



Guar Weekly Research Report

Table of Contents

- ❖ **Executive Summary**
- ❖ **Recommendations**
- ❖ **Domestic Market Fundamentals**
- ❖ **Processing Margins**
- ❖ **Guar Seed to Gum Ratio**
- ❖ **Guar Gum Weekly Exports**
- ❖ **Technical Analysis (Guar Seed)**
- ❖ **Technical Analysis (Guar Gum)**
- ❖ **Guar Seed & Gum Prices at Key Spot Markets**
- ❖ **Guar Seed Arrivals at Key Centers**

Executive Summary

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

Domestic Guar Seed Market Summary

All India weekly average prices decreased by 0.26 percent to Rs. 3736.32 per quintal during the week ended 23rd March 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3746.08 per quintal during 09-15 March 2019. As compared to prices in the week 16-23 March 2018, the prices are weak by 1.30 percent. Prices are expected to remain steady to firm in coming days.

As per trade sources, export of guar split has decreased in the month of February-19. Exports in the month of February-19 are down by around 2.52% compared to previous month. India exported around 9280 tonnes of guar split in the month of February-19 at an average FoB of \$ 1408.26 per tonne. Of the total quantity, around 7560 tonnes and 1420 tonnes have been exported to China and Unites States respectively.

As per trade sources, export of guar gum has increased in the month of February-19 by 1.96 percent compared to previous month. India exported around 23643 tonnes of guar gum at an average FoB of \$ 1792.92 per tonne in the month of February-19 compared to 23189 tonnes in January-19 at an average FoB of \$ 1803.42 per tonne. Exports are expected to recover low in March-19 as well.

Guar seed future April contract touched a high of Rs 4424.00 per quintal before closing at Rs 4395.50 per quintal during past week. As per trade sources, market is likely to stay firm with small technical corrections in coming weeks and prices are likely to touch Rs 4500 per quintal in upcoming week.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 1016 as on 22nd March 2019 down by 10 compared to 15th March 2019 and up by 21 compared to 23rd March 2018. The total number of oilrigs was recorded at 2306 worldwide in February'19 compared to 2271 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, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (5700 quintals) compared to previous week arrivals of 7500 quintals.

As far as Arrivals are concerned, Bikaner market reported lower arrivals (1400 quintals) compared to previous week arrivals of 2370 quintals.

Previous Updates

The wholesale price index of guar seed has decreased from 100.1 in January-2019 to 97.3 in February- 2019.

As per trade sources, export of guar gum in the month of January-2019 were 23189.10 tonnes at an average FoB of \$1803.42 per tonne.

Recommendation:

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

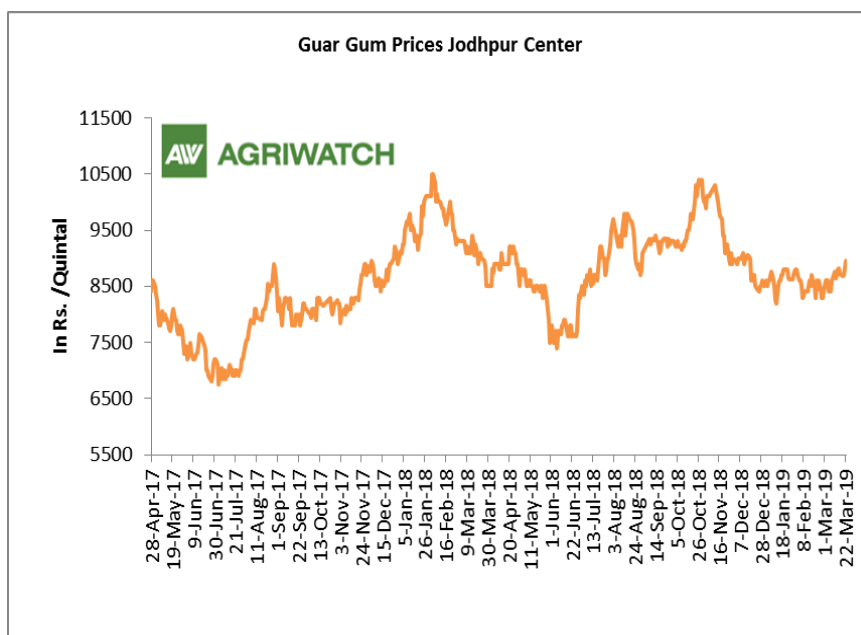
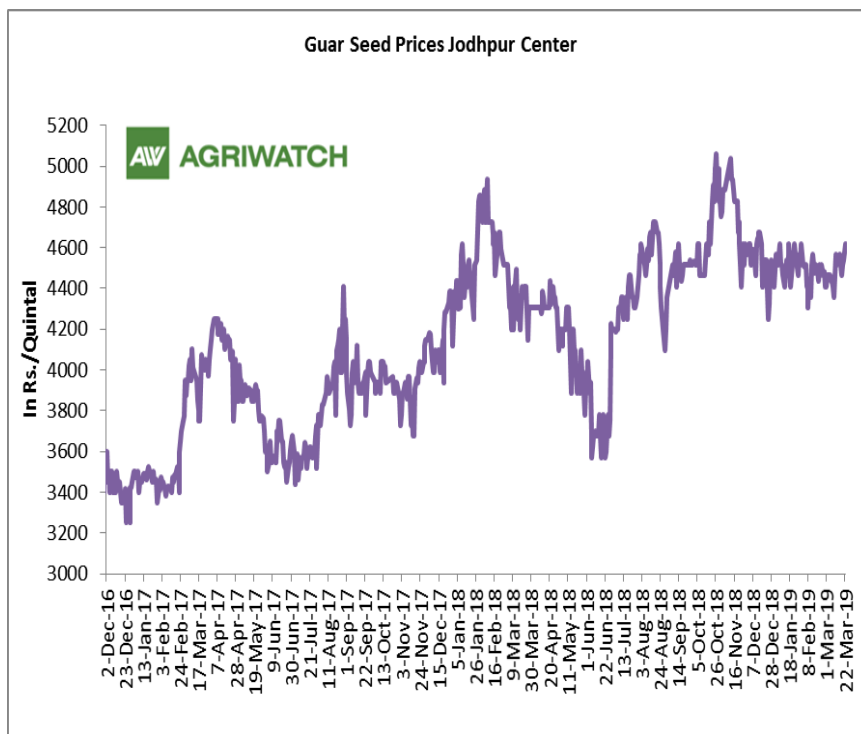
Weekly Call- : Market participants are advised to buy Guar seed at 4350 levels for a target of 4500 with a stop loss at 4260 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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

Domestic Front

- In the week ended 22nd March'19, Guar seed weekly average prices increased by Rs 30.63/-qtl and settled at Rs 4541 per quintal.
- In addition, Guar gum weekly price increased by Rs 20.83 per quintal and settled at Rs. 8750 per quintal. Good demand for guar gum from domestic as well as overseas market kept prices at higher side in previous week.
- According to first advance estimate for 2018-19, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 160000 hectares, 123000 tonnes and 767 kg/hectare respectively. As per final 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.
- According to Second advance estimate for 2018, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 3087761 hectares, 1455092 tonnes and 471 kg/hectare respectively. As per 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.

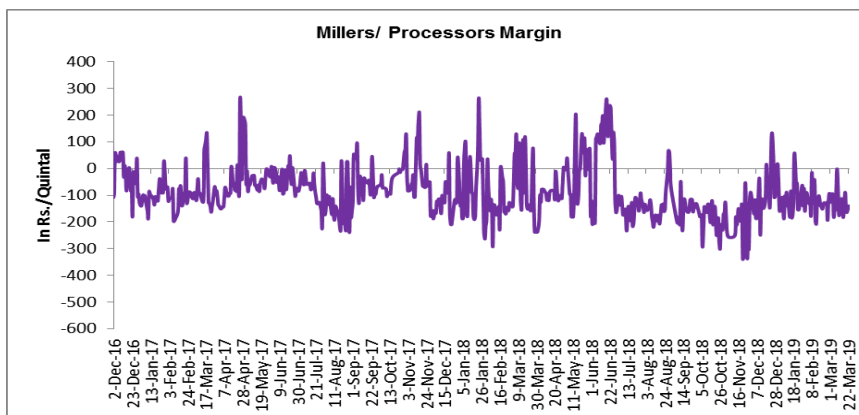


Millers/Processors Margin

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

In the week ended 22nd March'19, average crush margin was Rs. -144.59/Quintal, compared to last week's -119.36/Quintal. Therefore, crushing is not favorable for Millers/Processors.

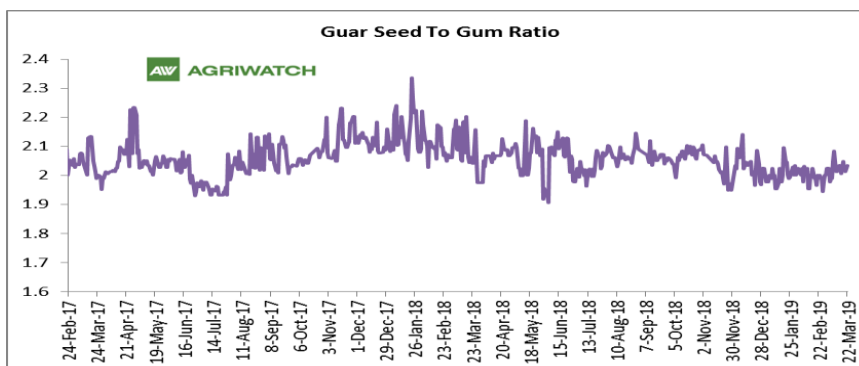
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 22nd March'19 is 2.02, lower compared to last week's 2.03

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



Guar gum Weekly Export

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

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-07 February-2019	6844.76	1761.19
08-14 February-2019	5104.47	1870.04
15-21 February-2019	6145.43	1988.58
22-28 February-2019	5548.68	1838.49
Total	23643.34	

Source: Trade

Technical Analysis (Guar Seed)

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

Commodity: Guar Seed
Contract: April

Exchange: NCDEX
Expiry: April 16, 2019



Technical Commentary:

- Rise in price and fall in open interest indicates short covering.
- RSI is moving up in neutral region.
- Prices closed above 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	April	4185	4120	4395.5	4730	4835
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	April	Buy	Above 4350	4500	4600	4260

Technical Analysis (Guar Gum)

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

Commodity: Guar Gum
Contract: April

Exchange: NCDEX
Expiry: April 16, 2018



Technical Commentary:

- Rise in price and fall in open interest indicates short covering.
- RSI is moving up in neutral region.
- Prices closed above 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	April	8420	8305	8902	9550	9685
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	April	Buy	Above 8860	9085	9370	8581

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	16th to 22nd Mar 2019	09th to 15th Mar 2019	Change
Churi	Jodhpur	1704	1710	-6
Korma	Jodhpur	2483	2481	2
Churi	Sri-Ganganagar	1489	1522	-33
Korma	Sri-Ganganagar	2250	2288	-38

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	16th to 22nd Mar 2019	09th to 15th Mar 2019	Change
Guargum Split		1286	1246	40
Guargum Powder	200 Mesh 5000 CPS	1577	1534	44
	200 Mesh 3500 CPS	1504	1462	43
Guargum Meal	40%	349	344	5
	50%	483	488	-5

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			16th to 22nd Mar 2019	09th to 15th Mar 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4325	4296	29
		Jodhpur(Delivery)	4541	4511	31
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4034	4060	-26
		Sri-Ganganagar (Delivery)	4184	4210	-26
		Rawla (Loose)	4023	4030	-8
		Gharsana (Loose)	4023	4005	18
		Raisinghnagar (Loose)	4038	4037	1
	Bikaner	Bikaner (Loose)	4035	4088	-53
		Bikaner (Delivery)	4237	4293	-56
		Nokha(Loose)	4090	4096	-6
		Nokha (Delivery)	4295	4301	-6
		Khajuwala (Loose)	4048	4081	-33
		Khajuwala (Delivery)	4250	4285	-35
		Lunkaransar (Loose)	4125	4096	29
	Hanumangarh	Hanumangarh (Loose)	4013	3990	23
		Hanumangarh (Delivery)	4213	4190	24
		Nohar (Loose)	4093	4130	-37

		Pilibanga (Loose)	3950	3997	-47
	Nagaur	Nagaur (Loose)	4106	4054	52
	Churu	Churu (Delivery)	4240	4235	5
	Alwar	Alwar (Loose)	3990	4045	-55
Haryana	Hisar	Adampur (Loose)	4076	4076	Unch
		Adampur (Delivery)	4280	4280	Unch
	Bhiwani	Bhiwani (Delivery)	4303	4283	19
		Siwani (Loose)	4230	4223	8
	Sirsa	Sirsa (Loose)	4078	4072	6
		Dhabwali (Loose)	4025	4043	-18
		Dhabwali (Delivery)	4226	4245	-18
		Ellanabad (Loose)	4050	4092	-42
	Fatehabad	Fatehabad (Loose)	3900	3904	-4
Gujarat	Banaskantha	Deesa (Loose)	3963	3988	-25
	Patan	Patan (Loose)	3933	3912	21
	Rajkot	Rajkot (Loose)	3985	4013	-28
	Jamnagar	Dhrol (Loose)	NA	NA	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	1133	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8750	8729	21
	Alwar	Alwar	8740	8690	50
	Hanumangarh	Nohar	8567	8500	67
Haryana	Bhiwani	Bhiwani	8769	8713	56
	Sirsa	Sirsa	8765	8683	82
		Dhabwali	8600	8667	-67
		Ellanabad	8750	8692	58
	Fatehabad	Fatehabad	8754	8633	121

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			22-Mar-19	15-Mar-19	22-Feb-19	22-Mar-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4400	4340	4250	4200
		Jodhpur(Delivery)	4620	4557	4463	4410
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4070	4050	4040	4000
		Sri-Ganganagar (Delivery)	4220	4200	4190	4150
		Rawla (Loose)	4090	4015	4010	3950
		Gharsana (Loose)	4080	4020	4030	3950
		Raisinghnagar (Loose)	4100	4050	4025	3950
	Bikaner	Bikaner (Loose)	Closed	4070	4040	3960

		Bikaner (Delivery)	Closed	4274	4242	4158
		Nokha(Loose)	4175	4075	4050	4000
		Nokha (Delivery)	4384	4279	4253	4200
		Khajuwala (Loose)	4130	4060	4050	3970
		Khajuwala (Delivery)	4337	4263	4253	4169
		Lunkaransar (Loose)	4200	4100	4050	4000
	Hanumangarh	Hanumangarh (Loose)	4050	4000	4010	3950
		Hanumangarh (Delivery)	4253	4200	4211	4148
		Nohar (Loose)	Closed	4150	4050	4000
		Pilibanga (Loose)	NR	4011	4000	NA
	Nagaur	Nagaur (Loose)	4125	4100	4000	4000
	Churu	Churu (Delivery)	4300	4250	4200	4150
	Alwar	Alwar (Loose)	4050	4000	3950	3900
Haryana	Hisar	Adampur (Loose)	4150	4080	4045	3950
		Adampur (Delivery)	4358	4284	4247	4148
	Bhiwani	Bhiwani (Delivery)	4400	4300	4200	4200
		Siwani (Loose)	4300	4225	4160	4100
	Sirsa	Sirsa (Loose)	4150	4070	4050	3990
		Dhabwali (Loose)	4100	4050	3900	3910
		Dhabwali (Delivery)	4305	4253	4095	4106
		Ellanabad (Loose)	4100	4000	4040	3950
	Fatehabad	Fatehabad (Loose)	3950	3925	3900	3950
Gujarat	Banaskantha	Deesa (Loose)	Closed	3925	4025	NA
	Patan	Patan (Loose)	3950	3940	3920	3775
	Rajkot	Rajkot (Loose)	4025	4025	3975	3825
	Jamnagar	Dhrol (Loose)	NA	NA	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8950	8825	8450	9100
	Alwar	Alwar	8800	8800	8400	9000
	Hanumangarh	Nohar	Closed	8500	8500	9150
Haryana	Bhiwani	Bhiwani	8950	8725	8450	9000
	Sirsa	Sirsa	8925	8750	8400	9100
		Dhabwali	8800	8650	8500	9000
		Ellanabad	9000	8700	8400	9000
	Fatehabad	Fatehabad	8900	8700	8465	9000

Guar Seed Arrivals at Key Spot Markets

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

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			16th to 22nd Mar 2019	09th to 15th Mar 2019	
Rajasthan	Jodhpur	Jodhpur	297	277	20
	Sri-Ganganagar	Sri-Ganganagar	12000	6500	5500
		Rawla	900	1600	-700
		Gharsana	1050	1150	-100
		Raisinghnagar	6000	1500	4500
	Bikaner	Bikaner	1400	2370	-970
		Nokha	2250	3200	-950
		Khajuwala	1200	2250	-1050
		Lunkaransar	850	2400	-1550
	Hanumangarh	Hanumangarh	1150	1700	-550
		Nohar	3300	3600	-300
		Pilibanga	839	2251	-1412
	Nagaur	Nagaur	650	1150	-500
	Churu	Churu	2800	2600	200
	Alwar	Alwar	1050	970	80
Haryana	Hisar	Adampur	5700	7500	-1800
	Bhiwani	Bhiwani	2300	5000	-2700
		Siwani	5600	7100	-1500
	Sirsa	Sirsa	8500	11800	-3300
		Dhabwali	975	1300	-325
		Ellanabad	1350	1800	-450
	Fatehabad	Fatehabad	550	650	-100
Gujarat	Banaskantha	Deesa	260	215	45
	Patan	Patan	70	125	-55
	Rajkot	Rajkot	615	400	215
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	200	NA	-
Total Arrivals/Above Markets			61856	69408	-7552

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