

Report for 28 June 2017

Indian Guar Seed & Guar Gum Price Outlook Summary

	NCDEX Guar Seed July'17 INR/Qtl	NCDEX Guar Gum July'17 INR/Qtl	Jodhpur Guar Seed Spot INR/Qtl	Bikaner Guar Seed Spot INR/Qtl	Jodhpur Guar Gum Spot INR/Qtl
27 Jun 2017					
Closing Price	3255	6751	3327	3300	6684
Change	-20.00	-94.00	-60.40	-17.50	-217.75

Fundamental Summary	Critical Price drivers		Price Direction
	Weakening in guar prices may keep the bulk holders away		Upward
	Lower crude oil prices may restrict the exports		Downward
	Lower exports may also keep the millers away from active selling even prices are trading down		Downward
	Guar farmers may release their produce in need of cash for land preparation		Downward

Next 10 Trading days	NCDEX Guar Seed July'17		NCDEX Guar Gum July'17		
	Price Outlook Summary	Prices are likely to extend the weakness towards INR 3150 in the coming 3-5 trading days.	Prices are likely to extend the weakness towards INR 6550 in the coming 3-5 trading days.		
	Direction	Downward	Downward		
	Price Range	3350 to 3150	7000 to 6550		

NCDEX Guar Seed Trading Strategy

Fresh / Open Position	Contract	Position	Entry	Entry Date	Objective	Stop Loss
	July'17	--	--	--	--	--
Traders may wait for fresh strategy.						
Closed Positions Audit	Market	Period	Strike Rate %	Net Profit Per Lot		
	NCDEX Guar Seed 1M	2003 to Till Date Apr 2017	63% 80%	INR 72 INR 65.00		

NCDEX Guar Gum Trading Strategy

Fresh / Open Position	Contract	Position	Entry	Entry Date	Objective	Stop Loss
	July'17	--	--	--	--	--
Traders may wait for fresh strategy.						
Strategy Review	Market	Period	Strike Rate %	Net Profit Per Lot		
	NCDEX Guar Gum 1M	2003 to Till Date Apr 2017	61% 75%	INR 205.00 INR 121.00		

Fundamental Analysis

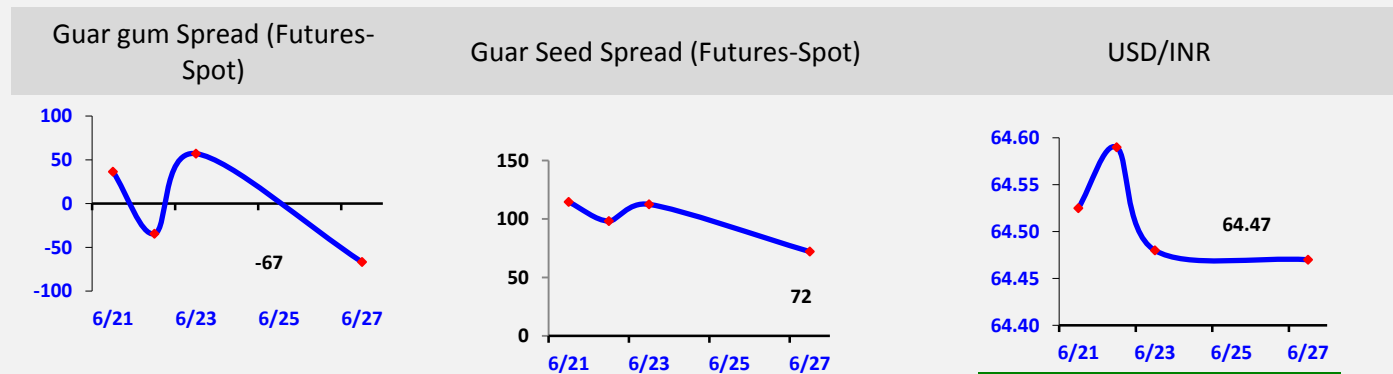
- ❖ The guar futures for July'17 delivery traded negative during previous trade session on the back of increased stocks offloading from stockiest and farmers and limited guar gum buying from major consumers of US shale industry.
- ❖ Meanwhile, anticipation of normal guar sowing for current year and prevailing ample carry forward stocks with stockiest might keep guar prices under pressure moving forward.

- ❖ Moreover, expected monsoon rains across western Rajasthan from next week onwards might initiate sowing pace in coming 1-2 weeks. Current year guar sowing in Rajasthan is expected to be near 30-31 Lakh hectares.
- ❖ Moving ahead, farmers will be selling their produce in need of cash for land preparation for upcoming sowing season; this might lead to mount the arrivals and keep prices on negative note.
- ❖ However, continued falling trend might sluggish the supply from bulk stockists as they are unwilling to sell their inventory at current level on expectations of price improvement in future, this may try to limit the losses to some extent.
- ❖ As per weather forecast, the rainfall is likely to features in western Rajasthan (where most of guar is grown), and the fear of bumper sowing may rise offloading and help prices to stay down moving ahead.
- ❖ On demand side, the exporters are anticipating dull demand from largest importer US as the industry may limit the crude oil production due to continued depreciation in its prices, this may hold the prices on lower note for short term.
- ❖ Moving ahead, negligible guar gum demand from major consumers of US shale industry amid improved guar seed supply in physical markets shall keep Indian guar prices on negative note moving forward.

Concisely, NCDEX Guar Seed prices are likely to extend the weakness towards INR 3150 in the coming 3-5 trading days.

NCDEX Guar Gum: Prices are likely to extend the weakness towards INR 6550 in the coming 3-5 trading days.

Mini Charts



Technical Outlook: NCDEX Guar Seed & Guar Gum July'17

- ❖ NCDEX Guar Seed July'17 Futures prices have traded on mixed note with Doji formation and closed at INR 3255 in the last trading day.
- ❖ Prices have resumed bearish trend after making high at INR 3570 levels with "Bearish Engulfing" formation.
- ❖ Prices are trading below short term moving averages suggesting further price decline.
- ❖ On the daily technical setup the momentum in the 14-Day RSI turning negative from the equilibrium levels supporting the bearish momentum.
- ❖ On the lower side, INR 3150 can act as immediate support.
- ❖ On the upside, INR 3350 can act as a resistance.

Market Prices

Exchange	Contract	27 Jun 2017				Change	Previous Close
		Open	High	Low	Close		
NCDEX Guar Seed INR/Qtl	Jul'17	3244	3279	3225	3255	-20.00	3275
	Oct'17	3413	3452	3392	3420	-29.00	3449
NCDEX Guar Gum INR/Qtl	Jul'17	6740	6797	6680	6751	-94.00	6845
	Oct'17	7120	7215	7110	7175	-89.00	7264

Market	Commodity	27 Jun 2017	23 Jun 2017	Change	% Change
Jodhpur	Guar Seed INR/Qtl	3327	3388	-60.40	-1.78
Bikaner	Guar Seed INR/Qtl	3300	3318	-17.50	-0.53
Jodhpur	Guar gum INR/Qtl	6684	6902	-217.75	-3.15
Jaipur	Barley INR/Qtl	1424	1432	-7.55	-0.53
Nizamabad	Maize INR/Qtl	1533	1533	0.00	0.00

Our Extensive coverage of Grains & Feedstock

Report	Coverage #	Price Outlook & Strategies
Daily NCDEX Maize Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	IN.MAIZE.NCDEX
Daily NCDEX Guar Seed & Gum Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	IN.GUARSEED.NCDEX, IN.GUARSEED.NCDEX
Weekly Guar Seed & Gum Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, MI, FF, MP, 2W	IN.GUARSEED.JODHPUR, IN.GUARGUM.JODHPUR
Bi-weekly Maize Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.MZ.NIZAMABAD
Bi-weekly Wheat Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.WHEAT.DELHI
Bi-weekly Feed Grain Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.MZ.NIZAMABAD, IN.BJR.JAIPUR, IN.SORGM.JAIPUR, IN.BARLEY.JAIPUR, IN.BRICE.GANGAVATI
Bi-Weekly Poultry Feed Market Analysis and Price Outlook	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	IN.SB.NCDEX, IN.SM.INDORE, IN.MZ.NIZAMABAD

News Update NU, Fundamental Analysis FA, Balance Sheets BS, Weather Analysis WA, Policy Impact PI, Technical Analysis TA, Trading Strategies TS, Procurement Strategies PS, Price Outlook PO, Market Intelligence MI, Facts & Figures FF, Market Prices MP, Price Spreads PS, Forward Curves FC, Elliott Wave Analysis EWA, 5D, 2W, 6W, 2M, 4-6M

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