



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 4.54 percent to Rs. 3627.34 per quintal during the week ended 31st October 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3469.78 per quintal during 16-23 October 2019. As compared to prices in the week 24-31 October 2018, the prices are weak by 13.92 percent. Prices are expected to remain steady to firm in coming days.

Guar traders as well as millers are optimistic about guar prices in near future. Guar seed prices increased by Rs 50.00 per quintal and closed at Rs 4104.00 per quintal in the previous week. Demand side is good due to good demand from millers. Guar crop size is low this year even after that prices are not able to increase much due to low export demand.

As per trade sources, average recovery of guar gum from guar seed is coming around 29.50-30.00 kg in Rajasthan. Quality of guar seed is expected to be better compared to last season leading to better recoveries. No arrival of black guar in big quantity was reported.

As per data released by Baker Hughes the number of oil rigs in USA has decreased to 822 as on 01st November 2019 down by 8 compared to 25th October 2019 and down by 245 compared to 02nd November 2018. The total number of oil rigs was recorded at 2141 worldwide in September'19 compared to 2258 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.

As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals (4100 quintals) compared to previous week arrivals of 5100 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (1250 quintals) compared to 1150 quintals in the previous week.

Previous Updates:

As per trade sources, export of guar split has decreased in the month of September-19. Exports in the month of September-19 are down by around 28.91% compared to previous month. India exported around 2460 tonnes of guar split in the month of September-19 at an average FoB of \$ 1425.03 per tonne. Of the total quantity, around 1540 tonnes have been exported to China.

As per trade sources, export of guar gum has increased in the month of September-19 by 13.70 percent compared to previous month. India exported around 21532 tonnes of guar gum at an average FoB of \$ 1722.53 per tonne in the month of September-19 compared to 18937 tonnes in August-19 at an average FoB of \$ 1729.66 per tonne. Exports are expected to remain at slightly higher in October-19.

Recommendation:
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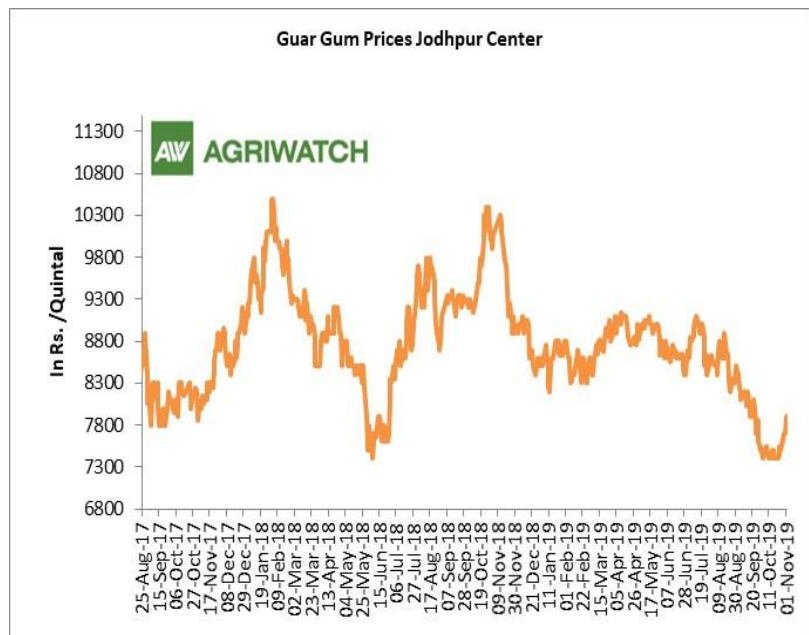
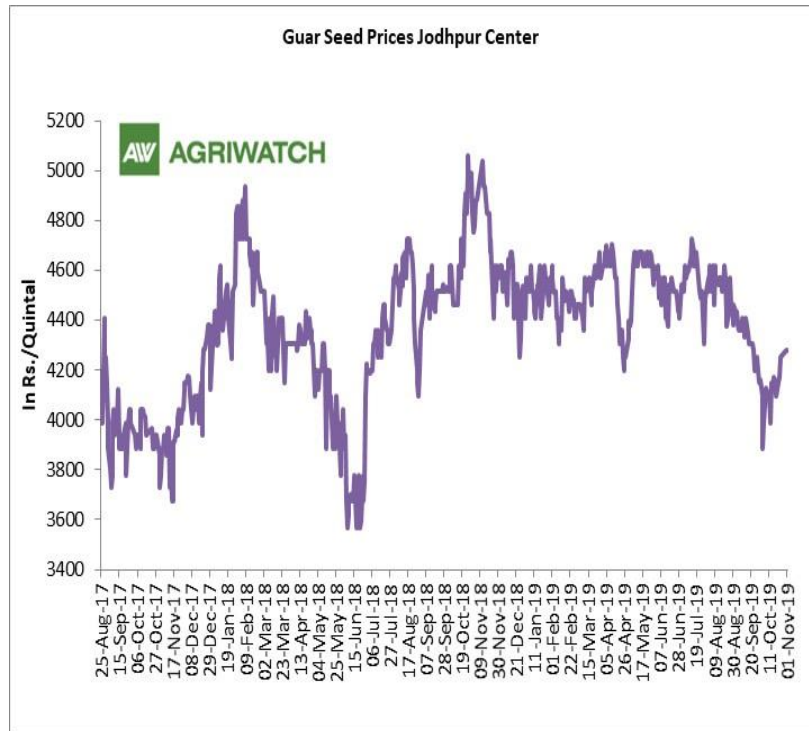
Weekly Call- : Market participants are advised to buy Guar seed at 4125 levels for a target of 4390 with a stop loss at 3966 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 01st November, Guar seed weekly average prices increased by Rs 92.75/qlt and settled at Rs 4277 per quintal.
- In addition, Guar gum weekly price increased by Rs 306.67 per quintal and settled at Rs 7767 per quintal. Firm demand for guar gum from domestic as well as overseas market kept prices at higher 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.

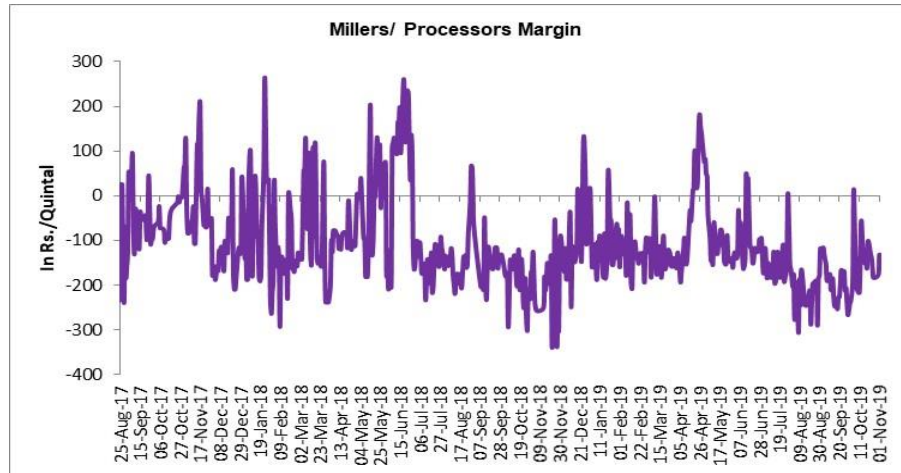


Millers/Processors Margin

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In the week ended 01st Nov, average crush margin was Rs.-150.58/Quintal, compared to last week -145.70/Quintal. Therefore, crushing is not favorable for Millers/Processors.

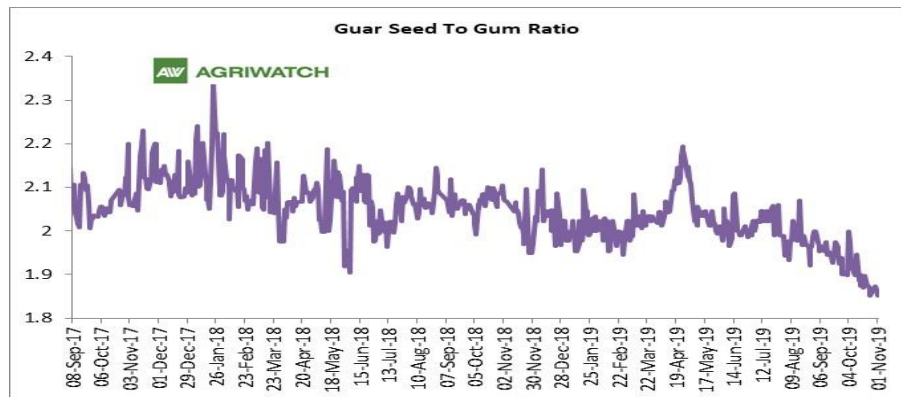
Higher degree of increase in guar seed prices compared to guar gum prices, led the margin down this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 01st Nov'19 is 1.86, lower compared to last week's 1.87

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 September-2019	5306.96	1820.46
09-16 September-2019	7514.97	1888.12
17-23 September-2019	4387.73	1737.98
24-30 September-2019	4322.53	1813.94
Total	21532.19	

Source: Trade

Technical Analysis (Guar Seed)
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Commodity: Guar Seed
Contract: December
Exchange: NCDEX
Expiry: December 20, 2019
Guar Seed (December Weekly Chart)

Technical Commentary:

- Rise in price and open interest indicates long buildup.
- RSI is moving in neutral region.
- Prices closed between 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	3910	3870	4136.5	4550	4600
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Buy	Above 4125	4390	4475	3966

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

Technical Commentary:

- Rise in price and open interest indicates long buildup.
- RSI is moving in neutral region.
- Prices closed between 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	7400	7325	7860	8700	8790
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Buy	Above 7840	8360	8595	7528

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices				(Prices in Rs/75kg)
Commodity	Centre	26th Oct to 01st Nov 2019	19th to 25th Oct 2019	Change
Churi	Jodhpur	1850	1825	25
Korma	Jodhpur	2475	2456	19
Churi	Sri-Ganganagar	1575	1571	4
Korma	Sri-Ganganagar	2288	2325	-37

Guar Export Weekly Average Prices				(Prices in \$/MT)
Commodity	Variety	26th Oct to 01st Nov 2019	19th to 25th Oct 2019	Change
Guargum Split		1073	1068	5
Guargum Powder	200 Mesh 5000 CPS	1355	1350	6
	200 Mesh 3500 CPS	1285	1279	6
Guargum Meal	40%	353	352	1
	50%	452	451	1

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			26th Oct to 01st Nov 2019	19th to 25th Oct 2019	
Guar Seed	Jodhpur	Jodhpur (Loose)	4073	3969	105
		Jodhpur(Delivery)	4277	4167	110
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3850	3750	100
		Sri-Ganganagar (Delivery)	4000	3900	100
		Rawla (Loose)	3820	3678	142
		Gharsana (Loose)	3833	3716	117
		Raisinghnagar (Loose)	3861	3719	143
	Bikaner	Bikaner (Loose)	3890	3773	118
		Bikaner (Delivery)	4085	3961	123
		Nokha(Loose)	3875	3743	132
		Nokha (Delivery)	4069	3930	139
		Khajuwala (Loose)	3823	3692	131
		Khajuwala (Delivery)	4014	3877	137
		Lunkaransar (Loose)	3890	3765	125
	Hanumangarh	Hanumangarh (Loose)	3860	3721	139
		Hanumangarh (Delivery)	4053	3907	146
		Nohar (Loose)	3844	3741	103

		Pilibanga (Loose)	3805	3550	255
	Nagaur	Nagaur (Loose)	3888	3620	268
	Churu	Churu (Delivery)	4040	3920	120
	Alwar	Alwar (Loose)	3740	3620	120
Haryana	Hisar	Adampur (Loose)	3835	3718	118
		Adampur (Delivery)	4027	3903	123
	Bhiwani	Bhiwani (Delivery)	3973	3858	114
		Siwani (Loose)	3990	3895	95
	Sirsa	Sirsa (Loose)	3898	3756	141
		Dhabwali (Loose)	3849	3688	161
		Dhabwali (Delivery)	4041	3872	169
		Ellanabad (Loose)	NR	NR	-
	Fatehabad	Fatehabad (Loose)	3800	3638	163
Gujarat	Banaskantha	Deesa (Loose)	NA	3783	-
	Patan	Patan (Loose)	3645	3574	71
	Rajkot	Rajkot (Loose)	3830	3583	247
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7767	7450	317
	Alwar	Alwar	7640	7520	120
	Hanumangarh	Nohar	7675	7520	155
Haryana	Bhiwani	Bhiwani	7706	7033	673
	Sirsa	Sirsa	7763	7400	363
		Dhabwali	7725	7425	300
		Ellanabad	NR	NR	-
	Fatehabad	Fatehabad	7700	7450	250

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			1-Nov-19	25-Oct-19	1-Oct-19	1-Nov-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4075	4050	3960	4525
		Jodhpur(Delivery)	4279	4253	4158	4751
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3950	Closed	3700	4460
		Sri-Ganganagar (Delivery)	4100	Closed	3850	4610
		Rawla (Loose)	3900	NR	3620	4470
		Gharsana (Loose)	NR	NR	NR	4380
		Raisinghnagar (Loose)	3900	3830	3600	4350
	Bikaner	Bikaner (Loose)	3930	Closed	3700	4380

		Bikaner (Delivery)	4127	Closed	3885	4599
		Nokha(Loose)	3975	3850	3775	4325
		Nokha (Delivery)	4174	4043	3964	4541
		Khajuwala (Loose)	3890	3800	3745	4430
		Khajuwala (Delivery)	4085	3990	3932	4652
		Lunkaransar (Loose)	3950	3800	3700	4325
	Hanumangarh	Hanumangarh (Loose)	3950	Closed	3700	4450
		Hanumangarh (Delivery)	4148	Closed	3885	4673
		Nohar (Loose)	3900	3850	3700	4300
		Pilibanga (Loose)	NR	NR	3610	4430
	Nagaur	Nagaur (Loose)	3975	Closed	3700	4300
	Churu	Churu (Delivery)	4000	4100	3900	4540
	Alwar	Alwar (Loose)	3700	3800	3600	4280
Haryana	Hisar	Adampur (Loose)	3900	3800	3700	4280
		Adampur (Delivery)	4095	3990	3885	4494
	Bhiwani	Bhiwani (Delivery)	4000	3950	3950	4450
		Siwani (Loose)	4060	3975	3840	4475
	Sirsa	Sirsa (Loose)	3935	3865	3720	4350
		Dhabwali (Loose)	3900	3800	3700	4300
		Dhabwali (Delivery)	4095	3990	3885	4515
		Ellanabad (Loose)	NR	NR	3600	4350
	Fatehabad	Fatehabad (Loose)	3850	3750	3700	4200
Gujarat	Banaskantha	Deesa (Loose)	NA	Closed	Closed	4465
	Patan	Patan (Loose)	3645	Closed	NA	4530
	Rajkot	Rajkot (Loose)	3830	3680	3670	4520
	Jamnagar	Dhrol (Loose)	NA	NA	NA	4410
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7900	7500	7550	10000
	Alwar	Alwar	7600	7700	7500	10000
	Hanumangarh	Nohar	7700	7700	7600	10000
Haryana	Bhiwani	Bhiwani	7800	7600	7700	9550
	Sirsa	Sirsa	7900	7600	7350	10000
		Dhabwali	7800	7700	7500	9400
		Ellanabad	NR	NR	7200	10000
	Fatehabad	Fatehabad	7800	7700	7500	9898

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 Oct to 01st Nov 2019	19th to 25th Oct 2019	
Rajasthan	Jodhpur	Jodhpur	80	63	17
	Sri-Ganganagar	Sri-Ganganagar	11000	34000	-23000
		Rawla	980	2400	-1420
		Gharsana	3000	4488	-1488
		Raisinghnagar	4700	7000	-2300
	Bikaner	Bikaner	1250	1150	100
		Nokha	1450	900	550
		Khajuwala	2100	1400	700
		Lunkaransar	800	950	-150
	Hanumangarh	Hanumangarh	2550	6200	-3650
		Nohar	1500	2300	-800
		Pilibanga	550	2022	-1472
	Nagaur	Nagaur	350	775	-425
	Churu	Churu	2800	2500	300
	Alwar	Alwar	500	500	Unch
Haryana	Hisar	Adampur	4100	5100	-1000
	Bhiwani	Bhiwani	1600	1100	500
		Siwani	3000	2700	300
	Sirsa	Sirsa	8200	12000	-3800
		Dhabwali	3500	2300	1200
		Ellanabad	NR	NR	-
	Fatehabad	Fatehabad	1300	1450	-150
Gujarat	Banaskantha	Deesa	NA	NA	-
	Patan	Patan	16	164	-148
	Rajkot	Rajkot	110	130	-20
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			55436	91592	-36156

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