

Guar Weekly Research Report

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Executive Summary[\(Back to Table of Contents\)](#)**Domestic Guar Seed Market Summary**

All India weekly average prices increased by 3.11 percent to Rs. 3742 per quintal during the weekend. Guar seed (Cluster bean seeds) average price were ruling at Rs 3862 per quintal during 16-23 November 2019. As compared to prices in the week 24-30 November 2018, the prices are weak by 6.83 percent. Prices are expected to remain steady to weak in coming days.

Guar seed prices closed at Rs 4050 per quintal lower by Rs 250 per quintal. Prices are likely to be on lower side on good supplies. Prices are not getting much support from exports due to low export demand. Prices are likely to stay steady to weak in near future with some technical selling pressures.

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 higher arrivals at 5000 quintals compared to previous week arrivals of 4650 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals at 3200 quintals compared to 3050 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:[\(Back to Table of Contents\)](#)

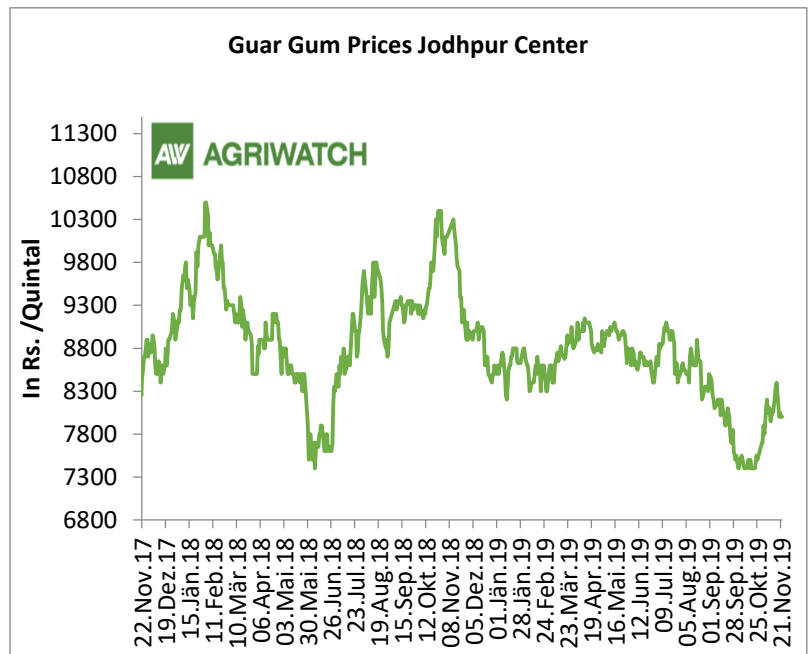
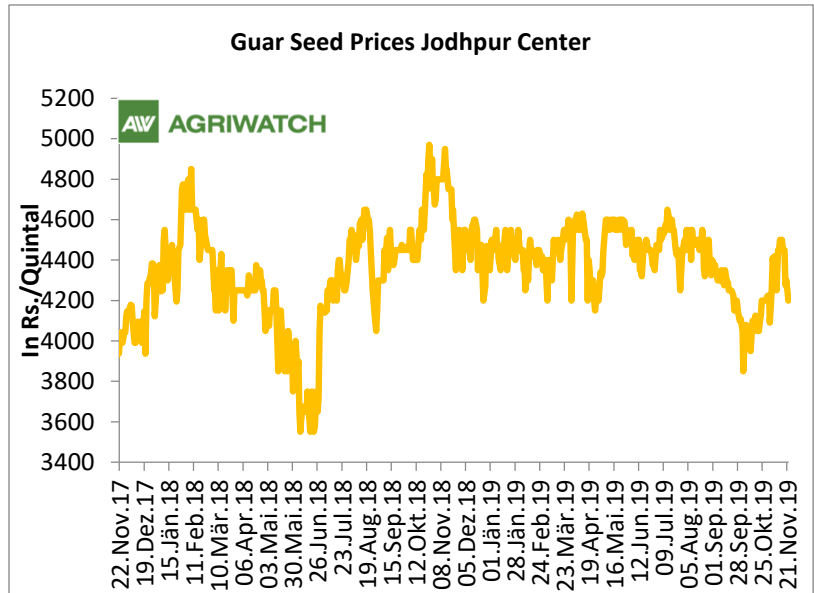
Weekly Call- : Market participants are advised to sell Guar seed at 4300 levels for a target of 4200 with a stop loss at 4350 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 22nd November, Guar seed weekly average prices declined by Rs 107.73/qtl and settled at Rs. 4320.83 per quintal.
- In addition, Guar gum weekly price decreased by Rs 58 per quintal and settled at Rs. 8091.66 per quintal. Weak demand for guar gum from domestic as well as overseas market kept prices at lower side in this 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.

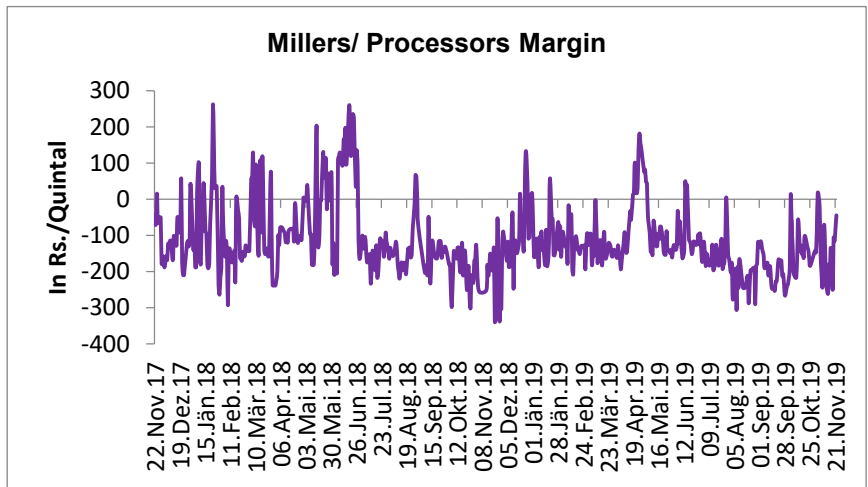


Millers/Processors Margin

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In the week ended 22nd Nov, average crush margin was Rs.-133.26/Quintal, compared to last week -113.98/Quintal.

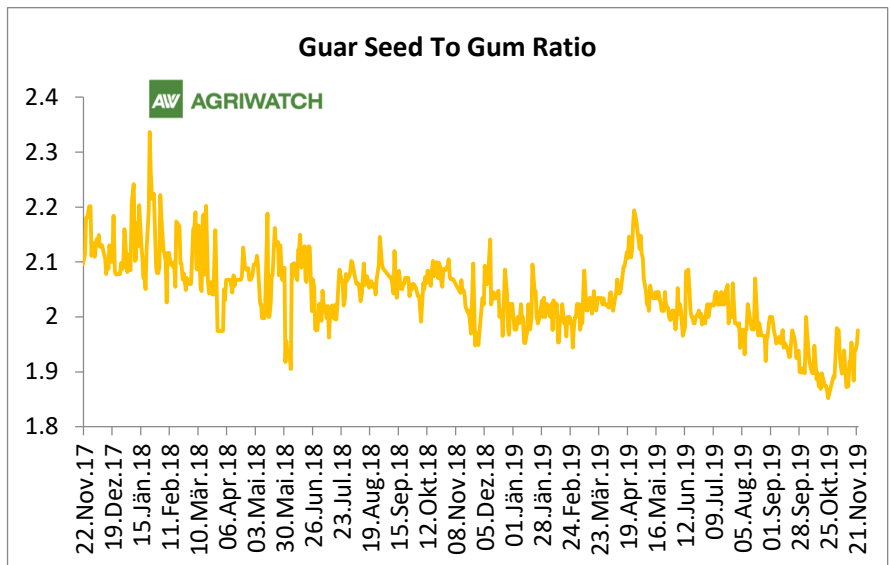
Less degree of increase in guar seed prices compared to guar gum prices, led the margin higher this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 22 Nov'19 is 1.94 higher from last week.

Overall, improved demand of gum from overseas and domestic markets has kept the overall ratio higher side.



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



Technical Commentary:

- Fall in price and open interest indicates short buildup.
- RSI is moving down in neutral region.
- Prices closed below between 9 and 18 day EMAs.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	4000	4100	4247	4450	4600
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Sell	Below 4260	4150	4000	4360

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: December

Exchange: NCDEX
Expiry: December 20, 2019



Technical Commentary:

- Fall in price and open interest indicates short buildup.
- RSI is moving down in neutral region.
- Prices closed lower between 9 and 18 day EMAs.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	7200	7400	7828	8100	8390
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Sell	Below 7850	7600	7400	8000

Guar Seed & Gum Prices at Key Spot Markets
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Guar by – Products Weekly Average Prices		(Prices in Rs/75kg)		
Commodity	Centre	16 th to 22 nd Nov 2019	09th to 15th Nov 2019	Change
Churi	Jodhpur	2478	1896	582
Korma	Jodhpur	3292	2491	801
Churi	Sri-Ganganagar	1685	1772	-87
Korma	Sri-Ganganagar	2307	2279	28

Guar Export Weekly Average Prices		(Prices in \$/MT)		
Commodity	Variety	16 th to 22 nd Nov 2019	09th to 15th Nov 2019	Change
Guargum Split		1136	1144	-8
Guargum Powder	200 Mesh 5000 CPS	1415	1423	-8
	200 Mesh 3500 CPS	1345	1354	-9
Guargum Meal	40%	351	349	2
	50%	460	460	0

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			16 th to 22 nd Nov 2019	09th to 15th Nov 2019	
Guar Seed	Jodhpur	Jodhpur (Loose)	4171	4280	-109
		Jodhpur(Delivery)	4379	4494	-115
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4058	4075	-17
		Sri-Ganganagar (Delivery)	4208	4225	-17
		Rawla (Loose)	4009	4050	-41
		Gharsana (Loose)	2053	4050	-1997
		Raisinghnagar (Loose)	4073	4107	-34
	Bikaner	Bikaner (Loose)	4104	4119	-15
		Bikaner (Delivery)	4309	4325	-16
		Nokha(Loose)	4079	4129	-50
		Nokha (Delivery)	4283	4336	-53
		Khajuwala (Loose)	4044	4068	-24
		Khajuwala (Delivery)	4246	4272	-26
		Lunkaransar (Loose)	4075	4145	-70
	Hanumangarh	Hanumangarh (Loose)	4051	4154	-103
		Hanumangarh (Delivery)	4254	4362	-108
		Nohar (Loose)	4033	4098	-65

		Pilibanga (Loose)	0	4100	0
	Nagaur	Nagaur (Loose)	3994	4031	-37
	Churu	Churu (Delivery)	4333	4333	0
	Alwar	Alwar (Loose)	4025	4033	-8
Haryana	Hisar	Adampur (Loose)	4098	4122	-24
		Adampur (Delivery)	4302	4328	-26
	Bhiwani	Bhiwani (Delivery)	4267	4335	-68
		Siwani (Loose)	4174	4235	-61
	Sirsa	Sirsa (Loose)	4091	4121	-30
		Dhabwali (Loose)	4058	4075	-17
		Dhabwali (Delivery)	4261	4279	-18
		Ellanabad (Loose)	0	NA	NA
Fatehabad	Fatehabad (Loose)	4046	4042	4	
Gujarat	Banaskantha	Deesa (Loose)	0	NA	NA
	Patan	Patan (Loose)	3993	3904	89
	Rajkot	Rajkot (Loose)	3994	3998	-4
	Jamnagar	Dhrol (Loose)	0	NA	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	0	NA	NA
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	8092	8150	-58
	Alwar	Alwar	8217	8150	67
	Hanumangarh	Nohar	7867	7850	17
Haryana	Bhiwani	Bhiwani	7935	8154	-219
	Sirsa	Sirsa	8108	8146	-38
		Dhabwali	8025	8132	-107
		Ellanabad	0	NR	NA
	Fatehabad	Fatehabad	8025	8132	-107

Week on Week Price: Scenario of Guarseed and Guargum:							
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago	
			22-Nov-19	15-Nov-19	22-Oct-19	22-Nov-18	
Guar Seed	Rajasthan	Jodhpur	Jodhpur (Loose)	4050	4350	3950	4400
			Jodhpur(Delivery)	4253	4568	4148	4620
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3950	4150	3750	4170	
		Sri-Ganganagar (Delivery)	4100	4300	3900	4320	
		Rawla (Loose)	4050	4100	3680	4170	
		Gharsana (Loose)	0	0	3700	4200	
		Raisinghnagar (Loose)	4015	4200	NR	4200	
	Bikaner	Bikaner (Loose)	4060	4170	3750	4190	

		Bikaner (Delivery)	4263	4379	3938	4400
		Nokha(Loose)	4025	4200	3725	4200
		Nokha (Delivery)	4226	4410	3911	4410
		Khajuwala (Loose)	4020	4120	3700	4180
		Khajuwala (Delivery)	4221	4326	3885	4389
		Lunkaransar (Loose)	4000	4150	3800	4200
	Hanumangarh	Hanumangarh (Loose)	4060	4250	3670	4225
		Hanumangarh (Delivery)	4263	4463	3854	4436
		Nohar (Loose)	4000	4150	3730	4100
		Pilibanga (Loose)	0	0	0	4300
	Nagaur	Nagaur (Loose)	3930	4060	3500	4300
	Churu	Churu (Delivery)	4300	4500	3900	4300
	Alwar	Alwar (Loose)	4000	4200	3600	4150
Haryana	Hisar	Adampur (Loose)	4080	4200	3700	4225
		Adampur (Delivery)	4284	4410	3885	4436
	Bhiwani	Bhiwani (Delivery)	4200	4400	3800	4350
		Siwani (Loose)	4125	4300	3875	4300
	Sirsa	Sirsa (Loose)	4075	4225	3760	4500
		Dhabwali (Loose)	4000	4175	3700	4200
		Dhabwali (Delivery)	4200	4384	3885	4410
		Ellanabad (Loose)	0	0	0	4200
	Fatehabad	Fatehabad (Loose)	4025	4150	3600	4100
	Gujarat	Banaskantha	Deesa (Loose)	0	0	0
Patan		Patan (Loose)	3925	4075	3575	4420
Rajkot		Rajkot (Loose)	3975	4110	3575	4325
Jamnagar		Dhrol (Loose)	0	0	0	4150
M.P.	Gwalior	Dabra (Loose)	0	0	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	8000	8350	7400	9100
	Alwar	Alwar	8200	8400	7500	9150
	Hanumangarh	Nohar	8000	8000	7500	9400
Haryana	Bhiwani	Bhiwani	7800	8300	7000	9650
	Sirsa	Sirsa	8000	8325	7400	10500
		Dhabwali	7900	8300	7400	8700
		Ellanabad	0	0	0	9000
	Fatehabad	Fatehabad	7900	8300	7400	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
			16 th to 22 nd Nov 2019	09 th to 15 th Nov 2019	
Guar Seed					
Rajasthan	Jodhpur	Jodhpur	427	408	19
	Sri-Ganganagar	Sri-Ganganagar	6000	5500	500
		Rawla	1700	2400	-700
		Gharsana	1790	380	1410
		Raisinghnagar	4500	4200	300
	Bikaner	Bikaner	3200	3050	150
		Nokha	3025	2800	225
		Khajuwala	1800	3300	-1500
		Lunkaransar	2100	1750	350
	Hanumangarh	Hanumangarh	850	900	-50
		Nohar	950	800	150
		Pilibanga	0	42	-42
	Nagaur	Nagaur	3600	3200	400
	Churu	Churu	4000	3000	1000
	Alwar	Alwar	1600	1200	400
Haryana	Hisar	Adampur	5000	4650	350
	Bhiwani	Bhiwani	3000	5900	-2900
		Siwani	3200	3400	-200
	Sirsa	Sirsa	4400	4200	200
		Dhabwali	2950	3450	-500
		Ellanabad	0	NA	NA
	Fatehabad	Fatehabad	750	1100	-350
Gujarat	Banaskantha	Deesa	0	NA	NA
	Patan	Patan	192	38	154
	Rajkot	Rajkot	525	240	285
	Jamnagar	Dhrol	0	NA	NA
Madhya Pradesh	Gwalior	Dabra	0	NA	NA
Total Arrivals/Above Markets			55559	70386	-14827

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