



Guar Weekly Research Report

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Executive Summary

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Domestic Guar Seed Market Summary

All India weekly average prices decreased by 0.85 percent to Rs. 3908.48 per quintal during the week ended 23rd April 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3941.42 per quintal during 09-15 April 2019. As compared to prices in the week 16-23 April 2018, the prices are firm by 6.18 percent. Prices are expected to remain steady to firm in coming days.

As per traders, market is likely to recover and remain bullish in the week due to low or no arrivals in major producing regions. Furthermore export demand for guar gum as wells as split is good which is likely to provide support to prices.

Guar seed future May contract touched a low of Rs 4300.00 per quintal before closing at Rs 4316.50 per quintal in the previous week. As per trade sources, guar is likely to be bullish with small technical corrections in coming weeks and touch Rs 4400.00-4450.00 per quintal.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 991 as on 26th April 2019 down by 21 compared to 18th April 2019 and by 30 compared to 27th 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 far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (1025 quintals) compared to previous week arrivals of 1800 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (1950 quintals) compared to previous week arrivals of 1300 quintals.

Previous Updates:

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 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.

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.

Recommendation:

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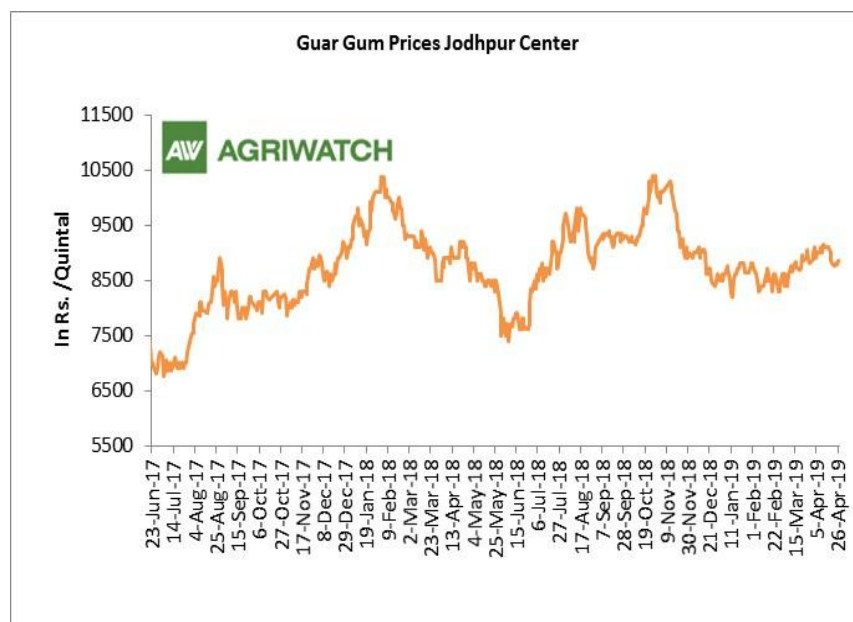
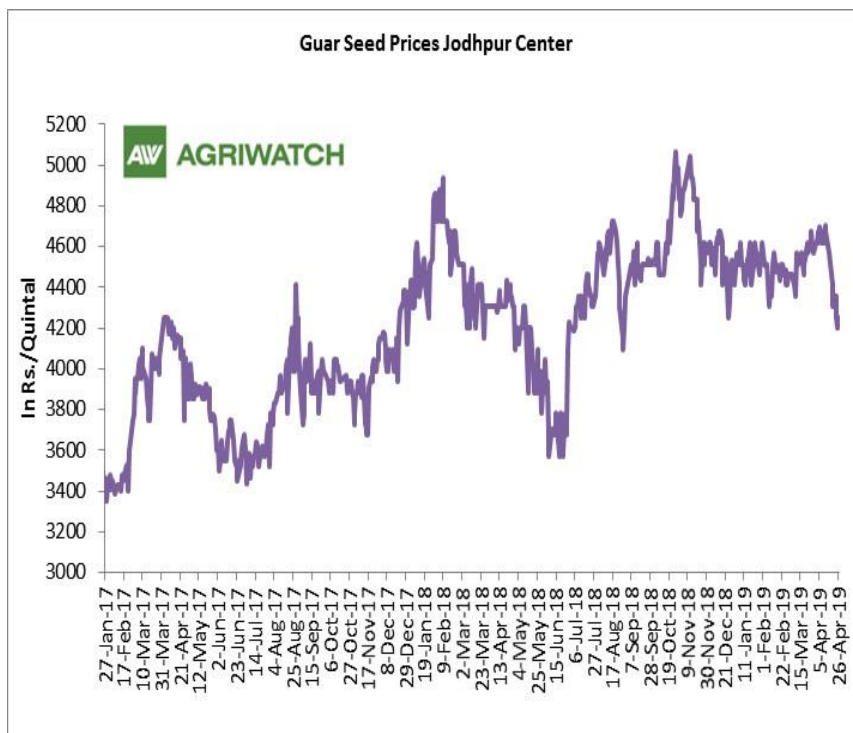
Weekly Call- : Market participants are advised to buy Guar seed at 4310 levels for a target of 4430 with a stop loss at 4238 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 26th April'19, Guar seed weekly average prices decreased by Rs 214.38/-qtl and settled at Rs 4288 per quintal.
- In addition, Guar gum weekly price decreased by Rs 216.17 per quintal and settled at Rs. 8796 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.

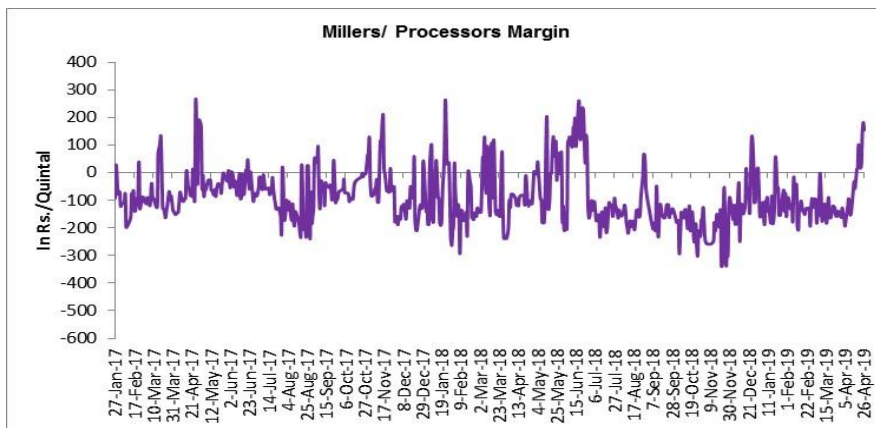


Millers/Processors Margin

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In the week ended 26th April'19, average crush margin was Rs. 104.80/Quintal, compared to last week's -15.21/Quintal. Therefore, crushing is favorable for Millers/Processors.

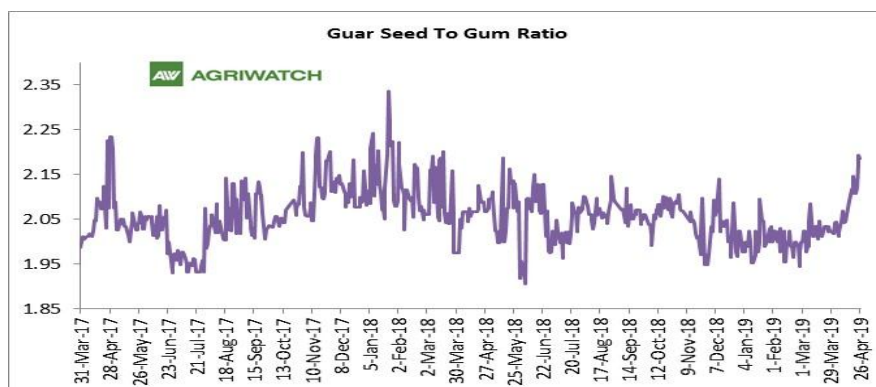
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 26th April'19 is 2.15, higher compared to last week's 2.10

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 sideways in neutral region.
- Prices closed below 9 and 18 day EMAs.

Strategy: Buy

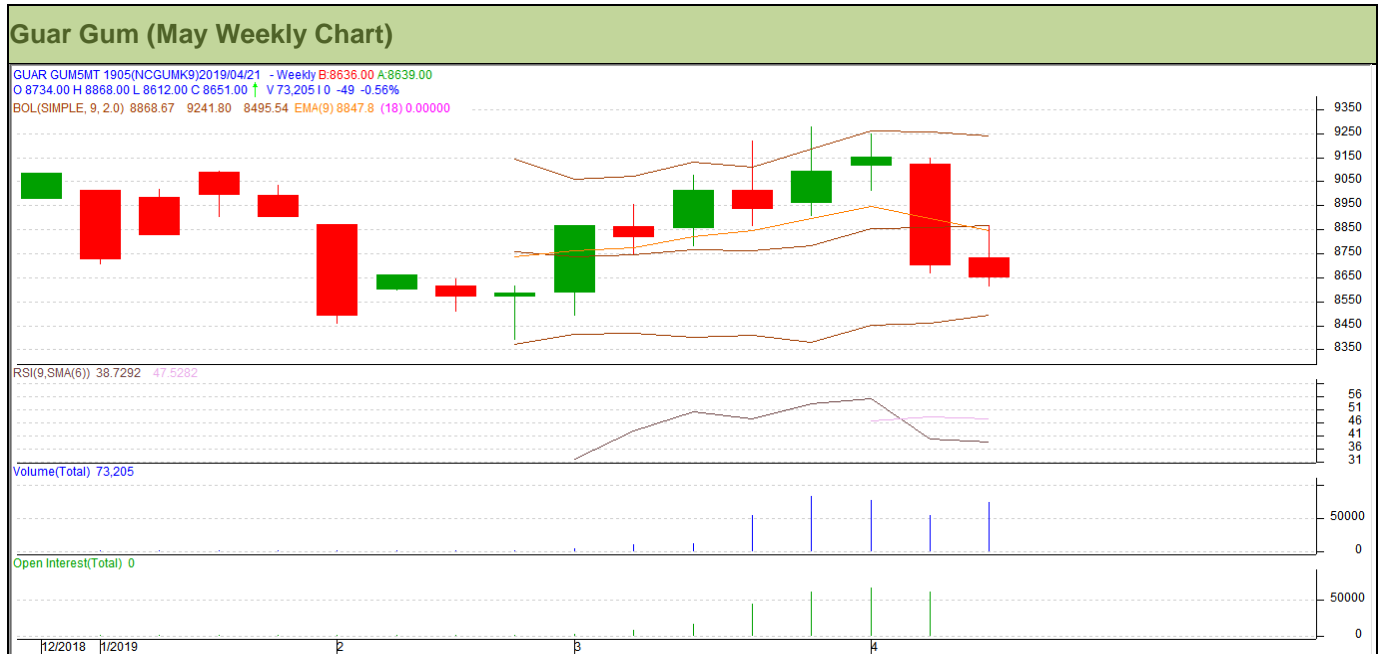
Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	May	4110	4040	4316.50	4610	4690
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	Buy	Above 4310	4430	4505	4238

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	8290	8175	8651	9220	9355
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	Buy	Above 8630	8855	9050	8495

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices (Prices in Rs/75kg)				
Commodity	Centre	20th to 26th Apr 2019	15th to 19th Apr 2019	Change
Churi	Jodhpur	1729	1754	-25
Korma	Jodhpur	2432	2445	-14
Churi	Sri-Ganganagar	1575	1590	-15
Korma	Sri-Ganganagar	2200	2303	-103

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	20th to 26th Apr 2019	15th to 19th Apr 2019	Change
Guargum Split		1277	1296	-19
Guargum Powder	200 Mesh 5000 CPS	1564	1584	-20
	200 Mesh 3500 CPS	1492	1512	-20
Guargum Meal	40%	344	346	-2
	50%	487	490	-3

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			20th to 26th Apr 2019	15th to 19th Apr 2019	
Guar Seed	Jodhpur	Jodhpur (Loose)	4083	4288	-204
		Jodhpur(Delivery)	4288	4502	-214
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4133	4175	-42
		Sri-Ganganagar (Delivery)	4283	4325	-42
		Rawla (Loose)	4070	4088	-18
		Gharsana (Loose)	4030	4053	-23
		Raisinghnagar (Loose)	4088	4075	13
	Bikaner	Bikaner (Loose)	4075	4115	-40
		Bikaner (Delivery)	4279	4321	-42
		Nokha(Loose)	4085	4132	-47
		Nokha (Delivery)	4289	4339	-49
		Khajuwala (Loose)	4054	4130	-76
		Khajuwala (Delivery)	4257	4337	-80
		Lunkaransar (Loose)	4054	4092	-38
	Hanumangarh	Hanumangarh (Loose)	4060	4037	23
		Hanumangarh (Delivery)	4263	4239	24
		Nohar (Loose)	4113	4150	-38

		Pilibanga (Loose)	4000	4003	-3
	Nagaur	Nagaur (Loose)	4027	4042	-15
	Churu	Churu (Delivery)	4167	4210	-43
	Alwar	Alwar (Loose)	3917	3950	-33
Haryana	Hisar	Adampur (Loose)	4067	4076	-9
		Adampur (Delivery)	4270	4280	-10
	Bhiwani	Bhiwani (Delivery)	4208	4267	-58
		Siwani (Loose)	4227	4235	-8
	Sirsa	Sirsa (Loose)	4063	4105	-43
		Dhabwali (Loose)	NA	NA	-
		Dhabwali (Delivery)	NA	NA	-
		Ellanabad (Loose)	NA	4150	-
	Fatehabad	Fatehabad (Loose)	NA	3900	-
Gujarat	Banaskantha	Deesa (Loose)	3985	4000	-15
	Patan	Patan (Loose)	3939	3975	-36
	Rajkot	Rajkot (Loose)	4003	4060	-58
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8796	9013	-217
	Alwar	Alwar	8783	8860	-77
	Hanumangarh	Nohar	9000	9040	-40
Haryana	Bhiwani	Bhiwani	8910	8790	120
	Sirsa	Sirsa	8763	8820	-58
		Dhabwali	NA	NA	-
		Ellanabad	NA	9100	-
	Fatehabad	Fatehabad	NA	8900	-

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			26-Apr-19	19-Apr-19	26-Mar-19	26-Apr-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4050	4200	4400	4150
		Jodhpur(Delivery)	4253	4410	4620	4358
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	4150	4115	3900
		Sri-Ganganagar (Delivery)	4300	4300	4265	4050
		Rawla (Loose)	4050	4000	3980	NA
		Gharsana (Loose)	NR	3980	4080	3920
		Raisinghnagar (Loose)	4100	Closed	4110	3900
	Bikaner	Bikaner (Loose)	4080	4050	4120	3950

		Bikaner (Delivery)	4284	4253	4326	4148
		Nokha(Loose)	4100	4080	4180	3900
		Nokha (Delivery)	4305	4284	4389	4095
		Khajuwala (Loose)	4060	4060	4100	3980
		Khajuwala (Delivery)	4263	4263	4305	4179
		Lunkaransar (Loose)	4025	4050	4100	3900
	Hanumangarh	Hanumangarh (Loose)	NA	4011	4050	3930
		Hanumangarh (Delivery)	NA	4212	4253	4127
		Nohar (Loose)	4125	4100	4125	3970
		Pilibanga (Loose)	NR	3850	4070	NA
	Nagaur	Nagaur (Loose)	4050	Closed	4100	3800
	Churu	Churu (Delivery)	4150	4250	4250	4150
	Alwar	Alwar (Loose)	3900	4000	4000	3800
Haryana	Hisar	Adampur (Loose)	4100	4040	4150	3970
		Adampur (Delivery)	4305	4242	4358	4169
	Bhiwani	Bhiwani (Delivery)	4200	NA	4325	4175
		Siwani (Loose)	4240	4200	4240	4080
	Sirsa	Sirsa (Loose)	NA	4050	4170	NA
		Dhabwali (Loose)	NA	NA	4120	NA
		Dhabwali (Delivery)	NA	NA	4326	NA
		Ellanabad (Loose)	NA	NA	4100	NA
	Fatehabad	Fatehabad (Loose)	NA	NA	3950	NA
Gujarat	Banaskantha	Deesa (Loose)	4000	Closed	Closed	3660
	Patan	Patan (Loose)	3935	Closed	Closed	3675
	Rajkot	Rajkot (Loose)	4000	Closed	Closed	3900
	Jamnagar	Dhrol (Loose)	NA	NA	Closed	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8850	8850	8900	9100
	Alwar	Alwar	8800	8700	8800	9100
	Hanumangarh	Nohar	9000	9000	8900	9000
Haryana	Bhiwani	Bhiwani	8900	NA	8950	9100
	Sirsa	Sirsa	NA	8750	8980	NA
		Dhabwali	NA	NA	8750	NA
		Ellanabad	NA	NA	9000	NA
	Fatehabad	Fatehabad	NA	NA	8900	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			20th to 26th Apr 2019	15th to 19th Apr 2019	
Rajasthan	Jodhpur	Jodhpur	120	76	44
	Sri-Ganganagar	Sri-Ganganagar	2000	600	1400
		Rawla	510	350	160
		Gharsana	160	180	-20
		Raisinghnagar	950	900	50
	Bikaner	Bikaner	1950	1300	650
		Nokha	3100	2600	500
		Khajuwala	355	150	205
		Lunkaransar	1150	1000	150
	Hanumangarh	Hanumangarh	180	130	50
		Nohar	950	1150	-200
		Pilibanga	7	173	-166
	Nagaur	Nagaur	560	450	110
	Churu	Churu	3300	2300	1000
	Alwar	Alwar	1300	1250	50
Haryana	Hisar	Adampur	1025	1800	-775
	Bhiwani	Bhiwani	1250	1000	250
		Siwani	9300	6500	2800
	Sirsa	Sirsa	NA	3000	-
		Dhabwali	NA	NA	-
		Ellanabad	NA	NA	-
	Fatehabad	Fatehabad	NA	100	-
Gujarat	Banaskantha	Deesa	20	NA	-
	Patan	Patan	255	62	193
	Rajkot	Rajkot	235	250	-15
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			28677	25321	3356

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