



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 0.97 percent to Rs. 3866.20 per quintal during the week ended 23rd November 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3829.43 per quintal during 09-15 November 2019. As compared to prices in the week 16-23 November 2018, the prices are weak by 7.86 percent. Prices are expected to remain steady to firm in coming days.

Guar seed prices closed at Rs 4404.5 per quintal after increasing by Rs 157 per quintal. Prices are likely to be on higher side due to lower production compared to last year. However, prices are not getting much support from exports due to low export demand. Prices are likely to stay steady to firm in near future with some technical corrections.

As per trade sources, average recovery of guar gum from guar seed is coming around 29.00-30.00 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 806 as on 15th November 2019 down by 11 compared to 08th November 2019 and down by 276 compared to 16th November 2018. The total number of oilrigs was recorded at 2123 worldwide in October'19 compared to 2271 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 (4650 quintals) compared to previous week arrivals of 4700 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals (3050 quintals) compared to 1600 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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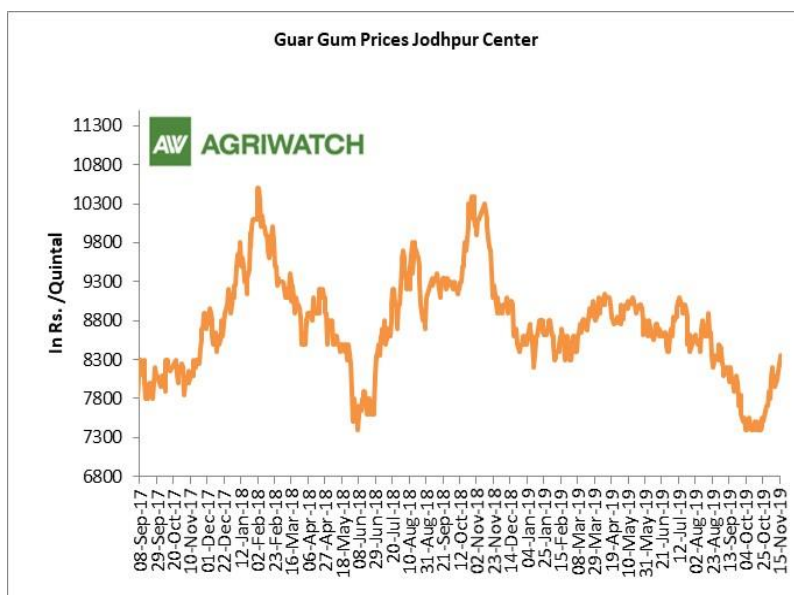
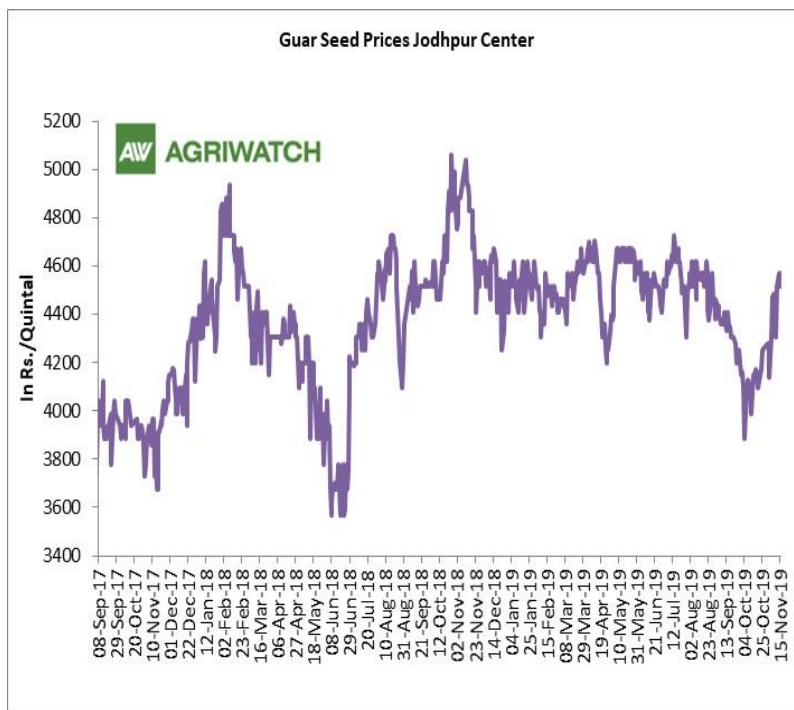
Weekly Call- : Market participants are advised to buy Guar seed at 4250 levels for a target of 4470 with a stop loss at 4118 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 15th November, Guar seed weekly average prices increased by Rs 112.88/qtl and settled at Rs 4494 per quintal.
- In addition, Guar gum weekly price increased by Rs 91.67 per quintal and settled at Rs 8150 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.

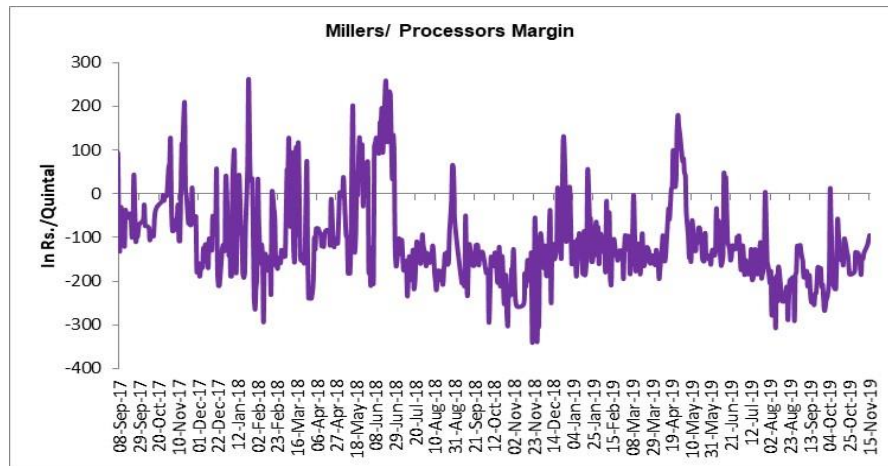


Millers/Processors Margin

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In the week ended 15th Nov, average crush margin was Rs.-113.98/Quintal, compared to last week -152.86/Quintal. Therefore, crushing is not favorable for Millers/Processors.

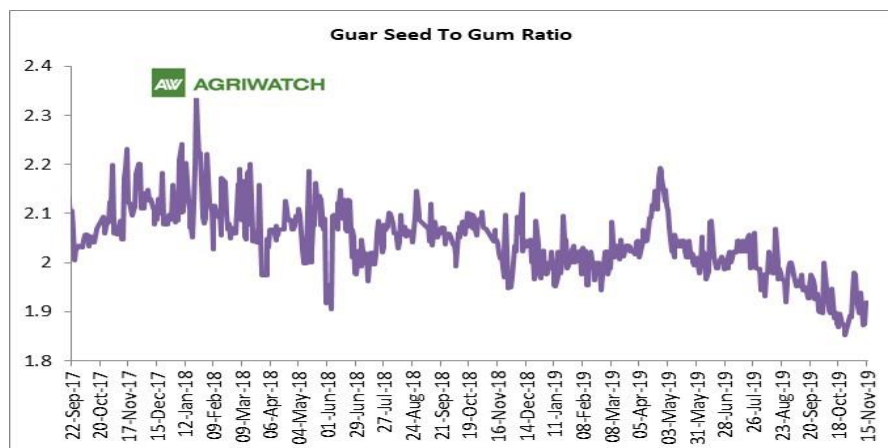
Higher degree of increase in guar gum prices compared to guar seed prices, led the margin down this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 15th Nov'19 is 1.90, higher compared to last week's 1.93

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 above 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	4020	3950	4404.5	4750	4850
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Buy	Above 4250	4470	4610	4118

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 above 9 and 18 day EMAs.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	7500	7425	8296	8800	8890
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Buy	Above 7965	8450	8700	7674

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices				(Prices in Rs/75kg)
Commodity	Centre	09th to 15th Nov 2019	02nd to 08th Nov 2019	Change
Churi	Jodhpur	1896	1854	42
Korma	Jodhpur	2491	2488	4
Churi	Sri-Ganganagar	1772	1660	112
Korma	Sri-Ganganagar	2279	2338	-59

Guar Export Weekly Average Prices				(Prices in \$/MT)
Commodity	Variety	09th to 15th Nov 2019	02nd to 08th Nov 2019	Change
Guargum Split		1144	1168	-24
Guargum Powder	200 Mesh 5000 CPS	1423	1450	-27
	200 Mesh 3500 CPS	1354	1380	-26
Guargum Meal	40%	349	358	-9
	50%	460	465	-5

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			09th to 15th Nov 2019	02nd to 08th Nov 2019	
Guar Seed	Jodhpur	Jodhpur (Loose)	4280	4173	108
		Jodhpur(Delivery)	4494	4381	113
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4075	4002	73
		Sri-Ganganagar (Delivery)	4225	4152	73
		Rawla (Loose)	4050	4008	43
		Gharsana (Loose)	4050	4092	-42
		Raisinghnagar (Loose)	4107	4013	93
	Bikaner	Bikaner (Loose)	4119	4092	27
		Bikaner (Delivery)	4325	4297	29
		Nokha(Loose)	4129	4060	69
		Nokha (Delivery)	4336	4263	73
		Khajuwala (Loose)	4068	4008	61
		Khajuwala (Delivery)	4272	4208	64
		Lunkaransar (Loose)	4145	4042	103
	Hanumangarh	Hanumangarh (Loose)	4154	4088	66
		Hanumangarh (Delivery)	4362	4293	69
		Nohar (Loose)	4098	4038	59

		Pilibanga (Loose)	4100	4054	46
	Nagaur	Nagaur (Loose)	4031	3994	37
	Churu	Churu (Delivery)	4333	4217	117
	Alwar	Alwar (Loose)	4033	3917	117
Haryana	Hisar	Adampur (Loose)	4122	4068	54
		Adampur (Delivery)	4328	4271	57
	Bhiwani	Bhiwani (Delivery)	4335	4167	168
		Siwani (Loose)	4235	4158	77
	Sirsa	Sirsa (Loose)	4121	4072	49
		Dhabwali (Loose)	4075	4018	58
		Dhabwali (Delivery)	4279	4218	60
		Ellanabad (Loose)	NA	NA	-
	Fatehabad	Fatehabad (Loose)	4042	3988	53
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	-
	Patan	Patan (Loose)	3904	3856	48
	Rajkot	Rajkot (Loose)	3998	3929	69
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8150	8058	92
	Alwar	Alwar	8150	8033	117
	Hanumangarh	Nohar	7850	7833	17
Haryana	Bhiwani	Bhiwani	8154	7933	221
	Sirsa	Sirsa	8146	8138	8
		Dhabwali	8132	8013	118
		Ellanabad	NR	NR	-
	Fatehabad	Fatehabad	8132	8013	118

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			15-Nov-19	8-Nov-19	16-Oct-19	15-Nov-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4350	4250	3950	4650
		Jodhpur(Delivery)	4568	4463	4148	4883
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4150	4080	3725	4570
		Sri-Ganganagar (Delivery)	4300	4230	3875	4720
		Rawla (Loose)	4100	4015	3625	4420
		Gharsana (Loose)	NR	NR	3635	4400
		Raisinghnagar (Loose)	4200	4080	3665	4460
	Bikaner	Bikaner (Loose)	4170	4110	3705	4450

		Bikaner (Delivery)	4379	4316	3890	4673
		Nokha(Loose)	4200	4100	3675	4375
		Nokha (Delivery)	4410	4305	3859	4594
		Khajuwala (Loose)	4120	4060	3660	4430
		Khajuwala (Delivery)	4326	4263	3843	4652
		Lunkaransar (Loose)	4150	4100	3700	4450
	Hanumangarh	Hanumangarh (Loose)	4250	4100	3650	4450
		Hanumangarh (Delivery)	4463	4305	3833	4673
		Nohar (Loose)	4150	4080	3715	4475
		Pilibanga (Loose)	NR	NR	3658	4540
	Nagaur	Nagaur (Loose)	4060	4025	3650	4400
	Churu	Churu (Delivery)	4500	4200	3900	4675
	Alwar	Alwar (Loose)	4200	3900	3600	4425
Haryana	Hisar	Adampur (Loose)	4200	4050	3700	4400
		Adampur (Delivery)	4410	4253	3885	4620
	Bhiwani	Bhiwani (Delivery)	4400	4300	3900	4575
		Siwani (Loose)	4300	4250	3870	4550
	Sirsa	Sirsa (Loose)	4225	4100	3740	4500
		Dhabwali (Loose)	4175	4050	3690	4450
		Dhabwali (Delivery)	4384	4253	3875	4673
		Ellanabad (Loose)	NR	NR	NR	4400
	Fatehabad	Fatehabad (Loose)	4150	4000	3650	4300
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	3550	4470
	Patan	Patan (Loose)	4075	3850	3605	4615
	Rajkot	Rajkot (Loose)	4110	3925	NR	4500
	Jamnagar	Dhrol (Loose)	NA	NA	NA	4400
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8350	8100	7400	10000
	Alwar	Alwar	8400	8000	7500	10000
	Hanumangarh	Nohar	8000	7800	7600	10000
Haryana	Bhiwani	Bhiwani	8300	8000	7400	9950
	Sirsa	Sirsa	8325	8100	7450	10500
		Dhabwali	8300	8090	7400	9450
		Ellanabad	NR	NR	NR	10000
	Fatehabad	Fatehabad	8300	8090	7400	9770

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			09th to 15th Nov 2019	02nd to 08th Nov 2019	
Rajasthan	Jodhpur	Jodhpur	408	369	39
	Sri-Ganganagar	Sri-Ganganagar	5500	11000	-5500
		Rawla	2400	2630	-230
		Gharsana	380	4353	-3973
		Raisinghnagar	4200	6100	-1900
	Bikaner	Bikaner	3050	1600	1450
		Nokha	2800	4000	-1200
		Khajuwala	3300	3800	-500
		Lunkaransar	1750	1750	Unch
	Hanumangarh	Hanumangarh	900	1680	-780
		Nohar	800	1750	-950
		Pilibanga	42	944	-902
	Nagaur	Nagaur	3200	2150	1050
	Churu	Churu	3000	4000	-1000
	Alwar	Alwar	1200	1600	-400
Haryana	Hisar	Adampur	4650	4700	-50
	Bhiwani	Bhiwani	5900	3300	2600
		Siwani	3400	3700	-300
	Sirsa	Sirsa	4200	5000	-800
		Dhabwali	3450	3900	-450
		Ellanabad	NA	NR	-
	Fatehabad	Fatehabad	1100	1650	-550
Gujarat	Banaskantha	Deesa	NA	3	-3
	Patan	Patan	38	177	-139
	Rajkot	Rajkot	240	230	10
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			55908	70386	-14478

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