



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 1.36 percent to Rs. 3892.12 per quintal during the week ended 08th July 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3839.72 per quintal during 25-30 June 2019. As compared to prices in the week 01-08 July 2018, the prices are firm by 6.61 percent. Prices are expected to remain steady to firm in coming days.

Guar prices are likely to remain firm in the week due to lower sowing as well as carryover stocks. Guar August contract touched a high of Rs 4424 per quintal before closing at Rs 4362 per quintal. Prices are likely to remain firm and touch Rs 4450-4500 per quintal.

As per latest update, area sown in Rajasthan until 02nd July 2019 is 252.1 thousand hectares compared to of 373.6 thousand hectares for 2018 Kharif season. Area of guar is expected to be lower this season as farmers are shifting to Pulses and cotton this year due to better prices.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 963 as on 03rd July 2019 down by 4 compared to 28th June 2019 and by 89 compared to 06th July 2018. The total number of oilrigs was recorded at 2221 worldwide in June'19 compared to 2152 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 (3900 quintals) compared to previous week arrivals of 3600 quintals.

As far as Arrivals are concerned, Bikaner market reported lower arrivals (1300 quintals) compared to previous week arrivals of 1650 quintals.

Previous Updates:

As per trade sources, export of guar gum has decreased in the month of May-19 by 4.06 percent compared to previous month. India exported around 25507 tonnes of guar gum at an average FoB of \$ 1890.07 per tonne in the month of May-19 compared to 26588 tonnes in April-19 at an average FoB of \$ 1871.23 per tonne. Exports are expected to remain at slightly higher in June-19.

As per trade sources, export of guar split has increased in the month of May-19. Exports in the month of May-19 are up by around 30.86% compared to previous month. India exported around 7739 tonnes of guar split in the month of May-19 at an average FoB of \$ 1417.70 per tonne. Of the total quantity, around 6460 tonnes have been exported to China.

Recommendation:
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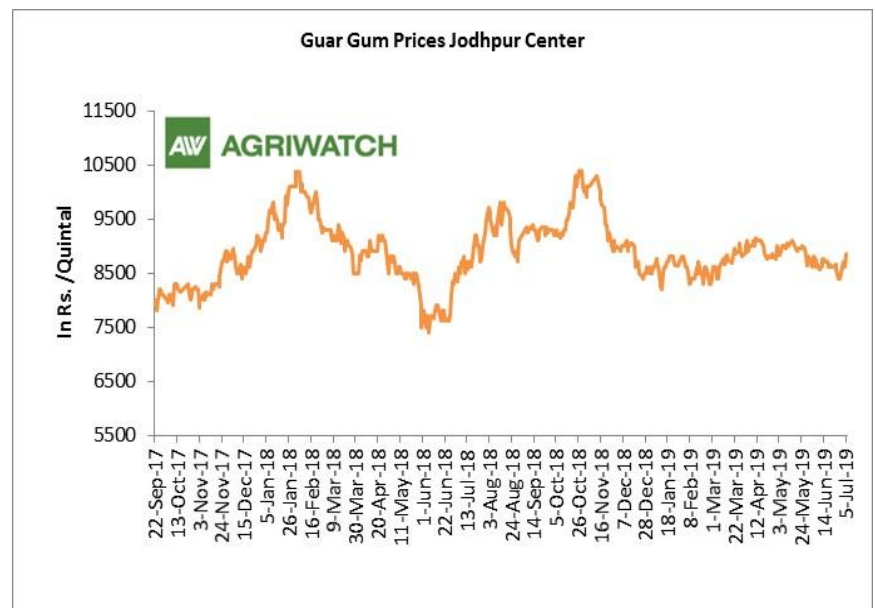
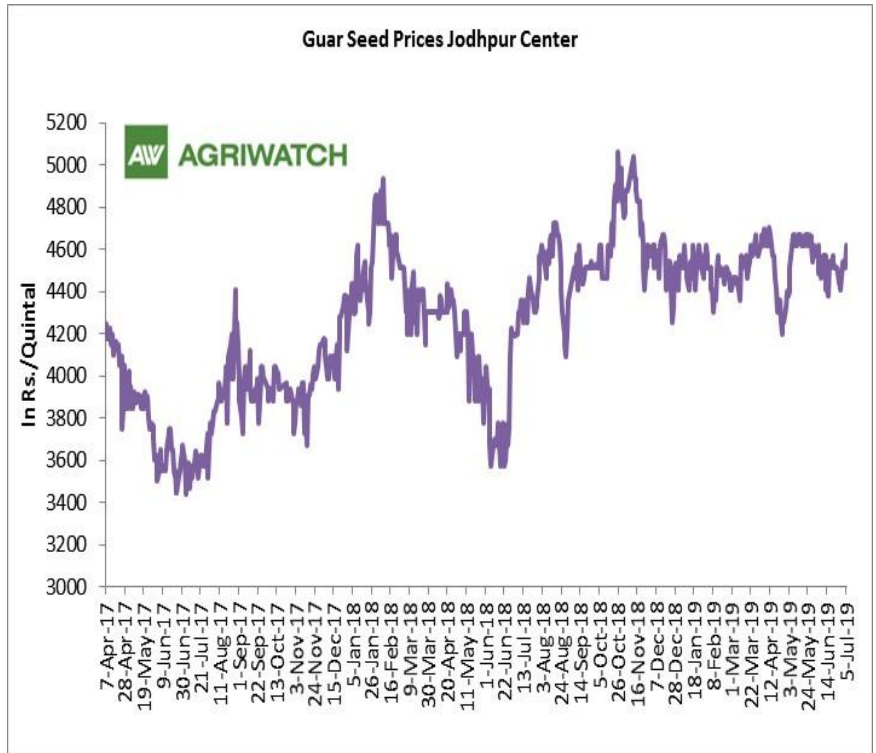
Weekly Call- : Market participants are advised to buy Guar seed at 4355 levels for a target of 4440 with a stop loss at 4304 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 05th July, Guar seed weekly average prices increased by Rs 38.50/-qtl and settled at Rs 4524 per quintal.
- In addition, Guar gum weekly price increased by Rs 91.67 per quintal and settled at Rs. 8642 per quintal. Good demand for guar gum from domestic as well as overseas market kept prices at higher side in previous week.
- According to third advance estimate for 2018-19, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 134660 hectares, 73740 tonnes and 547.59 kg/hectare respectively. As per second 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.
- According to third advance estimate for 2018-19, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 3087769 hectares, 1031415 tonnes and 334 kg/hectare respectively. As per second advance estimate for 2018-19 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.

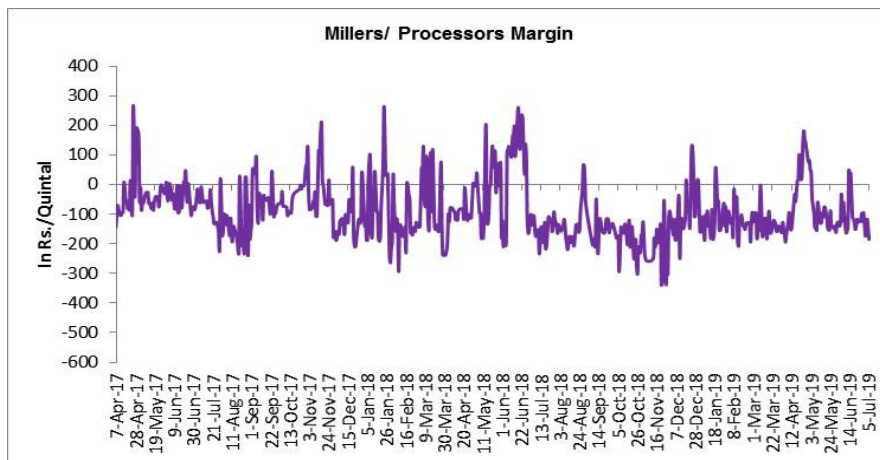


Millers/Processors Margin

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In the week ended 05th July'19, average crush margin was Rs.-143.01/Quintal, compared to last week's -118.02/Quintal. Therefore, crushing is not favorable for Millers/Processors.

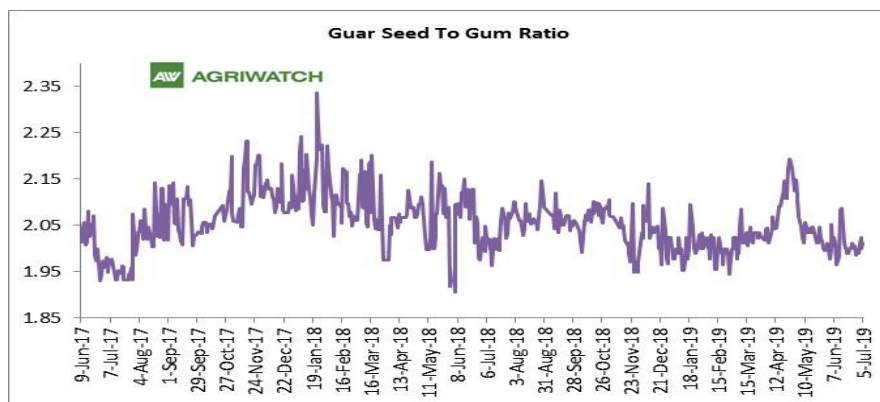
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 05th July'19 is 2.01, lower compared to last week's 2.00

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 May -2019	5465.46	1818.49
08-16 May -2019	7222.98	1943.45
17-23 May -2019	6853.80	1830.16
24-31 May -2019	5965.03	1754.50
Total	25507.27	

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed

Contract: August

Exchange: NCDEX

Expiry: August 20, 2019

Guar Seed (August Weekly Chart)



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	August	4260	4215	4362	4550	4590
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Buy	Above 4355	4440	4495	4304

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: August

Exchange: NCDEX
Expiry: August 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	August	8550	8475	8782	9200	9300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	August	Buy	Above 8770	8950	9080	8662

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	29th June to 05th July 2019	22nd to 28th June 2019	Change
Churi	Jodhpur	1775	1779	-4
Korma	Jodhpur	2438	2478	-40
Churi	Sri-Ganganagar	1569	1581	-13
Korma	Sri-Ganganagar	2225	2256	-31

Guar Export Weekly Average Prices (Prices in \$/MT)				
Commodity	Variety	29th June to 05th July 2019	22nd to 28th June 2019	Change
Guargum Split		1240	1239	1
Guargum Powder	200 Mesh 5000 CPS	1530	1527	3
	200 Mesh 3500 CPS	1457	1455	2
Guargum Meal	40%	349	346	3
	50%	487	491	-4

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			29th June to 05th July 2019	22nd to 28th June 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4308	4272	37
		Jodhpur(Delivery)	4524	4485	39
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4087	4078	8
		Sri-Ganganagar (Delivery)	4237	4228	8
		Rawla (Loose)	4050	4018	32
		Gharsana (Loose)	4056	4035	21
		Raisinghnagar (Loose)	4083	4092	-8
	Bikaner	Bikaner (Loose)	4079	4033	46
		Bikaner (Delivery)	4283	4235	48
		Nokha(Loose)	4116	4090	26
		Nokha (Delivery)	4322	4295	27
		Khajuwala (Loose)	4027	4020	7
		Khajuwala (Delivery)	4228	4221	7
		Lunkaransar (Loose)	4093	4042	52
	Hanumangarh	Hanumangarh (Loose)	3998	3982	16
		Hanumangarh (Delivery)	4197	4181	16
		Nohar (Loose)	4057	4038	18

		Pilibanga (Loose)	3966	3945	21
	Nagaur	Nagaur (Loose)	4065	4012	53
	Churu	Churu (Delivery)	4208	4150	58
	Alwar	Alwar (Loose)	3950	3906	44
Haryana	Hisar	Adampur (Loose)	4099	4094	5
		Adampur (Delivery)	4304	4299	5
	Bhiwani	Bhiwani (Delivery)	4265	4223	42
		Siwani (Loose)	4213	4202	12
	Sirsa	Sirsa (Loose)	4070	4037	33
		Dhabwali (Loose)	4003	3995	8
		Dhabwali (Delivery)	4204	4195	9
		Ellanabad (Loose)	4015	3979	36
	Fatehabad	Fatehabad (Loose)	3983	3967	17
Gujarat	Banaskantha	Deesa (Loose)	3940	3942	-2
	Patan	Patan (Loose)	3898	3988	-90
	Rajkot	Rajkot (Loose)	3958	3956	2
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8642	8550	92
	Alwar	Alwar	8717	8600	117
	Hanumangarh	Nohar	8750	8767	-17
Haryana	Bhiwani	Bhiwani	8573	8515	58
	Sirsa	Sirsa	8625	8558	67
		Dhabwali	8592	8533	58
		Ellanabad	8675	8600	75
	Fatehabad	Fatehabad	8600	8544	56

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			5-Jul-19	28-Jun-19	5-Jun-19	5-Jul-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4400	4230	4275	4000
		Jodhpur(Delivery)	4620	4442	4489	4200
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	4050	4100	3800
		Sri-Ganganagar (Delivery)	4300	4200	4250	3950
		Rawla (Loose)	4075	3970	4020	3700
		Gharsana (Loose)	NR	4010	4087	3750
		Raisinghnagar (Loose)	4100	4100	4025	3750
	Bikaner	Bikaner (Loose)	4100	3990	4090	3850

		Bikaner (Delivery)	4305	4190	4295	4043
		Nokha(Loose)	4175	4015	4125	3900
		Nokha (Delivery)	4384	4216	4331	4095
		Khajuwala (Loose)	NR	4000	4050	3770
		Khajuwala (Delivery)	NR	4200	4253	3959
		Lunkaransar (Loose)	4150	4000	4050	3820
	Hanumangarh	Hanumangarh (Loose)	4020	3960	4052	3850
		Hanumangarh (Delivery)	4221	4158	4255	4043
		Nohar (Loose)	4100	4000	Closed	3900
		Pilibanga (Loose)	NR	3875	4081	NA
	Nagaur	Nagaur (Loose)	4100	4000	4075	3600
	Churu	Churu (Delivery)	4250	NR	Closed	4050
	Alwar	Alwar (Loose)	4000	NR	Closed	3800
Haryana	Hisar	Adampur (Loose)	4140	4040	4125	3800
		Adampur (Delivery)	4347	4242	4331	3990
	Bhiwani	Bhiwani (Delivery)	4350	4200	4250	3980
		Siwani (Loose)	4250	4160	4250	3975
	Sirsa	Sirsa (Loose)	4120	3950	4100	3840
		Dhabwali (Loose)	4070	3900	4000	3865
		Dhabwali (Delivery)	4274	4095	4200	4058
		Ellanabad (Loose)	4050	3925	4050	3750
	Fatehabad	Fatehabad (Loose)	4000	3950	4000	3800
Gujarat	Banaskantha	Deesa (Loose)	3975	3900	Closed	NA
	Patan	Patan (Loose)	3950	3885	3935	3700
	Rajkot	Rajkot (Loose)	4010	3920	3945	3690
	Jamnagar	Dhrol (Loose)	NA	NA	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8850	8400	8775	8600
	Alwar	Alwar	8800	NR	Closed	8500
	Hanumangarh	Nohar	8800	8700	Closed	8550
Haryana	Bhiwani	Bhiwani	8750	8350	8700	8700
	Sirsa	Sirsa	8700	8450	8650	8550
		Dhabwali	8700	8400	8600	8300
		Ellanabad	8700	8550	8700	8500
	Fatehabad	Fatehabad	8700	8450	8625	8300

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			29th June to 05th July 2019	22nd to 28th June 2019	
Rajasthan	Jodhpur	Jodhpur	218	171	47
	Sri-Ganganagar	Sri-Ganganagar	2300	2200	100
		Rawla	557	695	-138
		Gharsana	398	504	-106
		Raisinghnagar	1500	1400	100
	Bikaner	Bikaner	1300	1650	-350
		Nokha	1575	1450	125
		Khajuwala	350	900	-550
		Lunkaransar	1750	800	950
	Hanumangarh	Hanumangarh	425	405	20
		Nohar	1550	2550	-1000
		Pilibanga	177	71	106
	Nagaur	Nagaur	670	680	-10
	Churu	Churu	2000	650	1350
	Alwar	Alwar	1200	624	576
Haryana	Hisar	Adampur	4900	3600	1300
	Bhiwani	Bhiwani	2400	1850	550
		Siwani	4000	4200	-200
	Sirsa	Sirsa	5700	6900	-1200
		Dhabwali	950	1000	-50
		Ellanabad	305	470	-165
	Fatehabad	Fatehabad	350	300	50
Gujarat	Banaskantha	Deesa	75	95	-20
	Patan	Patan	230	269	-39
	Rajkot	Rajkot	383	291	92
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			35263	33725	1538

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