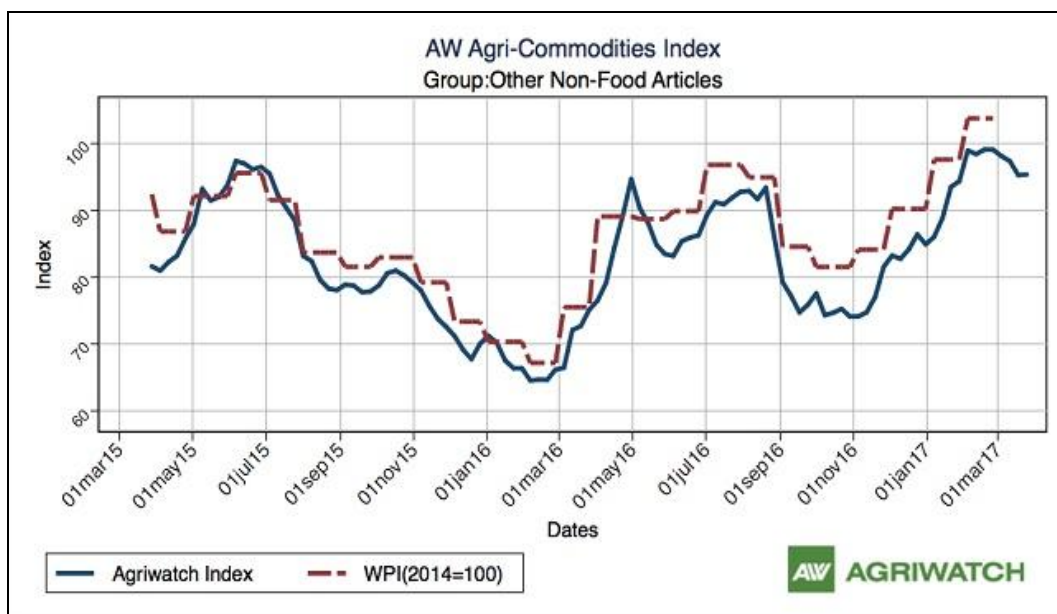


Guar Weekly Research Report

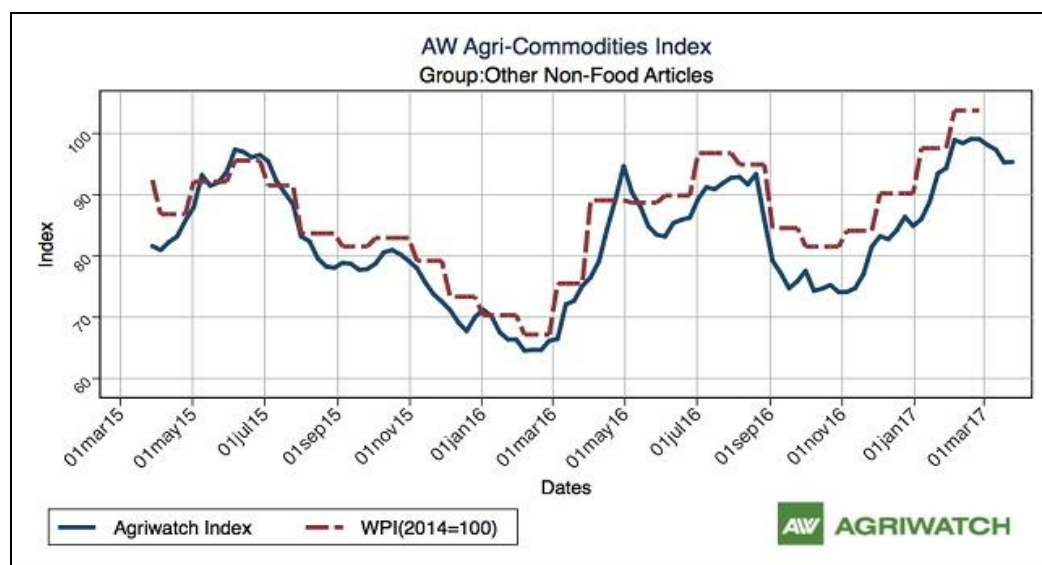
Contents

- ❖ 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 0.74% 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 2.5 percent to Rs. 3136.47 per quintal during the week ended 31st May 2017. Guar seed average price were ruling at Rs 3216.87 per quintal during 16-23 May 2017. As compared to prices in the week 24-31 May 2016, the prices are firm by 13.00 percent. Prices are expected to remain range bound to slightly weak in coming days.

After arriving at the coast of Kerala, Monsoon is likely to reach Mumbai between 7th to 10th June, Patna between 12th to 14th June and Delhi between 20th to 27th June. Punjab and Haryana will witness monsoon during first week of July. IMD has predicted for a normal monsoon this year but farmers should be ready if monsoon weakens after its arrival.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 916 until 02nd June up by 8 compared to last week and by 508 compared to 03rd June 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.

Guar acreage is likely to fall in all major states due to lower prices of guar compared to other crops mainly cotton. As on 01st June progressive procurement of cotton is higher by 53 in Punjab percent and by 24 percent in Haryana compared to last year during the same period. Farmers have shifted their interest from guar to cotton in hope of better price as MSP can be increased by Rs. 160 per quintal.

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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (3300 quintals) compared to previous week 5600 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (1070 Quintals), arrivals compared to previous week 2300 quintals.

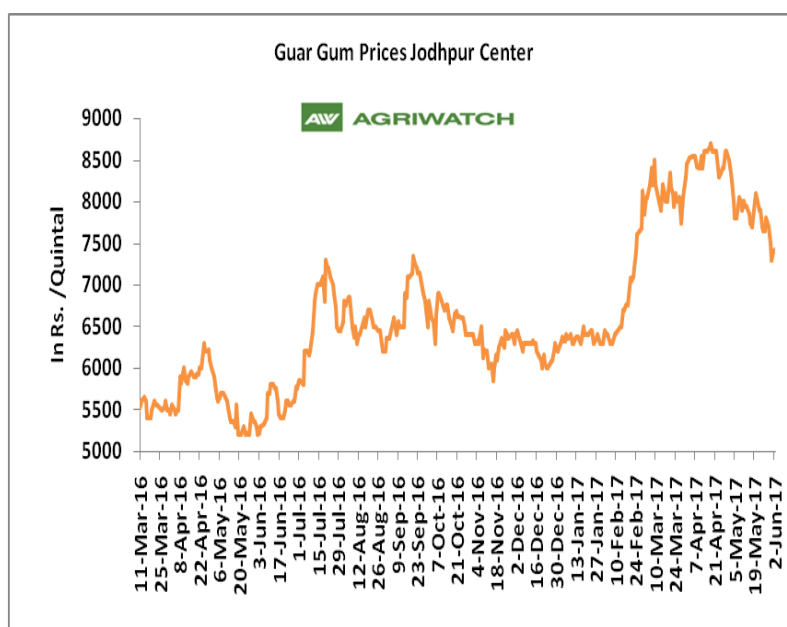
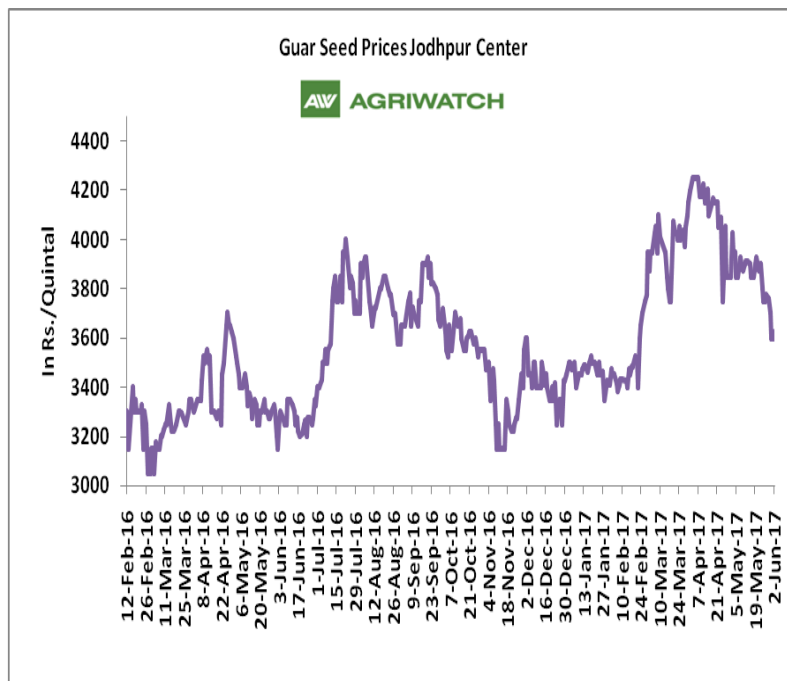
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3295 levels for a target of 3045 with a stop loss at 3382 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

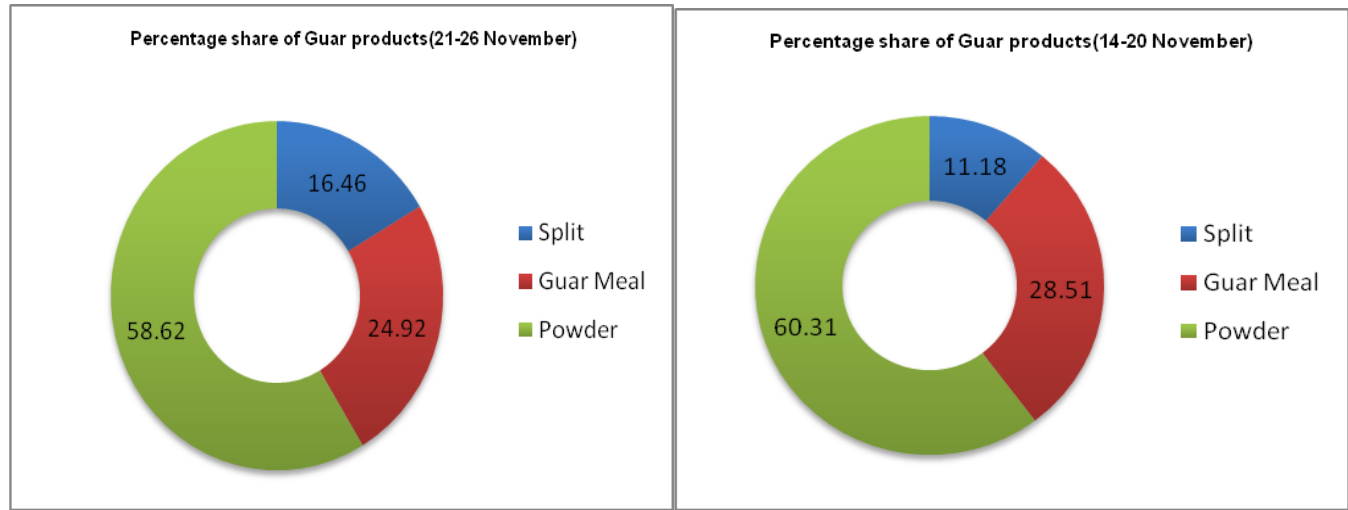
- In the week ended 02 June'17, Guar seed weekly average prices decreased by Rs 156.67 /- qtl during the week compared to previous week and settled at Rs 3677 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 295.83/- qtl and settled at Rs. 7521 per quintal. Weak demand for 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)

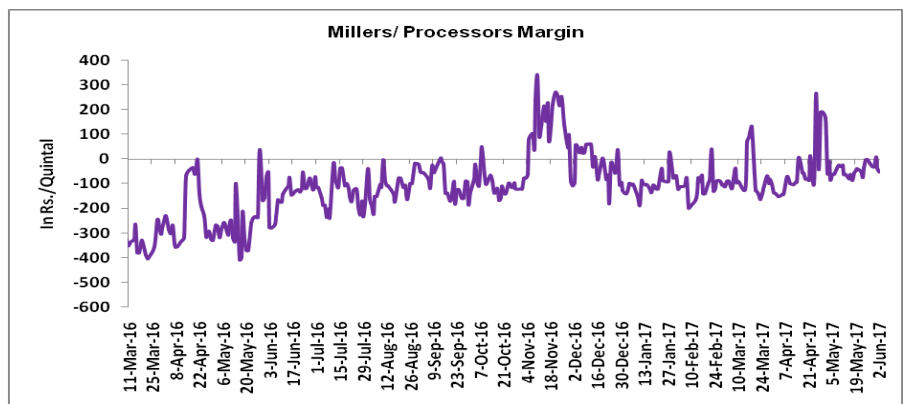
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 02 June'17, average crush margin is Rs. -26.13/Quintal, compared to last week's -34.09/Quintal. Therefore crushing is favorable for Millers/Processors.

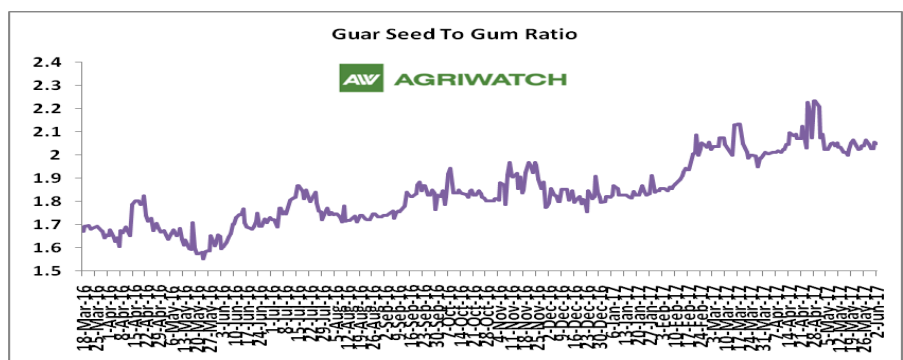
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 02 June'17 is 2.05, higher compared to last week's 2.04

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
Contract: June

Exchange: NCDEX
Expiry: June 20, 2017

Guar Seed (June Weekly Chart)



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down 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	2920	2835	3273	3510	3595
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	June	Sell	Below 3295	3150	3045	3382

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: June

Exchange: NCDEX
Expiry: June 20, 2017



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- 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	6625	6475	7053	7475	7640
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Sell	Below 7165	6960	6805	7288

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	27th May to 02nd June 17	20th to 26th May 17	Change
Churi	Jodhpur	1467	1500	-33
Korma	Jodhpur	1813	1931	-118
Churi	Sri-Ganganagar	1250	1343	-93
Korma	Sri-Ganganagar	1600	1781	-181

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	27th May to 02nd June 17	20th to 26th May 17	Change
Guargum Split		1193	1191	2
Guargum Powder	200 Mesh 5000 CPS	1503	1501	3
	200 Mesh 3500 CPS	1426	1423	3
Guargum Meal	40%	310	325	-15
	50%	382	402	-20

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			27th May to 02nd June 17	20th to 26th May 17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3527	3683	-157
		Jodhpur(Delivery)	3677	3833	-157
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3412	3525	-113
		Sri-Ganganagar (Delivery)	3562	3683	-122
		Rawla (Loose)	3380	3471	-91
		Gharsana (Loose)	3326	3404	-78
		Raisinghnagar (Loose)	3387	3467	-80
	Bikaner	Bikaner (Loose)	3311	3464	-153
		Bikaner (Delivery)	3461	3614	-153
		Nokha(Loose)	3293	3430	-137
		Nokha (Delivery)	3412	3553	-142
		Khajuwala (Loose)	3370	3507	-137
		Khajuwala (Delivery)	3505	3647	-142
		Lunkaransar (Loose)	3292	3483	-192
	Hanumangarh	Hanumangarh (Loose)	3474	3527	-53
		Hanumangarh (Delivery)	3624	3677	-53
		Nohar (Loose)	3380	3503	-123

		Pilibanga (Loose)	3346	3525	-179
	Nagaur	Nagaur (Loose)	3242	3422	-180
	Churu	Churu (Delivery)	3475	3575	-100
	Alwar	Alwar (Loose)	3233	3333	-100
Haryana	Hisar	Adampur (Loose)	3354	3480	-126
		Adampur (Delivery)	3504	3630	-126
	Bhiwani	Bhiwani (Delivery)	3453	3628	-175
		Siwani (Loose)	3413	3585	-173
	Sirsa	Sirsa (Loose)	3353	3483	-130
		Dhabwali (Loose)	3304	3471	-167
		Dhabwali (Delivery)	3454	3621	-167
		Ellanabad (Loose)	3288	3438	-151
	Fatehabad	Fatehabad (Loose)	NA	3500	-
Gujarat	Banaskantha	Deesa (Loose)	NA	3213	-
	Patan	Patan (Loose)	3297	3376	-79
	Rajkot	Rajkot (Loose)	3238	3373	-135
	Jamnagar	Dhrol (Loose)	2993	3215	-223
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7521	7817	-296
	Alwar	Alwar	7633	7750	-117
	Hanumangarh	Nohar	7583	7850	-267
Haryana	Bhiwani	Bhiwani	7625	7890	-265
	Sirsa	Sirsa	7567	7767	-200
		Dhabwali	7467	7733	-267
		Ellanabad	7533	7825	-292
	Fatehabad	Fatehabad	NA	7000	-

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			2-Jun-17	26-May-17	2-May-17	2-Jun-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3475	3600	3875	3000
		Jodhpur(Delivery)	3625	3750	4025	3150
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3300	3500	3750	2950
		Sri-Ganganagar (Delivery)	3450	3650	3850	3100
		Rawla (Loose)	3300	3400	3700	2920
		Gharsana (Loose)	3300	3300	3700	2900
		Raisinghnagar (Loose)	NA	3400	3660	2980

	Bikaner	Bikaner (Loose)	3330	3370	3660	2925
		Bikaner (Delivery)	3480	3520	3810	3075
		Nokha(Loose)	3280	3300	3600	2970
		Nokha (Delivery)	3398	3419	3730	3077
		Khajuwala (Loose)	3330	3400	3680	2990
		Khajuwala (Delivery)	3463	3536	3827	3110
		Lunkaransar (Loose)	3250	3400	3650	2900
	Hanumangarh	Hanumangarh (Loose)	3480	3416	3765	2900
		Hanumangarh (Delivery)	3630	3566	3915	3050
		Nohar (Loose)	3350	3450	3700	2950
		Pilibanga (Loose)	3325	3450	3725	2900
	Nagaur	Nagaur (Loose)	3200	3300	3650	2950
	Churu	Churu (Delivery)	3400	3500	3800	3100
	Alwar	Alwar (Loose)	3200	3300	3550	2950
Haryana	Hisar	Adampur (Loose)	3340	3410	3725	2940
		Adampur (Delivery)	3490	3560	3875	3090
	Bhiwani	Bhiwani (Delivery)	3450	3500	3850	3100
		Siwani (Loose)	3350	3500	3775	3060
	Sirsa	Sirsa (Loose)	3300	3440	3700	2950
		Dhabwali (Loose)	3325	3350	3700	2900
		Dhabwali (Delivery)	3475	3500	3850	3050
		Ellanabad (Loose)	3225	3400	3650	3050
	Fatehabad	Fatehabad (Loose)	NR	NR	3900	2950
	Gujarat	Banaskantha	Deesa (Loose)	NA	3250	3555
Patan		Patan (Loose)	3255	3365	3620	2895
Rajkot		Rajkot (Loose)	3175	3300	3590	2925
Jamnagar		Dhrol (Loose)	NA	3120	3255	2680
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7425	7650	8350	5200
	Alwar	Alwar	7400	7600	8300	5200
	Hanumangarh	Nohar	7700	7700	8100	5200
Haryana	Bhiwani	Bhiwani	7650	7600	8225	5000
	Sirsa	Sirsa	7400	7650	8350	5250
		Dhabwali	7600	7500	8250	5200
		Ellanabad	7500	7750	8300	5500
	Fatehabad	Fatehabad	NR	NR	8600	5300

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			27th May to 02nd June 17	20th to 26th May 17	
Rajasthan	Jodhpur	Jodhpur	405	765	-360
	Sri-Ganganagar	Sri-Ganganagar	1900	10000	-8100
		Rawla	1520	920	600
		Gharsana	360	520	-160
		Raisinghnagar	700	1750	-1050
	Bikaner	Bikaner	1070	2300	-1230
		Nokha	1650	2300	-650
		Khajuwala	1250	1950	-700
		Lunkaransar	2000	1700	300
	Hanumangarh	Hanumangarh	588	610	-22
		Nohar	3700	6000	-2300
		Pilibanga	1450	2700	-1250
	Nagaur	Nagaur	1050	2270	-1220
	Churu	Churu	3000	2950	50
	Alwar	Alwar	800	930	-130
Haryana	Hisar	Adampur	3300	5600	-2300
	Bhiwani	Bhiwani	7800	21000	-13200
		Siwani	3000	3500	-500
	Sirsa	Sirsa	3900	5300	-1400
		Dhabwali	1000	770	230
		Ellanabad	860	1150	-290
	Fatehabad	Fatehabad	NA	45	-
Gujarat	Banaskantha	Deesa	NA	1450	-
	Patan	Patan	354	270	84
	Rajkot	Rajkot	580	842	-262
	Jamnagar	Dhrol	2	26	-24
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			42239	77618	-35379

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