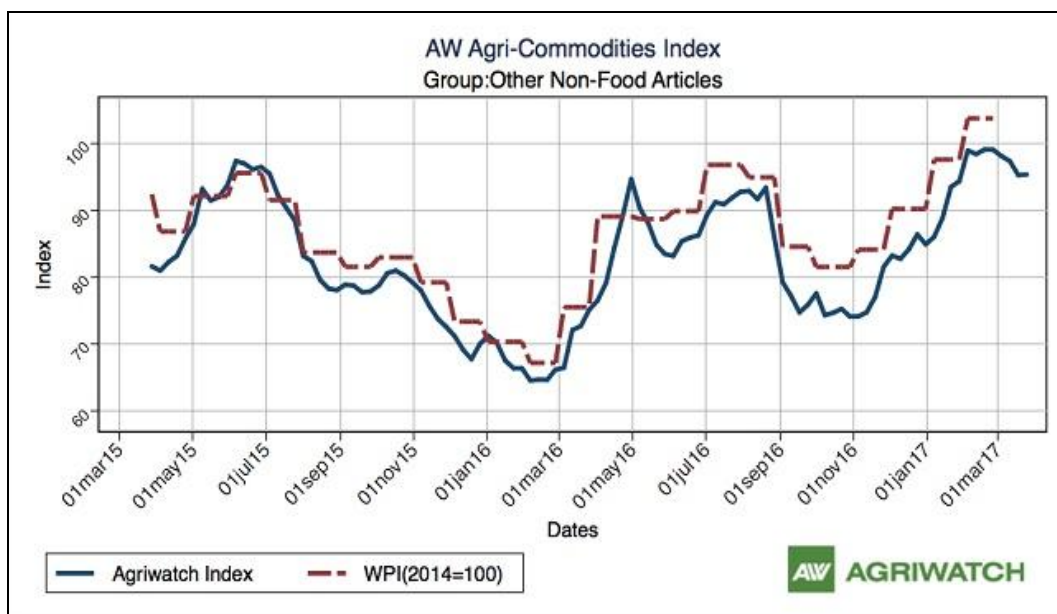


Guar Weekly Research Report

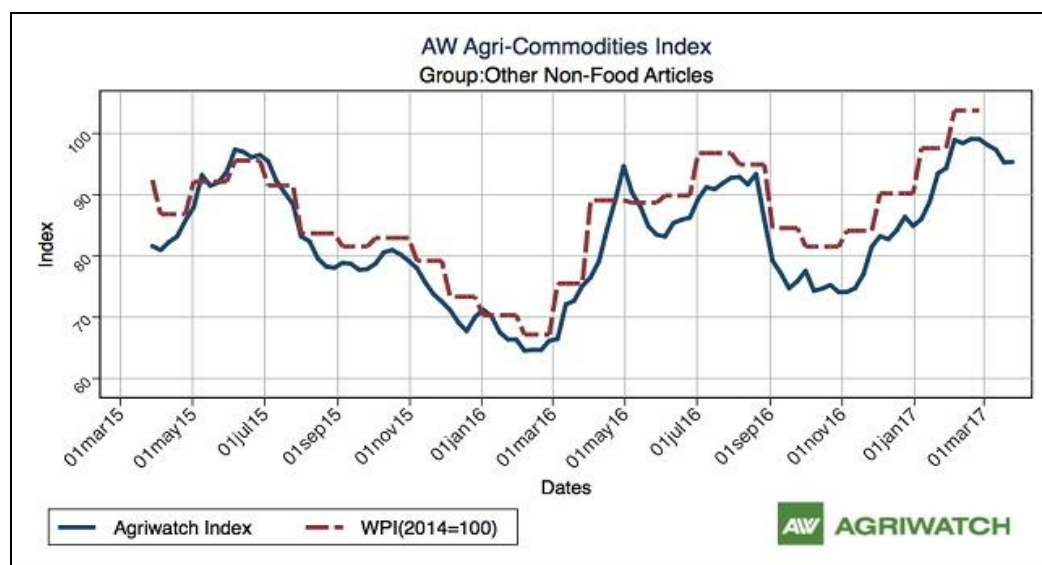
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Agriwatch Agri Commodity Index



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 0.77 percent to Rs. 3008.22 per quintal during the week ended 08th July 2017. Guar seed average price were ruling at Rs 3031.47 per quintal during 01-08 July 2017. As compared to prices in the week 01-08 July 2016, the prices are firm by 1.51 percent. Prices are expected to remain steady to weak in coming days.

Southwest monsoon in Punjab, Haryana and Chandigarh may be delayed but conditions are still favorable. Monsoon reached on July 2nd but went into a week phase and was delayed in reaching Punjab, Chandigarh and most parts of Haryana. However, monsoon is expected to revive in next 2-3 days in this region.

As per market sources, in the month of May 2017 India has exported around 53066 tonnes of guar gum in May compared to around 54392 tonnes in April 2017. 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.

Government has imposed 5 percent GST on guar meal making it less competitive compared to other cattle feeds available in the market. Furthermore a 5 percent GST on guar gum has also upset export demand for the commodity. Trading activities are sluggish as traders are still unclear regarding various aspects of GST.

As per data released by baker hughes the number of oil rigs in USA has increased to 952 until 07th July 2017 up by 12 compared to last week and by 512 compared to 08th July 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.

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 higher arrivals (850 quintals) compared to previous week 575 quintals.

As far as arrivals are concerned Bikaner market, reported lower arrivals (550 Quintals), compared to previous week 900 quintals.

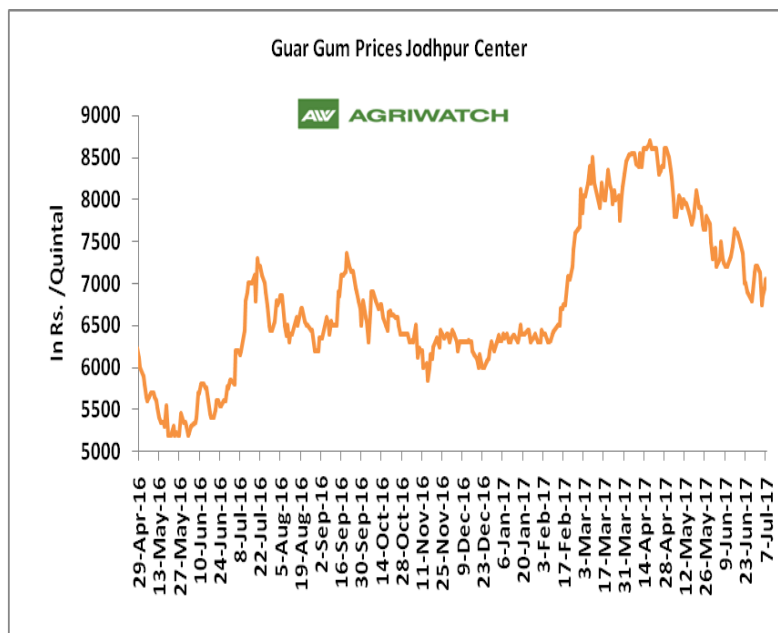
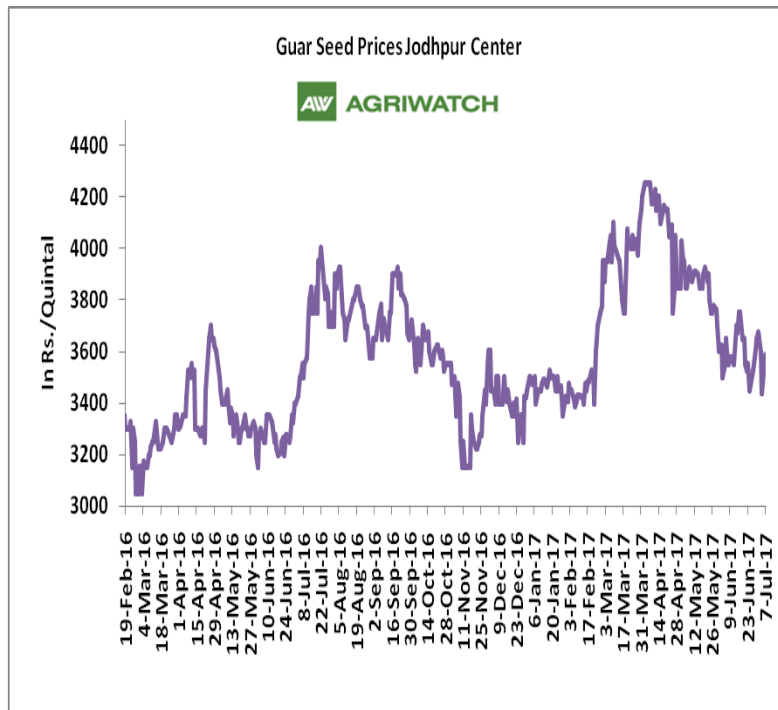
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3395 levels for a target of 3175 with a stop loss at 3476 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

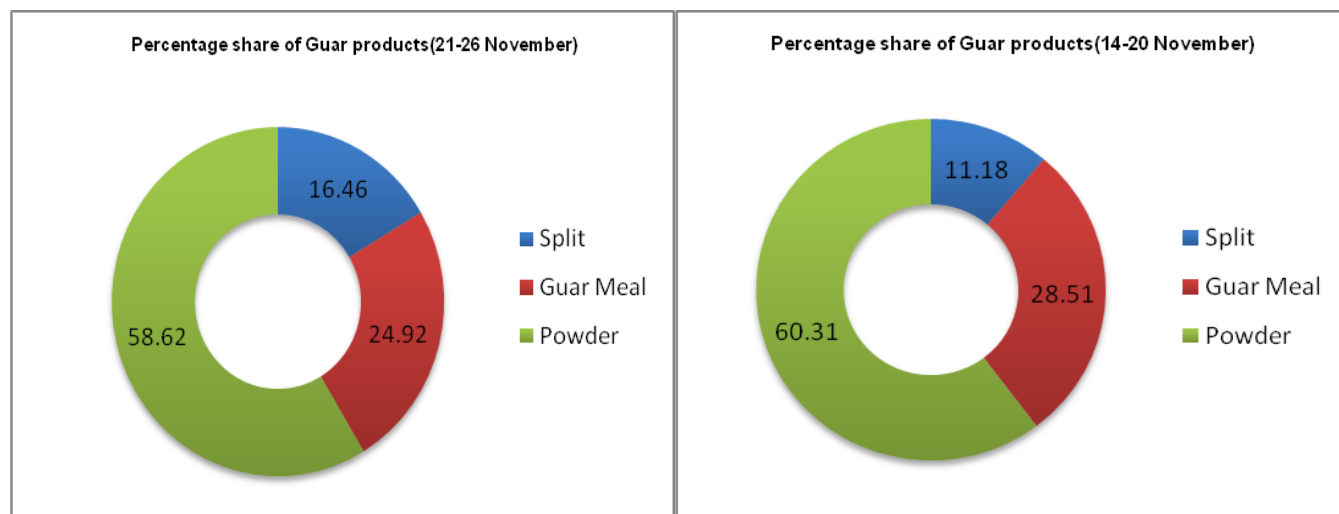
- In the week ended 07 July'17, Guar seed weekly average prices decreased by Rs 1.80 /- qtl during the week compared to previous week and settled at Rs 3555 per quintal.
- In addition, Guar gum weekly average prices were down by Rs. 0.5/- qtl and settled at Rs. 6987.5 per quintal. Weak demand for guar gum from domestic as well as overseas market led the prices down this week.
- As per latest update by Rajasthan agriculture department, guar seed has been 601.4 thousand hectares until 27 June 2017 against a target of 3800 thousand hectares for current Kharif season. As compared to last year for the same date, area is up 491.7 thousand hectares. Last Kharif season guar was sown in 3530 thousand hectares. The last five-year average area ending 2011-15 for guar seed in Rajasthan is 4424 thousand hectares.
- According to latest update, area sown in Gujarat until 03 July 2017 is 2100 hectares compared to 800 hectares in the previous Kharif season. Area of guar is expected to be lower this season as farmers are shifting to other crops like cotton in irrigated areas and pulses in rain fed areas as these crops are fetching more returns. The last three year average normal area for guar seed in Gujarat is 292400 hectares.



Export Scenario

Export Scenario (21st - 26th November 2016)

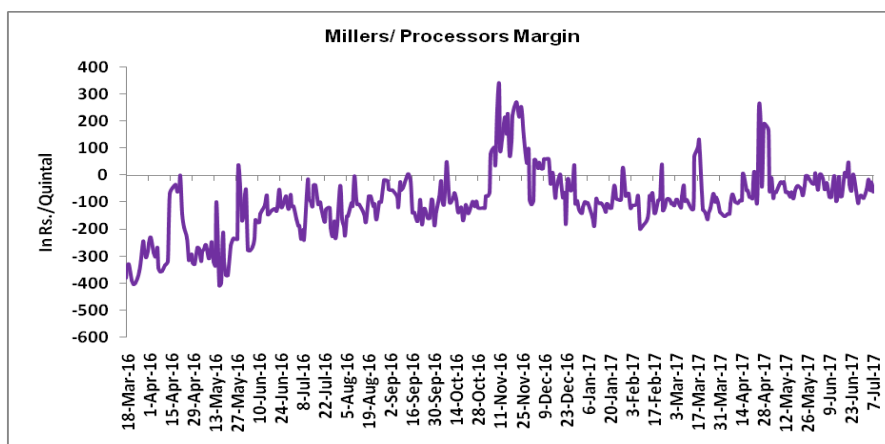
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 07 July'17, average crush margin is Rs. -49.29/Quintal, compared to last week's -67.98/Quintal. Therefore crushing is favorable for Millers/Processors.

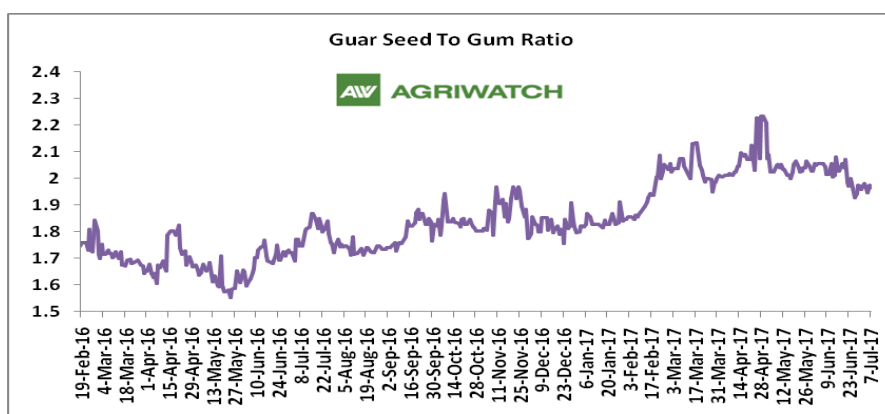
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 07 July'17 is 1.97, higher compared to last week's 1.96

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: October

Exchange: NCDEX
Expiry: October 18, 2017



Technical Commentary:

- Fall in price and rise in open interest indicates short 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	3095	3025	3370	3590	3672
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	October	Sell	Below 3395	3260	3175	3476



Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: October

Exchange: NCDEX
Expiry: October 18, 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 oversold region.
- Last candlestick depicts bearishness in market.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	6610	6465	7044	7585	7710
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Sell	Below 7195	6920	6775	7360

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	01st to 07th July 17	24th to 30th June 17	Change
Churi	Jodhpur	1464	1469	-5
Korma	Jodhpur	1813	1815	-3
Churi	Sri-Ganganagar	1300	1283	18
Korma	Sri-Ganganagar	1585	1579	6

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	01st to 07th July 17	24th to 30th June 17	Change
Guargum Split		1071	1097	-26
Guargum Powder	200 Mesh 5000 CPS	1380	1407	-27
	200 Mesh 3500 CPS	1292	1330	-37
Guargum Meal	40%	324	313	11
	50%	381	372	9

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			01st to 07th July 17	24th to 30th June 17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3386	3407	-21
		Jodhpur(Delivery)	3555	3557	-2
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3130	3225	-95
		Sri-Ganganagar (Delivery)	3267	3350	-83
		Rawla (Loose)	3067	3175	-108
		Gharsana (Loose)	3082	3170	-88
		Raisinghnagar (Loose)	3117	3204	-87
	Bikaner	Bikaner (Loose)	3184	3220	-36
		Bikaner (Delivery)	3343	3370	-27
		Nokha(Loose)	3158	3201	-43
		Nokha (Delivery)	3316	3316	Unch
		Khajuwala (Loose)	3165	3215	-50
		Khajuwala (Delivery)	3323	3344	-20
		Lunkaransar (Loose)	3150	3188	-38
	Hanumangarh	Hanumangarh (Loose)	3113	3197	-85
		Hanumangarh (Delivery)	3268	3347	-79
		Nohar (Loose)	3188	3245	-58
		Pilibanga (Loose)	3119	3225	-106

	Nagaur	Nagaur (Loose)	3163	3225	-63
	Churu	Churu (Delivery)	3267	3320	-53
	Alwar	Alwar (Loose)	3017	3100	-83
Haryana	Hisar	Adampur (Loose)	3190	3195	-5
		Adampur (Delivery)	3350	3345	5
	Bhiwani	Bhiwani (Delivery)	3317	3390	-73
		Siwani (Loose)	3269	3325	-56
	Sirsa	Sirsa (Loose)	3175	3261	-86
		Dhabwali (Loose)	3133	3195	-62
		Dhabwali (Delivery)	3288	3345	-57
		Ellanabad (Loose)	3129	3155	-26
	Fatehabad	Fatehabad (Loose)	NA	NA	-
Gujarat	Banaskantha	Deesa (Loose)	3140	3152	-12
	Patan	Patan (Loose)	Closed	3148	-
	Rajkot	Rajkot (Loose)	Closed	3084	-
	Jamnagar	Dhrol (Loose)	Closed	3000	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6988	6985	3
	Alwar	Alwar	6933	7040	-107
	Hanumangarh	Nohar	6900	7250	-350
Haryana	Bhiwani	Bhiwani	7058	7115	-57
	Sirsa	Sirsa	6892	7010	-118
		Dhabwali	6917	6980	-63
		Ellanabad	6892	6960	-68
	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			7-Jul-17	30-Jun-17	7-Jun-17	7-Jul-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3415	3500	3400	3400
		Jodhpur(Delivery)	3586	3650	3550	3550
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3050	Closed	3250	3100
		Sri-Ganganagar (Delivery)	3200	Closed	3400	3250
		Rawla (Loose)	3100	Closed	3220	3200
		Gharsana (Loose)	3125	Closed	3180	3260
		Raisinghnagar (Loose)	3150	Closed	3150	3300
	Bikaner	Bikaner (Loose)	3250	Closed	3200	3240

		Bikaner (Delivery)	3413	Closed	3350	3390
		Nokha(Loose)	3200	3275	3180	3350
		Nokha (Delivery)	3360	3393	3294	3471
		Khajuwala (Loose)	3200	Closed	3220	3250
		Khajuwala (Delivery)	3360	Closed	3349	3380
		Lunkaransar (Loose)	3250	Closed	3150	3250
	Hanumangarh	Hanumangarh (Loose)	3165	3235	3300	3081
		Hanumangarh (Delivery)	3323	3385	3450	3231
		Nohar (Loose)	3200	Closed	3300	3300
		Pilibanga (Loose)	3170	Closed	3300	3020
	Nagaur	Nagaur (Loose)	3150	Closed	3200	3100
	Churu	Churu (Delivery)	3300	3350	3400	3350
	Alwar	Alwar (Loose)	3050	3100	3200	3150
Haryana	Hisar	Adampur (Loose)	3250	3225	3300	3300
		Adampur (Delivery)	3413	3375	3450	3450
	Bhiwani	Bhiwani (Delivery)	3300	3450	3350	3400
		Siwani (Loose)	3250	3400	3300	3300
	Sirsa	Sirsa (Loose)	3200	3300	3240	3200
		Dhabwali (Loose)	3150	3200	3225	3180
		Dhabwali (Delivery)	3308	3350	3375	3330
		Ellanabad (Loose)	3125	3200	3200	3225
	Fatehabad	Fatehabad (Loose)	NR	NR	NR	3350
Gujarat	Banaskantha	Deesa (Loose)	Closed	3250	3100	2850
	Patan	Patan (Loose)	Closed	Closed	3155	3085
	Rajkot	Rajkot (Loose)	Closed	Closed	3075	3400
	Jamnagar	Dhrol (Loose)	Closed	Closed	2950	2940
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7050	7200	7300	6200
	Alwar	Alwar	7000	7100	7400	6300
	Hanumangarh	Nohar	6900	Closed	7600	6400
Haryana	Bhiwani	Bhiwani	7000	7300	7350	6500
	Sirsa	Sirsa	6900	7200	7300	6200
		Dhabwali	6900	7100	7300	6250
		Ellanabad	6850	7100	7300	6350
	Fatehabad	Fatehabad	NR	NR	NR	6500

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			01st to 07th July 17	24th to 30th June 17	
Rajasthan	Jodhpur	Jodhpur	685	164	521
	Sri-Ganganagar	Sri-Ganganagar	1200	750	450
		Rawla	100	180	-80
		Gharsana	57	160	-103
		Raisinghnagar	350	700	-350
	Bikaner	Bikaner	550	900	-350
		Nokha	750	900	-150
		Khajuwala	850	850	Unch
		Lunkaransar	1250	1100	150
	Hanumangarh	Hanumangarh	296	375	-79
		Nohar	2450	2700	-250
		Pilibanga	380	210	170
	Nagaur	Nagaur	550	310	240
	Churu	Churu	1500	1800	-300
	Alwar	Alwar	300	700	-400
Haryana	Hisar	Adampur	850	575	275
	Bhiwani	Bhiwani	4700	6300	-1600
		Siwani	2800	3400	-600
	Sirsa	Sirsa	1700	2100	-400
		Dhabwali	495	200	295
		Ellanabad	700	270	430
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	350	1650	-1300
	Patan	Patan	Closed	128	-
	Rajkot	Rajkot	Closed	220	-
	Jamnagar	Dhrol	Closed	3	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			22863	26645	-3782

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