



## Guar Weekly Research Report

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## Guar Seed Fundamental Analysis and Outlook:-

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### **Executive Summary**

### **Domestic Guar Seed Market Summary**

**All India weekly average prices rose by 6.73 percent to Rs. 3345.71 per quintal during the week ended 30<sup>th</sup> Mar 2020.** Guar seed (Cluster bean seeds) average price were ruling at Rs. 3134.60 per quintal during 16<sup>th</sup> March to 23<sup>rd</sup> March 2020. As compared to prices in the week 24-31 March 2019, the prices are lower by 14.71%. There is no major trading activity in Guar Gum complex due to lock down in India to prevent from spreading COVID-19. It is likely to continue until 14<sup>th</sup> April 2020.

**No major trading activities are seen in spot markets due to lock down condition in India.** NCDEX prices of Guar and Guar gum are likely to stay in firm zone on buying interest.

**As per data released by Baker Hughes, the number of oil rigs in USA has lowered by 44 to 728 as on 27<sup>th</sup> March 2020** compared to 772 in last week and down by 278 compared to 29<sup>th</sup> March 2019. Total number of oil rigs was recorded at 3085 in March '20 compared to 5113 in the corresponding period in last year. Therefore, exports are being slightly affected.

**As on 30<sup>th</sup> March 2020, total 724,436 cases in the world have been identified under Coronavirus impact where** 34,009 people could not survive and 152,065 people were recovered. Today, 43 new cases has been confirmed in the world. The outbreak has reached more than 200 countries including US, Italy, Iran, South Korea, India, Japan, Pakistan, UK, France, Germany, Malaysia, Indonesia, Brazil, Argentina, Switzerland, South Korea, Australia, and Mexico. This has led to lockdown of various countries leading to breakdown of global supply chain of soybean. US has closed doors for travelers from Europe, China, Italy, Iran, South Korea are in state of complete shutdown. UK, France, Germany, Australia, Malaysia, Indonesia, Malaysia, Thailand and Indian have taken strong measures to control the epidemic.

**As far as Arrivals are concerned, Adampur (Haryana) market (biggest market of guar in North) reported lower arrivals** at 250 quintals compared to previous week arrivals of 1850 quintals.

### **Previous Updates:**

**As per trade sources, export of guar split has declined in the month of February-20.** Exports in the month of February-20 are lower by around 40% compared to previous month. India exported around 2020 tonnes of guar split in the month of February-20 at an average FoB of \$ 1119 per tonne. Of the total quantity, around 1700 tonnes have been exported to China.

**As per trade sources, export of guar gum has declined in the month of February-20 by 38.27 percent** compared to previous month. India exported around 14596.11 tonnes of guar gum at an average FoB of \$ 1685.40 per tonne in the month of February-20 compared to 23178.89 tonnes in January-20 at an average FoB of \$ 1710.37 per tonne. Exports are expected to decline in March-20 on weak demand in overseas markets.

### **Recommendation:**

**Weekly Call- : Market participants are advised to Buy Guar seed future Apr contract at 3300 levels for a target of 3400 with a stop loss at 3250 on closing basis.**

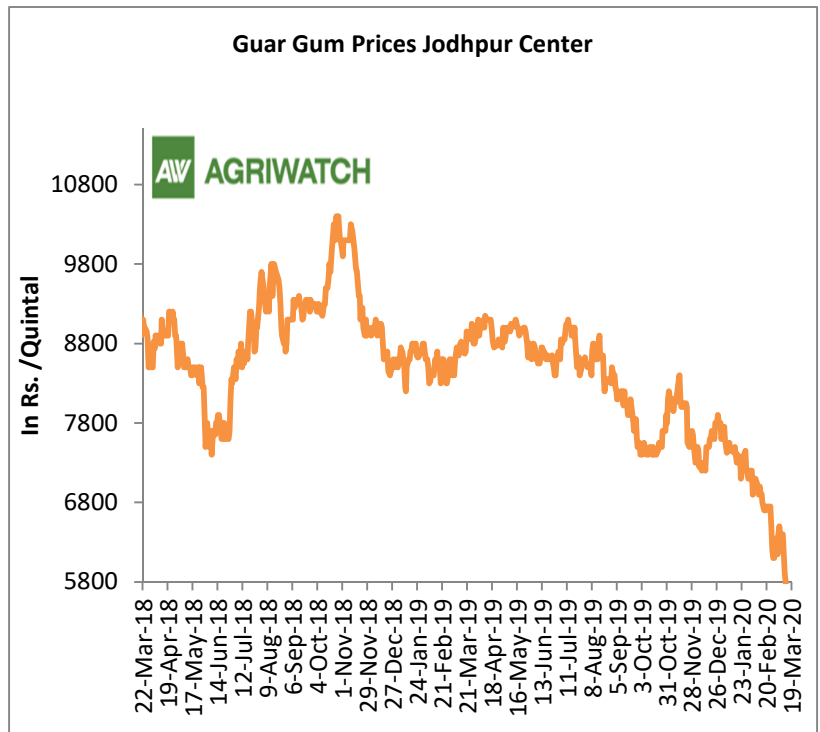
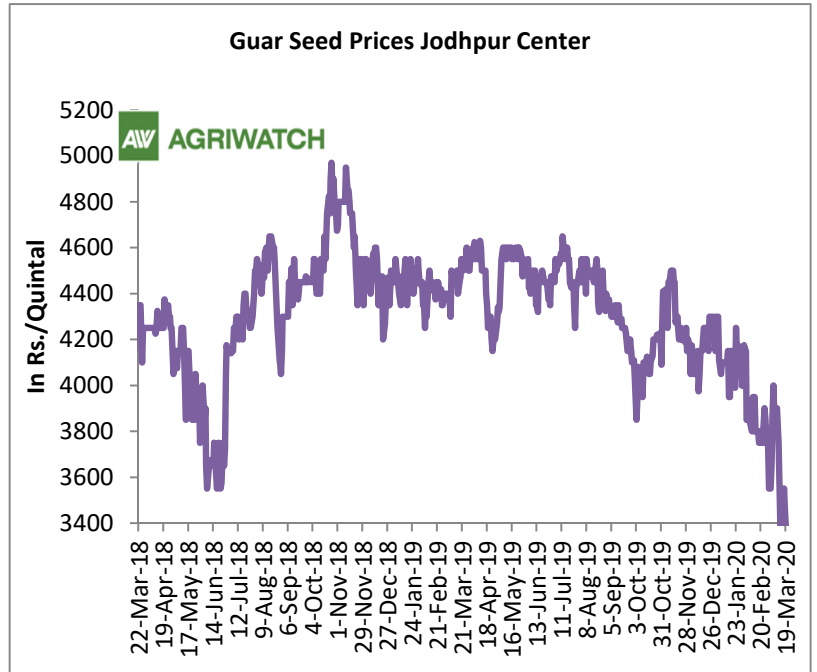
### Domestic Front

- Due to lock down in India, there is no major trading activities in Guar complex.

- No major trading activities in Guar gum complex amid lock down in India.

- According to second 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.

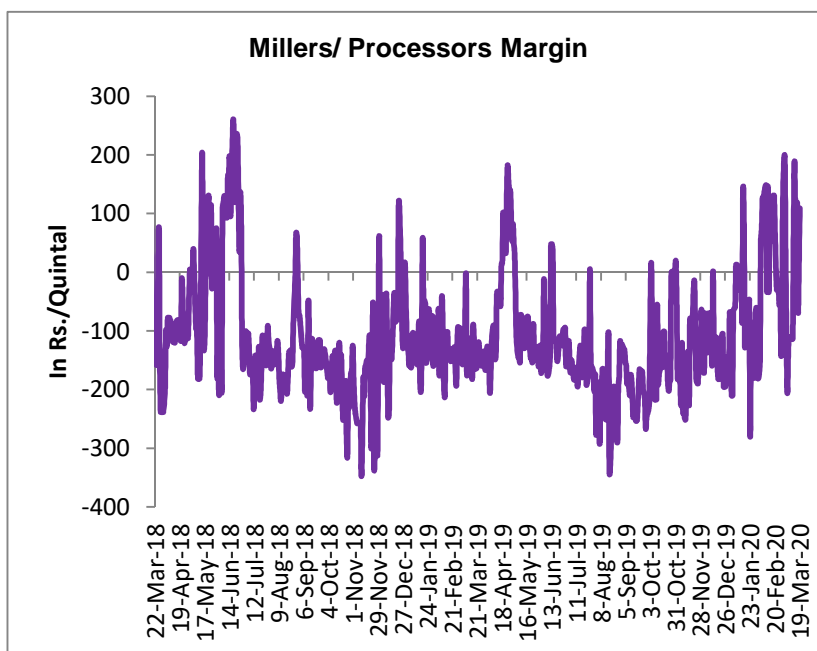
- According to second advance estimate for Kharif 2019-20, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 2841314 hectares, 1208100 tonnes and 425 kg/hectare respectively. According to fourth advance estimate for 2018-19, issued by Rajasthan's Department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



## Millers/Processors Margin

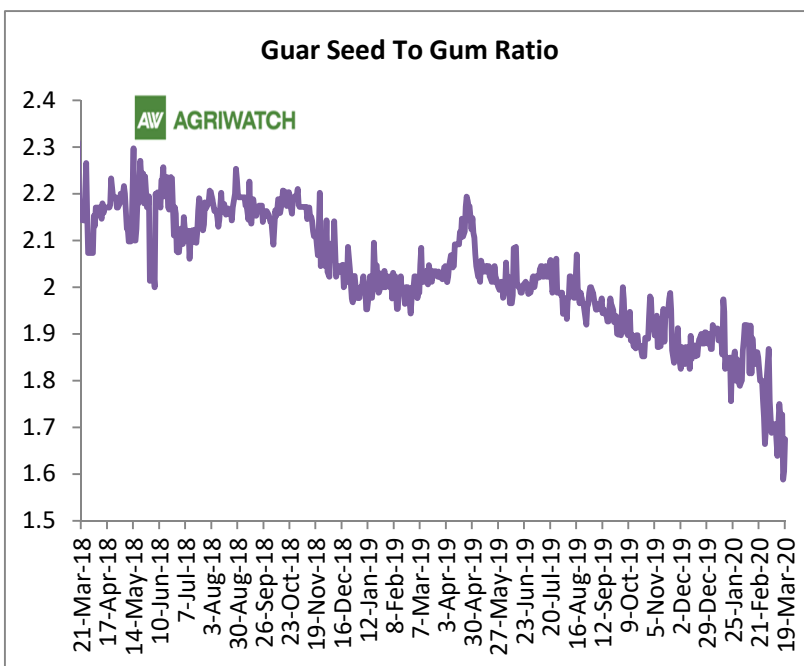
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No trading activities amid lock down in India.



## Guar Seed to Gum Ratio

No major trading activity in India due to lock down in India.



## Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 February-2020	2968.84	1621.83
9-16 February-2020	3171.51	1841.83
17-24 February-2020	3833.68	1576.78
25-31 February-2020	4344.01	1787.24
Total	14596.11	1685.4

Source: Trade

## Technical Analysis (Guar Seed)

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Commodity: Guar Seed  
Contract: April

Exchange: NCDEX  
Expiry: Apr 20, 2020

### Guar Seed (Apr Daily Chart)



### Technical Commentary:

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

### Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Apr	3200	3230	3320	3550	3650
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Apr	Buy	Above 3300	3400	3500	3250

## Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: April

Exchange: NCDEX  
Expiry: Apr. 20, 2020

### Guar Gum (Apr Daily Chart)



### Technical Commentary:

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

### Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Apr	4780	4950	5048	5250	5350
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr	Buy	Above 5040	5120	5230	4970

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	19th to 26th Mar 2020	12th to 19th Mar 2020	Change
Churi	Jodhpur	2075	2075	Unch
Korma	Jodhpur	2475	2466	9
Churi	Sri-Ganganagar	1875	1875	Unch
Korma	Sri-Ganganagar	2381	2372	9

Guar Export Weekly Average Prices				(Prices in \$/MT)
Commodity	Variety	19th to 26th Mar 2020	12th to 19th Mar 2020	Change
Guargum Split		792	810	-18
Guargum Powder	200 Mesh 5000 CPS	1056	1080	-24
	200 Mesh 3500 CPS	990	1012	-22
Guargum Meal	40%	383	391	-8
	50%	436	445	-9

**Guar Seed Weekly Average Prices:**

Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
			19th to 26th Mar 2020	12th to 19th Mar 2020	
Guar Seed	Jodhpur	Jodhpur (Loose)	3325	3288	37
		Jodhpur(Delivery)	3491	3452	39
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3538	3288	250
		Sri-Ganganagar (Delivery)	3688	3438	250
		Rawla (Loose)	655	3930	-3275
		Gharsana (Loose)	1190	3585	-2395
		Raisinghnagar (Loose)	1183	3850	-2668
	Bikaner	Bikaner (Loose)	3225	3300	-75
		Bikaner (Delivery)	3386	3465	-79
		Nokha(Loose)	3200	3342	-142
		Nokha (Delivery)	3360	3509	-149
		Khajuwala (Loose)	3300	3325	-25
		Khajuwala (Delivery)	3465	3491	-26
		Lunkaransar (Loose)	3250	3225	25
	Hanumangarh	Hanumangarh (Loose)	-	3200	-
		Hanumangarh (Delivery)	-	3360	-
		Nohar (Loose)	-	3269	-
		Pilibanga (Loose)	3213	3192	21

	<b>Nagaur</b>	Nagaur (Loose)	3215	3216	-1
	<b>Churu</b>	Churu (Delivery)	-	-	-
	<b>Alwar</b>	Alwar (Loose)	-	-	-
Haryana	<b>Hisar</b>	Adampur (Loose)	3250	3278	-28
		Adampur (Delivery)	3413	3441	-29
	<b>Bhiwani</b>	Bhiwani (Delivery)	3300	3300	Unch
		Siwani (Loose)	3339	3399	-60
	<b>Sirsa</b>	Sirsa (Loose)	3263	3285	-23
		Dhabwali (Loose)	3288	3240	48
		Dhabwali (Delivery)	3452	3402	50
		Ellanabad (Loose)	-	3213	-
	<b>Fatehabad</b>	Fatehabad (Loose)	3200	3167	33
Gujarat	<b>Banaskantha</b>	Deesa (Loose)	-	-	-
	<b>Patan</b>	Patan (Loose)	3100	3281	-181
	<b>Rajkot</b>	Rajkot (Loose)	-	-	-
	<b>Jamnagar</b>	Dhrol (Loose)	-	3025	-
Madhya Pradesh	<b>Gwalior</b>	Dabra (Loose)	-	-	-
<b>Guar Gum</b>					
Rajasthan	<b>Jodhpur</b>	Jodhpur	5325	5517	-192
	<b>Alwar</b>	Alwar	-	-	-
	<b>Hanumangarh</b>	Nohar	-	5525	-
Haryana	<b>Bhiwani</b>	Bhiwani	5300	5425	-125
	<b>Sirsa</b>	Sirsa	5400	5400	Unch
		Dhabwali	5450	5383	67
		Ellanabad	-	5450	-
	<b>Fatehabad</b>	Fatehabad	5350	5417	-67



Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			26-Mar-20	19-Mar-20	26-Feb-20	26-Mar-19
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	3225	3600	4400
		Jodhpur(Delivery)	Closed	3386	3780	4620
	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	3225	3500	4115
		Sri-Ganganagar (Delivery)	Closed	3375	3650	4265
		Rawla (Loose)	-	-	3760	3980
		Gharsana (Loose)	-	3200	3566	4080
		Raisinghnagar (Loose)	-	-	3600	4110
	Bikaner	Bikaner (Loose)	Closed	3250	3470	4120
		Bikaner (Delivery)	Closed	3413	3644	4326
		Nokha(Loose)	Closed	3300	3450	4180
		Nokha (Delivery)	Closed	3465	3623	4389
		Khajuwala (Loose)	Closed	3340	3580	4100
		Khajuwala (Delivery)	Closed	3507	3759	4305
		Lunkaransar (Loose)	Closed	3200	3400	4100
	Hanumangarh	Hanumangarh (Loose)	Closed	3200	3450	4050
		Hanumangarh (Delivery)	Closed	3360	3623	4253
		Nohar (Loose)	NR	NR	3550	4125
		Pilibanga (Loose)	Closed	3150	3500	4070
	Nagaur	Nagaur (Loose)	Closed	3200	Closed	4100
	Churu	Churu (Delivery)	NA	NA	NA	4250
	Alwar	Alwar (Loose)	NA	NA	3550	4000
Haryana	Hisar	Adampur (Loose)	Closed	3250	3550	4150
		Adampur (Delivery)	Closed	3413	3728	4358
	Bhiwani	Bhiwani (Delivery)	NR	3300	3650	4325
		Siwani (Loose)	closed	3400	3620	4240
	Sirsa	Sirsa (Loose)	Closed	3200	3665	4170
		Dhabwali (Loose)	Closed	3150	3600	4120
		Dhabwali (Delivery)	Closed	3308	3780	4326
		Ellanabad (Loose)	NR	3100	3645	4100
	Fatehabad	Fatehabad (Loose)	Closed	3150	3450	3950
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	NA
	Patan	Patan (Loose)	NA	3150	NA	NA
	Rajkot	Rajkot (Loose)	NA	NA	NA	NA
	Jamnagar	Dhrol (Loose)	NA	3100	NA	NA
M.P.	Gwalior	Dabra (Loose)	NA	NA	NA	NA

Guar Gum			26-Mar-20	19-Mar-20	26-Feb-20	26-Mar-19
Rajasthan	Jodhpur	Jodhpur	Closed	5400	6200	8900
	Alwar	Alwar	NA	NA	NR	8800
	Hanumangarh	Nohar	NR	NR	6500	8900
Haryana	Bhiwani	Bhiwani	NR	5300	6150	8950
	Sirsa	Sirsa	Closed	5200	6100	8980
		Dhabwali	Closed	5400	6400	8750
		Ellanabad	NR	5400	5950	9000
	Fatehabad	Fatehabad	Closed	5300	6600	8900

## 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			19th to 26th Mar 2020	12th to 19th Mar 2020	
Rajasthan	Jodhpur	Jodhpur	Closed	20	-
	Sri-Ganganagar	Sri-Ganganagar	650	2050	-1400
		Rawla	526	526	Unch
		Gharsana	482	455	27
		Raisinghnagar	245	200	45
	Bikaner	Bikaner	350	1000	-650
		Nokha	350	1300	-950
		Khajuwala	350	1650	-1300
		Lunkaransar	200	840	-640
	Hanumangarh	Hanumangarh	Closed	100	-100
		Nohar	Closed	920	-920
		Pilibanga	160	635	-475
	Nagaur	Nagaur	Closed	50	-
	Churu	Churu	Closed	-	-
	Alwar	Alwar	Closed	-	-
Haryana	Hisar	Adampur	250	1850	-1600
	Bhiwani	Bhiwani	Closed	-	-
		Siwani	950	1650	-700
	Sirsa	Sirsa	150	1350	-1200
		Dhabwali	150	850	-700
		Ellanabad	Closed	950	-950
	Fatehabad	Fatehabad	Closed	-	-
Gujarat	Banaskantha	Deesa	Closed	-	-
	Patan	Patan	14	81	-67



	<b>Rajkot</b>	Rajkot	Closed	-	-
	<b>Jamnagar</b>	Dhrol	Closed	2	-2
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra	Closed	-	-
<b>Total Arrivals/Above Markets</b>			<b>4827</b>	<b>16479</b>	<b>-11652</b>

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