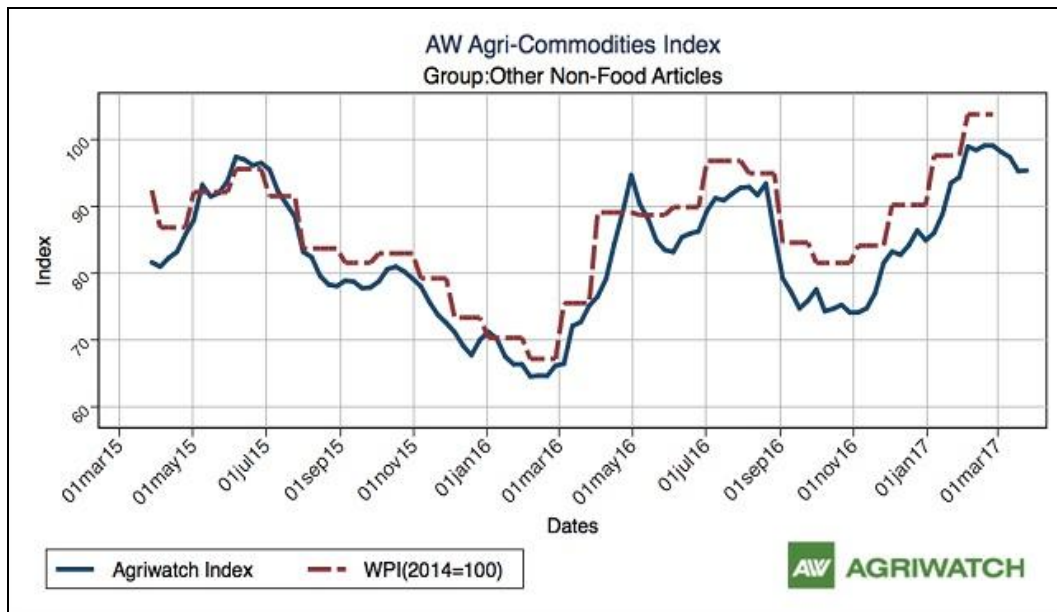


# Guar Weekly Research Report

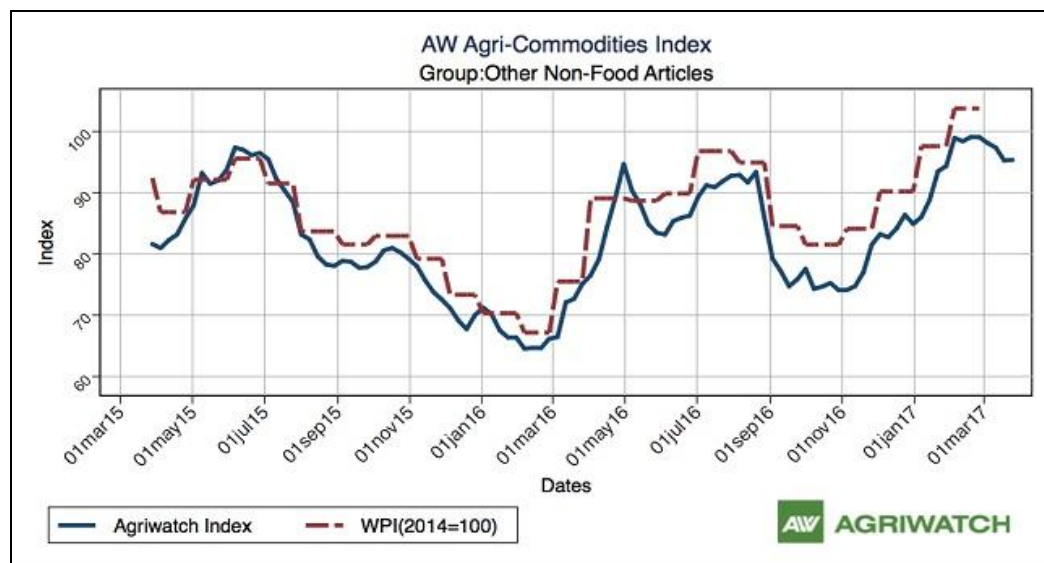
## Contents

- ❖ 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](http://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 0.23 percent to Rs. 3031.47 per quintal during the week ended 30th June 2017. Guar seed average price were ruling at Rs 3038.32 per quintal during 16-23 June 2017. As compared to prices in the week 24-30 June 2016, the prices are firm by 3.51 percent. Prices are expected to remain range bound to slightly weak in coming days.*

*In the first month (June) of southwest monsoon, India witnessed 4 percent excess rains. A surplus of 5 percent and 50 percent was recorded in Central/South India and Northwest India respectively in terms of rain. However a deficiency of around 17 percent was seen in East and Northeast region. As of now southwest monsoon has hit Delhi-NCR and western disturbance persists over Jammu & Kashmir. Furthermore a cyclonic circulation is building over East Uttar Pradesh, Bihar, Northwest Bengal and coast of Odhisa.*

*As per data released by baker hughes the number of oil rigs in USA has increased to 940 until 30<sup>th</sup> June 2017 down by 1 compared to last week and up by 509 compared to 23<sup>rd</sup> June 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, as the number of oilrigs increases or decreases the demand for guar gum is also affected.*

*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.*

*Most of the mandis are remained closed in the past few days. Trading activities are also sluggish as traders are still trying to understand various aspects of GST..*

*The wholesale price index of guar seed has decreased from 90.3 in April 2017 to 84.9 in May 2017. The WPI for May 2017 is higher by 11.6 compared to last year for the same month and lower by 20.5 compared to May 2015.*

*As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (575 quintals) compared to previous week 2000 quintals.*

*As far as arrivals are concerned Bikaner market, reported lower arrivals (900 Quintals), compared to previous week 1100 quintals.*

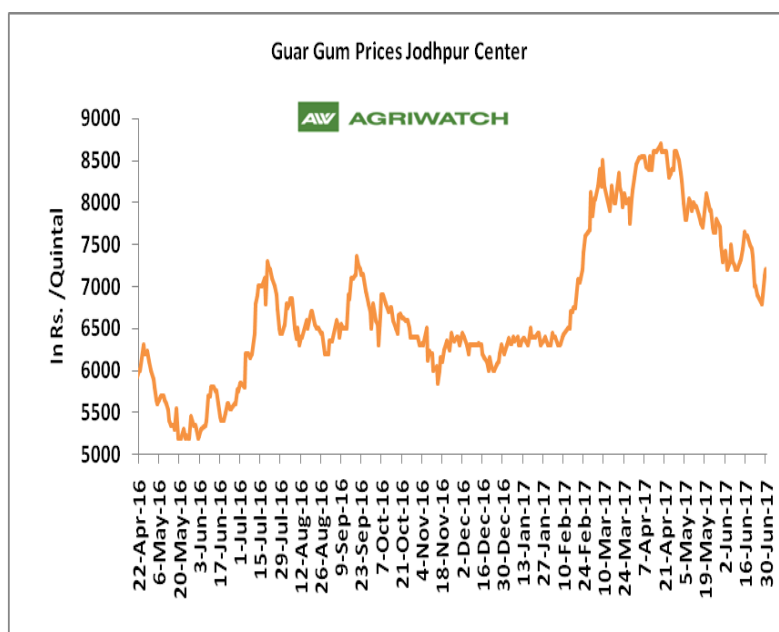
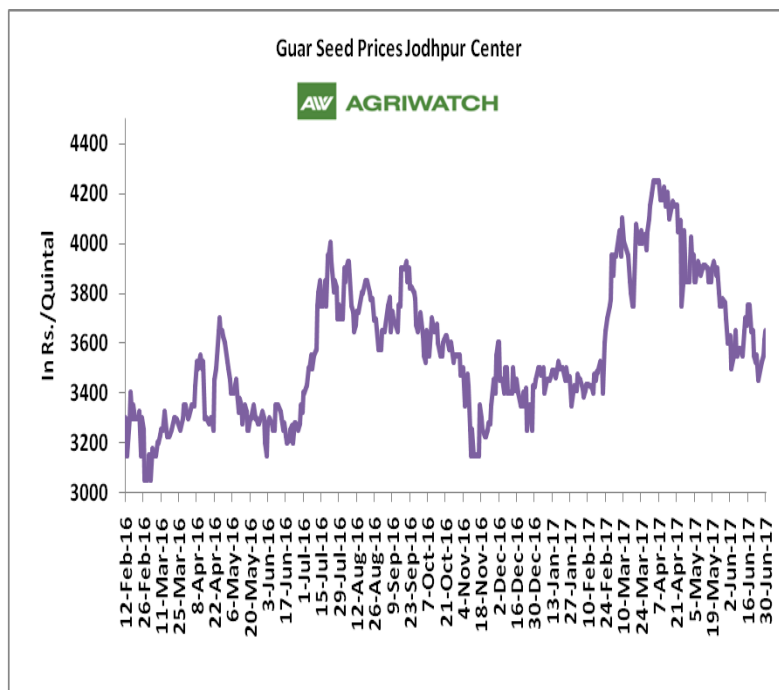
### Recommendation:

**Weekly Call - : Market participants are advised to Sell Guar seed at 3591 levels for a target of 3210 with a stop loss at 3726 on closing basis.**

## Guar Seed Fundamental Analysis and Outlook:-

### Domestic Front

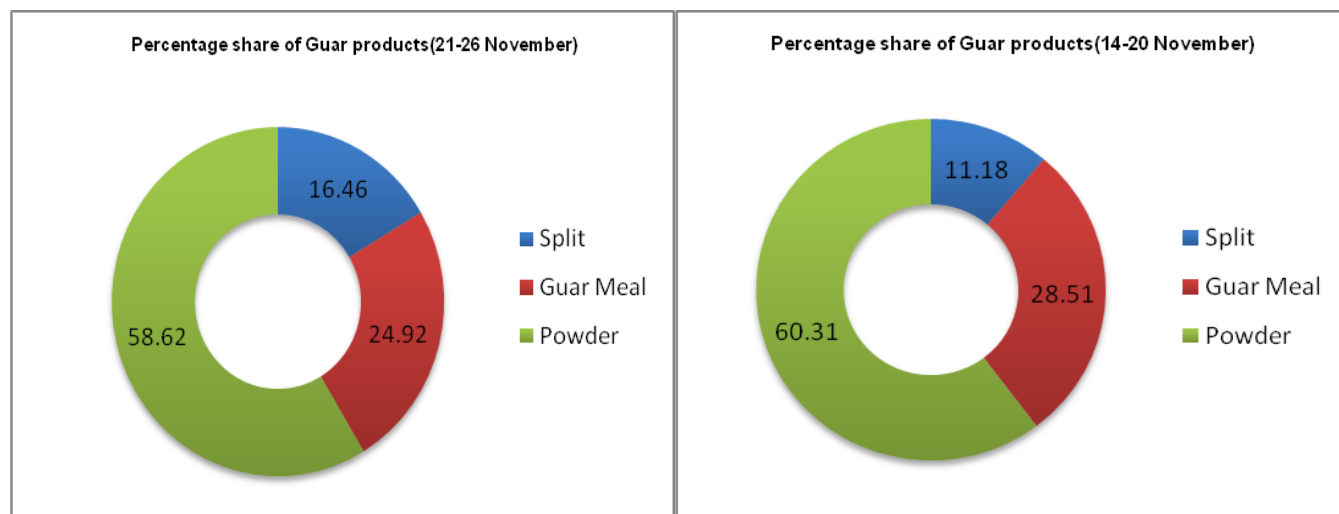
- In the week ended 30 June'17, Guar seed weekly average prices decreased by Rs 55.50 /- qtl during the week compared to previous week and settled at Rs 3557 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 329.17/- qtl and settled at Rs. 6988 per quintal. Weak demand for guar 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 (21<sup>st</sup> - 26<sup>th</sup> November 2016)

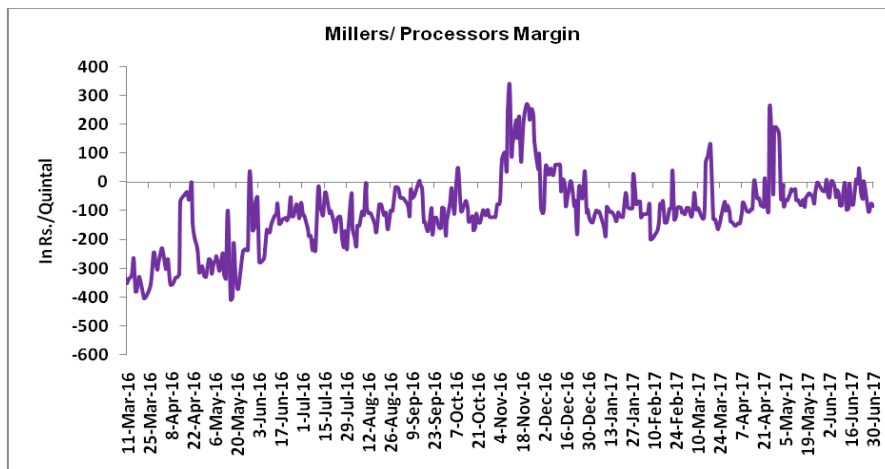
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



## Millers/Processors Margin

In the week ended 30 June'17, average crush margin is Rs. - 67.98/Quintal, compared to last week's -19.96/Quintal. Therefore crushing is favorable for Millers/Processors.

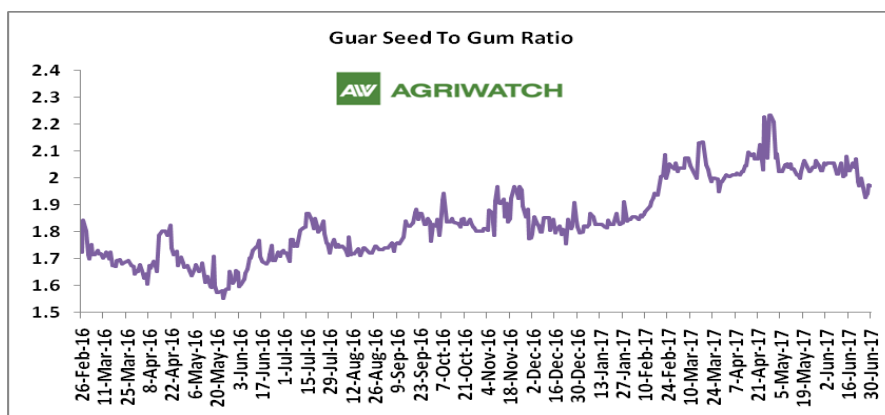
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



## Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 30 June'17 is 1.96, lower compared to last week's 2.02

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: October

Exchange: NCDEX  
Expiry: October 18, 2017



#### Technical Commentary:

- Rise in price and open interest indicates long buildup.
- RSI is moving in oversold 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	NCDEX	October	3100	3010	3561	3830	3915
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	October	<b>Sell</b>	Below 3591	3365	3210	3726



### Technical Analysis (Guar Gum)

Commodity: Guar Gum  
Contract: October

Exchange: NCDEX  
Expiry: October 18, 2017



#### Technical Commentary:

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

#### Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	6715	6560	7536	8085	8240
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	<b>Sell</b>	Below 7610	7115	6910	7907

**Guar Seed & Gum Prices at Key Spot Markets**

<b>Guar by – Products Weekly Average Prices (Prices in Rs/75kg)</b>				
<b>Commodity</b>	<b>Centre</b>	<b>24th to 30th June 17</b>	<b>17th to 23rd June 17</b>	<b>Change</b>
<b>Churi</b>	Jodhpur	1469	1476	<b>-7</b>
<b>Korma</b>	Jodhpur	1815	1813	<b>3</b>
<b>Churi</b>	Sri-Ganganagar	1283	1316	<b>-33</b>
<b>Korma</b>	Sri-Ganganagar	1579	1578	<b>1</b>

<b>Guar Export Weekly Average Prices (Prices in \$/MT)</b>				
<b>Commodity</b>	<b>Variety</b>	<b>24th to 30th June 17</b>	<b>17th to 23rd June 17</b>	<b>Change</b>
<b>Guargum Split</b>		1097	1145	<b>-48</b>
<b>Guargum Powder</b>	200 Mesh 5000 CPS	1407	1455	<b>-48</b>
	200 Mesh 3500 CPS	1330	1378	<b>-48</b>
<b>Guargum Meal</b>	40%	313	318	<b>-5</b>
	50%	372	383	<b>-11</b>

<b>Guar Seed Weekly Average Prices:</b>					
<b>Commodity</b>	<b>District</b>	<b>Centre</b>	<b>Weekly Prices (Average ) (Rs/Qtl)</b>		<b>Change</b>
<b>Guar Seed</b>			<b>24th to 30th June 17</b>	<b>17th to 23rd June 17</b>	
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur (Loose)	3407	3463	<b>-56</b>
		Jodhpur(Delivery)	3557	3613	<b>-56</b>
	<b>Sri-Ganganagar</b>	Sri-Ganganagar(Loose)	3225	3342	<b>-117</b>
		Sri-Ganganagar (Delivery)	3350	3475	<b>-125</b>
		Rawla (Loose)	3175	3297	<b>-122</b>
		Gharsana (Loose)	3170	3275	<b>-105</b>
		Raisinghnagar (Loose)	3204	3281	<b>-77</b>
	<b>Bikaner</b>	Bikaner (Loose)	3220	3317	<b>-97</b>
		Bikaner (Delivery)	3370	3467	<b>-97</b>
		Nokha(Loose)	3201	3296	<b>-95</b>
		Nokha (Delivery)	3316	3415	<b>-98</b>
		Khajuwala (Loose)	3215	3298	<b>-83</b>
		Khajuwala (Delivery)	3344	3430	<b>-86</b>
		Lunkaransar (Loose)	3188	3252	<b>-64</b>
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3197	3305	<b>-108</b>
		Hanumangarh (Delivery)	3347	3455	<b>-108</b>
		Nohar (Loose)	3245	3307	<b>-62</b>



		Pilibanga (Loose)	3225	3317	<b>-92</b>
	<b>Nagaur</b>	Nagaur (Loose)	3225	3350	<b>-125</b>
	<b>Churu</b>	Churu (Delivery)	3320	3417	<b>-97</b>
	<b>Alwar</b>	Alwar (Loose)	3100	3200	<b>-100</b>
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3195	3331	<b>-136</b>
		Adampur (Delivery)	3345	3481	<b>-136</b>
	<b>Bhiwani</b>	Bhiwani (Delivery)	3390	3425	<b>-35</b>
		Siwani (Loose)	3325	3410	<b>-85</b>
	<b>Sirsa</b>	Sirsa (Loose)	3261	3351	<b>-90</b>
		Dhabwali (Loose)	3195	3292	<b>-97</b>
		Dhabwali (Delivery)	3345	3442	<b>-97</b>
		Ellanabad (Loose)	3155	3233	<b>-78</b>
	<b>Fatehabad</b>	Fatehabad (Loose)	NA	NA	-
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	3152	3183	<b>-31</b>
	<b>Patan</b>	Patan (Loose)	3148	3223	<b>-75</b>
	<b>Rajkot</b>	Rajkot (Loose)	3084	3189	<b>-105</b>
	<b>Jamnagar</b>	Dhrol (Loose)	3000	2906	<b>94</b>
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	-
<b>Guar Gum</b>					
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	6985	7317	<b>-332</b>
	<b>Alwar</b>	Alwar	7040	7300	<b>-260</b>
	<b>Hanumangarh</b>	Nohar	7250	7383	<b>-133</b>
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	7115	7160	<b>-45</b>
	<b>Sirsa</b>	Sirsa	7010	7383	<b>-373</b>
		Dhabwali	6980	7325	<b>-345</b>
		Ellanabad	6960	7283	<b>-323</b>
	<b>Fatehabad</b>	Fatehabad	NA	NA	-

<b>Week on Week Price: Scenario of Guarseed and Guargum:</b>						
<b>Commodity</b>	<b>District</b>	<b>Centre</b>	<b>Today</b>	<b>Week Ago</b>	<b>Month Ago</b>	<b>Year Ago</b>
<b>Guar Seed</b>			<b>30-Jun-17</b>	<b>23-Jun-17</b>	<b>30-May-17</b>	<b>30-Jun-16</b>
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur (Loose)	3500	3400	3550	3175
		Jodhpur(Delivery)	3650	3550	3700	3325
	<b>Sri-Ganganagar</b>	Sri-Ganganagar(Loose)	Closed	3200	3435	3000
		Sri-Ganganagar (Delivery)	Closed	3350	3585	3150
		Rawla (Loose)	Closed	3250	3440	3000
		Gharsana (Loose)	Closed	3170	3325	3020
		Raisinghnagar (Loose)	Closed	3200	3330	3050

	<b>Bikaner</b>	Bikaner (Loose)	Closed	3200	3260	2985
		Bikaner (Delivery)	Closed	3350	3410	3135
		Nokha(Loose)	3275	3200	3300	3030
		Nokha (Delivery)	3393	3315	3419	3139
		Khajuwala (Loose)	Closed	3210	3350	3050
		Khajuwala (Delivery)	Closed	3338	3484	3172
		Lunkaransar (Loose)	Closed	3200	3300	3000
	<b>Hanumangarh</b>	Hanumangarh (Loose)	3235	3240	3484	2890
		Hanumangarh (Delivery)	3385	3390	3634	3040
		Nohar (Loose)	Closed	3200	3380	3000
		Pilibanga (Loose)	Closed	3250	3250	3015
	<b>Nagaur</b>	Nagaur (Loose)	Closed	3350	3200	3000
	<b>Churu</b>	Churu (Delivery)	3350	3300	3450	3200
	<b>Alwar</b>	Alwar (Loose)	3100	3100	3200	3000
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3225	3200	3360	3050
		Adampur (Delivery)	3375	3350	3510	3200
	<b>Bhiwani</b>	Bhiwani (Delivery)	3450	3350	3400	3200
		Siwani (Loose)	3400	3350	3400	3125
	<b>Sirsa</b>	Sirsa (Loose)	3300	3260	3380	3000
		Dhabwali (Loose)	3200	3250	3250	3050
		Dhabwali (Delivery)	3350	3400	3400	3200
		Ellanabad (Loose)	3200	3150	3250	3020
	<b>Fatehabad</b>	Fatehabad (Loose)	NR	NR	NR	3058
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	3250	3100	3250	2850
	<b>Patan</b>	Patan (Loose)	Closed	3095	3300	2900
	<b>Rajkot</b>	Rajkot (Loose)	Closed	3125	3250	3000
	<b>Jamnagar</b>	Dhrol (Loose)	Closed	2900	3030	2765
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	NA	NA
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	7200	7000	7500	5750
	<b>Alwar</b>	Alwar	7100	7000	7600	5700
	<b>Hanumangarh</b>	Nohar	Closed	7200	7400	5700
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	7300	7050	7500	5650
	<b>Sirsa</b>	Sirsa	7200	7050	7600	5700
		Dhabwali	7100	7150	7400	5700
		Ellanabad	7100	7100	7500	5700
	<b>Fatehabad</b>	Fatehabad	NR	NR	NR	5600

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			24th to 30th June 17	17th to 23rd June 17	
Rajasthan	Jodhpur	Jodhpur	164	373	-209
	Sri-Ganganagar	Sri-Ganganagar	750	2900	-2150
		Rawla	180	390	-210
		Gharsana	160	350	-190
		Raisinghnagar	700	775	-75
	Bikaner	Bikaner	900	1100	-200
		Nokha	900	1250	-350
		Khajuwala	850	1150	-300
		Lunkaransar	1100	1150	-50
	Hanumangarh	Hanumangarh	375	320	55
		Nohar	2700	2700	Unch
		Pilibanga	210	530	-320
	Nagaur	Nagaur	310	795	-485
	Churu	Churu	1800	2800	-1000
	Alwar	Alwar	700	1000	-300
Haryana	Hisar	Adampur	575	2000	-1425
	Bhiwani	Bhiwani	6300	8200	-1900
		Siwani	3400	2900	500
	Sirsa	Sirsa	2100	3400	-1300
		Dhabwali	200	530	-330
		Ellanabad	270	650	-380
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	1650	2150	-500
	Patan	Patan	128	210	-82
	Rajkot	Rajkot	220	480	-260
	Jamnagar	Dhrol	3	30	-27
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			26645	38133	-11488

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