

Guar Weekly Research Report

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Executive Summary
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Domestic Guar Seed Market Summary

All India weekly average prices declined by 1.68 percent to Rs. 3700 per quintal during the week ended 30 November 2019. Guar seed (Cluster bean seeds) average price were ruling at Rs 3763.16 per quintal during 16 to 23 November 2019. As compared to prices in the week 24-30 November 2018, the prices are lower by 1.87 percent. Prices are expected to steady to weak tone in coming days.

Guar seed prices closed at Rs 4040 per quintal lower by Rs 10 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 lower arrivals at 4000 quintals compared to previous week arrivals of 5000 quintals.

As far as Arrivals are concerned, Bikaner market reported higher arrivals at 8000 quintals compared to 3025 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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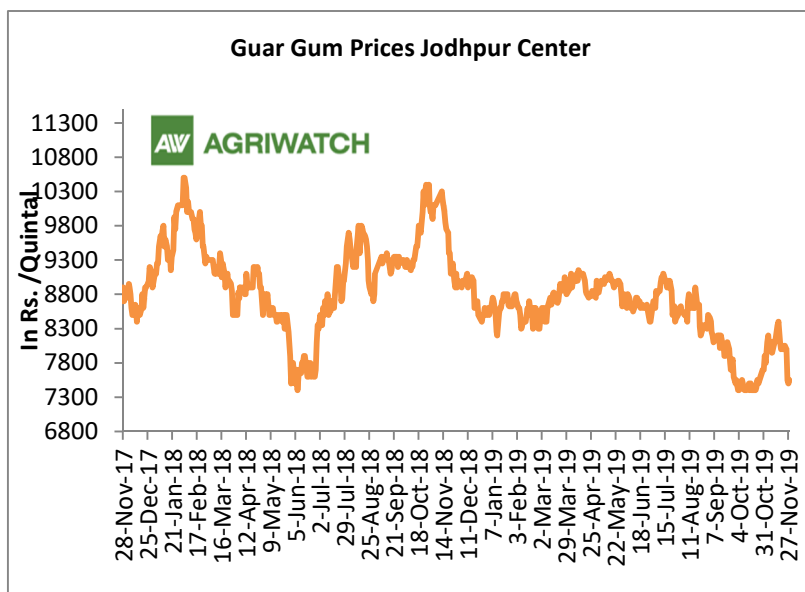
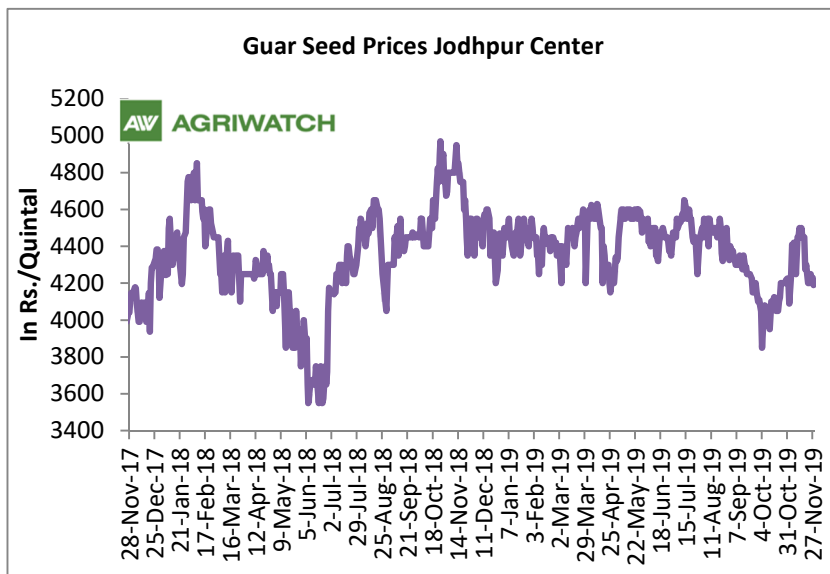
Weekly Call- : Market participants are advised to sell Guar seed at 4050 levels for a target of 3950 with a stop loss at 4180 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 28th November, Guar seed weekly average prices declined by Rs 468/qrtl and settled at Rs. 4064 per quintal.
- In addition, Guar gum weekly price decreased by Rs 361 per quintal and settled at Rs. 7730 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.

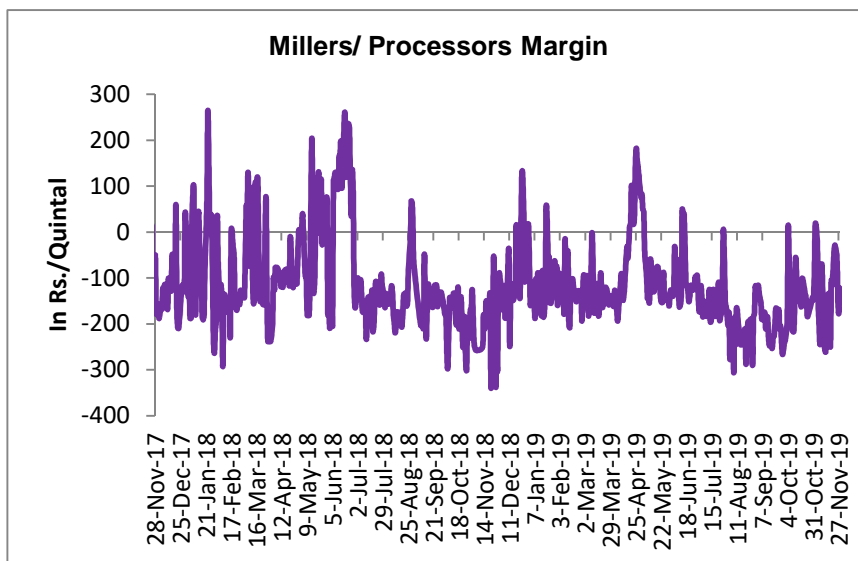


Millers/Processors Margin

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In the week ended 28th Nov, average crush margin was Rs.-106.14/Quintal, compared to last week -133.26Quintal.

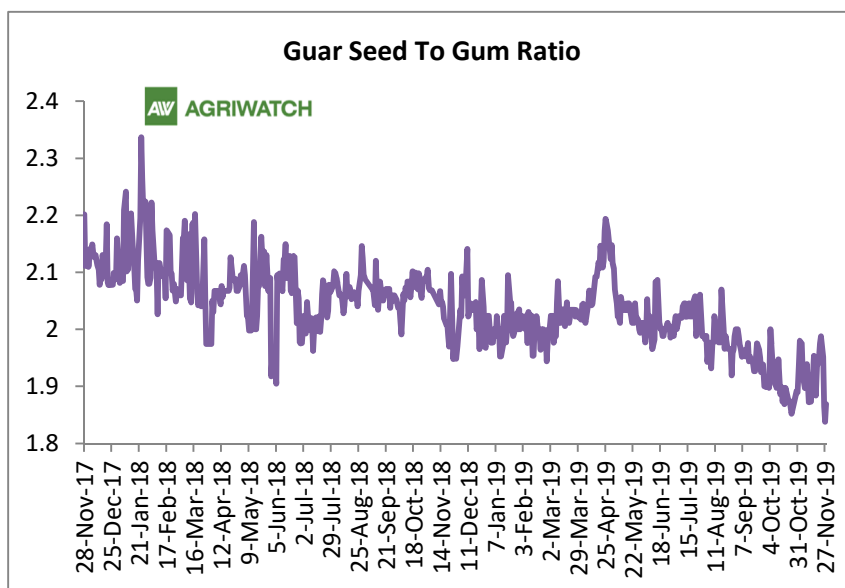
Less degrees of fall in guar seed prices compared to guar gum prices, led the margin lower this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 28 Nov'19 is 1.90 lower from last week.

Overall, weak demand of gum from overseas and domestic markets has kept the overall ratio lower 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:

- Rise in prices and higher volume indicates long build up phase.
- RSI is moving in neutral region.
- Prices closed above 9 and 18 EMAs.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	4000	4100	4141	4450	4600
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Sell	Below 4150	4050	4000	4250

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 higher volume indicates short build up phase.
- RSI is moving in neutral region.
- Prices closed below 9 and 18 EMAs.

Strategy: Sell

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	6800	7200	7531	8000	8300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Sell	Below 7600	7200	6950	7900

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices				(Prices in Rs/75kg)
Commodity	Centre	21th to 28th Nov 2019	14th Oct to 21st Nov 2019	Change
Churi	Jodhpur	1892	2478	-586
Korma	Jodhpur	2463	3292	-829
Churi	Sri-Ganganagar	1675	1685	-10
Korma	Sri-Ganganagar	2338	2307	31

Guar Export Weekly Average Prices				(Prices in \$/MT)
Commodity	Variety	21th to 28th Nov 2019	14th Oct to 21st Nov 2019	Change
Guargum Split		1084	1136	-52
Guargum Powder	200 Mesh 5000 CPS	1364	1415	-51
	200 Mesh 3500 CPS	1294	1345	-51
Guargum Meal	40%	363	351	12
	50%	456	460	-4

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			21th to 28th Nov 2019	14th Oct to 21st Nov 2019	
Rajasthan	Jodhpur	Jodhpur (Loose)	4062	4173	-111
		Jodhpur(Delivery)	4265	4381	-116
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3933	4002	-69
		Sri-Ganganagar (Delivery)	4083	4152	-69
		Rawla (Loose)	3913	4008	-96
		Gharsana (Loose)	2656	4092	-1436
		Raisinghnagar (Loose)	3953	4013	-61
	Bikaner	Bikaner (Loose)	3986	4092	-106
		Bikaner (Delivery)	4185	4297	-112
		Nokha(Loose)	3933	4060	-128
		Nokha (Delivery)	4129	4263	-134
		Khajuwala (Loose)	3944	4008	-64
		Khajuwala (Delivery)	4141	4208	-67
		Lunkaransar (Loose)	3932	4042	-110
	Hanumangarh	Hanumangarh (Loose)	3993	4088	-95
		Hanumangarh (Delivery)	4193	4293	-100

		Nohar (Loose)	3947	4038	-91
		Pilibanga (Loose)	0	4054	-4054
	Nagaur	Nagaur (Loose)	3875	3994	-119
	Churu	Churu (Delivery)	4242	4217	25
	Alwar	Alwar (Loose)	3950	3917	33
Haryana	Hisar	Adampur (Loose)	4025	4068	-43
		Adampur (Delivery)	4226	4271	-45
	Bhiwani	Bhiwani (Delivery)	4141	4167	-26
		Siwani (Loose)	4064	4158	-94
	Sirsa	Sirsa (Loose)	3986	4072	-86
		Dhabwali (Loose)	3950	4018	-68
		Dhabwali (Delivery)	4148	4218	-71
		Ellanabad (Loose)	0	NA	-
	Fatehabad	Fatehabad (Loose)	3950	3988	-38
Gujarat	Banaskantha	Deesa (Loose)	0	1267	-1267
	Patan	Patan (Loose)	3968	3856	112
	Rajkot	Rajkot (Loose)	3921	3929	-8
	Jamnagar	Dhrol (Loose)	605	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	0	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7775	8092	-317
	Alwar	Alwar	7950	8217	-267
	Hanumangarh	Nohar	7867	7867	0
Haryana	Bhiwani	Bhiwani	7872	7935	-63
	Sirsa	Sirsa	7810	8108	-298
		Dhabwali	7700	8025	-325
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	7720	8025	-305

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			28-Nov-19	21-Nov-19	29-Oct-19	28-Nov-18
Rajasthan	Jodhpur	Jodhpur (Loose)	4040	4100	Closed	4400
		Jodhpur(Delivery)	4242	4305	Closed	4620
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3950	4050	Closed	4200
		Sri-Ganganagar (Delivery)	4100	4200	Closed	4350
		Rawla (Loose)	3870	3980	3770	4170
		Gharsana (Loose)	3995	4140	0	4160
		Raisinghnagar (Loose)	3900	4040	3875	4150

	Bikaner	Bikaner (Loose)	4025	4100	Closed	4190
		Bikaner (Delivery)	4226	4305	Closed	4400
		Nokha (Loose)	3900	4075	3825	4080
		Nokha (Delivery)	4095	4279	4016	4284
		Khajuwala (Loose)	3900	4020	3800	4200
		Khajuwala (Delivery)	4095	4221	3990	4410
		Lunkaransar (Loose)	3900	4100	3850	4200
	Hanumangarh	Hanumangarh (Loose)	3950	4050	3800	4150
		Hanumangarh (Delivery)	4148	4253	3990	4358
		Nohar (Loose)	3930	4000	3800	4200
		Pilibanga (Loose)	0	0	0	4230
	Nagaur	Nagaur (Loose)	3800	3960	Closed	4025
	Churu	Churu (Delivery)	4200	4200	4100	4250
	Alwar	Alwar (Loose)	3900	3950	3800	4050
Haryana	Hisar	Adampur (Loose)	4000	4100	3800	4225
		Adampur (Delivery)	4200	4305	3990	4436
	Bhiwani	Bhiwani (Delivery)	4070	4250	Closed	4250
		Siwani (Loose)	4020	4170	3975	4280
	Sirsa	Sirsa (Loose)	3960	4080	3875	4225
		Dhabwali (Loose)	3925	4050	3800	4150
		Dhabwali (Delivery)	4121	4253	3990	4358
		Ellanabad (Loose)	0	0	0	4200
	Fatehabad	Fatehabad (Loose)	3875	4000	NR	4100
Gujarat	Banaskantha	Deesa (Loose)	0	0	Closed	4170
	Patan	Patan (Loose)	4125	3925	Closed	4205
	Rajkot	Rajkot (Loose)	3850	3950	Closed	4335
	Jamnagar	Dhrol (Loose)	0	0	Closed	NA
M.P.	Gwalior	Dabra (Loose)	0	0	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7550	8000	Closed	9100
	Alwar	Alwar	7800	8100	7700	8900
	Hanumangarh	Nohar	7800	7800	7700	9250
Haryana	Bhiwani	Bhiwani	7850	7950	Closed	9150
	Sirsa	Sirsa	7600	8100	7650	8800
		Dhabwali	7500	8000	7700	8650
		Ellanabad	0	0	0	8900
	Fatehabad	Fatehabad	7500	8000	NR	8800

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			21th to 28th Nov 2019	14th Oct to 21st Nov 2019	
Rajasthan	Jodhpur	Jodhpur	427	408	-56
	Sri-Ganganagar	Sri-Ganganagar	6000	5500	-1100
		Rawla	1700	2400	Unch
		Gharsana	1790	380	-975
		Raisinghnagar	4500	4200	-1400
	Bikaner	Bikaner	3200	3050	4800
		Nokha	3025	2800	1325
		Khajuwala	1800	3300	-600
		Lunkaransar	2100	1750	1800
	Hanumangarh	Hanumangarh	850	900	-370
		Nohar	950	800	250
		Pilibanga	0	42	Unch
	Nagaur	Nagaur	3600	3200	450
	Churu	Churu	4000	3000	-400
	Alwar	Alwar	1600	1200	100
Haryana	Hisar	Adampur	5000	4650	-1000
	Bhiwani	Bhiwani	3000	5900	-950
		Siwani	3200	3400	100
	Sirsa	Sirsa	4400	4200	-1130
		Dhabwali	2950	3450	-1500
		Ellanabad	0	NA	Unch
	Fatehabad	Fatehabad	750	1100	-650
Gujarat	Banaskantha	Deesa	0	NA	Unch
	Patan	Patan	192	38	43
	Rajkot	Rajkot	525	240	-101
	Jamnagar	Dhrol	0	NA	9
Madhya Pradesh	Gwalior	Dabra	0	NA	Unch
Total Arrivals/Above Markets			54204	55559	-1355

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