



Guar Weekly Research Report

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Executive Summary

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Domestic Guar Seed Market Summary

Guar seed future May contract closed at Rs 4321.50 per quintal after falling by Rs 175.50 per quintal during the previous week. The fall in prices was mainly due to forecast by IMD for a normal monsoon and weak El Nino. Guar has touched a low of Rs 4303.00 per quintal and is likely to recover in this week and touch Rs 4410-4450 per quintal in near future. Traders are advised to buy at lower levels.

The wholesale price index of guar seed during March'19 remained unchanged compared to previous month at 97.3. The WPI for March 2019 is up by 1.6 compared to last year for the same month and by 10.7 compared to March 2017. WPI is expected to stay firm in March'19.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 1012 as on 18th April 2019 down by 10 compared to 12th April 2019 and by 1 compared to 20th 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, 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 remain at higher side during April-19. As of now guar gum prices in Jodhpur are hovering around Rs 8850 per quintal.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (1800 quintals) compared to previous week arrivals of 2900 quintals.

As far as Arrivals are concerned, Bikaner market reported lower arrivals (1300 quintals) compared to previous week arrivals of 2600 quintals.

Previous Updates:

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 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.

Recommendation:

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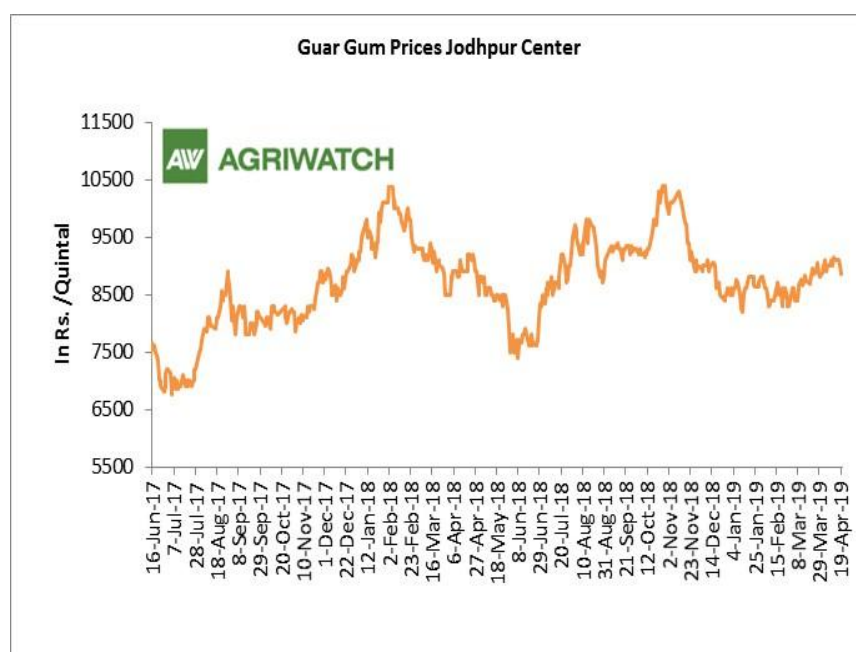
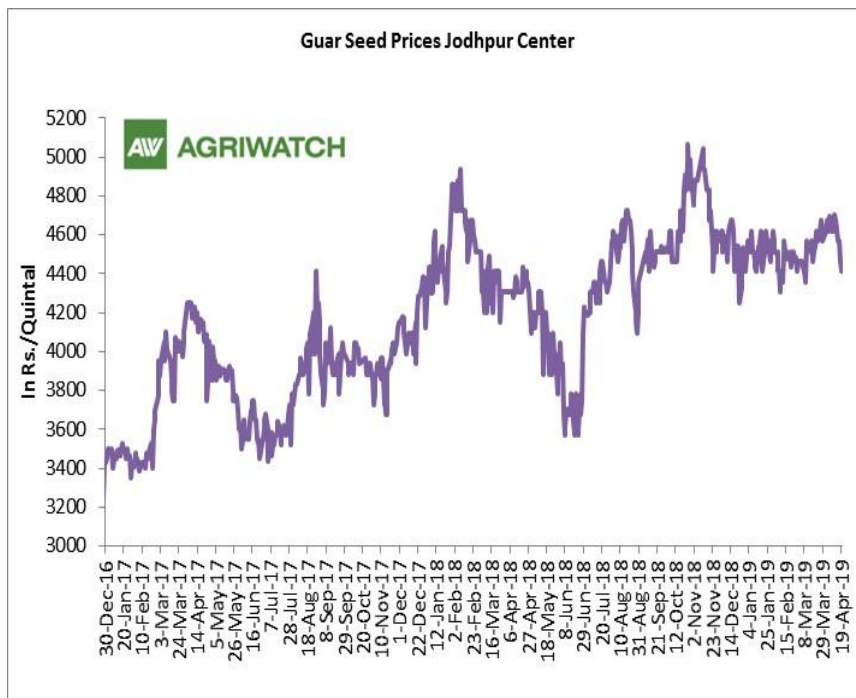
Weekly Call- : Market participants are advised to buy Guar seed at 4300 levels for a target of 4420 with a stop loss at 4228 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 19th April'19, Guar seed weekly average prices decreased by Rs 149.63/-qtl and settled at Rs 4502 per quintal.
- In addition, Guar gum weekly price decreased by Rs 45.83 per quintal and settled at Rs. 9013 per quintal. Weak demand for guar gum from domestic as well as overseas market kept prices at lower 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.

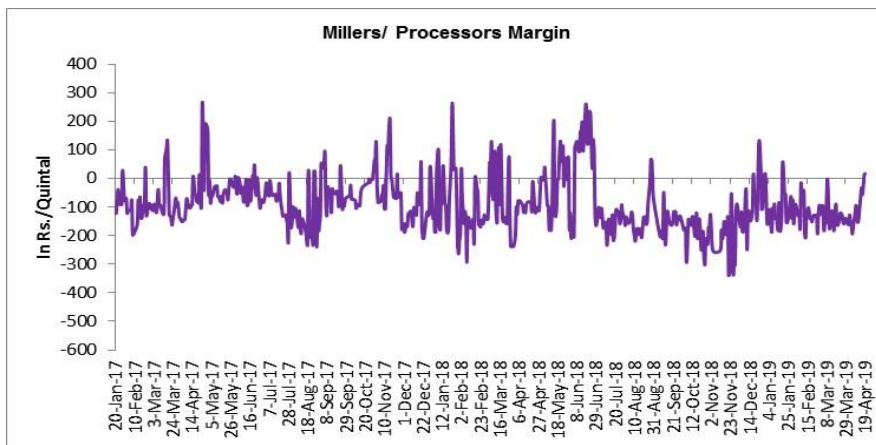


Millers/Processors Margin

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In the week ended 19th April'19, average crush margin was Rs. -15.21/Quintal, compared to last week's -133.13/Quintal. Therefore, crushing is not favorable for Millers/Processors.

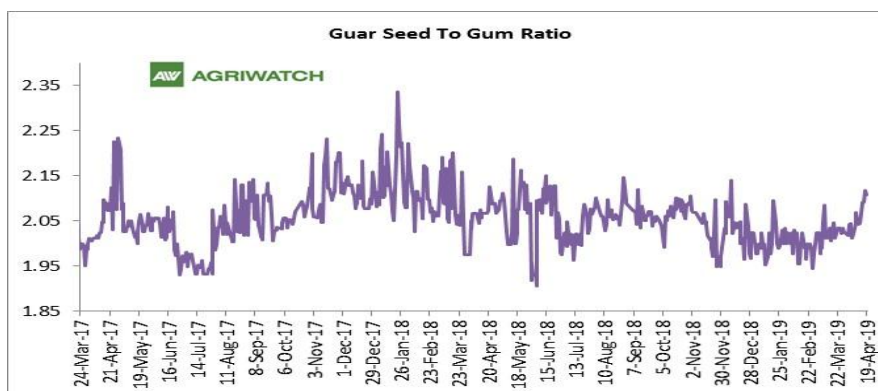
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 19th April'19 is 2.10, higher compared to last week's 2.04

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)
01-08 March-2019	7786.03	1715.71
09-16 March -2019	8868.24	1761.74
17-24 March -2019	5468.85	1660.41
25-31 March -2019	6784.15	1704.16
Total	28907.27	

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: May

Exchange: NCDEX
Expiry: May 20, 2019



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down in neutral region.
- Prices closed below 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	May	4100	4030	4321.50	4600	4680
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	Buy	Above 4300	4420	4495	4228

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 20, 2018



Technical Commentary:

- Fall in price and open interest indicates long liquidation.
- RSI is moving down in neutral region.
- Prices closed below 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	May	8350	8235	8700	9280	9415
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Buy	Above 8690	8915	9110	8555

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	15th to 19th Apr 2019	06th to 12th Apr 2019	Change
Churi	Jodhpur	1754	1771	-17
Korma	Jodhpur	2445	2466	-20
Churi	Sri-Ganganagar	1590	1634	-44
Korma	Sri-Ganganagar	2303	2281	21

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	15th to 19th Apr 2019	06th to 12th Apr 2019	Change
Guargum Split		1296	1299	-3
Guargum Powder	200 Mesh 5000 CPS	1584	1588	-4
	200 Mesh 3500 CPS	1512	1515	-3
Guargum Meal	40%	345	346	-1
	50%	490	491	-1

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			15th to 19th Apr 2019	06th to 12th Apr 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4288	4430	-143
		Jodhpur(Delivery)	4502	4652	-150
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4175	4120	55
		Sri-Ganganagar (Delivery)	4325	4270	55
		Rawla (Loose)	4088	4109	-21
		Gharsana (Loose)	4053	4129	-77
		Raisinghnagar (Loose)	4075	4130	-55
	Bikaner	Bikaner (Loose)	4115	4162	-47
		Bikaner (Delivery)	4321	4370	-49
		Nokha(Loose)	4132	4183	-51
		Nokha (Delivery)	4339	4393	-54
		Khajuwala (Loose)	4130	4165	-35
		Khajuwala (Delivery)	4337	4373	-37
		Lunkaransar (Loose)	4092	4162	-70
	Hanumangarh	Hanumangarh (Loose)	4037	4186	-149
		Hanumangarh (Delivery)	4239	4396	-157
		Nohar (Loose)	4150	4227	-77

		Pilibanga (Loose)	4003	4143	-139
	Nagaur	Nagaur (Loose)	4042	4116	-74
	Churu	Churu (Delivery)	4210	4308	-98
	Alwar	Alwar (Loose)	3950	4046	-96
Haryana	Hisar	Adampur (Loose)	4076	4176	-100
		Adampur (Delivery)	4280	4385	-105
	Bhiwani	Bhiwani (Delivery)	4267	4345	-78
		Siwani (Loose)	4235	4293	-58
	Sirsa	Sirsa (Loose)	4105	4188	-83
		Dhabwali (Loose)	NA	4125	-
		Dhabwali (Delivery)	NA	4331	-
		Ellanabad (Loose)	4150	4133	17
	Fatehabad	Fatehabad (Loose)	3900	4000	-100
Gujarat	Banaskantha	Deesa (Loose)	4000	NA	-
	Patan	Patan (Loose)	3975	4068	-93
	Rajkot	Rajkot (Loose)	4060	4117	-57
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9013	9058	-46
	Alwar	Alwar	8860	8992	-132
	Hanumangarh	Nohar	9040	8983	57
Haryana	Bhiwani	Bhiwani	8790	9009	-219
	Sirsa	Sirsa	8820	9000	-180
		Dhabwali	NA	9025	-
		Ellanabad	9100	9083	17
	Fatehabad	Fatehabad	8900	9000	-100

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			19-Apr-19	12-Apr-19	19-Mar-19	19-Apr-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4200	4450	4300	4100
		Jodhpur(Delivery)	4410	4673	4515	4305
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	4150	4000	3900
		Sri-Ganganagar (Delivery)	4300	4300	4150	4050
		Rawla (Loose)	4000	NR	4000	NA
		Gharsana (Loose)	3980	4150	4000	3810
		Raisinghnagar (Loose)	Closed	4170	4025	4000
	Bikaner	Bikaner (Loose)	4050	4200	4050	3960

		Bikaner (Delivery)	4253	4410	4253	4158
		Nokha(Loose)	4080	4190	4060	3960
		Nokha (Delivery)	4284	4400	4263	4158
		Khajuwala (Loose)	4060	4200	4020	3920
		Khajuwala (Delivery)	4263	4410	4221	4116
		Lunkaransar (Loose)	4050	4160	4100	3970
	Hanumangarh	Hanumangarh (Loose)	4011	4248	4000	3950
		Hanumangarh (Delivery)	4212	4460	4200	4148
		Nohar (Loose)	4100	4250	4070	4000
		Pilibanga (Loose)	NR	4151	3945	NA
	Nagaur	Nagaur (Loose)	Closed	4160	4100	3800
	Churu	Churu (Delivery)	4250	4350	4250	4200
	Alwar	Alwar (Loose)	4000	4050	4000	3900
Haryana	Hisar	Adampur (Loose)	4040	4175	4040	4000
		Adampur (Delivery)	4242	4384	4242	4200
	Bhiwani	Bhiwani (Delivery)	NA	4325	4270	4200
		Siwani (Loose)	4200	4330	4200	4100
	Sirsa	Sirsa (Loose)	4050	Closed	4045	NA
		Dhabwali (Loose)	NA	Closed	3995	NA
		Dhabwali (Delivery)	NA	Closed	4195	NA
		Ellanabad (Loose)	NA	Closed	4050	NA
	Fatehabad	Fatehabad (Loose)	NA	Closed	3900	NA
Gujarat	Banaskantha	Deesa (Loose)	Closed	NA	3975	NA
	Patan	Patan (Loose)	Closed	4100	3890	3675
	Rajkot	Rajkot (Loose)	Closed	4135	3975	3825
	Jamnagar	Dhrol (Loose)	NA	NA	NA	3525
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8850	9100	8675	8900
	Alwar	Alwar	8700	9000	8700	9100
	Hanumangarh	Nohar	9000	9200	8500	9100
Haryana	Bhiwani	Bhiwani	NA	8980	8700	9150
	Sirsa	Sirsa	8750	Closed	8700	NA
		Dhabwali	NA	Closed	8500	NA
		Ellanabad	NA	Closed	8700	NA
	Fatehabad	Fatehabad	NA	Closed	8700	NA

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			15th to 19th Apr 2019	06th to 12th Apr 2019	
Rajasthan	Jodhpur	Jodhpur	76	107	-31
	Sri-Ganganagar	Sri-Ganganagar	600	2200	-1600
		Rawla	350	1100	-750
		Gharsana	180	550	-370
		Raisinghnagar	900	2100	-1200
	Bikaner	Bikaner	1300	2600	-1300
		Nokha	2600	3650	-1050
		Khajuwala	150	1150	-1000
		Lunkaransar	1000	850	150
	Hanumangarh	Hanumangarh	130	950	-820
		Nohar	1150	2400	-1250
		Pilibanga	173	652	-479
	Nagaur	Nagaur	450	1700	-1250
	Churu	Churu	2300	2700	-400
	Alwar	Alwar	1250	1350	-100
Haryana	Hisar	Adampur	1800	2900	-1100
	Bhiwani	Bhiwani	1000	8700	-7700
		Siwani	6500	11500	-5000
	Sirsa	Sirsa	3000	3200	-200
		Dhabwali	NA	300	-
		Ellanabad	NA	600	-
	Fatehabad	Fatehabad	100	350	-250
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	62	109	-47
	Rajkot	Rajkot	250	465	-215
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			25321	52183	-26862

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