



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 decreased by 8.51 percent to Rs. 3982.57 per quintal during the week ended 23rd November 2018. Guar seed average price were ruling at Rs 4352.88 per quintal during 09-15 November 2018. As compared to prices in the week 16-23 November 2017, the prices are firm by 17.42 percent. Prices are expected to remain steady to weak in coming days.

As per trade sources, export of guar gum has decreased in the month of October by 3.00 percent compared to previous month. India exported around 17854 tonnes of guar gum at an average FoB of \$ 1853.62 per tonne in the month of October compared to 18406 tonnes in September at an average FoB of \$ 1765.31 per tonne. Exports are expected to remain low in November-18 as well.

As per trade sources, export of guar split has increased in the month of October. Exports in the month of October are up by around 31.19% compared to previous month. India exported around 5640 tonnes of guar split in the month of October at an average FoB of \$ 1375.10 per tonne. Of the total quantity, around 4840 tonnes and 559.79 tonnes have been exported to China and United States respectively.

As per data released by Baker Hughes the number of oil rigs in USA has increased to 1079 as on 21st November 2018 down by 3 compared to 16th November 2018 and up by 156 compared to 17th 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 (9400 quintals) compared to previous week arrivals of 15000 quintals.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4300 quintals) compared to previous week arrivals of 6150 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:[\(Back to Table of Contents\)](#)

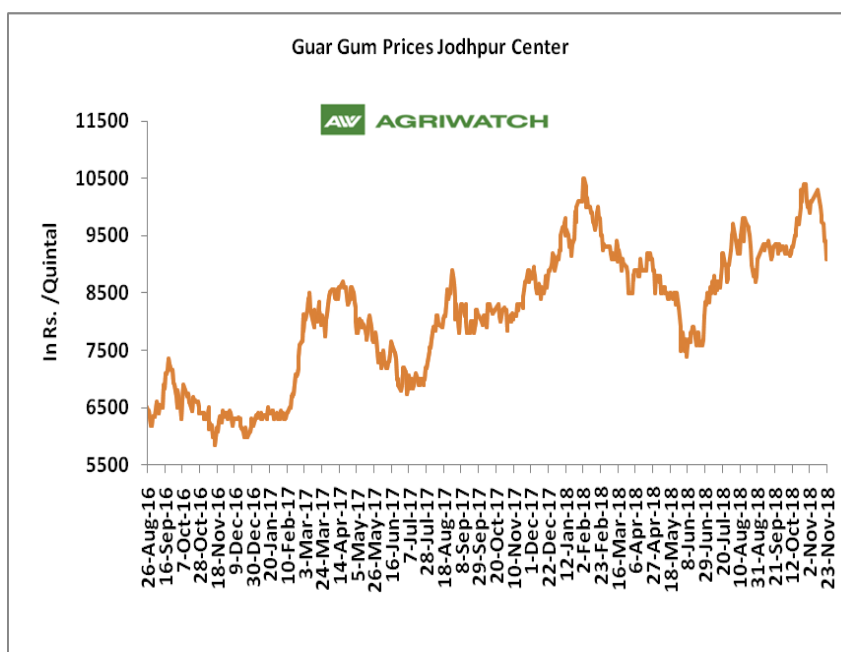
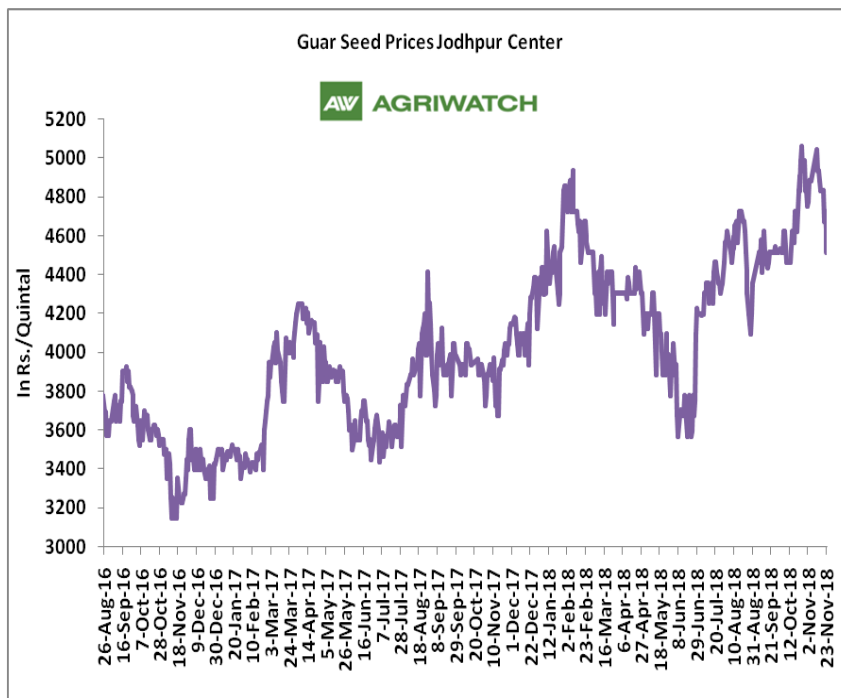
Weekly Call - : Market participants are advised to sell Guar seed at 4475 levels for a target of 4345 with a stop loss at 4553 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 23rd November'18, Guar seed weekly average prices decreased by Rs 225.75/- qtl and settled at Rs 4699 per quintal.
- In addition, Guar gum weekly price decreased by Rs 673.33 per quintal and settled at Rs. 9417 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.

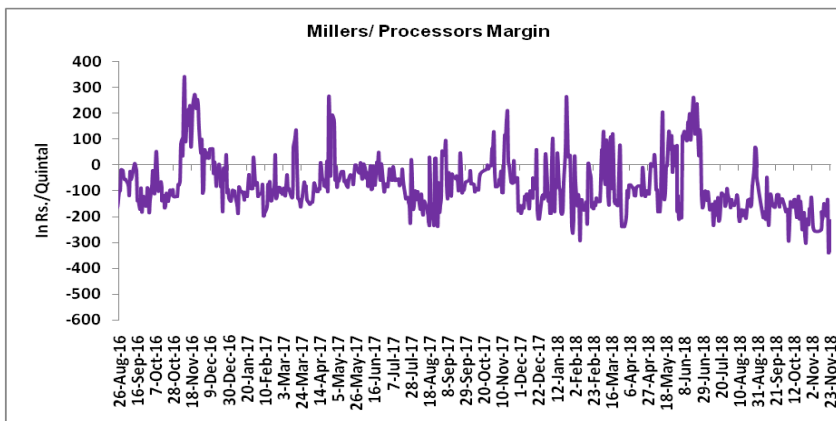


Millers/Processors Margin

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In the week ended 23rd November'18, average crush margin is Rs. -233.08/Quintal, compared to last week's -197.01/Quintal. Therefore, crushing is not favorable for Millers/Processors.

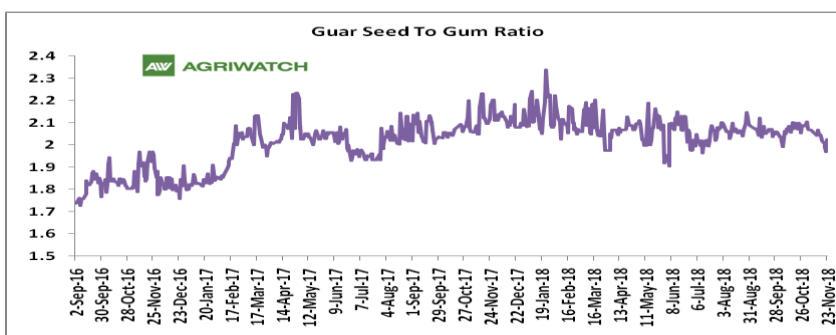
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 23rd November'18 is 2.00, higher compared to last week's 2.05

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 October-2018	4838.02	1813.26
09-16 October -2018	5676.96	1962.34
17-23 October -2018	3841.31	1750.45
24-31 October -2018	3497.54	1711.65
Total	17853.83	

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: December

Exchange: NCDEX
Expiry: December 20, 2018



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving 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	December	4200	4155	4461	4620	4665
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Sell	Below 4475	4345	4280	4553

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

Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving 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	December	8590	8535	9136	9450	9535
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Sell	Below 9150	8855	8660	9327

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	17th to 23rd Nov 2018	10th to 16th Nov 2018	Change
Churi	Jodhpur	1688	1763	-75
Korma	Jodhpur	2194	2173	21
Churi	Sri-Ganganagar	1538	1606	-69
Korma	Sri-Ganganagar	2194	2228	-34

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	17th to 23rd Nov 2018	10th to 16th Nov 2018	Change
Guargum Split		1317	1389	-72
Guargum Powder	200 Mesh 5000 CPS	1597	1666	-68
	200 Mesh 3500 CPS	1527	1597	-69
Guargum Meal	40%	336	320	16
	50%	448	440	8

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			17th to 23rd Nov 2018	10th to 16th Nov 2018	
Guar Seed	Jodhpur	Jodhpur (Loose)	4475	4683	-208
		Jodhpur(Delivery)	4699	4918	-219
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4323	4545	-222
		Sri-Ganganagar (Delivery)	4473	4695	-222
		Rawla (Loose)	4297	4465	-168
		Gharsana (Loose)	4270	4450	-180
		Raisinghnagar (Loose)	4300	4497	-197
	Bikaner	Bikaner (Loose)	4301	4510	-209
		Bikaner (Delivery)	4516	4736	-220
		Nokha(Loose)	4288	4458	-170
		Nokha (Delivery)	4502	4680	-179
		Khajuwala (Loose)	4293	4477	-183
		Khajuwala (Delivery)	4508	4701	-193
		Lunkaransar (Loose)	4292	4475	-183
	Hanumangarh	Hanumangarh (Loose)	4323	4509	-187
		Hanumangarh (Delivery)	4539	4735	-196
		Nohar (Loose)	4220	4508	-288

		Pilibanga (Loose)	4397	4565	-168
	Nagaur	Nagaur (Loose)	4333	4367	-33
	Churu	Churu (Delivery)	4408	4629	-221
	Alwar	Alwar (Loose)	4208	4379	-171
Haryana	Hisar	Adampur (Loose)	4296	4438	-143
		Adampur (Delivery)	4511	4660	-150
	Bhiwani	Bhiwani (Delivery)	4450	4625	-175
		Siwani (Loose)	4371	4571	-200
	Sirsa	Sirsa (Loose)	NA	4495	-
		Dhabwali (Loose)	4310	4457	-147
		Dhabwali (Delivery)	4526	4680	-154
		Ellanabad (Loose)	4267	4450	-183
	Fatehabad	Fatehabad (Loose)	4183	4328	-145
Gujarat	Banaskantha	Deesa (Loose)	4418	4506	-88
	Patan	Patan (Loose)	4516	4610	-94
	Rajkot	Rajkot (Loose)	4405	4533	-128
	Jamnagar	Dhrol (Loose)	4268	4418	-151
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9417	10092	-675
	Alwar	Alwar	9433	10042	-608
	Hanumangarh	Nohar	9617	10125	-508
Haryana	Bhiwani	Bhiwani	9740	10133	-393
	Sirsa	Sirsa	NA	10300	-
		Dhabwali	9017	9575	-558
		Ellanabad	9292	10092	-800
	Fatehabad	Fatehabad	9267	9930	-663

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			23-Nov-18	16-Nov-18	23-Oct-18	23-Nov-17
Rajasthan	Jodhpur	Jodhpur (Loose)	4300	4600	4675	3850
		Jodhpur(Delivery)	4515	4830	4909	4043
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4270	4500	4550	3650
		Sri-Ganganagar (Delivery)	4420	4650	4700	3800
		Rawla (Loose)	4230	4400	4520	3650
		Gharsana (Loose)	4240	4400	4500	3660

		Raisinghnagar (Loose)	4240	4420	4550	3725
	Bikaner	Bikaner (Loose)	4260	4400	4570	3740
		Bikaner (Delivery)	4473	4620	4799	3927
		Nokha(Loose)	4225	4300	4520	3670
		Nokha (Delivery)	4436	4515	4746	3854
		Khajuwala (Loose)	4250	4410	4470	3720
		Khajuwala (Delivery)	4463	4631	4694	3906
		Lunkaransar (Loose)	4250	4450	4550	3700
	Hanumangarh	Hanumangarh (Loose)	4250	4460	4520	3750
		Hanumangarh (Delivery)	4463	4683	4746	3938
		Nohar (Loose)	4170	4400	4450	3700
		Pilibanga (Loose)	4350	4500	4600	3600
	Nagaur	Nagaur (Loose)	4350	4400	4350	NA
	Churu	Churu (Delivery)	4350	4550	4700	NA
	Alwar	Alwar (Loose)	4200	4300	4500	NA
Haryana	Hisar	Adampur (Loose)	4200	4300	4450	3650
		Adampur (Delivery)	4410	4515	4673	3833
	Bhiwani	Bhiwani (Delivery)	4350	4600	4550	3850
		Siwani (Loose)	4350	4525	4500	3750
	Sirsa	Sirsa (Loose)	NA	NA	4400	3700
		Dhabwali (Loose)	4250	4500	4350	3670
		Dhabwali (Delivery)	4463	4725	4568	3854
		Ellanabad (Loose)	4200	4400	4400	3650
	Fatehabad	Fatehabad (Loose)	4200	4300	4300	3575
Gujarat	Banaskantha	Deesa (Loose)	4305	4600	4500	3325
	Patan	Patan (Loose)	4445	4760	4425	3555
	Rajkot	Rajkot (Loose)	4405	4475	4450	3555
	Jamnagar	Dhrol (Loose)	NA	4350	4305	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	9150	9850	10300	8550
	Alwar	Alwar	9150	9800	10200	NA
	Hanumangarh	Nohar	9500	10000	10100	8600
Haryana	Bhiwani	Bhiwani	9650	10000	10200	8650
	Sirsa	Sirsa	NA	NA	10100	8650
		Dhabwali	8800	9600	9700	8650
		Ellanabad	9100	9800	10200	8500
	Fatehabad	Fatehabad	9040	9790	9970	8400

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			17th to 23rd Nov 2018	10th to 16th Nov 2018	
Rajasthan	Jodhpur	Jodhpur	294	400	-106
	Sri-Ganganagar	Sri-Ganganagar	11500	17200	-5700
		Rawla	8600	9600	-1000
		Gharsana	6000	10000	-4000
		Raisinghnagar	5700	9700	-4000
	Bikaner	Bikaner	9400	15000	-5600
		Nokha	9500	13000	-3500
		Khajuwala	8500	10100	-1600
		Lunkaransar	3200	6200	-3000
	Hanumangarh	Hanumangarh	885	1250	-365
		Nohar	6400	5000	1400
		Pilibanga	3000	2390	610
	Nagaur	Nagaur	1900	2600	-700
	Churu	Churu	3500	5800	-2300
	Alwar	Alwar	1500	2900	-1400
Haryana	Hisar	Adampur	4300	6150	-1850
	Bhiwani	Bhiwani	1400	2400	-1000
		Siwani	8400	12800	-4400
	Sirsa	Sirsa	NA	2000	-
		Dhabwali	2250	2600	-350
		Ellanabad	2250	2250	Unch
	Fatehabad	Fatehabad	1000	1150	-150
Gujarat	Banaskantha	Deesa	611	1794	-1183
	Patan	Patan	801	742	59
	Rajkot	Rajkot	722	1343	-621
	Jamnagar	Dhrol	22	49	-27
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			101635	144418	-42783

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