



Guar Weekly Research Report

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

Major spot markets remained closed since Tuesday and started reopening from Friday due to Diwali.

All India weekly average prices decreased by 0.49 percent to Rs. 4193.19 per quintal during the week ended 08th November 2018. Guar seed average price were ruling at Rs 4213.70 per quintal during 24-30 October 2018. As compared to prices in the week 01-08 November 2017, the prices are firm by 29.73 percent. Prices are expected to remain steady to weak in coming days.

As per market sources, total arrivals in the ongoing season until 10th November is 18.34 lakh bags. Of the total arrivals, around 14 percent is old and rest is new. Arrivals are likely to be low in this season due to lower crop size. Stockiest and millers are actively buying.

Guar seed future November contract touched a low of Rs 4850.00 per quintal before closing at Rs 4797.50 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 4650-4680.00 per quintal.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 1081 as on 09th November 2018 up by 14 compared to 02nd November 2018 and up by 174 compared to 10th November 2017. The total number of oilrigs was recorded at 2271 worldwide in October'18 compared to 2077 in the same month last year. Slick water is slightly 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, Bikaner market reported lower arrivals (4500 quintals) compared to previous week arrivals of 11200 quintals.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4000 quintals) compared to previous week arrivals of 5200 quintals.

Previous Updates

As per trade sources, export of guar gum has decreased in the month of September by 24.72 percent compared to previous month. India exported around 18406 tonnes of guar gum in the month of September at an average FoB of \$ 1765.31 per tonne. Exports are expected to remain low in October-18 as well.

As per trade sources, export of guar split has decreased in the month of September. India exported around 4299 tonnes of guar split in the month of September at an average FoB of \$ 1446.82 per tonne.

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

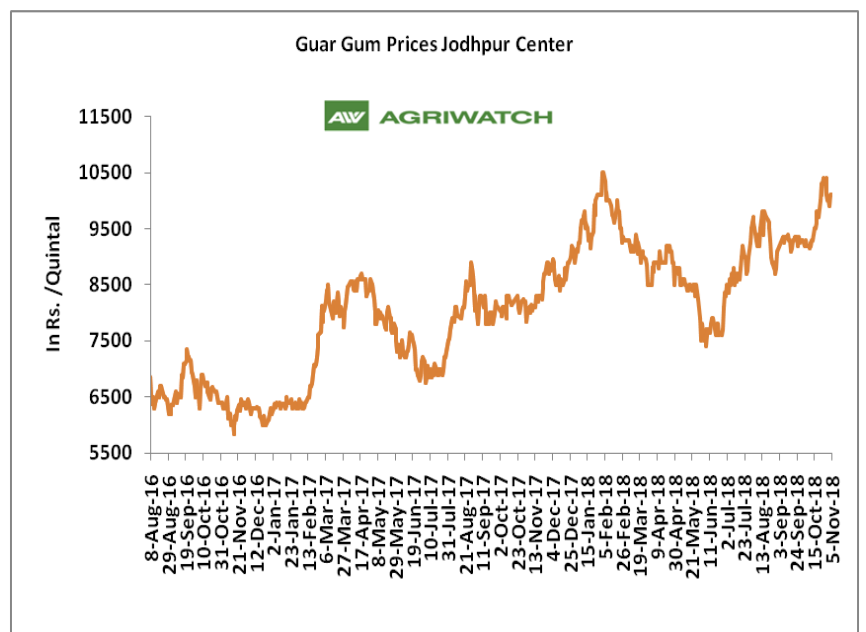
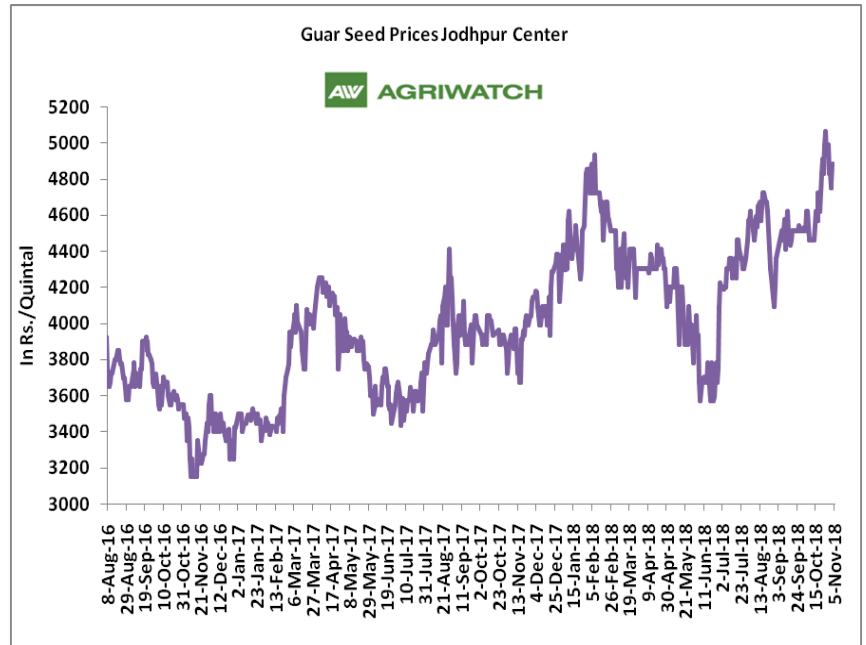
Weekly Call - : Market participants are advised to sell Guar seed at 4870 levels for a target of 4650 with a stop loss at 4942 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- Guar seed weekly average prices increased by Rs 30.63/- qtl due to lower arrivals and settled at Rs 4883 per quintal.
- In addition, Guar gum weekly price decreased by Rs 16.67 per quintal and settled at Rs. 10100 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

Average crush margin is Rs. -248.62/Quintal, compared to last week's -181.29/Quintal. Therefore, crushing is not favorable for Millers/Processors.

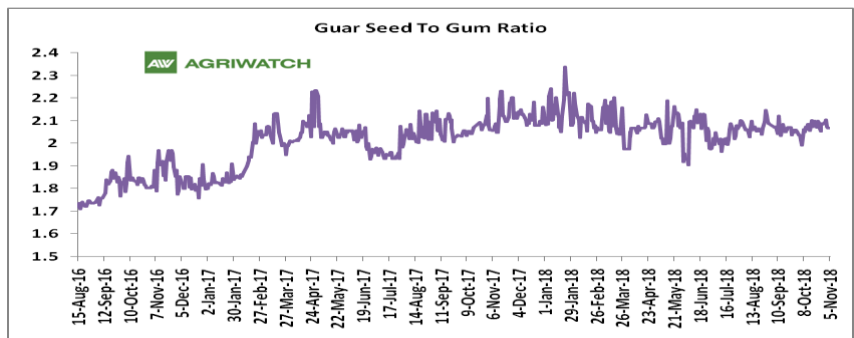
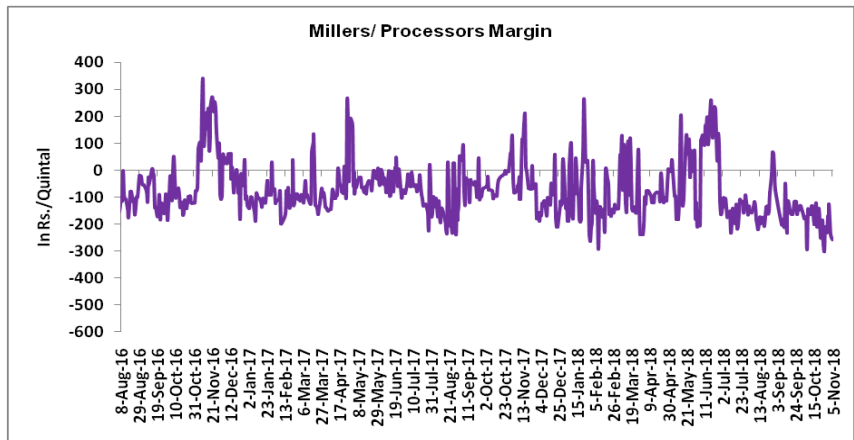
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.

Guar Seed to Gum Ratio

Ratio of guar seed to guar gum is 2.07, lower compared to last week's 2.09

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

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Guar gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 September-2018	4791.62	1805.97
09-16 September -2018	4837.02	1759.11
17-23 September -2018	4610.42	1777.01
24-30 September -2018	4167.39	1723.14
Total	18406.45	

Source: Trade

Technical Analysis (Guar Seed)
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Commodity: Guar Seed
Contract: December
Exchange: NCDEX
Expiry: December 20, 2018

Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	4550	4475	4797.50	5050	5115
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Sell	Below 4870	4750	4650	4942

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

Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	9610	9505	10292	10795	10900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Sell	Below 10430	10065	9785	10649

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	03rd to 09th Nov	27th Oct to 02nd Nov	Change
Churi	Jodhpur	1608	1573	35
Korma	Jodhpur	2155	2288	-133
Churi	Sri-Ganganagar	1463	1413	50
Korma	Sri-Ganganagar	2156	2138	18

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	03rd to 09th Nov	27th Oct to 02nd Nov	Change
Guargum Split		1388	1434	-47
Guargum Powder	200 Mesh 5000 CPS	1662	1638	24
	200 Mesh 3500 CPS	1594	1570	23
Guargum Meal	40%	316	304	12
	50%	426	422	4

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			03rd to 09th Nov	27th Oct to 02nd Nov	
Rajasthan	Jodhpur	Jodhpur (Loose)	4650	4621	29
		Jodhpur(Delivery)	4883	4852	31
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4539	4502	37
		Sri-Ganganagar (Delivery)	4689	4652	37
		Rawla (Loose)	4470	4441	29
		Gharsana (Loose)	4476	4436	40
		Raisinghnagar (Loose)	4508	4455	53
	Bikaner	Bikaner (Loose)	4535	4465	70
		Bikaner (Delivery)	4762	4688	74
		Nokha(Loose)	4445	4398	48
		Nokha (Delivery)	4667	4617	50
		Khajuwala (Loose)	4450	4427	23
		Khajuwala (Delivery)	4673	4648	25
		Lunkaransar (Loose)	4460	4421	39
	Hanumangarh	Hanumangarh (Loose)	4500	4458	42
		Hanumangarh (Delivery)	4725	4681	44

		Nohar (Loose)	4462	4432	30
		Pilibanga (Loose)	Closed	4495	-
	Nagaur	Nagaur (Loose)	4310	4342	-32
	Churu	Churu (Delivery)	4483	4570	-87
	Alwar	Alwar (Loose)	4233	4367	-133
Haryana	Hisar	Adampur (Loose)	4410	4355	55
		Adampur (Delivery)	4631	4573	58
	Bhiwani	Bhiwani (Delivery)	4575	4529	46
		Siwani (Loose)	4570	4549	21
	Sirsa	Sirsa (Loose)	4448	4371	78
		Dhabwali (Loose)	4398	4321	78
		Dhabwali (Delivery)	4618	4537	81
		Ellanabad (Loose)	4513	4450	63
	Fatehabad	Fatehabad (Loose)	4300	4238	63
Gujarat	Banaskantha	Deesa (Loose)	4400	4428	-28
	Patan	Patan (Loose)	4565	4542	23
	Rajkot	Rajkot (Loose)	Closed	4524	-
	Jamnagar	Dhrol (Loose)	Closed	4357	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	10100	10133	-33
	Alwar	Alwar	10067	10125	-58
	Hanumangarh	Nohar	10233	10183	50
Haryana	Bhiwani	Bhiwani	10140	9901	239
	Sirsa	Sirsa	10130	10125	5
		Dhabwali	9590	9542	48
		Ellanabad	10325	10242	83
	Fatehabad	Fatehabad	9998	10075	-76

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			9-Nov-18	30-Oct-18	9-Oct-18	9-Nov-17
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	4600	4250	3675
		Jodhpur(Delivery)	Closed	4830	4463	3859
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4540	4525	4040	3525
		Sri-Ganganagar (Delivery)	4690	4675	4242	3675
		Rawla (Loose)	4480	4450	3990	3520
		Gharsana (Loose)	4530	4435	4030	3510

		Raisinghnagar (Loose)	4515	4550	4040	3520
	Bikaner	Bikaner (Loose)	Closed	4460	4040	3520
		Bikaner (Delivery)	Closed	4683	4242	3696
		Nokha(Loose)	4480	4460	4025	3500
		Nokha (Delivery)	4704	4683	4226	3675
		Khajuwala (Loose)	4500	4460	4025	3550
		Khajuwala (Delivery)	4725	4683	4226	3728
		Lunkaransar (Loose)	4500	4450	4050	3500
	Hanumangarh	Hanumangarh (Loose)	Closed	4450	3975	3470
		Hanumangarh (Delivery)	Closed	4673	4174	3644
		Nohar (Loose)	Closed	4400	4025	3500
		Pilibanga (Loose)	Closed	4460	3900	3537
	Nagaur	Nagaur (Loose)	4300	4400	3975	3450
	Churu	Churu (Delivery)	Closed	4560	4200	3630
	Alwar	Alwar (Loose)	Closed	4410	4000	3420
Haryana	Hisar	Adampur (Loose)	4400	4350	4000	3575
		Adampur (Delivery)	4620	4568	4200	3754
	Bhiwani	Bhiwani (Delivery)	4600	4550	4200	3625
		Siwani (Loose)	4600	4550	4150	3650
	Sirsa	Sirsa (Loose)	4516	4350	3900	3525
		Dhabwali (Loose)	4466	4300	3850	3550
		Dhabwali (Delivery)	4689	4515	3850	3728
		Ellanabad (Loose)	4500	4500	3800	3500
	Fatehabad	Fatehabad (Loose)	4400	4200	3950	3475
Gujarat	Banaskantha	Deesa (Loose)	Closed	4425	NA	3350
	Patan	Patan (Loose)	Closed	4600	3770	3415
	Rajkot	Rajkot (Loose)	Closed	4535	3980	3465
	Jamnagar	Dhrol (Loose)	Closed	4410	NA	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	Closed	10100	9150	8050
	Alwar	Alwar	Closed	10150	9200	8150
	Hanumangarh	Nohar	Closed	10100	9250	8000
Haryana	Bhiwani	Bhiwani	10300	9925	9150	8050
	Sirsa	Sirsa	10200	10100	9050	8000
		Dhabwali	9700	9500	9000	8025
		Ellanabad	10400	10250	9100	8000
	Fatehabad	Fatehabad	10000	10230	9100	8000

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			03rd to 09th Nov	27th Oct to 02nd Nov	
Rajasthan	Jodhpur	Jodhpur	90	300	-210
	Sri-Ganganagar	Sri-Ganganagar	4800	23000	-18200
		Rawla	4000	4900	-900
		Gharsana	2500	3100	-600
		Raisinghnagar	4500	7000	-2500
	Bikaner	Bikaner	4500	11200	-6700
		Nokha	5200	11800	-6600
		Khajuwala	4300	5200	-900
		Lunkaransar	3700	3500	200
	Hanumangarh	Hanumangarh	200	2050	-1850
		Nohar	1300	3700	-2400
		Pilibanga	Closed	2000	-
	Nagaur	Nagaur	850	2000	-1150
	Churu	Churu	3500	9600	-6100
	Alwar	Alwar	1400	1650	-250
Haryana	Hisar	Adampur	4000	5200	-1200
	Bhiwani	Bhiwani	1150	5050	-3900
		Siwani	11500	15500	-4000
	Sirsa	Sirsa	3600	3900	-300
		Dhabwali	1800	2700	-900
		Ellanabad	1900	2750	-850
	Fatehabad	Fatehabad	900	1400	-500
Gujarat	Banaskantha	Deesa	300	2200	-1900
	Patan	Patan	135	802	-667
	Rajkot	Rajkot	Closed	1100	-
	Jamnagar	Dhrol	Closed	14	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			66125	131616	-65491

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