



Guar Weekly Research Report

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Executive Summary

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Domestic Guar Seed Market Summary

All India weekly average prices higher by 0.63 percent to Rs. 3688.61 per quintal during the week ended 3rd Feb 2020. Guar seed (Cluster bean seeds) average price were ruling at Rs. 3665.5 per quintal during 24th to 30th January 2020. As compared to prices in the week 1-8 February 2019, the prices are lower by 4.83 percent. Prices are expected to move in steady to weak tone in coming days in expectation of sluggish demand of millers' and crushers.

Guar seed average weekly prices closed at Rs. 4108.33 per quintal lower by Rs. 23.33 per quintal against last week. However, prices are likely to be on lower side in hope of weak demand of crushers and millers. Prices may get more pressures after weak exports demand of guar split. NCDEX prices are likely to stay downside in near future in expectation of selling pressures in the market.

As per sources, rise in crude oil prices after the killing of Iranian military commander Qassem Soleimani by U.S. is likely to support to rise guar gum exports of India in the coming weeks as oil drilling companies in U.S. may increase its drilling activities. Sources expect total 330,000 tonnes of guar gum shipments in the current financial year, which is lower from 360,000 tonnes in financial year 2019. Total Kharif's output of Guarseed in India stood at 750,000 tonnes in this year.

As per data released by Baker Hughes the number of oil rigs in USA has decreased by 4 to 790 as on 31st January 2020 compared to 794 in last week and also down by 255 compared to 31st January 2019. Total number of oilrigs was recorded at 3957 in January'20 compared to 4259 in the corresponding period in last year. 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 3400 quintals compared to previous week arrivals of 3000 quintals.

Previous Updates:

As per trade sources, export of guar split has increased in the month of December-19. Exports in the month of December-19 are higher by around 79.66% compared to previous month. India exported around 2120 tonnes of guar split in the month of December-19 at an average FoB of \$ 1293 per tonne. Of the total quantity, around 540 tonnes have been exported to China.

As per trade sources, export of guar gum has declined in the month of December-19 by 6.58 percent compared to previous month. India exported around 17779.68 tonnes of guar gum at an average FoB of \$ 1830.69 per tonne in the month of December-19 compared to 19032.16 tonnes in October-19 at an average FoB of \$ 1873.41 per tonne. Exports are expected to decline in January-20 on weak demand.

Recommendation:

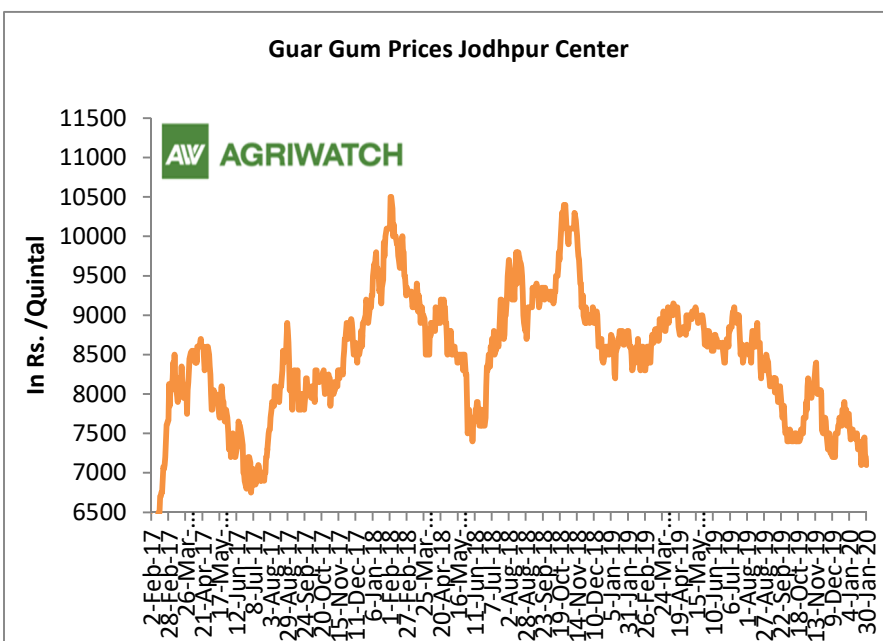
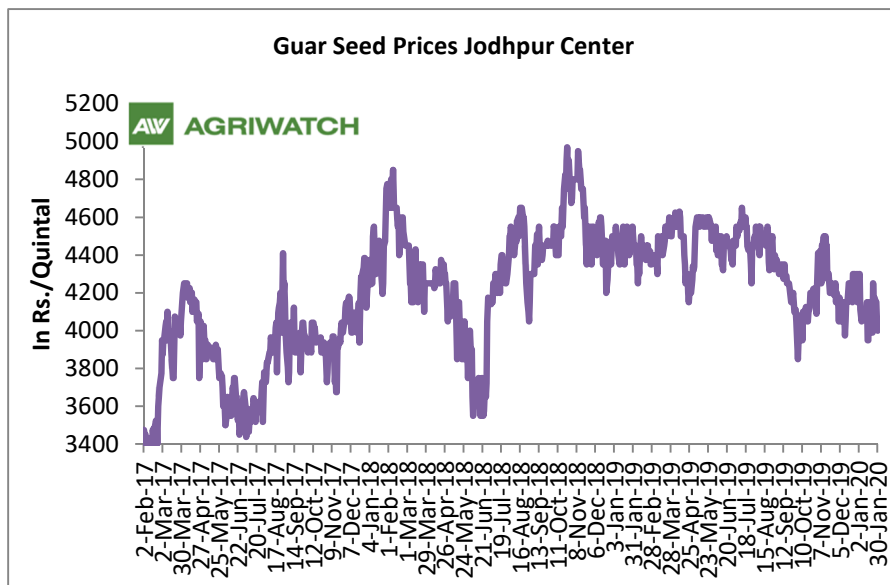
Weekly Call- : Market participants are advised to sell Guar seed future Feb contract at 3964 levels for a target of 3880 with a stop loss at 3800 on closing basis.

Guar Seed Fundamental Analysis and Outlook:-

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Domestic Front

- In the week ended 30th January 20, Guar seed weekly average prices decreased by Rs 23.33/qlt and settled at Rs. 4108.33 per quintal.
- In addition, Guar gum average weekly price declined by 4.16 per quintal and settled at Rs. 7275 per quintal lower demand for guar gum from domestic and overseas markets kept prices at lower side in this week.
- According to first advance estimate for 2019-20, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 145000 hectares, 107960 tonnes and 744.52 kg/hectare respectively. As per final estimate for 2018-19 issued by Gujarat's Department of Agriculture for Guar seed the area, production and yield are 134100 hectares, 75380 tonnes and 562.11 kg/hectare respectively.



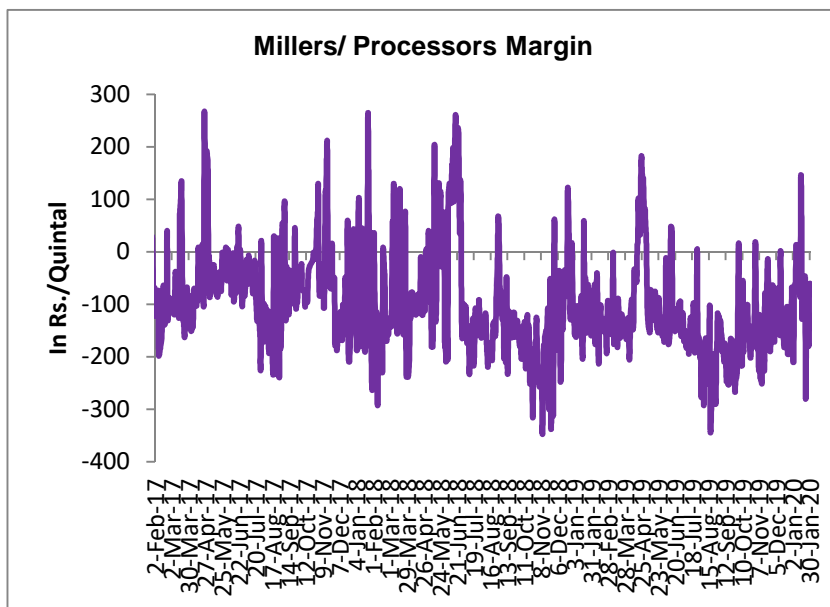
- According to second advance estimate for Kharif 2019-20, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 2841314 hectares, 1208100 tonnes and 425 kg/hectare respectively. According to fourth advance estimate for 2018-19, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 3087789 hectares, 1031427 tonnes and 334 kg/hectare respectively.

Millers/Processors Margin

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In the week ended 30th Jan 20, average crush margin was at Rs.-115.45/Quintal compared to last week margin Rs.125.52/Quintal.

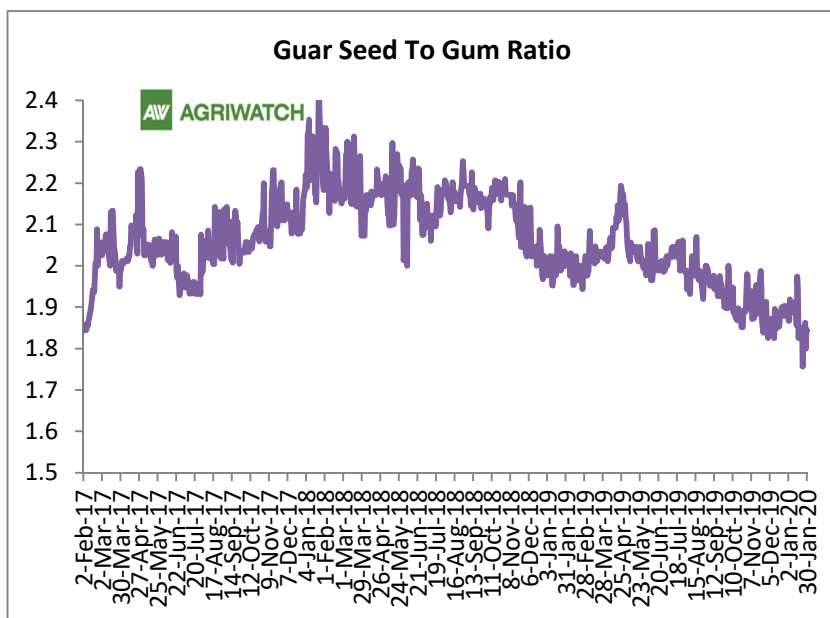
Less degree of increase in guar seed prices compared to guar gum prices, led the margin up this week.



Guar Seed to Gum Ratio

Ratio of guar seed to guar gum for week ended 30th Jan'20 is 1.83 higher from last week.

Overall, improved demand of gum from domestic millers and overseas 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)
02-08 December-2019	3000.29	1905.3
09-14 December-2019	4377.55	1830.57
17-23 December-2019	4671.2	1752.78
24-30 December-2019	5730.64	1837.62
Total	17779.68	1830.69

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: February

Exchange: NCDEX
Expiry: February 20, 2019

Guar Seed (February Daily Chart)



Technical Commentary:

- Fall in prices and 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 Seed	NCDEX	February	3720	3780	3954	4100	4150
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	February	Sell	Below 3964	3880	3800	4020



Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: February

Exchange: NCDEX
Expiry: February 20, 2019

Guar Gum (February Daily Chart)



Technical Commentary:

- Fall in price and 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	February	6790	6820	7055	7159	7242
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	February	Sell	Below 7064	6920	6850	7150

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

Guar by – Products Weekly Average Prices				(Prices in Rs/75kg)
Commodity	Centre	24th to 30th Jan 2020	17th to 23rd Jan 2020	Change
Churi	Jodhpur	2000	2025	-25
Korma	Jodhpur	2400	2400	Unch
Churi	Sri-Ganganagar	1800	1800	Unch
Korma	Sri-Ganganagar	2300	2306	-6

Guar Export Weekly Average Prices				(Prices in \$/MT)
Commodity	Variety	24th to 30th Jan 2020	17th to 23rd Jan 2020	Change
Guargum Split		1040	1068	-29
Guargum Powder	200 Mesh 5000 CPS	1320	1340	-20
	200 Mesh 3500 CPS	1250	1270	-20
Guargum Meal	40%	385	351	34
	50%	453	450	3

Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			24th to 30th Jan 2020	17th to 23rd Jan 2020	
Guar Seed	Jodhpur	Jodhpur (Loose)	3958	3982	-23
		Jodhpur(Delivery)	4156	4181	-25
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3825	3858	-33
		Sri-Ganganagar (Delivery)	3975	4008	-33
		Rawla (Loose)	3922	3970	-49
		Gharsana (Loose)	3870	3936	-66
		Raisinghnagar (Loose)	3829	3868	-39
	Bikaner	Bikaner (Loose)	3841	3845	-4
		Bikaner (Delivery)	4033	4037	-4
		Nokha(Loose)	3760	3842	-82
		Nokha (Delivery)	3948	4034	-86
		Khajuwala (Loose)	3770	3785	-15
		Khajuwala (Delivery)	3959	3974	-16
		Lunkaransar (Loose)	3775	3808	-33
	Hanumangarh	Hanumangarh (Loose)	2875	3863	-988
		Hanumangarh (Delivery)	3019	4057	-1038
		Nohar (Loose)	3870	3848	22
		Pilibanga (Loose)	1865	3845	-1980

	Nagaur	Nagaur (Loose)	3730	3810	-80
	Churu	Churu (Delivery)	3933	3950	-17
	Alwar	Alwar (Loose)	3650	3808	-158
Haryana	Hisar	Adampur (Loose)	3838	3860	-22
		Adampur (Delivery)	4030	4053	-23
	Bhiwani	Bhiwani (Delivery)	3871	3882	-11
		Siwani (Loose)	3928	3997	-69
	Sirsa	Sirsa (Loose)	3858	3891	-34
		Dhabwali (Loose)	3836	3788	48
		Dhabwali (Delivery)	4028	3978	50
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	3755	3800	-45
Gujarat	Banaskantha	Deesa (Loose)	1975	2492	-517
	Patan	Patan (Loose)	3724	3766	-42
	Rajkot	Rajkot (Loose)	3766	3825	-59
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7275	7279	-4
	Alwar	Alwar	7250	7417	-167
	Hanumangarh	Nohar	7700	7750	-50
Haryana	Bhiwani	Bhiwani	7233	7288	-55
	Sirsa	Sirsa	7258	7350	-92
		Dhabwali	7320	7417	-97
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	7340	7450	-110

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			30-Jan-20	23-Jan-20	30-Dec-19	30-Jan-19
Rajasthan	Jodhpur	Jodhpur (Loose)	3850	4100	4150	4300
		Jodhpur(Delivery)	4043	4305	4358	4515
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3800	3850	4000	4150
		Sri-Ganganagar (Delivery)	3950	4000	4150	4300
		Rawla (Loose)	3967	4040	3900	4100
		Gharsana (Loose)	3890	3870	3980	4140
		Raisinghnagar (Loose)	3750	3860	4100	4150
	Bikaner	Bikaner (Loose)	3920	3850	4200	4140
		Bikaner (Delivery)	4116	4043	4410	4347
		Nokha(Loose)	3700	3850	4050	4140
		Nokha (Delivery)	3885	4043	4253	4347
		Khajuwala (Loose)	3800	3900	3950	4100
		Khajuwala (Delivery)	3990	4095	4148	4305
		Lunkaransar (Loose)	3800	3850	4000	4100
	Hanumangarh	Hanumangarh (Loose)	3800	3850	3985	4100
		Hanumangarh (Delivery)	3990	4043	4184	4305
		Nohar (Loose)	3780	3855	4000	4200
		Pilibanga (Loose)	3720	3840	-	4030
	Nagaur	Nagaur (Loose)	Closed	3800	3875	4050
	Churu	Churu (Delivery)	3800	4000	4250	4350
	Alwar	Alwar (Loose)	3500	3700	4000	4100
Haryana	Hisar	Adampur (Loose)	3825	3860	4000	4100
		Adampur (Delivery)	4016	4053	4200	4305
	Bhiwani	Bhiwani (Delivery)	3850	3900	4250	4325
		Siwani (Loose)	3900	4000	4100	4280
	Sirsa	Sirsa (Loose)	3840	3860	3970	4165
		Dhabwali (Loose)	3785	3840	4005	4085
		Dhabwali (Delivery)	3974	4032	4205	4289
		Ellanabad (Loose)	-	-	-	-
	Fatehabad	Fatehabad (Loose)	3700	3850	3900	4000
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	0	4050
	Patan	Patan (Loose)	Closed	3735	3915	4125
	Rajkot	Rajkot (Loose)	3740	3775	4050	4095
	Jamnagar	Dhrol (Loose)	-	-	-	-
M.P.	Gwalior	Dabra (Loose)	-	-	-	-

Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7100	7200	7900	8750
	Alwar	Alwar	7000	7400	7900	8800
	Hanumangarh	Nohar	7700	7700	8100	8600
Haryana	Bhiwani	Bhiwani	7180	7280	7800	8830
	Sirsa	Sirsa	7150	7400	7900	8750
		Dhabwali	7150	7450	7700	8700
		Ellanabad	-	-	-	-
	Fatehabad	Fatehabad	7200	7500	7600	8675

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

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			24th to 30th Jan 2020	17th to 23rd Jan 2020	
Rajasthan	Jodhpur	Jodhpur	124	235	-111
	Sri-Ganganagar	Sri-Ganganagar	2800	3000	-200
		Rawla	3065	2461	604
		Gharsana	2449	2280	169
		Raisinghnagar	1500	950	550
	Bikaner	Bikaner	5800	6500	-700
		Nokha	3440	2650	790
		Khajuwala	3300	3400	-100
		Lunkaransar	1650	1900	-250
	Hanumangarh	Hanumangarh	140	1205	-1065
		Nohar	2910	1650	1260
		Pilibanga	380	326	54
	Nagaur	Nagaur	300	775	-475
	Churu	Churu	3100	2000	1100
	Alwar	Alwar	800	600	200
Haryana	Hisar	Adampur	3400	3000	400
	Bhiwani	Bhiwani	1150	1500	-350
		Siwani	2200	2300	-100
	Sirsa	Sirsa	6350	7742	-1392
		Dhabwali	675	1120	-445
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	870	360	510



Gujarat	Banaskantha	Deesa	50	63	-13
	Patan	Patan	210	306	-96
	Rajkot	Rajkot	295	555	-260
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			46958	46878	80

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