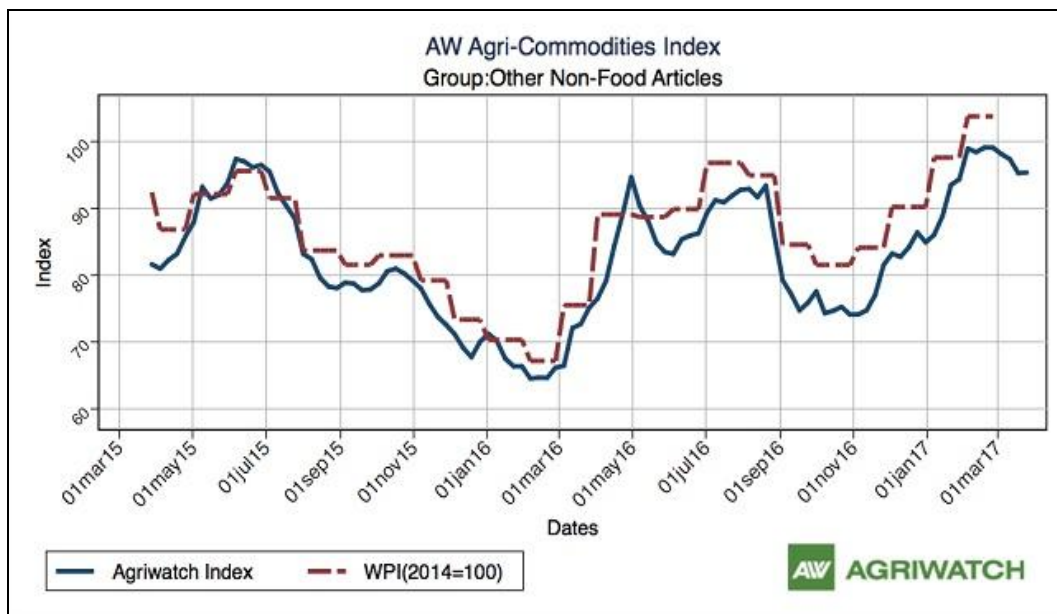


Guar Weekly Research Report

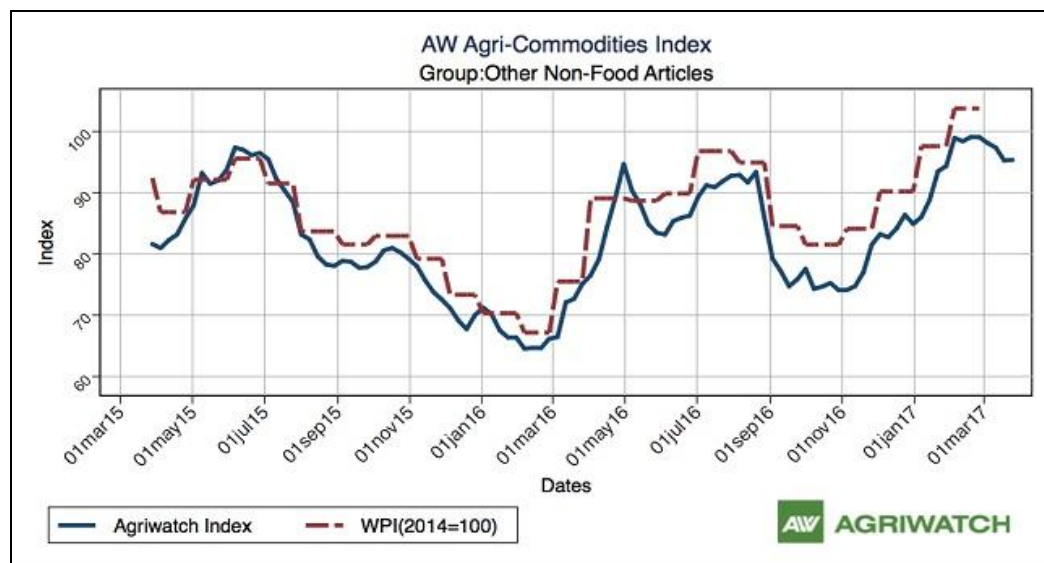
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Agriwatch Agri Commodity Index



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 increased by 0.90 percent to Rs. 3081.28 per quintal during the week ended 23rd July 2017. Guar seed average price were ruling at Rs 3053.76 per quintal during 09-15 July 2017. As compared to prices in the week 16-23 July 2016, the prices are weak by 13.16 percent. Prices are expected to remain steady to weak in coming days.

As per IMD, India has received cumulative rainfall of 103% of the benchmark LPA. The northwest and central regions have received rainfall with 116% and 113% of the LPA respectively whereas the southern peninsula and east/north-east region have received rainfall with 91% and 90% of the LPA respectively. IMD has further forecasted that rainfall is likely to decrease between July 27 and August 02. The only regions suffering with deficient rains include Kerala, Parts of Karnataka and Tamil Nadu.

As per data released by baker hughes the number of oil rigs in USA has decreased to 950 until 21st July 2017 down by 2 compared to last week and up by 488 compared to 22nd 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 84.9 in May 2017 to 78.5 in June 2017. The WPI for June 2017 is higher by 6.40 compared to last year for the same month and lower by 27.4 compared to June 2015.

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 far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported higher arrivals (2200 quintals) compared to previous week 1300 quintals.

As far as arrivals are concerned Bikaner and Sri Ganganagar reported arrivals of 1550 quintals and 2800 quintals respectively.

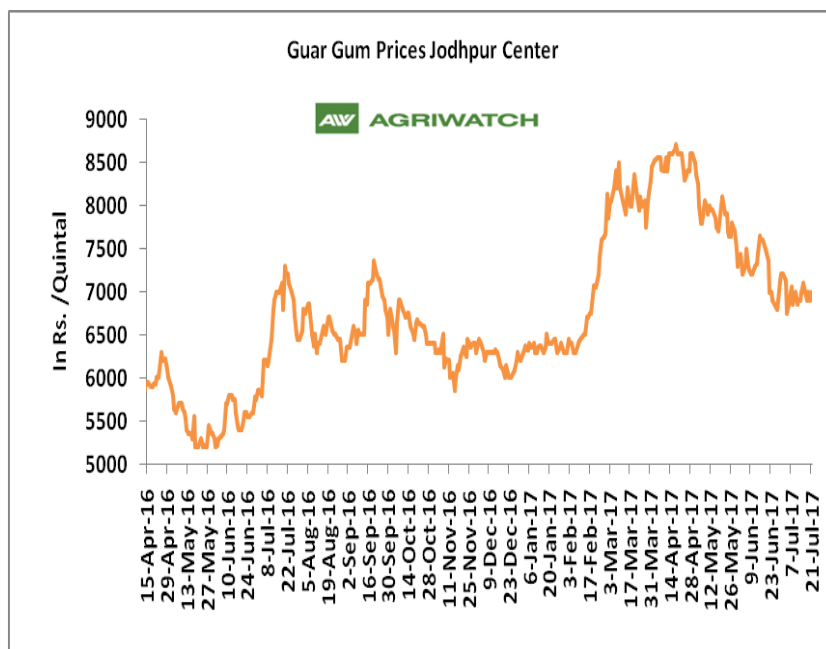
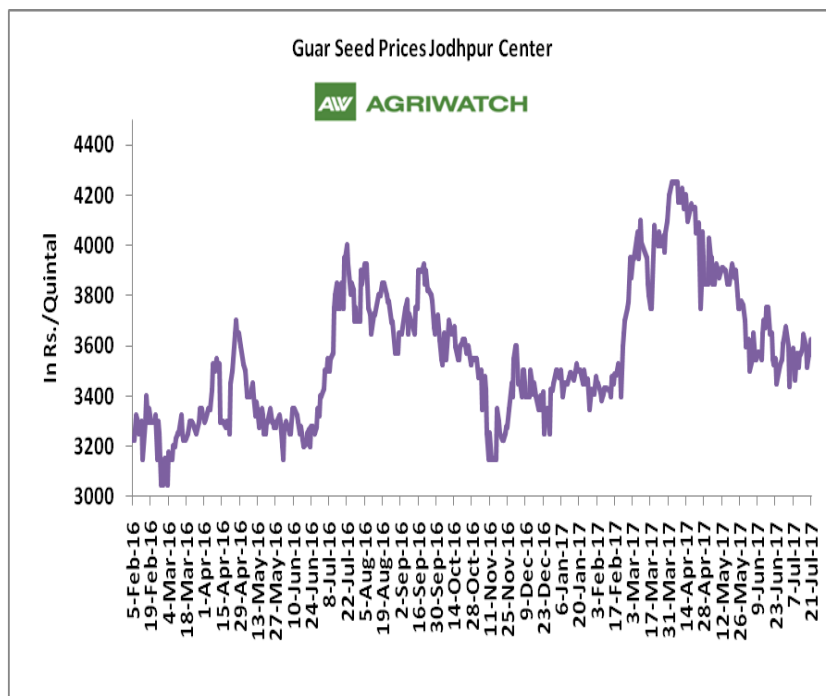
Recommendation:

Weekly Call - : Market participants are advised to Sell Guar seed at 3435 levels for a target of 3200 with a stop loss at 3531 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

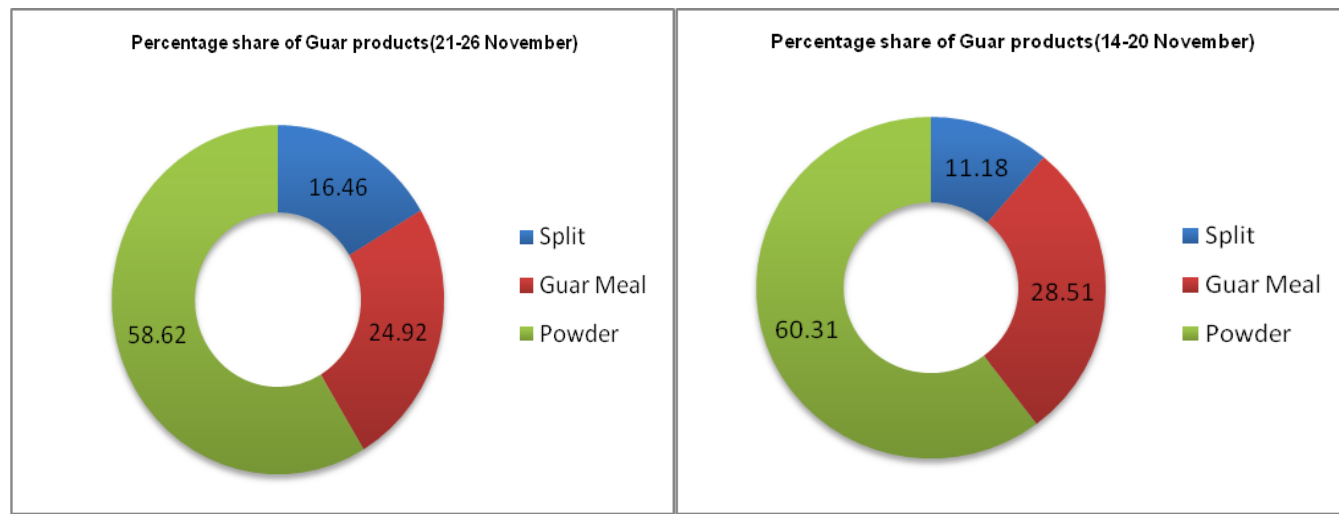
- In the week ended 21 July'17, Guar seed weekly average prices increased by Rs 40.25 /- qtl during the week compared to previous week and settled at Rs 3587 per quintal.
- In addition, Guar gum weekly average prices were up by Rs. 66.87/- qtl and settled at Rs. 6983 per quintal. Firm demand for guar gum from domestic as well as overseas market led the prices up this week.
- As per latest update by Rajasthan agriculture department, guar seed has been sown in 1688.5 thousand hectares until 17th July 2017 against a target of 3800 thousand hectares for current Kharif season. As compared to last year for the same date, area is up 664.7 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 17th July 2017 is 83100 hectares compared to 39400 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)

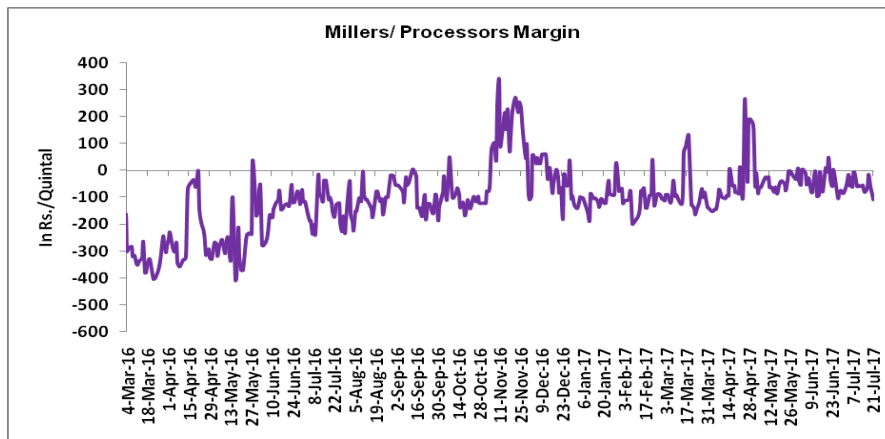
During this week 8625 tonnes of guar was exported out of which 5056 tonnes was guar gum powder, 2149 tonnes was guar meal and 1420 tonnes guar gum splits. As compared to last week, the export of guar gum powder and guar split has increased whereas export of guar meal has slightly decreased.



Millers/Processors Margin

In the week ended 21 July'17, average crush margin is Rs. - 69.18/Quintal, compared to last week's -49.18/Quintal. Therefore crushing is favorable for Millers/Processors.

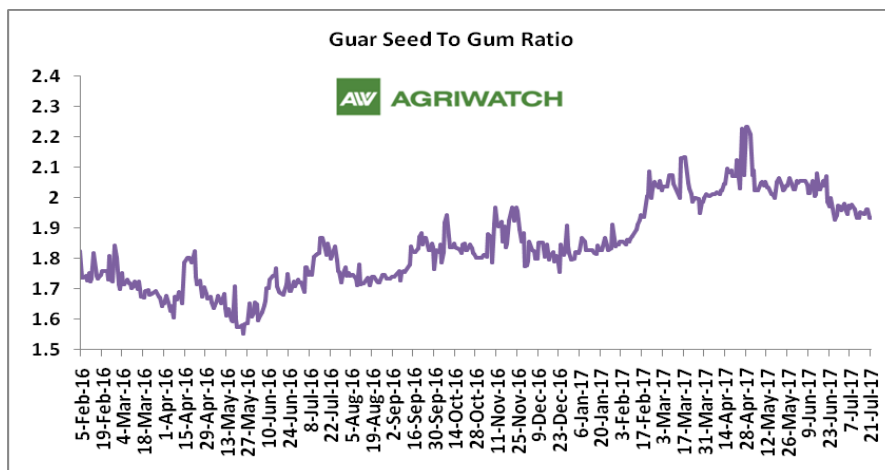
Higher degree of increase in guar seed prices compared to guar gum prices led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 21 July'17 is 1.94, lower compared to last week's 1.95

Overall, weak demand of gum from overseas 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:

- Fall in price and open interest indicates long liquidation.
- 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	3145	3080	3421	3635	3710
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	October	Sell	Below 3435	3275	3200	3531

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	6540	6435	7037	7370	7405
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Sell	Below 7075	6860	6695	7204

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	15th to 21th July 17	08th to 14th July 17	Change
Churi	Jodhpur	1488	1487	1
Korma	Jodhpur	1813	1820	-7
Churi	Sri-Ganganagar	1353	1341	12
Korma	Sri-Ganganagar	1643	1606	37

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	15th to 21th July 17	08th to 14th July 17	Change
Guargum Split		1096	1090	5
Guargum Powder	200 Mesh 5000 CPS	1407	1400	6
	200 Mesh 3500 CPS	1329	1320	8
Guargum Meal	40%	321	326	-4
	50%	383	382	1

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			15th to 21th July 17	08th to 14th July 17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3416	3378	38
		Jodhpur(Delivery)	3587	3546	40
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3223	3167	57
		Sri-Ganganagar (Delivery)	3373	3293	80
		Rawla (Loose)	3212	3153	59
		Gharsana (Loose)	3192	3145	47
		Raisinghnagar (Loose)	3247	3191	56
	Bikaner	Bikaner (Loose)	3244	3228	16
		Bikaner (Delivery)	3406	3390	17
		Nokha(Loose)	3228	3161	67
		Nokha (Delivery)	3389	3319	70
		Khajuwala (Loose)	3264	3193	71
		Khajuwala (Delivery)	3427	3353	74
		Lunkaransar (Loose)	3208	3154	54
	Hanumangarh	Hanumangarh (Loose)	3222	3186	36
		Hanumangarh (Delivery)	3383	3345	38
		Nohar (Loose)	3283	3239	44

		Pilibanga (Loose)	3231	3113	119
	Nagaur	Nagaur (Loose)	3221	3146	75
	Churu	Churu (Delivery)	3292	3267	25
	Alwar	Alwar (Loose)	3033	3025	8
Haryana	Hisar	Adampur (Loose)	3275	3183	92
		Adampur (Delivery)	3445	3343	103
	Bhiwani	Bhiwani (Delivery)	3400	3325	75
		Siwani (Loose)	3373	3284	89
	Sirsa	Sirsa (Loose)	3253	3195	58
		Dhabwali (Loose)	3128	3150	-22
		Dhabwali (Delivery)	3285	3308	-23
		Ellanabad (Loose)	3210	3146	64
	Fatehabad	Fatehabad (Loose)	3225	3133	92
Gujarat	Banaskantha	Deesa (Loose)	3210	Closed	-
	Patan	Patan (Loose)	3080	Closed	-
	Rajkot	Rajkot (Loose)	3069	Closed	-
	Jamnagar	Dhrol (Loose)	Closed	Closed	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6983	6917	67
	Alwar	Alwar	6950	6933	17
	Hanumangarh	Nohar	7033	7000	33
Haryana	Bhiwani	Bhiwani	7058	6984	74
	Sirsa	Sirsa	7058	6875	183
		Dhabwali	7033	6900	133
		Ellanabad	6990	6933	57
	Fatehabad	Fatehabad	6100	6767	-667

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			21-Jul-17	14-Jul-17	21-Jun-17	21-Jul-16
Rajasthan	Jodhpur	Jodhpur (Loose)	3450	3415	3400	3800
		Jodhpur(Delivery)	3623	3586	3550	3950
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3250	3150	3250	3650
		Sri-Ganganagar (Delivery)	3415	3310	3400	3800
		Rawla (Loose)	3230	3150	3250	3600
		Gharsana (Loose)	3180	3150	3250	3600
		Raisinghnagar (Loose)	3230	3200	3290	3730

	Bikaner	Bikaner (Loose)	3270	3250	3300	3650
		Bikaner (Delivery)	3434	3413	3450	3800
		Nokha(Loose)	3210	3175	3250	3660
		Nokha (Delivery)	3371	3334	3367	3792
		Khajuwala (Loose)	NR	3230	3240	3670
		Khajuwala (Delivery)	NR	3392	3370	3817
		Lunkaransar (Loose)	3200	3225	3200	3600
	Hanumangarh	Hanumangarh (Loose)	3200	3200	3280	3550
		Hanumangarh (Delivery)	3360	3360	3430	3700
		Nohar (Loose)	3300	3300	3250	3650
		Pilibanga (Loose)	NR	3200	3300	3600
	Nagaur	Nagaur (Loose)	3250	3150	3450	3600
	Churu	Churu (Delivery)	3300	3300	3400	3900
	Alwar	Alwar (Loose)	3000	3000	3200	3700
Haryana	Hisar	Adampur (Loose)	3250	3225	3275	3700
		Adampur (Delivery)	3450	3386	3425	3950
	Bhiwani	Bhiwani (Delivery)	3400	3350	3350	3725
		Siwani (Loose)	3380	3325	3360	3710
	Sirsa	Sirsa (Loose)	3225	3225	3325	3660
		Dhabwali (Loose)	3250	3200	3250	3600
		Dhabwali (Delivery)	3413	3360	3400	3750
		Ellanabad (Loose)	NR	3200	3200	3700
	Fatehabad	Fatehabad (Loose)	NR	NR	NA	3650
	Gujarat	Banaskantha	Deesa (Loose)	3100	Closed	3200
Patan		Patan (Loose)	3070	Closed	3160	3550
Rajkot		Rajkot (Loose)	3100	Closed	3150	3790
Jamnagar		Dhrol (Loose)	Closed	Closed	3015	3550
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7000	7000	7350	7200
	Alwar	Alwar	6900	7000	7200	7400
	Hanumangarh	Nohar	7000	7100	7250	7100
Haryana	Bhiwani	Bhiwani	7000	6950	7100	7400
	Sirsa	Sirsa	7050	6950	7250	7200
		Dhabwali	7000	7000	7200	7300
		Ellanabad	NR	7000	7100	7200
	Fatehabad	Fatehabad	NR	NR	NR	7000

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			15th to 21th July 17	08th to 14th July 17	
Rajasthan	Jodhpur	Jodhpur	283	715	-432
	Sri-Ganganagar	Sri-Ganganagar	2800	2700	100
		Rawla	390	675	-285
		Gharsana	310	350	-40
		Raisinghnagar	900	1075	-175
	Bikaner	Bikaner	1550	1550	Unch
		Nokha	1350	1650	-300
		Khajuwala	1275	1050	225
		Lunkaransar	1220	900	320
	Hanumangarh	Hanumangarh	99	305	-206
		Nohar	3100	3600	-500
		Pilibanga	90	300	-210
	Nagaur	Nagaur	830	575	255
	Churu	Churu	3000	3000	Unch
	Alwar	Alwar	900	600	300
Haryana	Hisar	Adampur	2200	1300	900
	Bhiwani	Bhiwani	2900	3800	-900
		Siwani	3600	3500	100
	Sirsa	Sirsa	1300	1650	-350
		Dhabwali	280	30	250
		Ellanabad	415	660	-245
	Fatehabad	Fatehabad	NA	30	-
Gujarat	Banaskantha	Deesa	1275	Closed	-
	Patan	Patan	102	Closed	-
	Rajkot	Rajkot	205	Closed	-
	Jamnagar	Dhrol	Closed	Closed	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			30374	30015	359

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