



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 2.09 percent to Rs. 3491.92 per quintal during the week ended 15th April 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3861.18 per quintal during 01-08 April 2019. As compared to prices in the week 09-15 April 2018, the prices are firm by 7.62 percent. Prices are expected to remain steady to firm in coming days.

As per market sources, El nino has weakened considerably and India can expect a robust southwest monsoon. Guar prices may see some correction in near future due to forecast for good rains in monsoon season. The official forecast for monsoon will be given by IMD today.

As per trade sources, export of guar gum has increased in the month of March-19 by 22.26 percent compared to previous month. India exported around 28907 tonnes of guar gum at an average FoB of \$ 1718.53 per tonne in the month of March-19 compared to 23643 tonnes in January-19 at an average FoB of \$ 1792.92 per tonne. Exports are expected to remain at higher side in April-19 as well.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 1022 as on 12th April 2019 down by 3 compared to 05th April 2019 and up by 14 compared to 13th April 2018. The total number of oilrigs was recorded at 2213 worldwide in March'19 compared to 2179 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 per trade sources, export of guar split has increased in the month of March-19. Exports in the month of March-19 are up by around 16.38% compared to previous month. India exported around 10800 tonnes of guar split in the month of March-19 at an average FoB of \$ 1352.14 per tonne. Of the total quantity, around 8880 tonnes and 1239.83 tonnes have been exported to China and Unites States respectively.

Guar seed future May contract closed at Rs 4497 per quintal. Prices may get support from good domestic as well as export demand. Guar has breached resistance level of Rs 4400 per quintal and is likely to touch Rs 4610-4630 per quintal in near future. Traders are advised to buy with correction.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (2900 quintals) compared to previous week arrivals of 5300 quintals.

As far as Arrivals are concerned, Bikaner market reported lower arrivals (2600 quintals) compared to previous week arrivals of 3100 quintals.

Recommendation:

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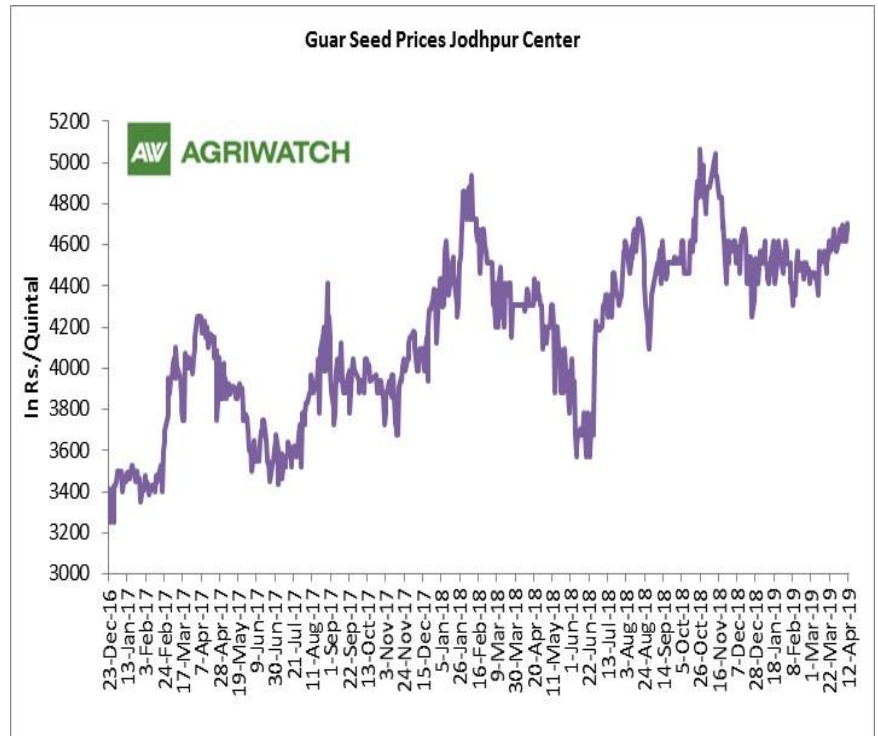
Weekly Call- : Market participants are advised to buy Guar seed at 4450 levels for a target of 4570 with a stop loss at 4378 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 12th April'19, Guar seed weekly average prices increased by Rs 5.25/-qtl and settled at Rs 4652 per quintal.
- In addition, Guar gum weekly price increased by Rs 85.33 per quintal and settled at Rs. 9058 per quintal. Good demand for guar gum from domestic as well as overseas market kept prices at higher side in previous week.
- According to second advance estimate for 2018-19, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 135000 hectares, 73000 tonnes and 545 kg/hectare respectively. As per first 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.
- 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.

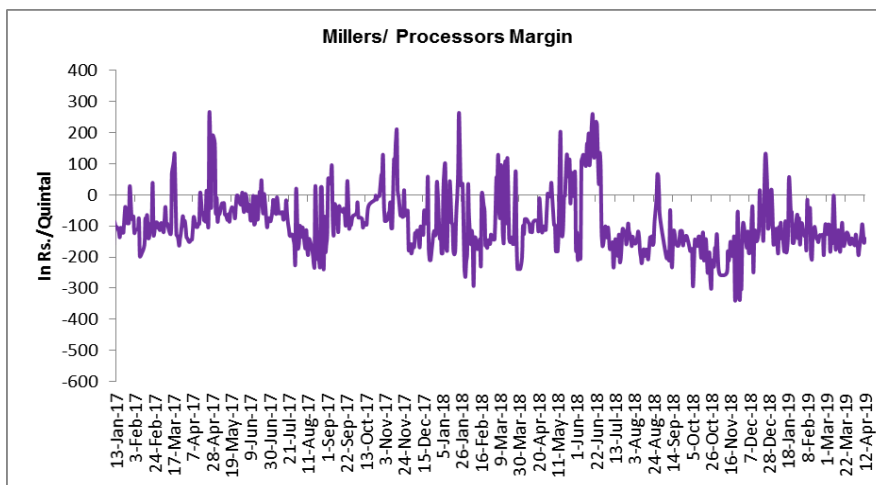


Millers/Processors Margin

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In the week ended 12th April'19, average crush margin was Rs. -133.13/Quintal, compared to last week's -158.94/Quintal. Therefore, crushing is not favorable for Millers/Processors.

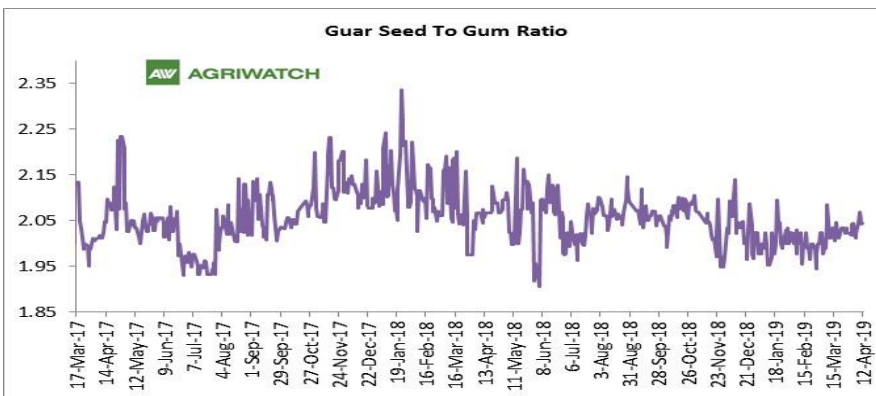
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 12th April'19 is 2.045, higher compared to last week's 2.028

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: May

Exchange: NCDEX
Expiry: May 20, 2019



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.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	May	4250	4180	4497	4750	4830
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	Buy	Above 4450	4570	4645	4378

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 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.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	May	8710	8595	9153	9640	9775
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Buy	Above 9050	9275	9470	8915

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	06th to 12th Apr 2019	30th Mar to 05th Apr 2019	Change
Churi	Jodhpur	1771	1753	18
Korma	Jodhpur	2466	2466	Unch
Churi	Sri-Ganganagar	1634	1594	40
Korma	Sri-Ganganagar	2281	2269	12

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	06th to 12th Apr 2019	30th Mar to 05th Apr 2019	Change
Guargum Split		1299	1303	-4
Guargum Powder	200 Mesh 5000 CPS	1588	1593	-5
	200 Mesh 3500 CPS	1515	1521	-6
Guargum Meal	40%	346	348	-2
	50%	491	490	1

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			06th to 12th Apr 2019	30th Mar to 05th Apr 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4430	4425	5
		Jodhpur(Delivery)	4652	4646	5
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4120	4138	-18
		Sri-Ganganagar (Delivery)	4270	4288	-18
		Rawla (Loose)	4109	4118	-9
		Gharsana (Loose)	4129	4102	28
		Raisinghnagar (Loose)	4130	4167	-37
	Bikaner	Bikaner (Loose)	4162	4144	18
		Bikaner (Delivery)	4370	4351	19
		Nokha(Loose)	4183	4143	40
		Nokha (Delivery)	4393	4350	42
		Khajuwala (Loose)	4165	4170	-5
		Khajuwala (Delivery)	4373	4378	-5
		Lunkaransar (Loose)	4162	4170	-8
	Hanumangarh	Hanumangarh (Loose)	4186	4146	41
		Hanumangarh (Delivery)	4396	4353	43
		Nohar (Loose)	4227	4179	48

		Pilibanga (Loose)	4143	4048	95
	Nagaur	Nagaur (Loose)	4116	4100	16
	Churu	Churu (Delivery)	4308	4260	48
	Alwar	Alwar (Loose)	4046	4005	41
Haryana	Hisar	Adampur (Loose)	4176	4162	15
		Adampur (Delivery)	4385	4370	15
	Bhiwani	Bhiwani (Delivery)	4345	4354	-9
		Siwani (Loose)	4293	4258	34
	Sirsa	Sirsa (Loose)	4188	4104	84
		Dhabwali (Loose)	4125	4126	-1
		Dhabwali (Delivery)	4331	4332	-1
		Ellanabad (Loose)	4133	4138	-4
	Fatehabad	Fatehabad (Loose)	4000	3925	75
Gujarat	Banaskantha	Deesa (Loose)	NA	4019	-
	Patan	Patan (Loose)	4068	4031	37
	Rajkot	Rajkot (Loose)	4117	4074	43
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9058	8973	85
	Alwar	Alwar	8992	8810	182
	Hanumangarh	Nohar	8983	8817	167
Haryana	Bhiwani	Bhiwani	9009	9008	1
	Sirsa	Sirsa	9000	8942	58
		Dhabwali	9025	8942	83
		Ellanabad	9083	9033	50
	Fatehabad	Fatehabad	9000	8921	79

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			12-Apr-19	5-Apr-19	12-Mar-19	12-Apr-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4450	4475	4300	4175
		Jodhpur(Delivery)	4673	4699	4515	4384
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	4200	4090	3900
		Sri-Ganganagar (Delivery)	4300	4350	4240	4050
		Rawla (Loose)	NR	4150	4050	NA
		Gharsana (Loose)	4150	4150	4000	3800
		Raisinghnagar (Loose)	4170	4240	NR	3950
	Bikaner	Bikaner (Loose)	4200	4170	4070	3925

		Bikaner (Delivery)	4410	4379	4274	4121
		Nokha(Loose)	4190	4180	4100	3900
		Nokha (Delivery)	4400	4389	4305	4095
		Khajuwala (Loose)	4200	4200	4070	3900
		Khajuwala (Delivery)	4410	4410	4274	4095
		Lunkaransar (Loose)	4160	4200	4100	3900
	Hanumangarh	Hanumangarh (Loose)	4248	4200	3950	3950
		Hanumangarh (Delivery)	4460	4410	4148	4148
		Nohar (Loose)	4250	4325	4100	4000
		Pilibanga (Loose)	4151	NR	4000	NA
	Nagaur	Nagaur (Loose)	4160	4100	4050	3800
	Churu	Churu (Delivery)	4350	4300	4200	4100
	Alwar	Alwar (Loose)	4050	4025	4100	3800
Haryana	Hisar	Adampur (Loose)	4175	4220	4050	3950
		Adampur (Delivery)	4384	4431	4253	4148
	Bhiwani	Bhiwani (Delivery)	4325	4375	4300	4175
		Siwani (Loose)	4330	4340	4200	4075
	Sirsa	Sirsa (Loose)	Closed	4215	4050	3950
		Dhabwali (Loose)	Closed	4170	4050	3950
		Dhabwali (Delivery)	Closed	4379	4253	4148
		Ellanabad (Loose)	Closed	4200	4100	3900
	Fatehabad	Fatehabad (Loose)	Closed	4000	3900	3950
Gujarat	Banaskantha	Deesa (Loose)	NA	4050	4000	NA
	Patan	Patan (Loose)	4100	4025	3890	3800
	Rajkot	Rajkot (Loose)	4135	4100	4025	3825
	Jamnagar	Dhrol (Loose)	NA	NA	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	9100	9000	8650	9100
	Alwar	Alwar	9000	8850	8600	8900
	Hanumangarh	Nohar	9200	8900	8500	9000
Haryana	Bhiwani	Bhiwani	8980	9050	8750	8900
	Sirsa	Sirsa	Closed	9050	8600	9000
		Dhabwali	Closed	9050	8500	9000
		Ellanabad	Closed	9100	8600	9050
	Fatehabad	Fatehabad	Closed	9000	8600	8900

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			06th to 12th Apr 2019	30th Mar to 05th Apr 2019	
Rajasthan	Jodhpur	Jodhpur	107	116	-9
	Sri-Ganganagar	Sri-Ganganagar	2200	5500	-3300
		Rawla	1100	1000	100
		Gharsana	550	1000	-450
		Raisinghnagar	2100	3900	-1800
	Bikaner	Bikaner	2600	3100	-500
		Nokha	3650	3350	300
		Khajuwala	1150	2000	-850
		Lunkaransar	850	1700	-850
	Hanumangarh	Hanumangarh	950	1000	-50
		Nohar	2400	2800	-400
		Pilibanga	652	997	-345
	Nagaur	Nagaur	1700	850	850
	Churu	Churu	2700	2200	500
	Alwar	Alwar	1350	1050	300
Haryana	Hisar	Adampur	2900	5300	-2400
	Bhiwani	Bhiwani	8700	5200	3500
		Siwani	11500	9300	2200
	Sirsa	Sirsa	3200	8700	-5500
		Dhabwali	300	800	-500
		Ellanabad	600	1650	-1050
	Fatehabad	Fatehabad	350	650	-300
Gujarat	Banaskantha	Deesa	NA	410	-410
	Patan	Patan	109	61	48
	Rajkot	Rajkot	465	390	75
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			52183	63024	-10841

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