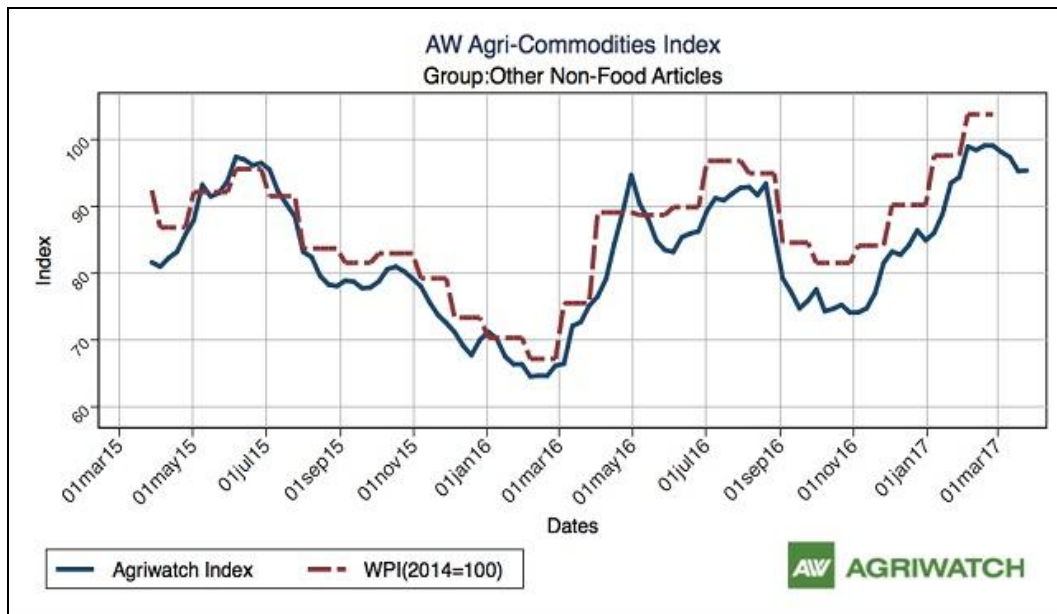


Guar Weekly Research Report

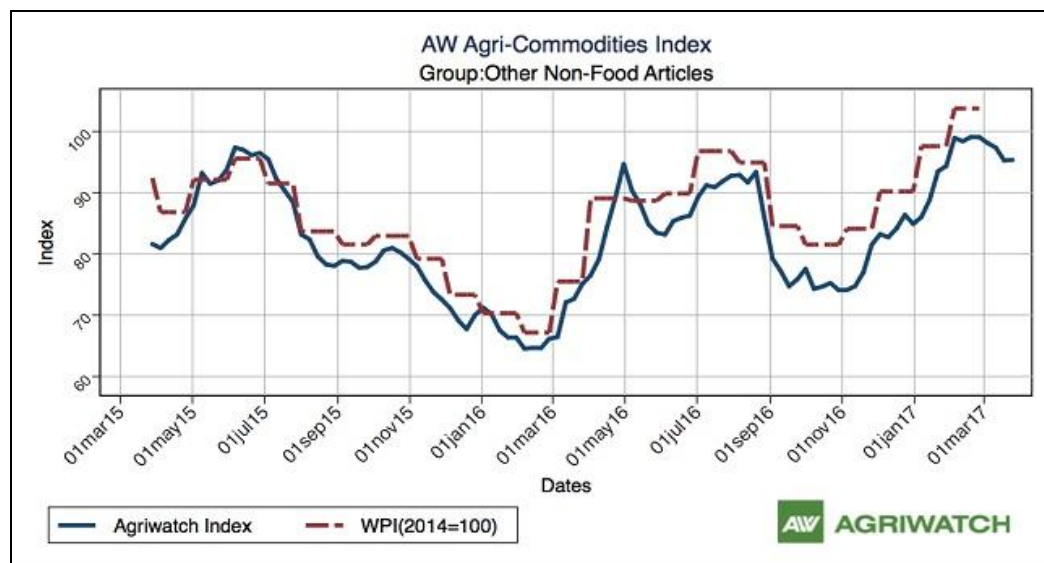
Contents

- ❖ 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 increased by 1.99 percent to Rs. 3137.32 per quintal during the week ended 15th June 2017. Guar seed average price were ruling at Rs 3076.25 per quintal during 01-08 June 2017. As compared to prices in the week 09-15 June 2016, the prices are firm by 6.41 percent. Prices are expected to remain range bound to slightly weak in coming days.

As per second forecast of the 2017 Southwest Monsoon (June to September), with 50 percent probability, the IMD now forecasts that monsoon rainfall is likely to be 98 percent of the LPA. The monthly rainfall over the country as a whole is forecast to be 96 percent of LPA in July and 99 percent of LPA during August. This forecast, IMD's second, is an update from its April forecast when it forecast a near normal monsoon with monsoon rainfall likely to be 96 percent of the LPA.

As per data released by baker hughes the number of oil rigs in USA has increased to 933 until 16th June 2017 up by 6 compared to last week and by 509 compared to 17th June 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, as the number of oilrigs is increasing demand for guar gum is also expected to increase. The number of oilrigs is expected to increase further in coming months, which will provide support to guar gum prices.

The wholesale price index of guar seed has increased from 84.9 in April 2017 to 90.3 in March 2017. The WPI for May 2017 is higher by 17 compared to last year for the same month and lower by 15.1 compared to May 2015.

As per market sources, in the month of April 2017 India has exported around 54392 tonnes of guar gum compared to around 23158 tonnes last year for the same month. For financial year 2016-17, India exported around 4.23 lakh tonnes of guar gum have been exported compared to 3.25 lakh tonnes in financial year 2015-16 for the same period. The highest share was of USA followed by Norway and China.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (3600 quintals) compared to previous week 2300 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (680 Quintals), compared to previous week 1180 quintals.

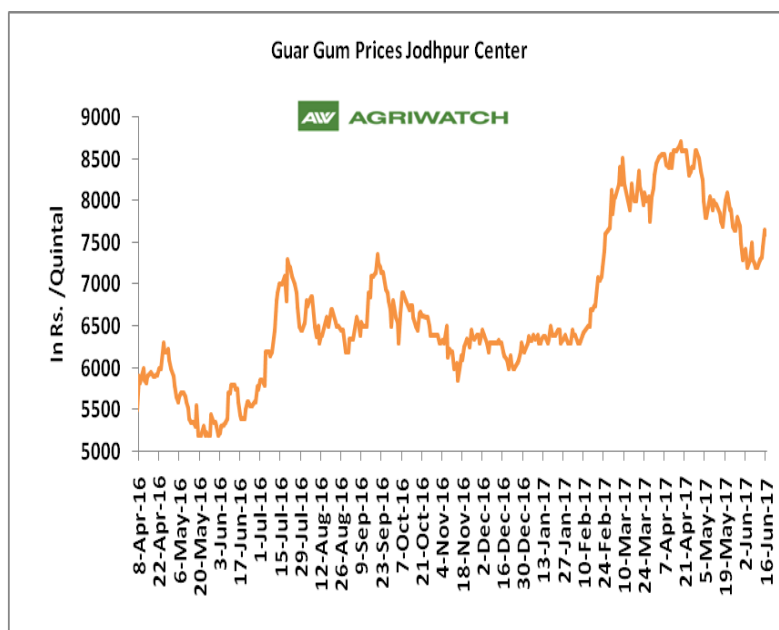
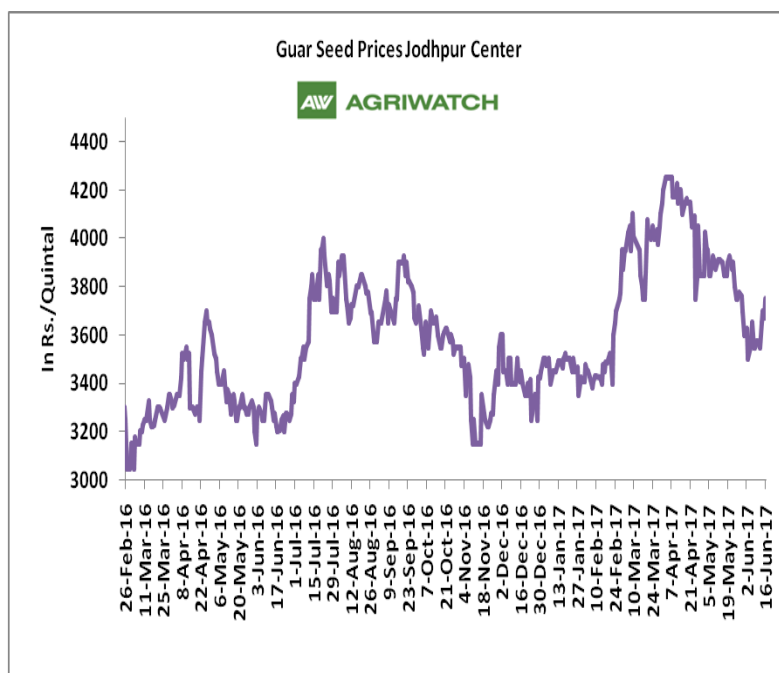
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3565 levels for a target of 3345 with a stop loss at 3651 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

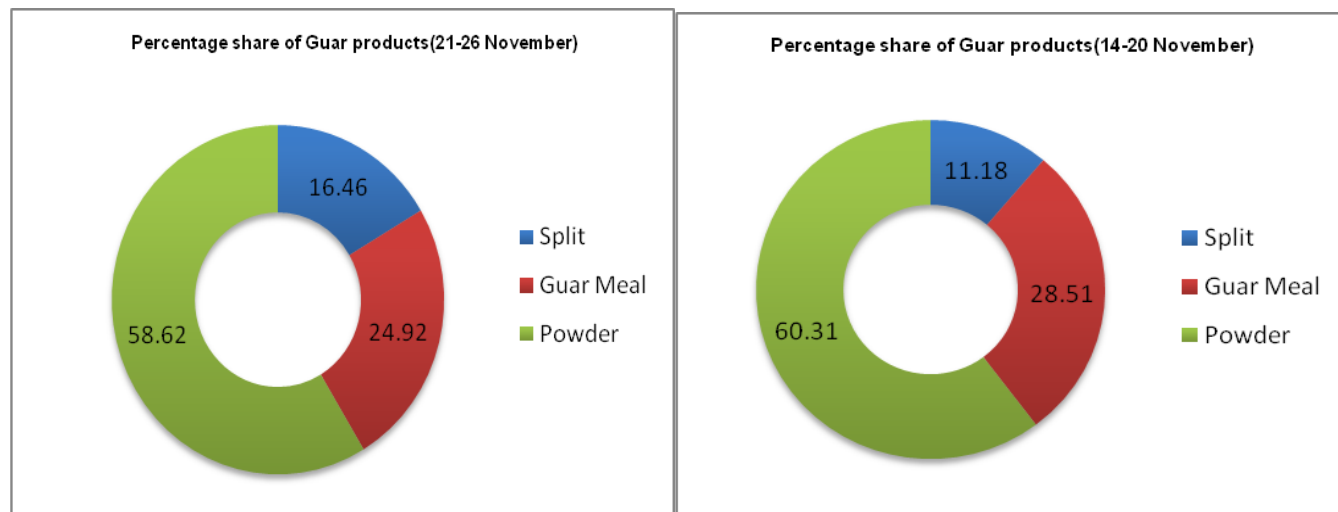
- In the week ended 16 June'17, Guar seed weekly average prices decreased by Rs 87.50 /- qtl during the week compared to previous week and settled at Rs 3650 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 129.17/- qtl and settled at Rs. 7421 per quintal. Firm demand for guar gum from domestic as well as overseas market led the prices up 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)

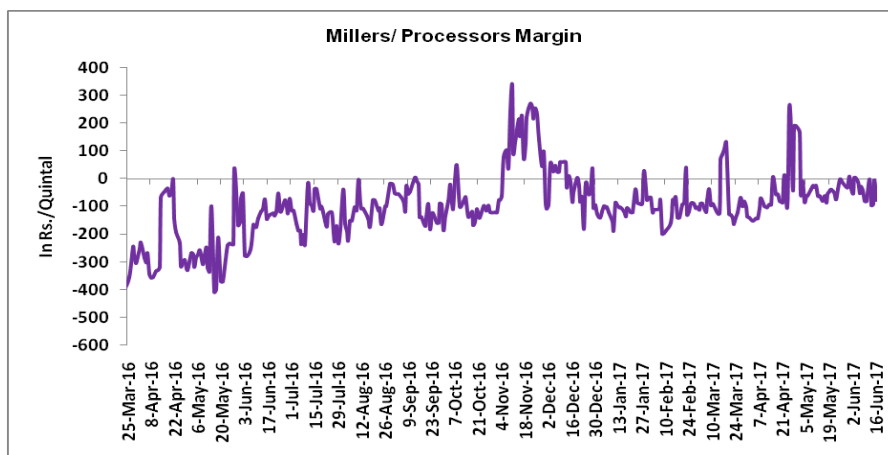
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 16 June'17, average crush margin is Rs. - 58.79/Quintal, compared to last week's -36.22/Quintal. Therefore crushing is favorable for Millers/Processors.

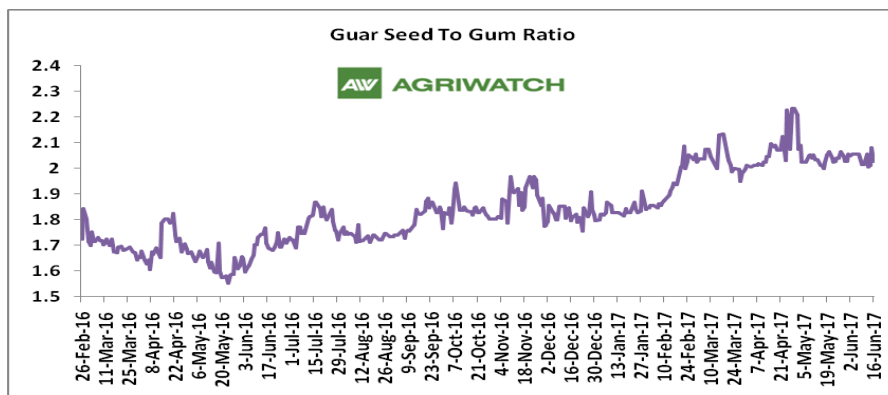
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 16 June'17 is 2.03, lower compared to last week's 2.04

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: July

Exchange: NCDEX
Expiry: July 20, 2017

Guar Seed (July Weekly Chart)



Technical Commentary:

- Rise in price and open interest indicates long buildup.
- RSI is moving in neutral region.
- Last candlestick depicts bullishness in market.
- Prices closed below 9 and 18 day EMAs.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed 10MT	NCDEX	July	3290	3245	3546	3705	3750
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed 10MT	NCDEX	July	Sell	Below 3565	3421	3345	3651



Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: July

Exchange: NCDEX
Expiry: July 20, 2017



Technical Commentary:

- Rise in price and open interest indicates long buildup.
- Prices closed below 9 and 18 days EMAs.
- RSI is moving in neutral region.
- Last candlestick depicts bullishness in market.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	July	7105	7010	7602	7995	8090
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Sell	Below 7650	7395	7210	7803

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	10th to 16th June 17	03rd to 09th June 17	Change
Churi	Jodhpur	1435	1382	53
Korma	Jodhpur	1775	1775	Unch
Churi	Sri-Ganganagar	1299	1246	53
Korma	Sri-Ganganagar	1572	1544	28

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	10th to 16th June 17	03rd to 09th June 17	Change
Guargum Split		1149	1132	18
Guargum Powder	200 Mesh 5000 CPS	1460	1442	18
	200 Mesh 3500 CPS	1382	1365	18
Guargum Meal	40%	313	308	5
	50%	381	373	8

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			10th to 16th June 17	03rd to 09th June 17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3500	3413	88
		Jodhpur(Delivery)	3650	3563	88
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3267	3230	37
		Sri-Ganganagar (Delivery)	3409	3380	29
		Rawla (Loose)	3310	3215	95
		Gharsana (Loose)	3292	3188	103
		Raisinghnagar (Loose)	3285	3190	95
	Bikaner	Bikaner (Loose)	3345	3214	131
		Bikaner (Delivery)	3495	3364	131
		Nokha(Loose)	3313	3198	116
		Nokha (Delivery)	3433	3313	120
		Khajuwala (Loose)	3337	3220	117
		Khajuwala (Delivery)	3470	3349	121
		Lunkaransar (Loose)	3304	3183	121
	Hanumangarh	Hanumangarh (Loose)	3325	3302	23
		Hanumangarh (Delivery)	3475	3452	23
		Nohar (Loose)	3396	3292	104

		Pilibanga (Loose)	3307	3232	75
	Nagaur	Nagaur (Loose)	3275	3208	67
	Churu	Churu (Delivery)	3400	3367	33
	Alwar	Alwar (Loose)	3217	3167	50
Haryana	Hisar	Adampur (Loose)	3393	3282	111
		Adampur (Delivery)	3543	3432	111
	Bhiwani	Bhiwani (Delivery)	3470	3317	153
		Siwani (Loose)	3444	3282	163
	Sirsa	Sirsa (Loose)	3375	3230	145
		Dhabwali (Loose)	3333	3221	113
		Dhabwali (Delivery)	3483	3371	113
		Ellanabad (Loose)	3312	3196	116
	Fatehabad	Fatehabad (Loose)	NA	NA	-
Gujarat	Banaskantha	Deesa (Loose)	3175	3175	Unch
	Patan	Patan (Loose)	3227	3160	67
	Rajkot	Rajkot (Loose)	3130	3093	37
	Jamnagar	Dhrol (Loose)	NA	2988	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7421	7292	129
	Alwar	Alwar	7367	7333	33
	Hanumangarh	Nohar	7483	7417	67
Haryana	Bhiwani	Bhiwani	7363	7300	63
	Sirsa	Sirsa	7458	7267	192
		Dhabwali	7433	7275	158
		Ellanabad	7429	7292	138
	Fatehabad	Fatehabad	NA	NA	-

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			16-Jun-17	9-Jun-17	16-May-17	16-Jun-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3600	3425	3700	3125
		Jodhpur(Delivery)	3750	3575	3850	3275
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3350	3200	3600	2950
		Sri-Ganganagar (Delivery)	3450	3350	3750	3050
		Rawla (Loose)	3400	3208	3445	2935
		Gharsana (Loose)	3400	3200	3450	3000
		Raisinghnagar (Loose)	3370	3230	3450	3000

	Bikaner	Bikaner (Loose)	3425	3200	3525	2925
		Bikaner (Delivery)	3575	3350	3675	3075
		Nokha(Loose)	3400	3170	3450	2950
		Nokha (Delivery)	3522	3284	3574	3056
		Khajuwala (Loose)	3410	3220	3525	2960
		Khajuwala (Delivery)	3546	3349	3666	3078
		Lunkaransar (Loose)	3400	3200	3450	2940
	Hanumangarh	Hanumangarh (Loose)	3400	3250	3554	2940
		Hanumangarh (Delivery)	3550	3400	3704	3090
		Nohar (Loose)	3500	3300	3500	2940
		Pilibanga (Loose)	3360	3150	3550	2900
	Nagaur	Nagaur (Loose)	3350	3300	3350	3050
	Churu	Churu (Delivery)	3600	3300	3750	3150
	Alwar	Alwar (Loose)	3300	3100	3500	2950
Haryana	Hisar	Adampur (Loose)	3450	3300	3550	2950
		Adampur (Delivery)	3600	3450	3700	3100
	Bhiwani	Bhiwani (Delivery)	3500	3300	3650	3050
		Siwani (Loose)	3520	3300	3625	3050
	Sirsa	Sirsa (Loose)	3470	3225	3500	2975
		Dhabwali (Loose)	3350	3250	3450	2870
		Dhabwali (Delivery)	3500	3400	3600	3020
		Ellanabad (Loose)	3350	3250	3450	2950
	Fatehabad	Fatehabad (Loose)	NR	NR	3500	3000
Gujarat	Banaskantha	Deesa (Loose)	3175	3225	3170	NA
	Patan	Patan (Loose)	3315	3105	3345	2895
	Rajkot	Rajkot (Loose)	3250	3085	3300	2985
	Jamnagar	Dhrol (Loose)	NA	2925	3250	2835
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7600	7200	7750	5600
	Alwar	Alwar	7600	7200	8000	5600
	Hanumangarh	Nohar	7700	7400	7800	5600
Haryana	Bhiwani	Bhiwani	7400	7200	7900	5350
	Sirsa	Sirsa	7700	7200	7600	5650
		Dhabwali	7600	7250	7750	5500
		Ellanabad	7600	7250	7750	5600
	Fatehabad	Fatehabad	NR	NR	7900	5600

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			10th to 16th June 17	03rd to 09th June 17	
Rajasthan	Jodhpur	Jodhpur	952	517	435
	Sri-Ganganagar	Sri-Ganganagar	1938	1805	133
		Rawla	280	510	-230
		Gharsana	525	305	220
		Raisinghnagar	1450	975	475
	Bikaner	Bikaner	680	1180	-500
		Nokha	2100	1600	500
		Khajuwala	1550	1350	200
		Lunkaransar	1750	1260	490
	Hanumangarh	Hanumangarh	654	293	361
		Nohar	5300	5000	300
		Pilibanga	700	900	-200
	Nagaur	Nagaur	740	1005	-265
	Churu	Churu	5300	4000	1300
	Alwar	Alwar	2500	1400	1100
Haryana	Hisar	Adampur	3600	2300	1300
	Bhiwani	Bhiwani	4200	4800	-600
		Siwani	3200	3500	-300
	Sirsa	Sirsa	2250	1950	300
		Dhabwali	950	600	350
		Ellanabad	880	320	560
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	1740	1180	560
	Patan	Patan	199	253	-54
	Rajkot	Rajkot	500	345	155
	Jamnagar	Dhrol	NA	43	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			43938	37391	6547

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.