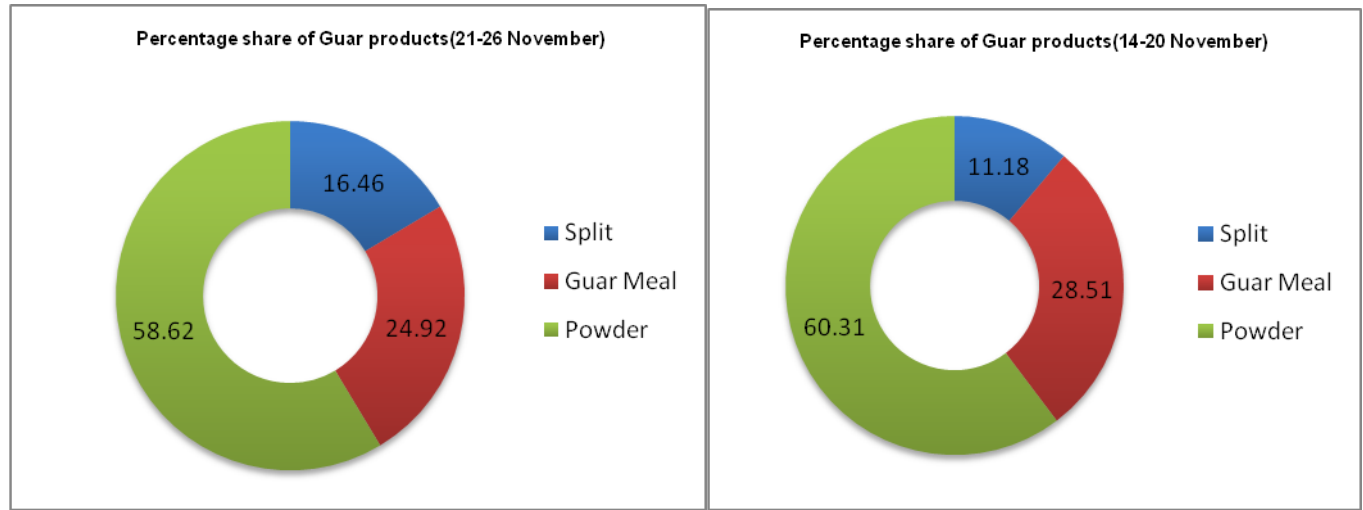
- In the week ended 05 May'17, Guar seed weekly average prices decreased by Rs 25.83 /- qtl during the week compared to previous week and settled at Rs 3913 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 191.67/- qtl and settled at Rs. 8250 per quintal. Weak demand for guar gum from domestic as well as overseas market led the prices down this week.
- According to third advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare respectively. As compared to first advance estimate for 2016-17, the area, production and yield have decreased by 46932 hectares, 557605 tonnes and 151 kg/hectare respectively.
- According to third 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)

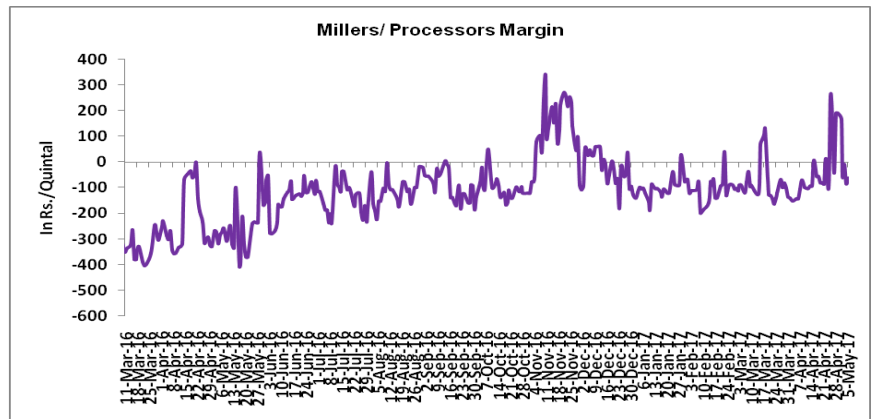
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 05 May '17, average crush margin is Rs. 23.95/Quintal, compared to last week's 81.87/Quintal. Therefore crushing is favorable for Millers/Processors.

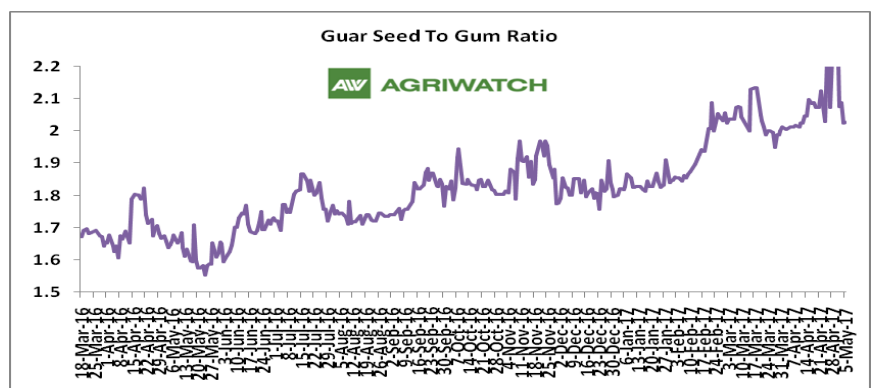
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 05 May'17 is 2.11, lower compared to last week's 2.15

Weak overseas demand of gum and good demand of seed from millers has decreased the overall ratio.





Technical Analysis (Guar Seed)

Commodity: Guar Seed
Contract: June

Exchange: NCDEX
Expiry: June 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.
- Prices closed below 9 and 18 day EMAs

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	June	3505	3450	3729	3905	3970
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	June	Sell	Below 3750	3645	3580	3813



Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: June

Exchange: NCDEX
Expiry: June 20, 2017



Technical Commentary:

- Fall in price and rise in open interest indicates short buildup.
- Prices closed below 9 and 18 days EMAs.
- RSI is moving in neutral region.
- Last candlestick depicts bearishness in market.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	June	7575	7420	7965	8255	8390
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Sell	Below 7990	7810	7705	8098

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	29th April to 05th May.17	22th to 28th Apr.17	Change
Churi	Jodhpur	1515	1558	-43
Korma	Jodhpur	1925	1938	-13
Churi	Sri-Ganganagar	1347	1397	-50
Korma	Sri-Ganganagar	1800	1813	-13

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	29th April to 05th May.17	22th to 28th Apr.17	Change
Guargum Split		1279	1293	-14
Guargum Powder	200 Mesh 5000 CPS	1591	1604	-13
	200 Mesh 3500 CPS	1513	1526	-13
Guargum Meal	40%	327	327	Unch
	50%	405	404	1

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			29th April to 05th May.17	22th to 28th Apr.17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3763	3788	-26
		Jodhpur(Delivery)	3913	3938	-26
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3634	3758	-124
		Sri-Ganganagar (Delivery)	3754	3900	-146
		Rawla (Loose)	3630	3718	-88
		Gharsana (Loose)	3600	3717	-117
		Raisinghnagar (Loose)	3597	3724	-127
	Bikaner	Bikaner (Loose)	3646	3754	-108
		Bikaner (Delivery)	3796	3904	-108
		Nokha(Loose)	3590	3661	-71
		Nokha (Delivery)	3719	3793	-74
		Khajuwala (Loose)	3652	3725	-73
		Khajuwala (Delivery)	3798	3874	-76
		Lunkaransar (Loose)	3592	3683	-92
	Hanumangarh	Hanumangarh (Loose)	3668	3830	-163
		Hanumangarh (Delivery)	3818	3980	-163
		Nohar (Loose)	3671	3797	-126

		Pilibanga (Loose)	3663	3693	-30
	Nagaur	Nagaur (Loose)	3475	3788	-313
	Churu	Churu (Delivery)	3750	3900	-150
	Alwar	Alwar (Loose)	3525	3625	-100
Haryana	Hisar	Adampur (Loose)	3688	3779	-92
		Adampur (Delivery)	3838	3929	-92
	Bhiwani	Bhiwani (Delivery)	3762	3865	-103
		Siwani (Loose)	3736	3846	-110
	Sirsa	Sirsa (Loose)	3681	3757	-76
		Dhabwali (Loose)	3604	3600	4
		Dhabwali (Delivery)	3754	3600	154
		Ellanabad (Loose)	3638	3758	-121
	Fatehabad	Fatehabad (Loose)	NR	3145	-
Gujarat	Banaskantha	Deesa (Loose)	3497	3638	-141
	Patan	Patan (Loose)	3515	3591	-76
	Rajkot	Rajkot (Loose)	3493	3611	-118
	Jamnagar	Dhrol (Loose)	3208	2353	854
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8250	8442	-192
	Alwar	Alwar	8167	8333	-167
	Hanumangarh	Nohar	8083	8433	-350
Haryana	Bhiwani	Bhiwani	8063	8188	-126
	Sirsa	Sirsa	8192	8442	-250
		Dhabwali	8150	8350	-200
		Ellanabad	8150	8333	-183
	Fatehabad	Fatehabad	NR	6880	-

Week on Week Price: Scenario of Guarseed and Guargum						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			5-May-17	28-Apr-17	5-Apr-17	5-May-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3700	3700	4100	3250
		Jodhpur(Delivery)	3850	3850	4250	3400
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3450	3725	4000	3150
		Sri-Ganganagar (Delivery)	3600	3850	4150	3250
		Rawla (Loose)	3550	3670	3900	3000
		Gharsana (Loose)	3500	3700	3940	3070
		Raisinghnagar (Loose)	3500	3700	3950	3080

	Bikaner	Bikaner (Loose)	NR	3721	3900	3125
		Bikaner (Delivery)	NR	3871	4050	3275
		Nokha(Loose)	3500	3620	3900	3015
		Nokha (Delivery)	3626	3750	4040	3124
		Khajuwala (Loose)	3600	3730	3950	3110
		Khajuwala (Delivery)	3744	3879	4108	3234
		Lunkaransar (Loose)	3450	3700	3950	3050
	Hanumangarh	Hanumangarh (Loose)	3600	3600	4050	2900
		Hanumangarh (Delivery)	3750	3750	4200	3050
		Nohar (Loose)	3525	3800	4000	3100
		Pilibanga (Loose)	3550	3725	3900	3000
	Nagaur	Nagaur (Loose)	3350	3850	3900	2950
	Churu	Churu (Delivery)	3700	3900	4050	3200
	Alwar	Alwar (Loose)	3450	3600	3800	3000
Haryana	Hisar	Adampur (Loose)	3575	3800	4000	3130
		Adampur (Delivery)	3725	3950	4150	3280
	Bhiwani	Bhiwani (Delivery)	3570	3870	4100	3250
		Siwani (Loose)	3650	3840	4040	3250
	Sirsa	Sirsa (Loose)	3600	3800	3990	3075
		Dhabwali (Loose)	3500	3600	3925	3225
		Dhabwali (Delivery)	3650	3750	4075	3375
		Ellanabad (Loose)	3475	3750	3925	3100
	Fatehabad	Fatehabad (Loose)	NR	NR	4000	3600
	Gujarat	Banaskantha	Deesa (Loose)	3400	3675	3575
Patan		Patan (Loose)	3400	3595	3690	3155
Rajkot		Rajkot (Loose)	3400	3500	3900	3070
Jamnagar		Dhrol (Loose)	3090	3460	3400	2905
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	3600
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7800	8600	8550	5600
	Alwar	Alwar	8000	8300	8600	5700
	Hanumangarh	Nohar	7800	8400	8600	5700
Haryana	Bhiwani	Bhiwani	7750	8280	8700	5650
	Sirsa	Sirsa	7900	8400	8650	5600
		Dhabwali	7900	8350	8500	6000
		Ellanabad	7800	8350	8650	5600
	Fatehabad	Fatehabad	NR	NR	8500	6000

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			29th April to 05th May.17	22th to 28th Apr.17	
Rajasthan	Jodhpur	Jodhpur	723	1384	-661
	Sri-Ganganagar	Sri-Ganganagar	2500	3400	-900
		Rawla	850	800	50
		Gharsana	520	470	50
		Raisinghnagar	1100	1750	-650
	Bikaner	Bikaner	1800	2600	-800
		Nokha	3000	2300	700
		Khajuwala	1400	1400	Unch
		Lunkaransar	2300	1950	350
	Hanumangarh	Hanumangarh	255	NR	-
		Nohar	6800	5200	1600
		Pilibanga	790	400	390
	Nagaur	Nagaur	360	650	-290
	Churu	Churu	4700	5700	-1000
	Alwar	Alwar	2150	2600	-450
Haryana	Hisar	Adampur	1850	1600	250
	Bhiwani	Bhiwani	6000	5700	300
		Siwani	3600	6000	-2400
	Sirsa	Sirsa	2450	850	1600
		Dhabwali	500	100	400
		Ellanabad	420	600	-180
	Fatehabad	Fatehabad	NR	NR	-
Gujarat	Banaskantha	Deesa	359	1059	-700
	Patan	Patan	554	463	91
	Rajkot	Rajkot	350	332	18
	Jamnagar	Dhrol	23	28	-5
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			45354	47336	-1982

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