

Guar Market Report May, 2018

Guar Gum price trading weak as normal monsoon and its early arrival prediction by the India Meteorological department (IMD) are making pressure on the market sentiments. However expert says that the present rates of Indian Guar Gum INR 7,800/100kgs to be on the lower side with strong further fall. Compare to last month, Guar price has dropped around 10% as selling pressure set in commodity exchange.

Latest prediction of early arrival monsoon by IMD is good for Guar sowing prospects. Here is the IMD latest forecast link- <https://www.livemint.com/Politics/h3vWEAJnSKQxIw71xCXvHO/Monsoon-to-arrive-early-will-hit-Kerala-on-29-May-IMD.html>

We are facing very limited arrival of Guar seed in local mandis around 8000-10000 bags. As you know this year Guar seed production was lower than the previous year and as per estimates the production might be 70, 00,000-80, 00,000 bags (100 kgs). Now export of Guar gum has been higher than the previous year therefore the gap between demand and supply will increase versus last year and therefore we can remain bullish in guar complex from long term perspective.

The government of India has announced MSP of kharif crops to be at least 1.5 times of production cost. This will lead to higher sowing area of Kharif pulses and as a result, the cultivation area of Guar Seed is expected to reduce further—another bullish factor.

Guar is also getting support from Crude oil prices. Recovery in crude oil prices could brighten the export prospects keeping long term trend bullish. Oil prices are soaring and many experts now see **\$100 oil** as a distinct possibility. As per US data, the US oil and gas rig count has reached to 1043 mark which are 36 rigs more than the previous month.

As per global organizations, USA will lead in oil production in the year 2018 hence usage of guar gum might remain higher this year. It may be noted that Guar gum is used as drilling chemical and gelling agent in the fracturing process. Strength in crude oil will keep export demand of guar gum quite stable. Consumption of drilling chemicals is increasing with rising crude oil prices.

As per reports from APEDA, improved export figure in Guar Gum has been noted. This year there is export of Guar Gum around 494,126 MT, 17% increased compare to last year export 419,952 MT during the financial year April-2017 to March-18.

COMPARATIVE STATEMENT FOR EXPORT OF AGRI AND PROCESSED FOOD PRODUCTS												
April - March (2017-18) VIS-A-VIS PREVIOUS YEAR (Based on Provisional Data)												
PRODUCTS	April - March (2016-17)			Unit value	April - March (2017-18)			Unit value	% Change		% Share in	
	QTY	VALUE		(In USD)	QTY	VALUE		(In USD)	Rs.	USD	Rs.	USD
	In MTs	Rs. Crores	USD Million	Per Tonnes	In MTs	Rs. Crores	USD Million	Per Tonnes				
SCHEDULE PRODUCTS												
A. FLORICULTURE	22020	547	82	3703	20772	507	79	3790	-7.22	-3.46	0.43	0.43
B. FRUIT & VEGETABLE SEEDS	11289	523	78	6924	14416	665	103	7156	27.26	31.98	0.56	0.56
FLORICULTURE & SEEDS		1069	160			1173	182		9.64	13.88	0.99	0.99
A. FRESH FRUITS	817064	4974	743	910	657175	4746	736	1120	-4.58	-0.96	3.99	3.99
B. FRESH VEGETABLES	3404067	5791	863	254	2296075	4997	775	338	-13.70	-10.15	4.21	4.21
FRUITS & VEGETABLES		10765	1606			9744	1512		-9.49	-5.90	8.20	8.20
A. PULSES	136724	1278	191	1397	179113	1468	227	1270	14.85	19.04	1.24	1.23
B. PROCESSED VEGETABLES	192856	1766	264	1367	212175	1823	283	1333	3.26	7.32	1.53	1.53
C. PROCESSED FRUITS & JUICES	533152	3921	585	1097	571118	4165	646	1132	6.22	10.51	3.51	3.51
PROCESSED FRUITS & VEGETABLE		6965	1039			7456	1157		7.05	11.27	6.27	6.27
A. BUFFALO MEAT	1323578	26161	3903	2949	1348225	25988	4030	2989	-0.66	3.24	21.87	21.86
B. SHEEP/GOAT MEAT	22009	870	130	5893	23576	864	134	5685	-0.68	3.34	0.73	0.73
C. ANIMAL CASINGS	173	14	2	11912	12425	327	51	4079	2266.46	2356.00	0.28	0.27
D. PROCESSED MEAT	141	5	1	4859	269	10	2	5724	116.48	124.76	0.01	0.01
E. OTHER MEAT	12	0.2	0.03	2579	1044	16	3	2447	7857.87	8155.13	0.01	0.01
F. POULTRY PRODUCT		530	79			552	86		4.04	8.29	0.46	0.46
G. DAIRY PRODUCTS	90352	1701	254	2808	102313	1954	303	2962	14.88	19.42	1.64	1.64
LIVESTOCK PRODUCTS		29281	4369			29712	4607		1.47	5.46	25.01	25.00
A. GROUNDNUTS	725710	5444	810	1116	503155	3384	525	1042	-37.84	-35.21	2.85	2.85
B. GUARGUM	419952	3107	463	1103	494126	4170	647	1309	34.22	39.62	3.51	3.51
D. CEREAL PREPARATIONS	339951	3566	532	1564	352478	3558	552	1566	-0.20	3.84	2.99	3.00
E. COCOA PRODUCTS	25650	1087	162	6323	29470	1143	177	6017	5.21	9.33	0.96	0.96
F. MILLED PRODUCTS	255804	814	121	474	268170	874	136	506	7.45	11.73	0.74	0.74
G. ALCOHOLIC BEVERAGES	232179	2005	299	1287	241231	2107	327	1355	5.10	9.35	1.77	1.77
H. MISC. PROCESSED ITEMS		3054	456			3702	574		21.22	26.03	3.12	3.12
OTHER PROCESSED FOODS		19075	2843			18939	2938		-0.72	3.34	15.94	15.94
A. BASMATI RICE	3985210	21513	3209	805	4051896	26841	4165	1028	24.77	29.81	22.59	22.60
B. NON-BASMATI RICE	6770833	16930	2525	373	8633237	22927	3558	412	35.42	40.90	19.30	19.30
C. WHEAT	265611	448	67	252	229989	432	67	291	-3.60	0.11	0.36	0.36
D. OTHER CEREALS	734769	1426	212	289	819750	1596	247	302	11.97	16.52	1.34	1.34
CEREALS		40316	6013			51796	8037		28.47	33.67	43.59	43.61
TOTAL		107472	16030			118819	18432		10.56	14.99	100.00	100.00

Source : DGCISS Principal commodities data April - March (2017-18) (Provisional data)

Nectar Lifesciences Releases New-Grade 45-50 Guar Gum for Shale Gas Hydraulic Fracturing

Used as a stabilizing, thickening and suspending agent in drilling fluids today, Guar Gum helps to balance the viscosity levels of the drilling mud. It therefore helps the drilling fluids to move the drill waste from the deepest holes while providing a streamlined operation with reduced friction.

Until now, oil and shale fracking companies have been relying on 35-40 or 40-45 viscosity Guar Gum. Our new product is a very fast and reliable hydration Guar that will be specially used in the stimulation of oil and gas wells with aqueous systems. Its top notch grade guarantees it will deliver the proponents more efficiently into the formations.

Nectar is known for its proprietary homogenous process for washing of Guar spilt, automating the process for hydration of the spilt today. Relying on optimized equipment that controls speed in order to acquire the desired quality, Nectar employs innovative technologies that reduce energy consumption along the way.

Additionally, the Nectar guar facility is food grade GMP certified and approved from the likes of INTEREK, BSI, and ALCUMUS, earning them a spot in India's top 300 organizations today.



We're proud to be a top choice for quality, conscious consumers looking for BRC and USFDA certification. For more information, visit: <http://www.nectarguar.com>

About Nectar:

Nectar Lifesciences is an Indian integrated pharmaceutical organisation with leadership in cephalosporin antibiotics Active pharmaceutical ingredients, finished dosage forms, diagnostic products, empty hard gelatine capsules and agricultural products such as menthol derivatives and Guar Gum.

Nectar started its operations in 1997 and now its annual revenue exceeds 300 million USD.
About Nectar:-

- India's top 300 organization with revenue over 300 million USD
- Dun & Bradstreet D-U-N-S' 86-237-2356
- 13 Manufacturing facilities spread over 400,000 sq m
- Exports to over 50 countries
- Certified Star Trading House by Government of India

Website: www.nectarguar.com

Contact guar@neclife.com