



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

All India weekly average prices increased by 1.03 percent to Rs. 3763.47 per quintal during the week ended 30th April 2018. Guar seed average price were ruling at Rs 3725.16 per quintal during 16-23 April 2018. As compared to prices in the week 24-30 April 2017, the prices are firm by 1.07 percent. Prices are expected to remain steady to weak in coming days.

As per latest update by DGCIS, India has exported around 494126 metric tonnes of guar gum in April-March (2017-18) compared to 419952 metric tonnes in April- March (2016-17). In terms of value, exports have increased by around 34.2 percent. Total crop availability is lower this year compared to last year. Carryover stocks have also decreased due to higher exports compared to last year.

Guar Seed May contract closed at Rs 3960.00 per quintal after increasing by Rs 237.50 per quintal last week. Guar has entered into seasonal downtrend, which is likely to continue until October. Guar can get support if monsoon deviates from normal. As per IMD, India will have normal monsoon during June-September'18. Rainfall will be 97% of the long-term average. The next monsoon assessment will be done in June. Guar has breached support level of Rs 4000 per quintal and is likely to touch Rs 3600-3650 per quintal in near future.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 1021 as on 27th April 2018 up by 8 compared to last week and by 151 compared to 28th April 2017. The total number of oilrigs was recorded at 2179 worldwide in March'18 compared to 2271 in the same month last year. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, demand for guar gum is also affected depending on the increase or decrease of the number of oilrigs.

As per trade sources, India has exported around 29473 tonnes of guar gum in the month of March at an average FoB of \$1893.32 per tonne. Exports in the month of March are marginally high by around 0.27 percent compared to February. Furthermore, India has exported around 29394 tonnes of guar gum in the month of February at an average FoB of \$1868.71 per tonne.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (2450 quintals) compared to previous week arrivals of 3000 quintals.

As far as Arrivals are concerned, Bikaner market reported lower arrivals (800 quintals) compared to 900 quintals in the previous week.

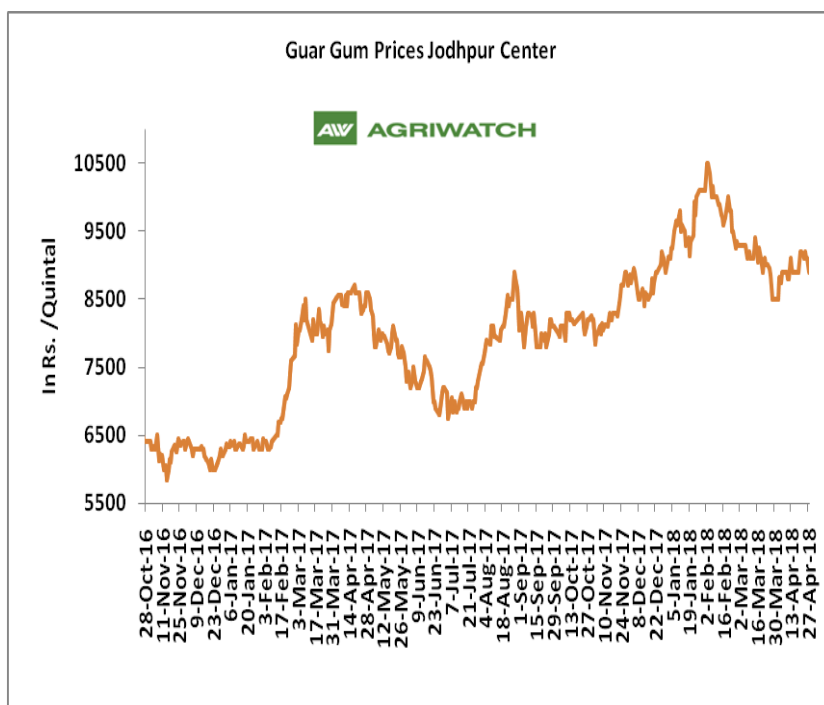
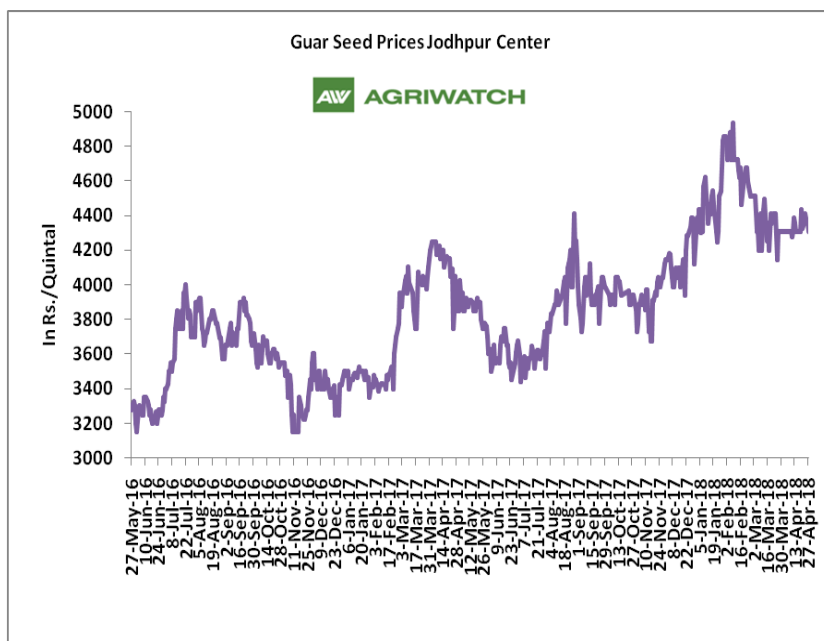
Recommendation:

Weekly Call - : Market participants are advised to sell Guar seed at 3930 levels for a target of 3605 with a stop loss at 4038 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

Domestic Front

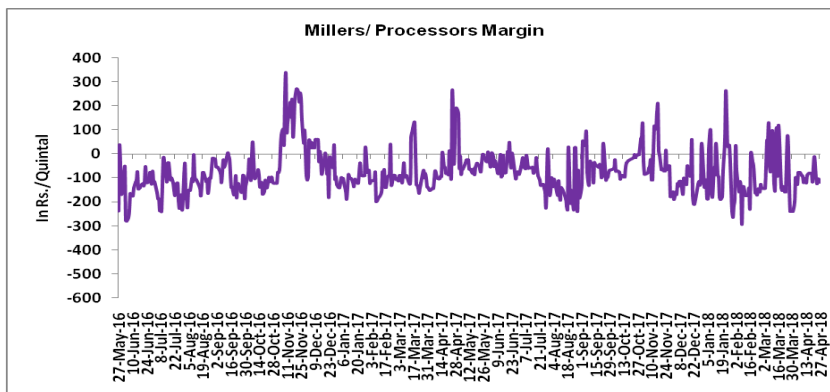
- In the week ended 27th March'18, Guar seed weekly average prices increased by Rs 25.38/- qtl during the week compared to previous week and settled at Rs 4352 per quintal.
- In addition, Guar gum weekly price increased by Rs 150 per quintal and settled at Rs. 9100 per quintal. Firm demand for guar gum from domestic as well as overseas market is likely to kept prices at higher side in previous week.
- According to first advance estimate for 2017-18, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 200000 hectares, 144000 tonnes and 721 kg/hectare respectively. As per third advance estimate for 2016-17 issued by Gujarat's Department of Agriculture for Guar seed the area, production and yield are 352000 hectares, 242000 tonnes and 687 kg/hectare.
- According to first advance estimate for 2017-18 issued by Rajasthan's Department of Agriculture for Guar seed, the area is 3167018 hectares. As compared to third advance estimate for 2016-17, the area, has decreased by 362989 hectares.



Millers/Processors Margin

In the week ended 27th April'18, average crush margin is Rs. -94.86/Quintal, compared to last week's -88.38/Quintal. Therefore, crushing is not favorable for Millers/Processors.

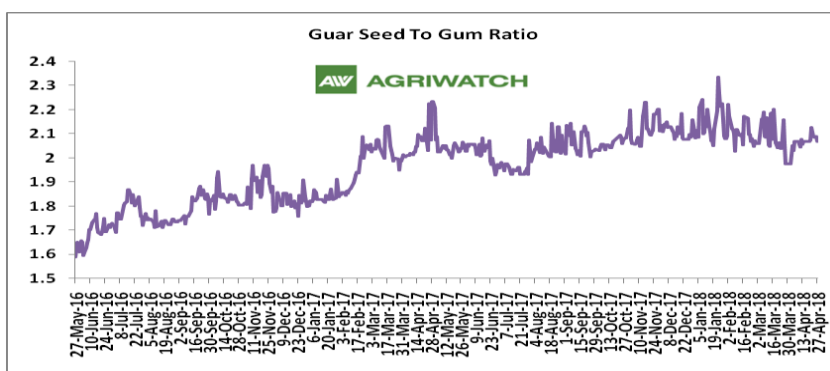
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.



Guar Seed to Gum Ratio:

Ratio of guar seed to guar gum for week ended 27th April'18 is 2.09, higher compared to last week's 2.07

Overall, buoyant demand of gum from overseas and good demand of seed from millers has increased the overall ratio.



Guar gum Weekly Export:

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 March-2018	7068.51	1893.33
09-15 March-2018	5856.03	1888.84
16-23 March-2018	9618.09	1885.04
24-31 March-2018	6931.03	1923.87
Total	27473.66	

Source: Trade



Technical Analysis (Guar Seed)

Commodity: Guar Seed
Contract: May

Exchange: NCDEX
Expiry: May 18, 2018

Guar Seed (May Weekly Chart)



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	May	3520	3455	3960	4145	4210
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	Sell	Below 3930	3750	3605	4038

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 18, 2018



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: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	May	7710	7600	8723	9110	9205
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Sell	Below 8710	8250	7885	8986

Guar Seed & Gum Prices at Key Spot Markets

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	21st to 27th April 2018	14th to 20th April 2018	Change
Churi	Jodhpur	1508	1550	-42
Korma	Jodhpur	2178	2191	-13
Churi	Sri-Ganganagar	1356	1390	-34
Korma	Sri-Ganganagar	1950	1950	Unch

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	21st to 27th April 2018	14th to 20th April 2018	Change
Guargum Split		1378	1372	7
Guargum Powder	200 Mesh 5000 CPS	1679	1676	2
	200 Mesh 3500 CPS	1604	1600	4
Guargum Meal	40%	328	320	8
	50%	421	427	-6

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			21st to 27th April 2018	14th to 20th April 2018	
Rajasthan	Jodhpur	Jodhpur (Loose)	4145	4121	24
		Jodhpur(Delivery)	4352	4327	25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3910	3900	10
		Sri-Ganganagar (Delivery)	4060	4050	10
		Rawla (Loose)	NR	1303	-
		Gharsana (Loose)	3967	3848	119
		Raisinghnagar (Loose)	3950	3930	20
	Bikaner	Bikaner (Loose)	3963	3927	36
		Bikaner (Delivery)	4161	4123	38
		Nokha(Loose)	3918	3912	7
		Nokha (Delivery)	4114	4107	7
		Khajuwala (Loose)	3944	3857	87
		Khajuwala (Delivery)	4141	4050	92
		Lunkaransar (Loose)	3950	3920	30
	Hanumangarh	Hanumangarh (Loose)	3910	3888	22
		Hanumangarh (Delivery)	4106	4083	23
		Nohar (Loose)	3957	3938	19

		Pilibanga (Loose)	NA	NA	-
	Nagaur	Nagaur (Loose)	3810	3830	-20
	Churu	Churu (Delivery)	NA	NA	-
	Alwar	Alwar (Loose)	3850	3900	-50
Haryana	Hisar	Adampur (Loose)	3963	3944	19
		Adampur (Delivery)	4162	4141	20
	Bhiwani	Bhiwani (Delivery)	4163	4133	29
		Siwani (Loose)	4084	4053	32
	Sirsa	Sirsa (Loose)	NA	3877	-
		Dhabwali (Loose)	NA	NA	-
		Dhabwali (Delivery)	NA	NA	-
		Ellanabad (Loose)	NA	3800	-
	Fatehabad	Fatehabad (Loose)	NA	3900	-
Gujarat	Banaskantha	Deesa (Loose)	3655	NA	-
	Patan	Patan (Loose)	3691	3668	23
	Rajkot	Rajkot (Loose)	3877	3803	74
	Jamnagar	Dhrol (Loose)	3680	881	2799
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9100	8950	150
	Alwar	Alwar	9125	9100	25
	Hanumangarh	Nohar	9067	9000	67
Haryana	Bhiwani	Bhiwani	9083	8908	175
	Sirsa	Sirsa	NA	8900	-
		Dhabwali	NA	NA	-
		Ellanabad	NA	8800	-
	Fatehabad	Fatehabad	NA	8900	-

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			27-Apr-18	20-Apr-18	27-Mar-18	27-Apr-17
Rajasthan	Jodhpur	Jodhpur (Loose)	4100	4225	4100	3900
		Jodhpur(Delivery)	4305	4436	4305	4050
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NR	3900	4000	3725
		Sri-Ganganagar (Delivery)	NR	4050	4150	3850
		Rawla (Loose)	NR	3910	NR	3700
		Gharsana (Loose)	NA	3950	3880	3750

		Raisinghnagar (Loose)	3850	4000	3900	3720
	Bikaner	Bikaner (Loose)	3800	3975	3875	3720
		Bikaner (Delivery)	3990	4174	4069	3870
		Nokha(Loose)	3700	3980	3910	3620
		Nokha (Delivery)	3885	4179	4106	3750
		Khajuwala (Loose)	3800	3800	3850	3730
		Khajuwala (Delivery)	3990	3990	4043	3879
		Lunkaransar (Loose)	3850	4000	3850	3650
	Hanumangarh	Hanumangarh (Loose)	3750	3980	3900	3601
		Hanumangarh (Delivery)	3938	4179	4095	3751
		Nohar (Loose)	3800	4025	NR	3800
		Pilibanga (Loose)	NA	NA	NA	3660
	Nagaur	Nagaur (Loose)	NR	3800	3800	3850
	Churu	Churu (Delivery)	4100	NR	4100	3900
	Alwar	Alwar (Loose)	3800	NR	3800	3600
Haryana	Hisar	Adampur (Loose)	3860	4000	3900	3800
		Adampur (Delivery)	4053	4200	4095	3950
	Bhiwani	Bhiwani (Delivery)	4000	4200	4050	3900
		Siwani (Loose)	NR	4120	4020	3850
	Sirsa	Sirsa (Loose)	NA	NA	3930	3750
		Dhabwali (Loose)	NA	NA	NR	3900
		Dhabwali (Delivery)	NA	NA	NR	4050
		Ellanabad (Loose)	NA	NA	3875	3800
	Fatehabad	Fatehabad (Loose)	NA	NA	3900	3900
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	Closed	3755
	Patan	Patan (Loose)	NR	NA	Closed	3595
	Rajkot	Rajkot (Loose)	3850	3850	Closed	3610
	Jamnagar	Dhrol (Loose)	NA	NA	NA	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8900	9200	8850	8400
	Alwar	Alwar	9000	NR	8900	8300
	Hanumangarh	Nohar	8800	9200	NR	8300
Haryana	Bhiwani	Bhiwani	8700	9250	8450	8300
	Sirsa	Sirsa	NA	NA	8900	8400
		Dhabwali	NA	NA	NR	8550
		Ellanabad	NA	NA	8800	8400
	Fatehabad	Fatehabad	NA	NA	8760	8600

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			21st to 27th April 2018	14th to 20th April 2018	
Rajasthan	Jodhpur	Jodhpur	NA	NA	-
	Sri-Ganganagar	Sri-Ganganagar	1800	2300	-500
		Rawla	NA	200	-
		Gharsana	300	340	-40
		Raisinghnagar	760	1900	-1140
	Bikaner	Bikaner	800	900	-100
		Nokha	2100	2100	Unch
		Khajuwala	1400	670	730
		Lunkaransar	950	1300	-350
	Hanumangarh	Hanumangarh	95	127	-32
		Nohar	3400	4900	-1500
		Pilibanga	NA	NA	-
	Nagaur	Nagaur	630	825	-195
	Churu	Churu	4500	500	4000
	Alwar	Alwar	2000	300	1700
Haryana	Hisar	Adampur	2450	3000	-550
	Bhiwani	Bhiwani	2600	3700	-1100
		Siwani	6900	9800	-2900
	Sirsa	Sirsa	NA	800	-800
		Dhabwali	NA	NA	-
		Ellanabad	NA	150	-150
	Fatehabad	Fatehabad	NA	100	-100
Gujarat	Banaskantha	Deesa	13	NA	13
	Patan	Patan	60	95	-35
	Rajkot	Rajkot	825	655	170
	Jamnagar	Dhrol	2	9	-7
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			31585	34671	-3086

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