



Guar Weekly Research Report

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Executive Summary

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Domestic Guar Seed Market Summary

All India weekly average prices increased by 2.62 percent to Rs. 3834.19 per quintal during the week ended 31st March 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3736.32 per quintal during 16-23 March 2019. As compared to prices in the week 24-31 March 2018, the prices are firm by 6.41 percent. Prices are expected to remain steady to firm in coming days.

Guar seed future April contract touched a high of Rs 4463.00 per quintal before closing at Rs 4370.50 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 4500-4530 per quintal in upcoming week.

As per trade sources, recovery of guar gum from guar seed in Barmer, Bikaner and Ganganagar is coming around 29.50-30.50 kg respectively. Export demand for guar gum is expected to increase during March-19. As of now guar gum, prices in Jodhpur are hovering around Rs 8800 per quintal.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 1006 as on 29th March 2019 down by 10 compared to 22nd March 2019 and up by 13 compared to 30th 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 higher arrivals (7650 quintals) compared to previous week arrivals of 5700 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (2400 quintals) compared to previous week arrivals of 1400 quintals.

Previous Updates

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.

Recommendation:

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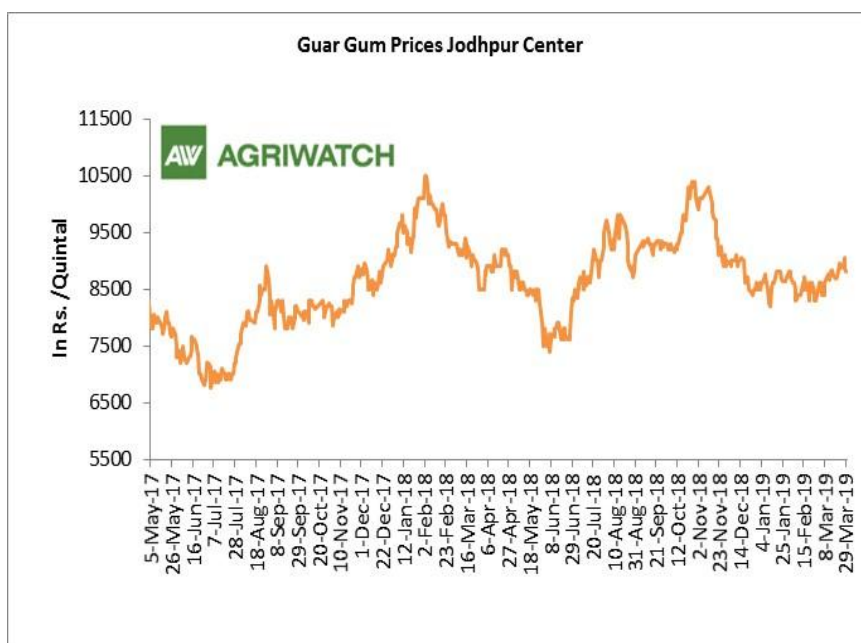
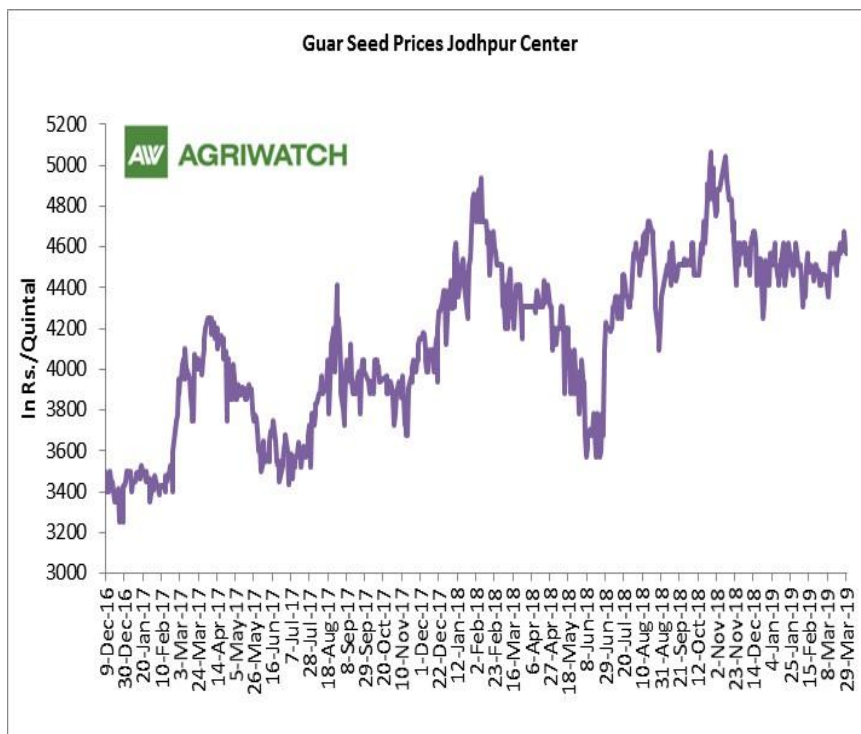
Weekly Call- : Market participants are advised to buy Guar seed at 4360 levels for a target of 4510 with a stop loss at 4270 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 29th March'19, Guar seed weekly average prices increased by Rs 61.25/-qtl and settled at Rs 4603 per quintal.
- In addition, Guar gum weekly price increased by Rs 141.67 per quintal and settled at Rs. 8892 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.

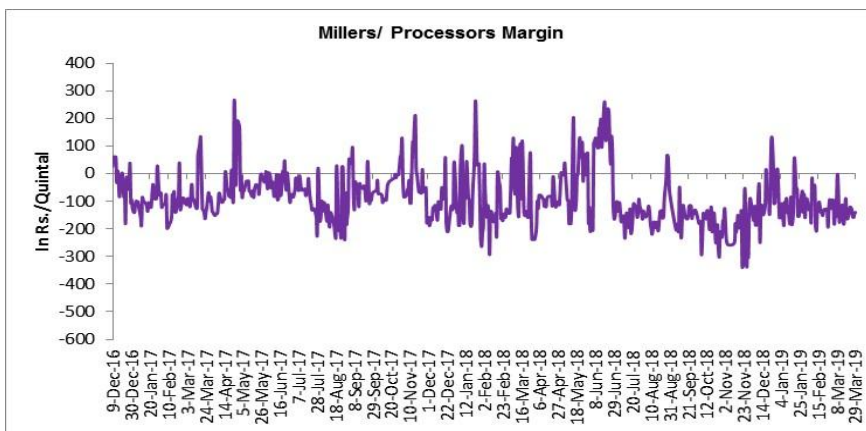


Millers/Processors Margin

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In the week ended 29th March'19, average crush margin was Rs. -141.54/Quintal, compared to last week's -144.59/Quintal. Therefore, crushing is not favorable for Millers/Processors.

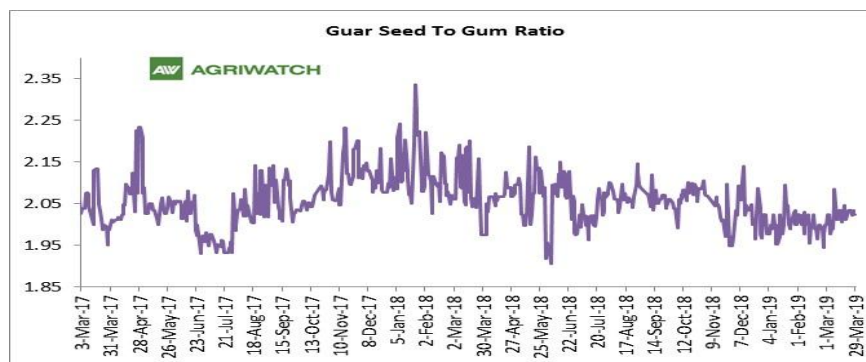
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 29th March'19 is 2.03, higher compared to last week's 2.02

Overall, buoyant demand of gum from overseas and good demand of seed from millers has increased the overall ratio.



Guar gum Weekly Export

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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)

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Commodity: Guar Seed
Contract: April

Exchange: NCDEX
Expiry: April 16, 2019

Guar Seed (April Weekly Chart)



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down 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	4195	4130	4370.5	4740	4845
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	April	Buy	Above 4360	4510	4610	4270

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: April

Exchange: NCDEX
Expiry: April 16, 2018



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down 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	8430	8315	8801	9360	9495
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	April	Buy	Above 8770	8995	9190	8635

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	23rd to 29th Mar 2019	16th to 22nd Mar 2019	Change
Churi	Jodhpur	1733	1704	29
Korma	Jodhpur	2494	2483	11
Churi	Sri-Ganganagar	1566	1489	77
Korma	Sri-Ganganagar	2269	2250	19

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	23rd to 29th Mar 2019	16th to 22nd Mar 2019	Change
Guargum Split		1304	1286	18
Guargum Powder	200 Mesh 5000 CPS	1594	1577	17
	200 Mesh 3500 CPS	1521	1504	17
Guargum Meal	40%	348	349	-1
	50%	478	483	-5

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			23rd to 29th Mar 2019	16th to 22nd Mar 2019	
Guar Seed	Jodhpur	Jodhpur (Loose)	4383	4325	58
		Jodhpur(Delivery)	4603	4541	61
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4113	4034	79
		Sri-Ganganagar (Delivery)	4263	4184	79
		Rawla (Loose)	4056	4023	34
		Gharsana (Loose)	4073	4023	51
		Raisinghnagar (Loose)	4102	4038	64
	Bikaner	Bikaner (Loose)	4128	4035	93
		Bikaner (Delivery)	4334	4237	97
		Nokha(Loose)	4169	4090	79
		Nokha (Delivery)	4377	4295	83
		Khajuwala (Loose)	4105	4048	58
		Khajuwala (Delivery)	4310	4250	60
		Lunkaransar (Loose)	4125	4125	Unch
	Hanumangarh	Hanumangarh (Loose)	4071	4013	58
		Hanumangarh (Delivery)	4274	4213	61
		Nohar (Loose)	4136	4093	42

		Pilibanga (Loose)	4071	3950	121
	Nagaur	Nagaur (Loose)	4092	4106	-15
	Churu	Churu (Delivery)	4280	4240	40
	Alwar	Alwar (Loose)	4040	3990	50
Haryana	Hisar	Adampur (Loose)	4144	4076	68
		Adampur (Delivery)	4351	4280	72
	Bhiwani	Bhiwani (Delivery)	4317	4303	14
		Siwani (Loose)	4244	4230	14
	Sirsa	Sirsa (Loose)	4139	4078	61
		Dhabwali (Loose)	4083	4025	58
		Dhabwali (Delivery)	4287	4226	60
		Ellanabad (Loose)	4100	4050	50
	Fatehabad	Fatehabad (Loose)	3908	3900	8
Gujarat	Banaskantha	Deesa (Loose)	Closed	3963	-
	Patan	Patan (Loose)	3970	3933	37
	Rajkot	Rajkot (Loose)	Closed	3985	-
	Jamnagar	Dhrol (Loose)	Closed	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8892	8750	142
	Alwar	Alwar	8860	8740	120
	Hanumangarh	Nohar	8733	8567	167
Haryana	Bhiwani	Bhiwani	8928	8769	160
	Sirsa	Sirsa	8922	8765	157
		Dhabwali	8767	8600	167
		Ellanabad	8933	8750	183
	Fatehabad	Fatehabad	8879	8754	125

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			29-Mar-19	22-Mar-19	28-Feb-19	29-Mar-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4350	4400	4200	4100
		Jodhpur(Delivery)	4568	4620	4410	4305
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4125	4070	Closed	3950
		Sri-Ganganagar (Delivery)	4275	4220	Closed	4100
		Rawla (Loose)	Closed	4090	Closed	NR
		Gharsana (Loose)	4060	4080	Closed	3880
		Raisinghnagar (Loose)	4090	4100	Closed	3950
	Bikaner	Bikaner (Loose)	Closed	Closed	3950	Closed

		Bikaner (Delivery)	Closed	Closed	4148	Closed
		Nokha(Loose)	Closed	4175	3930	Closed
		Nokha (Delivery)	Closed	4384	4127	Closed
		Khajuwala (Loose)	4100	4130	3960	NA
		Khajuwala (Delivery)	4305	4337	4158	NA
		Lunkaransar (Loose)	4125	4200	3950	3850
	Hanumangarh	Hanumangarh (Loose)	4100	4050	Closed	3850
		Hanumangarh (Delivery)	4305	4253	Closed	4043
		Nohar (Loose)	4125	Closed	Closed	NR
		Pilibanga (Loose)	NR	4008	Closed	NR
	Nagaur	Nagaur (Loose)	Closed	4125	3950	Closed
	Churu	Churu (Delivery)	NR	4300	4150	4050
	Alwar	Alwar (Loose)	NR	4050	3900	3750
Haryana	Hisar	Adampur (Loose)	4140	4150	3960	3900
		Adampur (Delivery)	4347	4358	4158	4095
	Bhiwani	Bhiwani (Delivery)	4300	4400	4125	4000
		Siwani (Loose)	4225	4300	4125	4020
	Sirsa	Sirsa (Loose)	4100	4150	4000	3940
		Dhabwali (Loose)	4050	4100	3975	3940
		Dhabwali (Delivery)	4253	4305	4174	4137
		Ellanabad (Loose)	4100	4100	4000	3900
	Fatehabad	Fatehabad (Loose)	3900	3950	3850	3900
Gujarat	Banaskantha	Deesa (Loose)	Closed	Closed	4050	Closed
	Patan	Patan (Loose)	Closed	3950	3905	Closed
	Rajkot	Rajkot (Loose)	Closed	4025	3950	Closed
	Jamnagar	Dhrol (Loose)	Closed	NA	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8800	8950	8400	8500
	Alwar	Alwar	NR	8800	8400	8850
	Hanumangarh	Nohar	8800	Closed	Closed	NR
Haryana	Bhiwani	Bhiwani	8900	8950	8200	8450
	Sirsa	Sirsa	8800	8925	8325	9000
		Dhabwali	8750	8800	8300	9000
		Ellanabad	8900	9000	8350	8900
	Fatehabad	Fatehabad	8825	8900	8356	NR

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			23rd to 29th Mar 2019	16th to 22nd Mar 2019	
Rajasthan	Jodhpur	Jodhpur	241	297	-56
	Sri-Ganganagar	Sri-Ganganagar	12500	12000	500
		Rawla	900	900	Unch
		Gharsana	950	1050	-100
		Raisinghnagar	4400	6000	-1600
	Bikaner	Bikaner	2400	1400	1000
		Nokha	3450	2250	1200
		Khajuwala	2450	1200	1250
		Lunkaransar	1900	850	1050
	Hanumangarh	Hanumangarh	1000	1150	-150
		Nohar	5900	3300	2600
		Pilibanga	1646	839	807
	Nagaur	Nagaur	500	650	-150
	Churu	Churu	2500	2800	-300
	Alwar	Alwar	800	1050	-250
Haryana	Hisar	Adampur	7650	5700	1950
	Bhiwani	Bhiwani	2500	2300	200
		Siwani	7900	5600	2300
	Sirsa	Sirsa	12500	8500	4000
		Dhabwali	1350	975	375
		Ellanabad	1600	1350	250
	Fatehabad	Fatehabad	600	550	50
Gujarat	Banaskantha	Deesa	Closed	260	-260
	Patan	Patan	40	70	-30
	Rajkot	Rajkot	Closed	615	-615
	Jamnagar	Dhrol	Closed	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			75677	61656	14021

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