



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 0.84 percent to Rs. 3839.01 per quintal during the week ended 31st August 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3871.45 per quintal during 16-23 August 2019. As compared to prices in the week 24-31 August 2018, the prices are weak by 2.94 percent. Prices are expected to remain steady to weak in coming days.

Guar seed and guar gum prices recovered slightly due to fall in selling pressure, but there is no hope for a sharp rise. In Rajasthan, the sowing of guar seed has increased compared to the previous year, although the sowing is still low compared to last year. Export transactions in guar gum products are also low, so stockiest can hike the current prices by 75 to 100 rupees, but a surge in prices is not expected as of now.

According to latest update, area sown in Gujarat until 26th August 2019 is 123922 hectares compared to 106222 hectares in the previous Kharif season. The last three year average normal area for guar seed in Gujarat is 186650 hectares. Area of guar is expected to be lower this season compared to normal as farmers are shifting to more remunerative crops.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 904 as on 30th August 2019 down by 12 compared to 23rd August 2019 and down by 144 compared to 31st August 2018. The total number of oilrigs was recorded at 2238 worldwide in July'19 compared to 2251 in the same month last year. U.S. is still importing slick water due to fear of unexpected surge in price of guar gum. Therefore, exports are being slightly affected.

Previous Updates:

As per latest update, area sown in Rajasthan until 30th August 2019 is 2841.10 thousand hectares compared to 3065.80 thousand hectares for 2018 Kharif season

As per trade sources, export of guar split has decreased in the month of July-19. Exports in the month of July-19 are down by around 52.01% compared to previous month. India exported around 2380 tonnes of guar split in the month of July-19 at an average FoB of \$ 1408.92 per tonne. Of the total quantity, around 2220 tonnes have been exported to China.

As per trade sources, export of guar gum has increased in the month of July-19 by 52.45 percent compared to previous month. India exported around 27172 tonnes of guar gum at an average FoB of \$ 1808.10 per tonne in the month of June-19 compared to 17823 tonnes in June-19 at an average FoB of \$ 1880.33 per tonne. Exports are expected to remain at slightly higher in August-19.

Recommendation:
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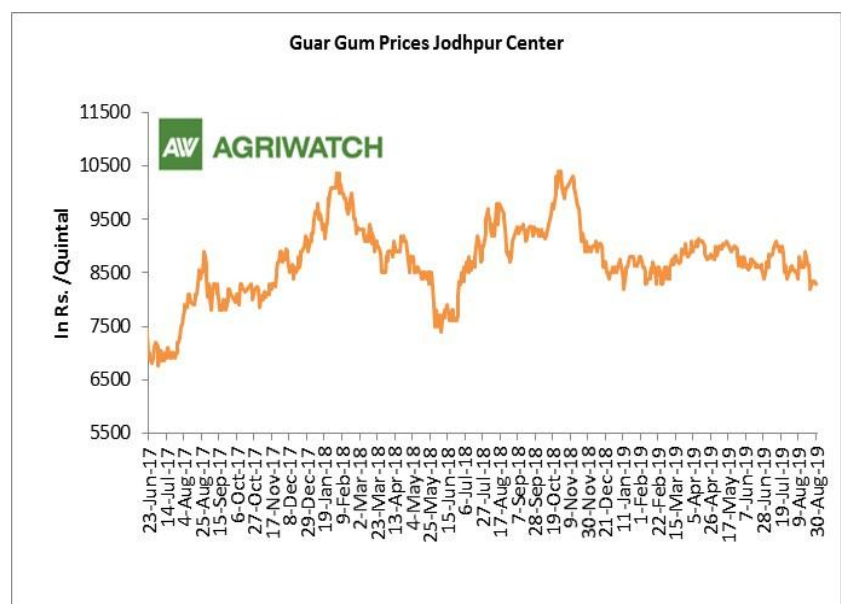
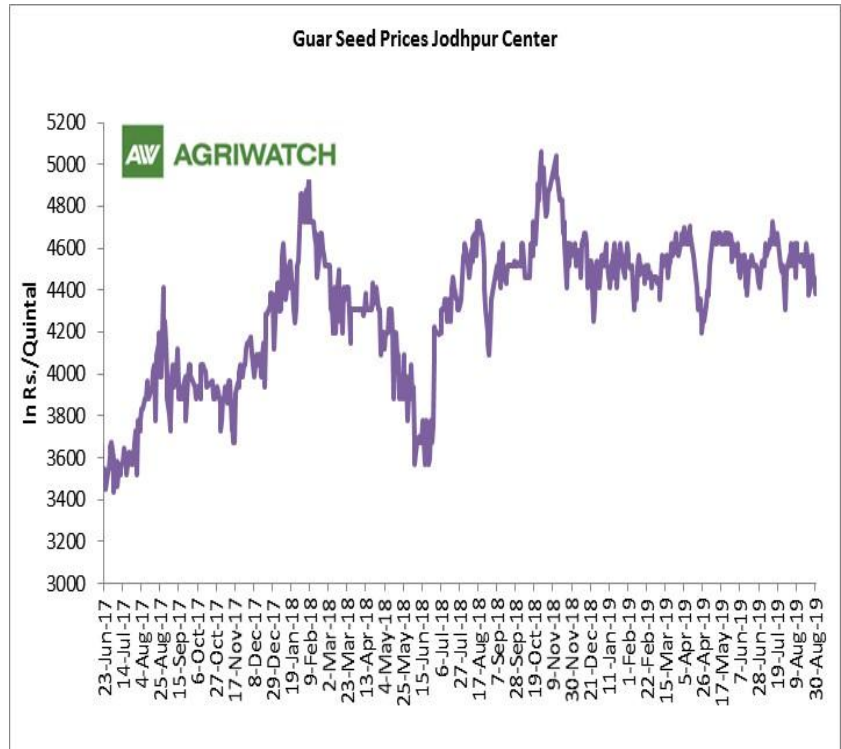
Weekly Call- : Market participants are advised to sell Guar seed at 4315 levels for a target of 4210 with a stop loss at 4378 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 30th August, Guar seed weekly average prices decreased by Rs 79.98/-qtl and settled at Rs 4453 per quintal.
- In addition, Guar gum weekly price decreased by Rs 322.50 per quintal and settled at Rs 8313 per quintal. Weak demand for guar gum from domestic as well as overseas market kept prices at lower side in previous week.
- According to fourth advance estimate for 2018-19, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 135060 hectares, 76020 tonnes and 562.85 kg/hectare respectively. As per third 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.
- According to fourth advance estimate for 2018-19, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 3087789 hectares, 1031427 tonnes and 334 kg/hectare respectively. As per 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.

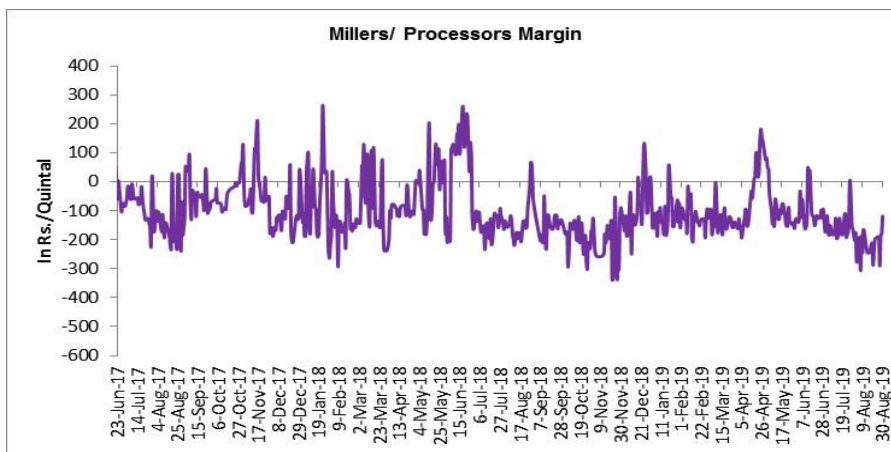


Millers/Processors Margin

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In the week ended 30th Aug'19, average crush margin was Rs.-193.02/Quintal, compared to last week -234.53/Quintal. Therefore, crushing is not favorable for Millers/Processors.

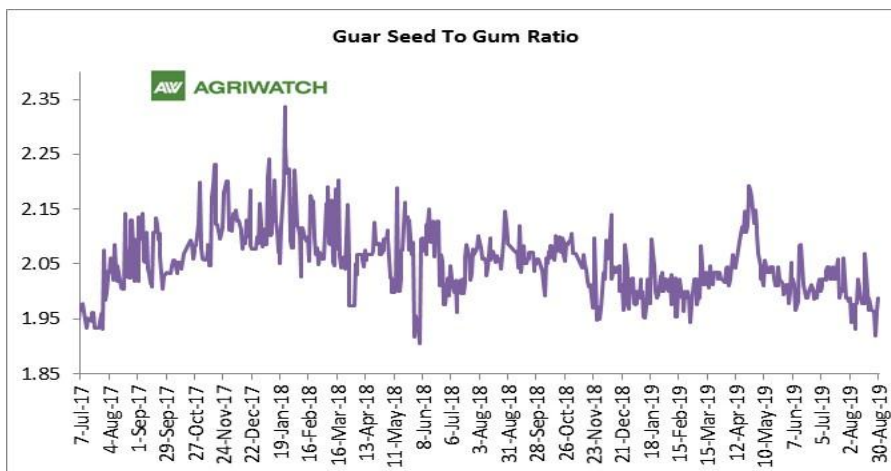
Higher degree of increase in guar gum prices compared to guar seed prices led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 30th Aug'19 is 1.96, lower compared to last week's 2.00

Weak overseas demand of gum and good demand of seed from millers has decreased the overall ratio.



Guar gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 July -2019	7738.15	1702.39
09-16 July -2019	6426.05	1772.46
17-23 July -2019	5888.32	1642.93
24-31 July -2019	7120.42	1727.63
Total	27172.94	

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: September

Exchange: NCDEX
Expiry: September 20, 2019

Guar Seed (September Weekly Chart)



Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	September	4070	4030	4282	4440	4495
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	September	Sell	Below 4315	4210	4125	4378

Technical Analysis (Guar Gum)
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Commodity: Guar Gum
Contract: September
Exchange: NCDEX
Expiry: September 20, 2019

Technical Commentary:

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

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	September	8025	7975	8368	8630	8685
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	September	Sell	Below 8400	8195	8085	8526

Guar Seed & Gum Prices at Key Spot Markets[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices (Rs/75kg)				(Prices in
Commodity	Centre	26th to 30th Aug 2019	17th to 23rd Aug 2019	Change
Churi	Jodhpur	1840	1775	65
Korma	Jodhpur	2325	2225	100
Churi	Sri-Ganganagar	1688	1556	132
Korma	Sri-Ganganagar	2152	2125	27

Guar Export Weekly Average Prices (\$/MT)				(Prices in
Commodity	Variety	26th to 30th Aug 2019	17th to 23rd Aug 2019	Change
Guargum Split		1186	1223	-38
Guargum Powder	200 Mesh 5000 CPS	1465	1503	-38
	200 Mesh 3500 CPS	1395	1433	-38
Guargum Meal	40%	349	349	-1
	50%	432	454	-22

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			26th to 30th Aug 2019	17th to 23rd Aug 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4255	4293	-38
		Jodhpur(Delivery)	4468	4507	-39
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4020	4100	-80
		Sri-Ganganagar (Delivery)	4170	4250	-80
		Rawla (Loose)	3979	4065	-86
		Gharsana (Loose)	3920	4027	-107
		Raisinghnagar (Loose)	3960	4075	-115
	Bikaner	Bikaner (Loose)	4002	4072	-70
		Bikaner (Delivery)	4202	4275	-73
		Nokha(Loose)	4070	4112	-42
		Nokha (Delivery)	4274	4317	-44
		Khajuwala (Loose)	4021	4115	-94
		Khajuwala (Delivery)	4222	4321	-99
		Lunkaransar (Loose)	4000	4073	-73
	Hanumangarh	Hanumangarh (Loose)	3875	4023	-148

		Hanumangarh (Delivery)	4069	4224	-155
		Nohar (Loose)	3990	4090	-100
		Pilibanga (Loose)	3725	3893	-168
	Nagaur	Nagaur (Loose)	3951	4037	-86
	Churu	Churu (Delivery)	4146	4130	16
	Alwar	Alwar (Loose)	3880	3880	Unch
Haryana	Hisar	Adampur (Loose)	3998	4051	-53
		Adampur (Delivery)	4198	4253	-55
	Bhiwani	Bhiwani (Delivery)	4155	4200	-45
		Siwani (Loose)	4136	4172	-36
	Sirsa	Sirsa (Loose)	4024	4043	-19
		Dhabwali (Loose)	3974	3962	12
		Dhabwali (Delivery)	4173	4160	13
		Ellanabad (Loose)	4000	4003	-3
	Fatehabad	Fatehabad (Loose)	3915	3929	-14
Gujarat	Banaskantha	Deesa (Loose)	NA	4000	-
	Patan	Patan (Loose)	3850	3938	-88
	Rajkot	Rajkot (Loose)	3860	3980	-120
	Jamnagar	Dhrol (Loose)	NA	4210	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8335	8563	-228
	Alwar	Alwar	8390	8550	-160
	Hanumangarh	Nohar	8760	8892	-132
Haryana	Bhiwani	Bhiwani	8368	8506	-138
	Sirsa	Sirsa	8375	8500	-125
		Dhabwali	8340	8525	-185
		Ellanabad	8470	8538	-68
	Fatehabad	Fatehabad	8339	8533	-194

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			30-Aug-19	23-Aug-19	30-Jul-19	30-Aug-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4175	4170	4300	4000
		Jodhpur(Delivery)	4384	4379	4515	4200
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4000	4000	4025	3950
		Sri-Ganganagar (Delivery)	4150	4150	4175	4100
		Rawla (Loose)	NR	NR	4000	4040
		Gharsana (Loose)	NR	3980	3992	4000

		Raisinghnagar (Loose)	3850	3980	4050	4000
	Bikaner	Bikaner (Loose)	3980	3980	4040	4040
		Bikaner (Delivery)	4179	4179	4242	4242
		Nokha(Loose)	4050	4050	4050	4100
		Nokha (Delivery)	4253	4253	4253	4305
		Khajuwala (Loose)	4000	4030	4050	4000
		Khajuwala (Delivery)	4200	4232	4253	4200
		Lunkaransar (Loose)	3950	4025	4050	4100
	Hanumangarh	Hanumangarh (Loose)	3800	4100	4050	4020
		Hanumangarh (Delivery)	3990	4305	4253	4221
		Nohar (Loose)	4000	4070	4000	4070
		Pilibanga (Loose)	NR	NR	4000	NR
	Nagaur	Nagaur (Loose)	3900	4000	4100	4000
	Churu	Churu (Delivery)	4080	4100	4075	4300
	Alwar	Alwar (Loose)	3830	3850	3900	4000
Haryana	Hisar	Adampur (Loose)	3970	4010	4050	4050
		Adampur (Delivery)	4169	4211	4253	4253
	Bhiwani	Bhiwani (Delivery)	4125	4150	4250	4170
		Siwani (Loose)	4080	4150	4200	4160
	Sirsa	Sirsa (Loose)	3990	4040	4090	4050
		Dhabwali (Loose)	3950	3970	4040	4000
		Dhabwali (Delivery)	4148	4169	4242	4200
		Ellanabad (Loose)	4000	3950	4000	3950
	Fatehabad	Fatehabad (Loose)	3900	3900	3950	4150
Gujarat	Banaskantha	Deesa (Loose)	NA	Closed	3925	NA
	Patan	Patan (Loose)	NA	3870	3880	3850
	Rajkot	Rajkot (Loose)	NR	Closed	Closed	3980
	Jamnagar	Dhrol (Loose)	NA	NA	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8300	8200	8550	8800
	Alwar	Alwar	8350	8350	8500	9000
	Hanumangarh	Nohar	8700	8850	8800	9200
Haryana	Bhiwani	Bhiwani	8300	8500	8650	9050
	Sirsa	Sirsa	8300	8350	8450	9000
		Dhabwali	8300	8400	8500	8900
		Ellanabad	8400	8425	8550	9000
	Fatehabad	Fatehabad	8300	8370	8500	8970

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			26th to 30th Aug 2019	17th to 23rd Aug 2019	
Rajasthan	Jodhpur	Jodhpur	21	108	-87
	Sri-Ganganagar	Sri-Ganganagar	2000	1700	300
		Rawla	125	200	-75
		Gharsana	163	10	153
		Raisinghnagar	1250	950	300
	Bikaner	Bikaner	950	1150	-200
		Nokha	410	900	-490
		Khajuwala	310	600	-290
		Lunkaransar	1250	1600	-350
	Hanumangarh	Hanumangarh	220	145	75
		Nohar	550	920	-370
		Pilibanga	44	54	-10
	Nagaur	Nagaur	110	260	-150
	Churu	Churu	1100	1700	-600
	Alwar	Alwar	600	900	-300
Haryana	Hisar	Adampur	4200	4000	200
	Bhiwani	Bhiwani	2000	1600	400
		Siwani	3200	3200	Unch
	Sirsa	Sirsa	6700	7500	-800
		Dhabwali	900	630	270
		Ellanabad	385	300	85
	Fatehabad	Fatehabad	180	230	-50
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	6	193	-187
	Rajkot	Rajkot	262	501	-239
	Jamnagar	Dhrol	NA	1	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			26936	29352	-2416

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