



Guar Weekly Research Report

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Executive Summary

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Domestic Guar Seed Market Summary

All India weekly average prices decreased by 1.92 percent to Rs. 3613.54 per quintal during the week ended 15th July 2018. Guar seed average price were ruling at Rs 3684.20 per quintal during 01-08 July 2018. As compared to prices in the week 09-15 July 2017, the prices are firm by 2.86 percent. Prices are expected to remain steady to firm in coming days.

Guar seed future October contract touched a low of Rs 4056.00 per quintal before closing at Rs 4182.50 per quintal in last week. As per trade sources, guar is likely to be bearish with small technical recoveries in coming weeks and touch Rs 3850.00-3890.00 per quintal. Export demand of guar gum is normal. Acreage for guar seed is expected to be lower this year due to lower returns in guar compared to other competitive crops.

As per latest update, area sown in Rajasthan until 13th July 2018 is 1082.9 thousand hectares compared to 1645.2 thousand hectares in previous Kharif season on same date. Area of guar is expected to be lower this season as farmers are shifting to moong this year due to better prices.

According to latest update, area sown in Gujarat until 09th July 2018 is 2565 hectares compared to 36400 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 256167 hectares.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 1054 as on 13th July 2018 up by 2 compared to last week and up by 102 compared to 14th July 2017. The total number of oilrigs was recorded at 2152 worldwide in June'18 compared to 2041 in the same month last year. Although the number of oil rigs is rising but alternatives to guar gum are slightly affecting exports from India.

As per trade sources, export of guar gum has increased in the month of May by 18.51 percent compared to previous month. India exported around 32331 tonnes of guar gum in the month of May at an average FoB of \$ 1838.08 per tonne compared to 27282 tonnes in April at an average FoB of \$ 1884.02 per tonne. Export demand is normal as of now. Furthermore, export of guar split has also increased in the month of May. Exports in the month of May are up by around 86.20% compared to previous month. India exported around 5480 tonnes of guar split in the month of May at an average FoB of \$ 1460.89 per tonne.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (5600 quintals) compared to previous week arrivals of 7600 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (1950 quintals) compared to 1500 quintals in the previous week.

Recommendation:

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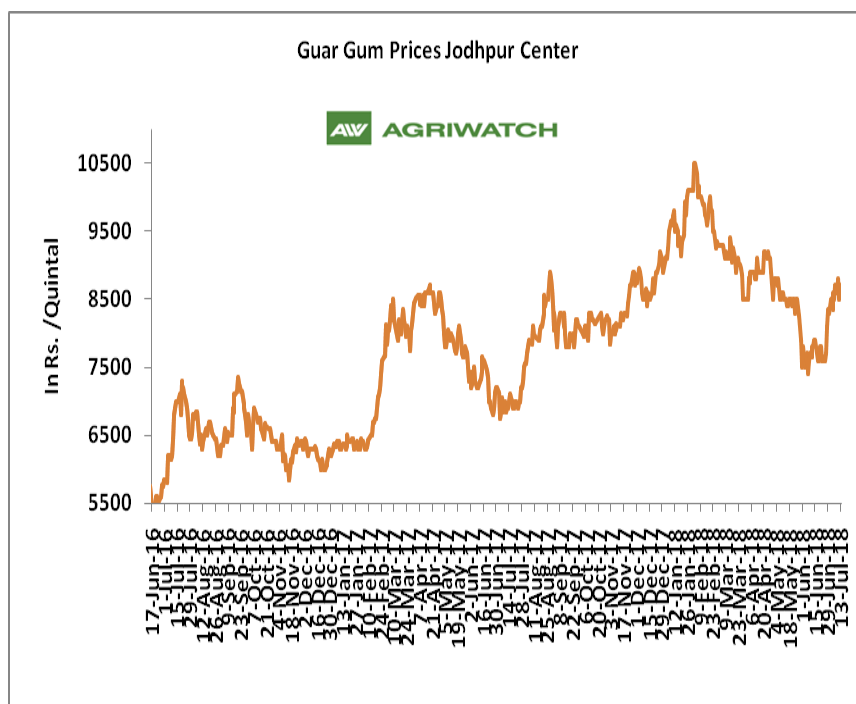
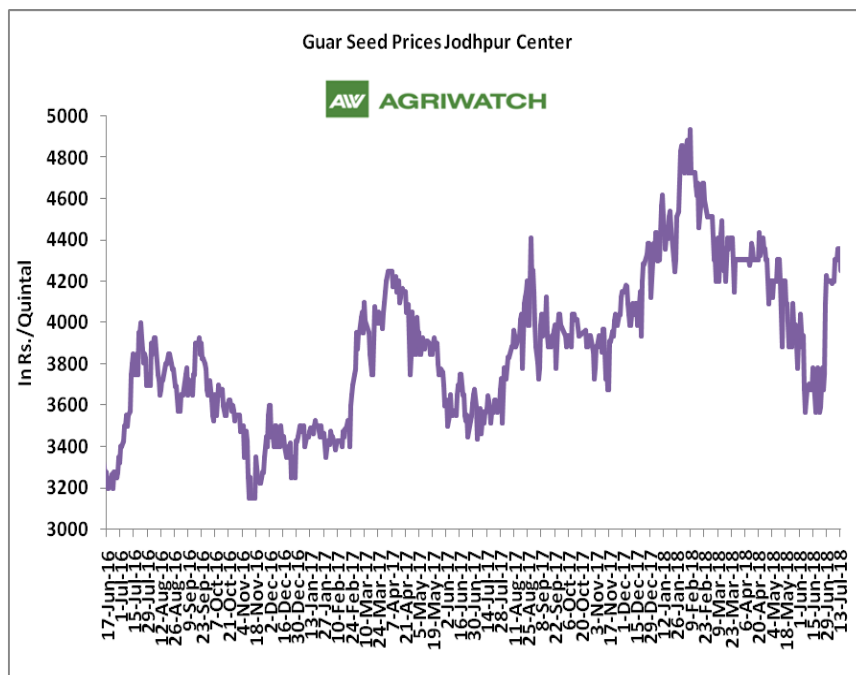
Weekly Call - : Market participants are advised to buy Guar seed at 4180 levels for a target of 4380 with a stop loss at 4111 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 13th July'18, Guar seed weekly average prices increased by Rs 119.88/- qtl during the week compared to previous week and settled at Rs 4318 per quintal.
- In addition, Guar gum weekly price increased by Rs 200.00 per quintal and settled at Rs. 8642 per quintal. Firm demand for guar gum from domestic as well as overseas market kept prices at higher side in previous week.
- According to third advance estimate for 2017-18, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 213000 hectares, 146000 tonnes and 683 kg/hectare respectively. As per final estimate for 2016-17 issued by Gujarat's Department of Agriculture for Guar seed the area, production and yield are 223000 hectares, 167000 tonnes and 749 kg/hectare.
- According to third advance estimate for 2017-18, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 3432293 hectares, 1244830 tonnes and 363 kg/hectare respectively. As per final estimate estimate for 2016-17 issued by Gujarat's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare.



Millers/Processors Margin

In the week ended 13th July'18, average crush margin is Rs. -176.85/Quintal, compared to last week's -126.93/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 13th July'18 is 2.00, lower compared to last week's 2.01

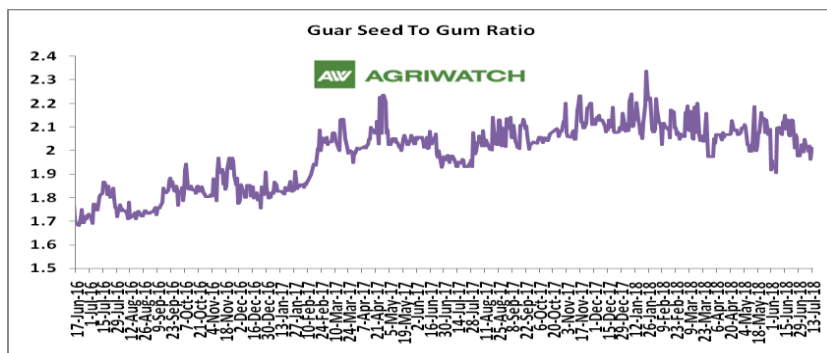
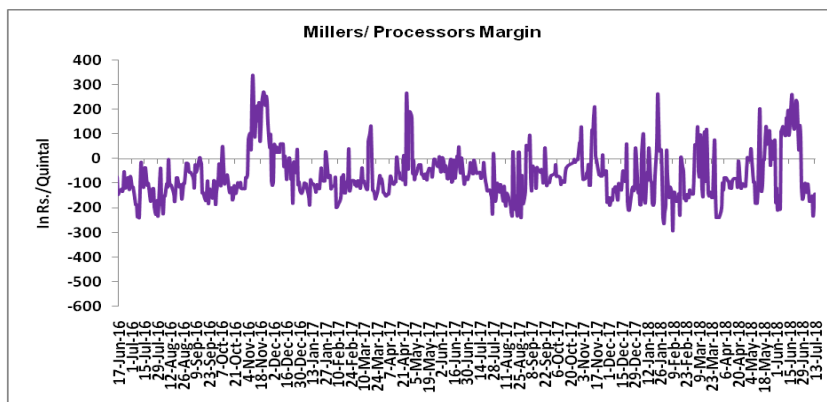
Weak overseas demand of gum and good demand of seed from millers has decreased the overall ratio.

Guar gum Weekly Export

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 May-2018	9346.74	1842.35
09-16 May -2018	6799.55	1879.11
17-24 May -2018	9729.38	1828.80
25-31 May -2018	6456.12	1798.45
Total	32331.79	

Source: Trade

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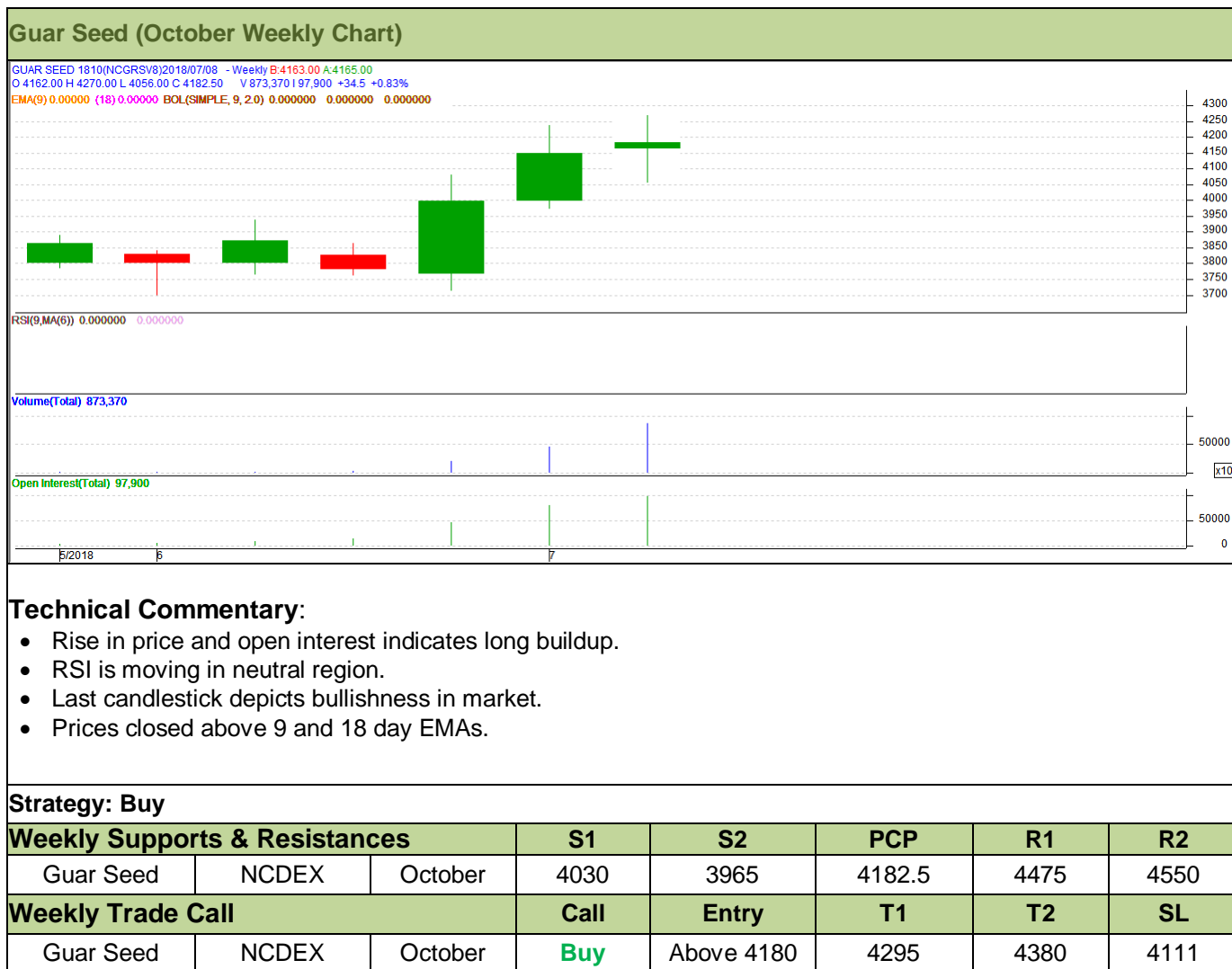


Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: October

Exchange: NCDEX
Expiry: October 20, 2018



Technical Analysis (Guar Gum)
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Commodity: Guar Gum
Contract: October
Exchange: NCDEX
Expiry: October 20, 2018
Guar Gum (October Weekly Chart)

Technical Commentary:

- Rise in price and open interest indicates long buildup.
- RSI is moving in neutral region.
- Last candlestick depicts bullishness in market.
- Prices closed above 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	8495	8310	8851	9465	9545
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	Above 8840	9135	9340	8663

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	7th to 13th July 2018	30th to 6th July 2018	Change
Churi	Jodhpur	1500	1500	Unch
Korma	Jodhpur	2250	2241	9
Churi	Sri-Ganganagar	1345	1325	20
Korma	Sri-Ganganagar	2057	2044	13

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	7th July to 13th July 2018	30th June to 6th July 2018	Change
Guargum Split		1266	1231	35
Guargum Powder	200 Mesh 5000 CPS	1557	1522	35
	200 Mesh 3500 CPS	1485	1449	35
Guargum Meal	40%	306	306	0
	50%	422	432	-10

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			7th July to 13th July 2018	30th June to 6th July 2018	
Rajasthan	Jodhpur	Jodhpur (Loose)	4113	3998	114
		Jodhpur(Delivery)	4318	4198	120
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3842	3775	67
		Sri-Ganganagar (Delivery)	3992	3925	67
		Rawla (Loose)	3841	3713	128
		Gharsana (Loose)	3833	3766	67
		Raisinghnagar (Loose)	3863	3783	79
	Bikaner	Bikaner (Loose)	3848	3833	16
		Bikaner (Delivery)	4041	4024	17
		Nokha(Loose)	3930	3827	103
		Nokha (Delivery)	4127	4018	109
		Khajuwala (Loose)	3901	3787	114
		Khajuwala (Delivery)	4096	3976	120
		Lunkaransar (Loose)	3892	3817	75
	Hanumangarh	Hanumangarh (Loose)	3858	3799	58
		Hanumangarh (Delivery)	4050	3989	61

		Nohar (Loose)	3908	3854	53
		Pilibanga (Loose)	NA	NA	-
	Nagaur	Nagaur (Loose)	3742	3692	50
	Churu	Churu (Delivery)	3950	4042	-92
	Alwar	Alwar (Loose)	3717	3800	-83
Haryana	Hisar	Adampur (Loose)	3869	3800	69
		Adampur (Delivery)	4063	3990	73
	Bhiwani	Bhiwani (Delivery)	4062	3980	82
		Siwani (Loose)	3978	3919	59
	Sirsa	Sirsa (Loose)	3877	3813	64
		Dhabwali (Loose)	3856	3844	12
		Dhabwali (Delivery)	4049	4036	12
		Ellanabad (Loose)	3825	3730	95
	Fatehabad	Fatehabad (Loose)	3843	3746	98
Gujarat	Banaskantha	Deesa (Loose)	3712	3635	77
	Patan	Patan (Loose)	3835	3682	153
	Rajkot	Rajkot (Loose)	3783	3727	56
	Jamnagar	Dhrol (Loose)	3580	3770	-190
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8642	8442	200
	Alwar	Alwar	8517	8383	133
	Hanumangarh	Nohar	8650	8442	208
Haryana	Bhiwani	Bhiwani	8645	8550	95
	Sirsa	Sirsa	8608	8458	150
		Dhabwali	8520	8317	203
		Ellanabad	8642	8390	252
	Fatehabad	Fatehabad	8507	8317	190

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			13-Jul-18	6-Jul-18	13-Jun-18	13-Jul-17
Rajasthan	Jodhpur	Jodhpur (Loose)	4050	4000	3500	3400
		Jodhpur(Delivery)	4253	4200	3675	3570
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3900	3800	3700	3100
		Sri-Ganganagar (Delivery)	4050	3950	3850	3250
		Rawla (Loose)	3895	3750	NA	3170
		Gharsana (Loose)	3820	3850	NA	3150

		Raisinghnagar (Loose)	3750	3900	NR	3175
	Bikaner	Bikaner (Loose)	3800	3950	3600	3240
		Bikaner (Delivery)	3990	4148	3780	3402
		Nokha(Loose)	3900	3910	3560	3150
		Nokha (Delivery)	4095	4106	3738	3308
		Khajuwala (Loose)	3880	3900	3530	3230
		Khajuwala (Delivery)	4074	4095	3707	3392
		Lunkaransar (Loose)	3850	3900	3550	3200
	Hanumangarh	Hanumangarh (Loose)	3800	3900	3570	3200
		Hanumangarh (Delivery)	3990	4095	3749	3360
		Nohar (Loose)	3850	3950	3625	3200
		Pilibanga (Loose)	NA	NA	NA	3100
	Nagaur	Nagaur (Loose)	3700	3850	3450	3150
	Churu	Churu (Delivery)	3900	4100	3800	3200
	Alwar	Alwar (Loose)	3700	3900	3550	3000
Haryana	Hisar	Adampur (Loose)	3825	3900	3550	3200
		Adampur (Delivery)	4016	4095	3728	3360
	Bhiwani	Bhiwani (Delivery)	4070	4100	3750	3350
		Siwani (Loose)	3975	4000	3700	3280
	Sirsa	Sirsa (Loose)	3875	3905	3575	3220
		Dhabwali (Loose)	3800	3955	NA	NA
		Dhabwali (Delivery)	3990	4153	NA	NA
		Ellanabad (Loose)	3800	3800	3600	3150
	Fatehabad	Fatehabad (Loose)	3850	3900	3600	3100
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	NA
	Patan	Patan (Loose)	3770	3705	3425	NA
	Rajkot	Rajkot (Loose)	3700	3845	3505	NA
	Jamnagar	Dhrol (Loose)	3580	NA	3460	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8550	8500	7800	6900
	Alwar	Alwar	8400	8500	7700	6800
	Hanumangarh	Nohar	8600	8700	7800	7000
Haryana	Bhiwani	Bhiwani	8600	8700	7350	7000
	Sirsa	Sirsa	8350	8700	7700	6900
		Dhabwali	8420	8550	NA	NA
		Ellanabad	8550	8550	7700	7000
	Fatehabad	Fatehabad	8420	8550	7600	7000

Guar Seed Arrivals at Key Spot Markets

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Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			7th to 13th July 2018	30th to 6th July 2018	
Rajasthan	Jodhpur	Jodhpur	520	510	10
	Sri-Ganganagar	Sri-Ganganagar	1500	1800	-300
		Rawla	583	356	227
		Gharsana	370	550	-180
		Raisinghnagar	1400	1165	235
	Bikaner	Bikaner	1950	1500	450
		Nokha	2100	2300	-200
		Khajuwala	2500	1350	1150
		Lunkaransar	1660	1500	160
	Hanumangarh	Hanumangarh	300	480	-180
		Nohar	2700	3700	-1000
		Pilibanga	NA	NA	-
	Nagaur	Nagaur	850	1050	-200
	Churu	Churu	3500	3400	100
	Alwar	Alwar	1400	1200	200
Haryana	Hisar	Adampur	5600	7600	-2000
	Bhiwani	Bhiwani	26500	15500	11000
		Siwani	5100	4700	400
	Sirsa	Sirsa	3300	7000	-3700
		Dhabwali	510	400	110
		Ellanabad	500	875	-375
	Fatehabad	Fatehabad	550	175	375
Gujarat	Banaskantha	Deesa	148	7	141
	Patan	Patan	176	276	-100
	Rajkot	Rajkot	1435	1755	-320
	Jamnagar	Dhrol	NA	24	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			65152	59173	5979

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