



Guar Weekly Research Report

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Executive Summary[\(Back to Table of Contents\)](#)**Domestic Guar Seed Market Summary**

All India weekly average prices increased by 0.09 percent to Rs. 3885.38 per quintal during the week ended 15th September 2018. Guar seed average price were ruling at Rs 3882.02 per quintal during 24-31 August 2018. As compared to prices in the week 09-15 September 2017, the prices are firm by 4.09 percent. Prices are expected to remain steady to weak in coming days.

Guar seed future October contract touched a low of Rs 4251.00 per quintal before closing at Rs 4269.50 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 4000.00-4050.00 per quintal. Export demand of guar gum is normal. Production for guar seed is lower this year.

The wholesale price index of guar seed has increased from 92.6 in July 2018 to 98.6 in August 2018. The WPI for August 2018 is up by 19.23 compared to last year for the same month and by 19.40 compared to August 2016. WPI is expected to be weak in coming month.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 1055 as on 14th September 2018 up by 7 compared to 07th August 2018 and by 119 compared to 15th September 2017. The total number of oilrigs was recorded at 2278 worldwide in August'18 compared to 2116 in the same month last year. Slick water is expensive compared to guar gum. However, U.S. is still importing slick water due to fear of unexpected surge in price of guar gum. Therefore, exports are being slightly affected.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4700 quintals) compared to previous week arrivals of 4900 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (1250 quintals) compared to 300 quintals in the previous week.

Previous Updates

As per trade sources, export of guar gum has decreased in the month of July by 0.07 percent compared to previous month. India exported around 21797 tonnes of guar gum in the month of July at an average FoB of \$ 1745.68 per tonne compared to 22630 tonnes in June at an average FoB of \$ 1734.54 per tonne. Export demand is normal as of now. Furthermore, India exported around 5399 tonnes of guar split in the month of July at an average FoB of \$ 1110.07 per tonne. Of the total quantity, around 3020 tonnes and 2007.3 tonnes have been exported to China and United States respectively.

Recommendation:[\(Back to Table of Contents\)](#)

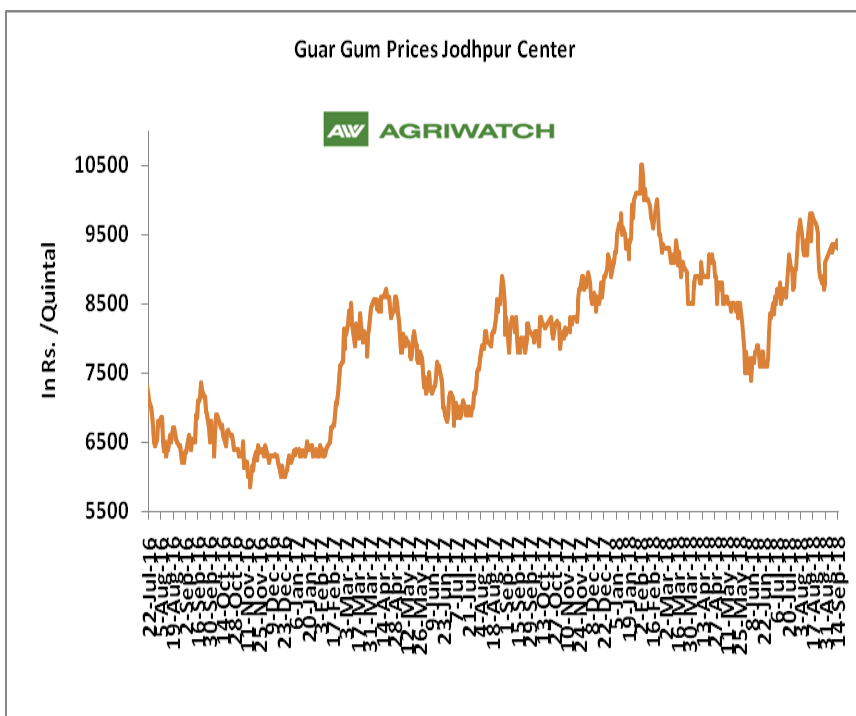
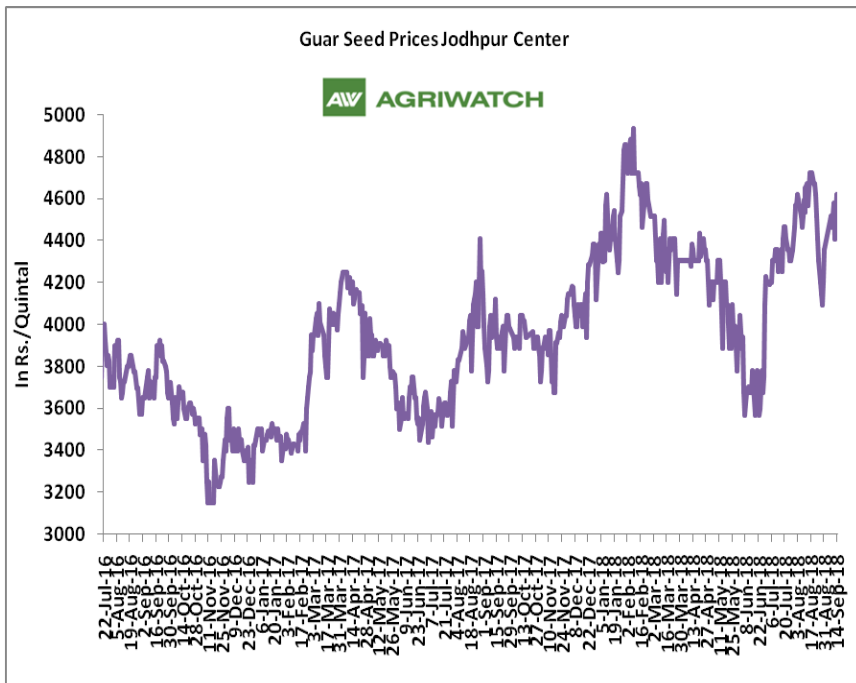
Weekly Call - : Market participants are advised to sell Guar seed at 4255 levels for a target of 4105 with a stop loss at 4345 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 14th September'18, Guar seed weekly average prices increased by Rs 6.13/- qtl during the week compared to previous week and settled at Rs 4521 per quintal.
- In addition, Guar gum weekly price decreased by Rs 20.83 per quintal and settled at Rs. 9329 per quintal. Weak demand for guar gum from domestic as well as overseas market kept prices at lower side in previous week.
- According to fourth advance estimate for 2017-18, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 205000 hectares, 140000 tonnes and 682 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 fourth 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 for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare.

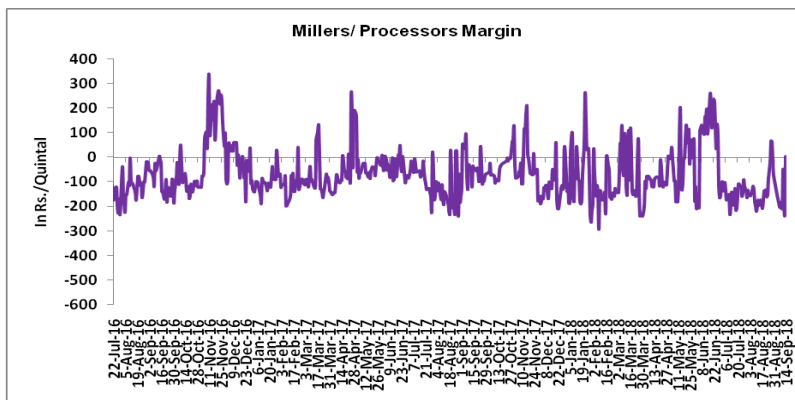


Millers/Processors Margin

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In the week ended 14th September, average crush margin is Rs. - 141.44/Quintal, compared to last week's - 202.25/Quintal. Therefore, crushing is not favorable for Millers/Processors.

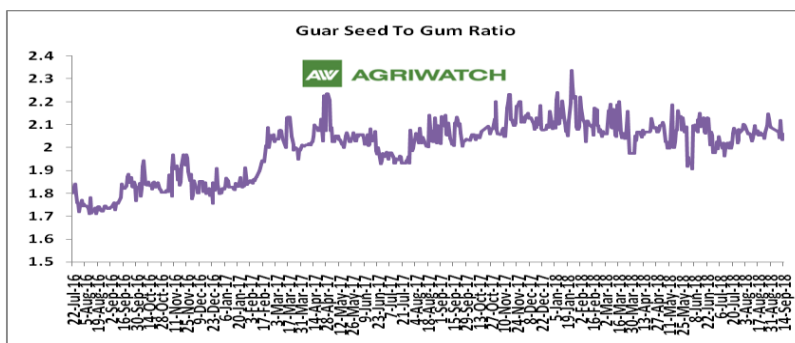
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 14th September'18 is 2.06, lower compared to last week's 2.07

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



Guar gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 July-2018	4323.23	1768.42
09-16 July -2018	6746.93	1740.28
17-23 July -2018	5062.65	1770.86
24-31 July -2018	5663.93	1705.99
Total	21796.74	

Source: Trade

Technical Analysis (Guar Seed)
[\(Back to Table of Contents\)](#)
Commodity: Guar Seed
Contract: October
Exchange: NCDEX
Expiry: October 20, 2018

Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down in neutral region.
- Prices closed below 9 and 18 day EMAs.
- Last candlestick depicts bearishness in market.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	October	3950	3905	4269.5	4400	4435
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	October	Sell	Below 4255	4105	4020	4345

Technical Analysis (Guar Gum)
[\(Back to Table of Contents\)](#)
Commodity: Guar Gum
Contract: October
Exchange: NCDEX
Expiry: October 20, 2018

Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down in neutral region.
- Prices closed below 9 and 18 day EMAs.
- Last candlestick depicts bearishness in market.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	8515	8410	9237	9555	9670
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Sell	Below 9200	8845	8630	9413

Guar Seed & Gum Prices at Key Spot Markets[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	08th to 14th September 2018	01st to 07th September 2018	Change
Churi	Jodhpur	1583	1500	83
Korma	Jodhpur	2192	2130	62
Churi	Sri-Ganganagar	1428	1365	63
Korma	Sri-Ganganagar	2217	2115	101

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	08th to 14th September 2018	01st to 07th September 2018	Change
Guargum Split		1294	1326	-31
Guargum Powder	200 Mesh 5000 CPS	1571	1605	-34
	200 Mesh 3500 CPS	1502	1535	-34
Guargum Meal	40%	291	294	-3
	50%	374	431	-57

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			08th to 14th Sept 2018	01st to 07th Sep 2018	
Rajasthan	Jodhpur	Jodhpur (Loose)	4306	4300	6
		Jodhpur(Delivery)	4521	4515	6
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4110	Closed	-
		Sri-Ganganagar (Delivery)	4260	Closed	-
		Rawla (Loose)	4083	Closed	-
		Gharsana (Loose)	4020	Closed	-
		Raisinghnagar (Loose)	4064	4050	14
	Bikaner	Bikaner (Loose)	4113	4100	13
		Bikaner (Delivery)	4319	4305	14
		Nokha(Loose)	4068	4100	-33
		Nokha (Delivery)	4271	4305	-34
		Khajuwala (Loose)	4090	4100	-10
		Khajuwala (Delivery)	4295	4305	-10
		Lunkaransar (Loose)	4100	4100	Unch
	Hanumangarh	Hanumangarh (Loose)	4067	4050	17
		Hanumangarh (Delivery)	4270	4253	18

		Nohar (Loose)	4117	4100	17
		Pilibanga (Loose)	NA	NA	-
	Nagaur	Nagaur (Loose)	4070	4050	20
	Churu	Churu (Delivery)	4258	4200	58
	Alwar	Alwar (Loose)	4000	3950	50
Haryana	Hisar	Adampur (Loose)	4078	4135	-57
		Adampur (Delivery)	4282	4342	-60
	Bhiwani	Bhiwani (Delivery)	4278	4290	-12
		Siwani (Loose)	4243	4273	-30
	Sirsa	Sirsa (Loose)	4100	4151	-51
		Dhabwali (Loose)	4050	4101	-51
		Dhabwali (Delivery)	4050	4306	-256
		Ellanabad (Loose)	4102	4110	-8
	Fatehabad	Fatehabad (Loose)	3975	4130	-155
Gujarat	Banaskantha	Deesa (Loose)	NA	Closed	-
	Patan	Patan (Loose)	3833	3918	-85
	Rajkot	Rajkot (Loose)	3950	Closed	-
	Jamnagar	Dhrol (Loose)	3815	Closed	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9329	9350	-21
	Alwar	Alwar	9300	9000	300
	Hanumangarh	Nohar	9330	9300	30
Haryana	Bhiwani	Bhiwani	9583	9540	43
	Sirsa	Sirsa	9250	9440	-190
		Dhabwali	9200	9320	-120
		Ellanabad	9250	9400	-150
	Fatehabad	Fatehabad	9500	9300	200

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			14-Sep-18	7-Sep-18	14-Aug-18	14-Sep-17
Rajasthan	Jodhpur	Jodhpur (Loose)	4300	4300	4350	3750
		Jodhpur(Delivery)	4515	4515	4568	3938
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	Closed	4200	3550
		Sri-Ganganagar (Delivery)	4300	Closed	4350	3650
		Rawla (Loose)	4070	NR	4100	3630
		Gharsana (Loose)	4020	Closed	4100	3550

		Raisinghnagar (Loose)	4020	4050	4100	3580
	Bikaner	Bikaner (Loose)	4125	4100	4100	3700
		Bikaner (Delivery)	4331	4305	4305	3885
		Nokha(Loose)	4060	4100	4150	3650
		Nokha (Delivery)	4263	4305	4358	3833
		Khajuwala (Loose)	4140	4100	4150	3640
		Khajuwala (Delivery)	4347	4305	4358	3822
		Lunkaransar (Loose)	Closed	4100	4100	3650
	Hanumangarh	Hanumangarh (Loose)	4060	4050	4100	3665
		Hanumangarh (Delivery)	4263	4253	4305	3848
		Nohar (Loose)	4110	4100	4200	3650
		Pilibanga (Loose)	NA	NA	NA	3590
	Nagaur	Nagaur (Loose)	4100	4000	NA	3500
	Churu	Churu (Delivery)	4250	4200	NA	3800
	Alwar	Alwar (Loose)	4000	3950	4100	3400
Haryana	Hisar	Adampur (Loose)	4050	4100	4150	3650
		Adampur (Delivery)	4253	4305	4358	3833
	Bhiwani	Bhiwani (Delivery)	4250	4250	4300	3800
		Siwani (Loose)	4250	4225	4260	3725
	Sirsa	Sirsa (Loose)	4070	4125	4135	3650
		Dhabwali (Loose)	4020	4075	4095	3500
		Dhabwali (Delivery)	4020	4279	4300	3500
		Ellanabad (Loose)	4100	4100	4100	3600
	Fatehabad	Fatehabad (Loose)	3950	4100	4050	NA
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	3715
	Patan	Patan (Loose)	3750	3875	3900	3565
	Rajkot	Rajkot (Loose)	3950	NR	4050	3550
	Jamnagar	Dhrol (Loose)	NA	Closed	3855	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	9300	9350	9400	8000
	Alwar	Alwar	9300	9000	9300	8200
	Hanumangarh	Nohar	9300	9300	9600	8200
Haryana	Bhiwani	Bhiwani	9300	9600	9650	8400
	Sirsa	Sirsa	9200	9300	9300	8000
		Dhabwali	9150	9400	9300	8200
		Ellanabad	9200	9300	9600	8000
	Fatehabad	Fatehabad	9500	9200	9300	NA

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			08th to 14th Sept 2018	01st to 07th Sep 2018	
Rajasthan	Jodhpur	Jodhpur	515	50	465
	Sri-Ganganagar	Sri-Ganganagar	1500	Closed	1500
		Rawla	450	Closed	450
		Gharsana	120	Closed	120
		Raisinghnagar	900	500	400
	Bikaner	Bikaner	1250	300	950
		Nokha	2950	Closed	2950
		Khajuwala	1000	300	700
		Lunkaransar	570	100	470
	Hanumangarh	Hanumangarh	911	200	711
		Nohar	2411	400	2011
		Pilibanga	NA	NA	-
	Nagaur	Nagaur	500	150	350
	Churu	Churu	4700	700	4000
	Alwar	Alwar	1400	400	1000
Haryana	Hisar	Adampur	4700	4900	-200
	Bhiwani	Bhiwani	13500	7600	5900
		Siwani	6100	4200	1900
	Sirsa	Sirsa	7000	5800	1200
		Dhabwali	6350	3300	3050
		Ellanabad	1010	845	165
	Fatehabad	Fatehabad	500	350	150
Gujarat	Banaskantha	Deesa	NA	Closed	-
	Patan	Patan	27	29	-2
	Rajkot	Rajkot	40	Closed	40
	Jamnagar	Dhrol	5	Closed	5
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			58409	30124	28285

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