

Guar Weekly Research Report

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Guar Seed Fundamental Analysis and

Executive Summary

Lackluster trade activity featured in the guar cash markets across the key producing centers. No major developments witnessed in the centers where some trade happened during the week under review.

Very limited activities and with very low volume in trade happened in couple of mandis during the period.

Earlier only Lunkarnsar-Bikaner and Siwani-Bhiwani reported the activities and later in the week the trade activities were reported only in Fatehabad. Lower volume trade is attributed to the fall in demand due to the COVID-19 pandemic with ongoing nationwide lockdown. The domestic as well as the global lockdown in recent days have hampered the guar gum export as well as the demand from the domestic market.

The all India guar market prices were not available for month on month and year on year comparison as the guar was not quoted in most of the key market yards during the period under review.

As per data released by Baker Hughes, the number of oilrigs in USA has lowered by 35 to 339 as on 15th May 2020 compared to 374 in last week and down by 648 compared to 17th May 2019. Total number of oilrigs was recorded at 2260 in April'20 compared to 4050 in the corresponding period in last year. Hence, fall in India's guar gum exports.

Export of guar split has improve in the month of March-20. Exports in the month of March-20 are lower by around 54% compared to previous month. India exported around 3120 tonnes of guar split in the month of March-20 at an average FoB of \$ 1194 per tonne. Of the total quantity, around 2500 tonnes have been exported to China.

Export of guar gum has declined in the month of March-20 by 5 percent compared to previous month. India exported around 13820 tonnes of guar gum at an average FoB of \$ 1815 per tonne in the month of March-20 compared to 14596 tonnes in February-20 at an average FoB of \$ 1685.4 per tonne. Of the total 4043 tonnes have been exported to USA. Exports are expected to decline in April-20 on weak demand in overseas markets.

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:

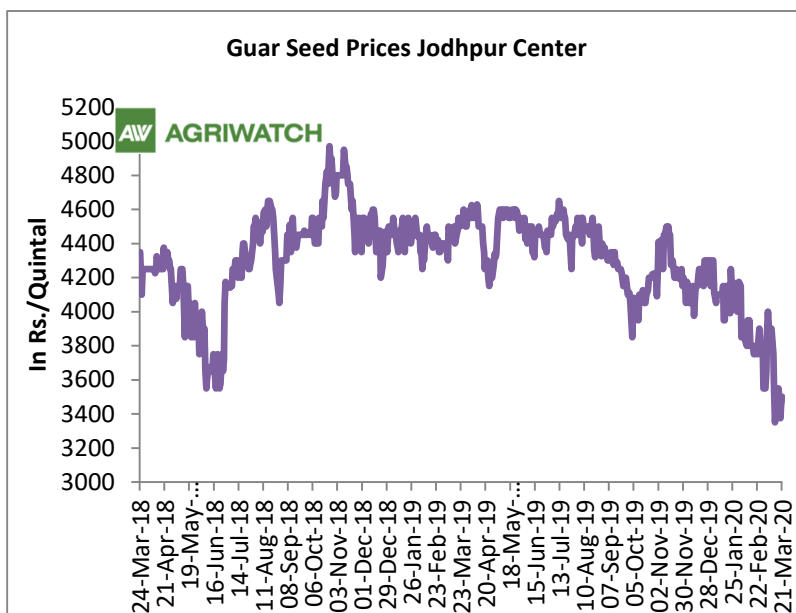
Weekly Call- : Market participants are advised to BUY Guar seed future June contract below 3550 levels for a target of 3650 with a stop loss at 3490.

Outlook:-

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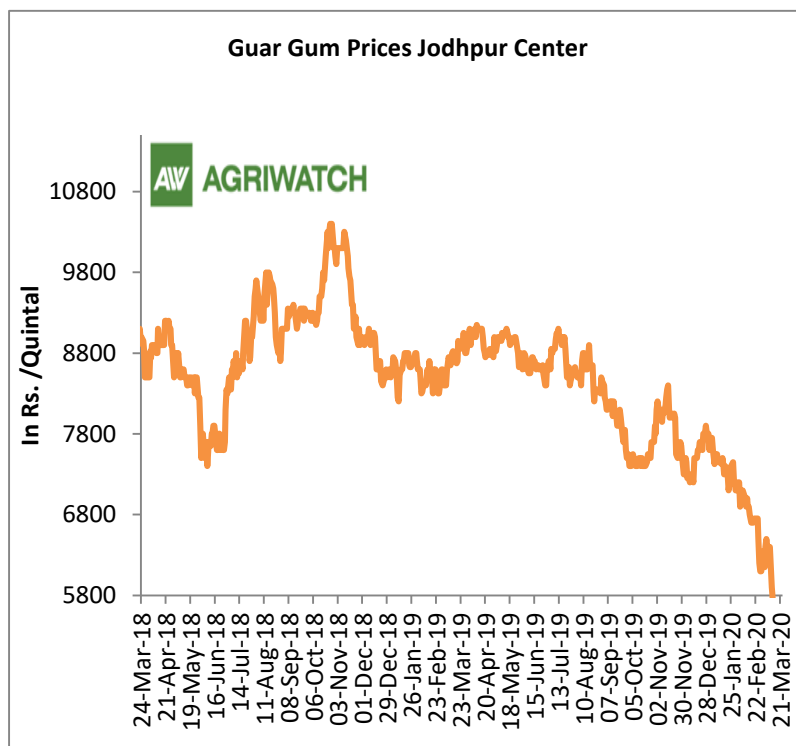
Domestic Front

- No major trading activities amid COVID-19 lockdown in India, since last couple of months. Therefore, no major updates in charts and sentiments.



- No trading activities amid lock down in India. Therefore, no major updates in charts and sentiments.

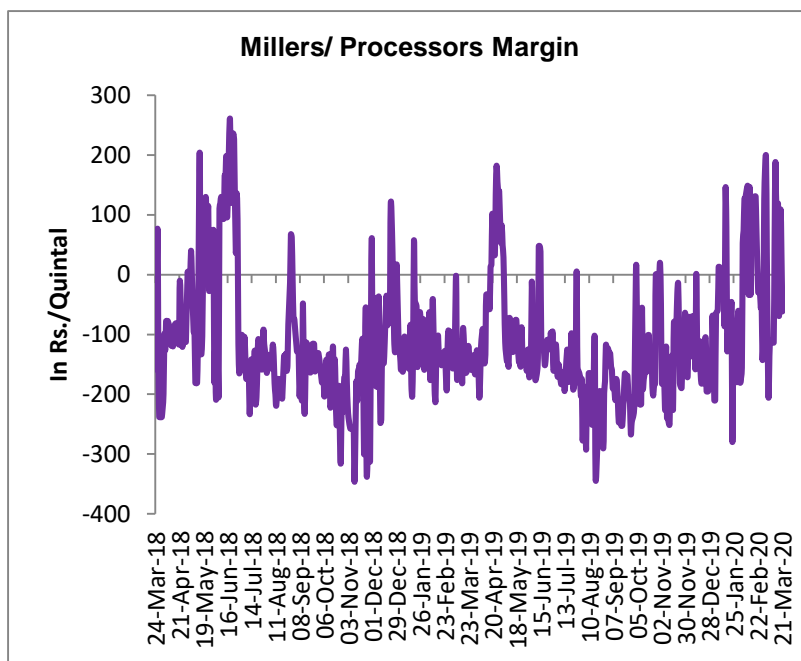
- According to second advance estimate for 2019-20, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 145000 hectares, 107960 tonnes and 744.52 kg/hectare respectively. As per final estimate for 2018-19 issued by Gujarat's Department of Agriculture for Guar 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.

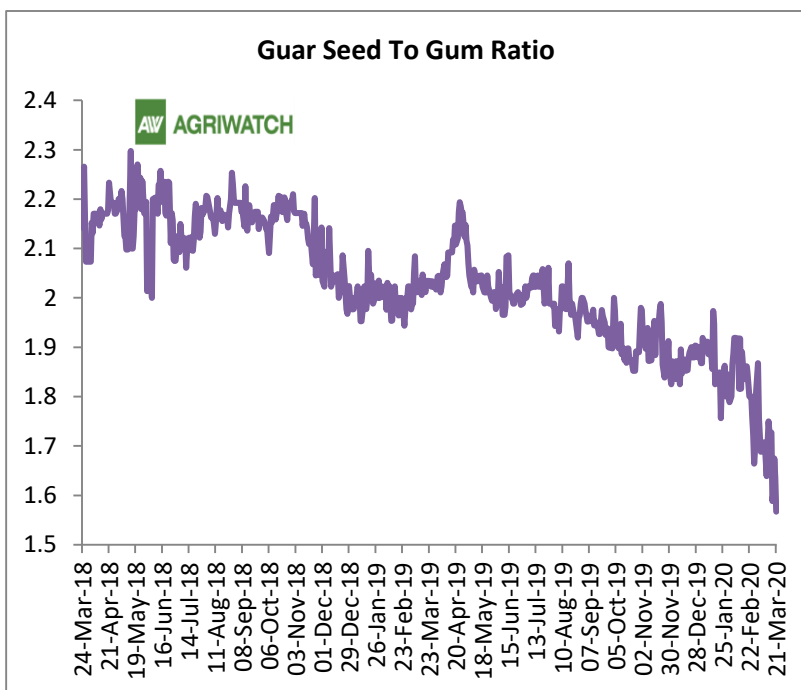
Millers/Processors Margin ([Back to Table of Contents](#))

No trading activities amid lock down in India. Therefore, no major updates in charts and sentiments.



Guar Seed to Gum Ratio

No major trading activity in India due to lock down in India. Therefore, no major updates in charts and sentiments.



Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 March-2020	4950	1875
9-16 March-2020	4870	1581
17-24 March-2020	4000	1990
25-31 March-2020	-	-
Total	13820	1815

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: Jun

Exchange: NCDEX
Expiry: Jun 20, 2020

Guar Seed (Jun Daily Chart)



Technical Commentary:

- Guar Seed price edged-up buying support in the market, during the week.
- Prices closed above 9-day EMA.
- RSI and stochastic are rising in the neutral region, supporting the strength.
- Prices are likely to extend gains in near-term.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jun	3368	3200	3588	3850	3978
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jun	BUY	Above 3550	3650	3700	3490

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Jun

Exchange: NCDEX
Expiry: Jun 20, 2020

Guar Gum (Jun Daily Chart)



Technical Commentary:

- Guar gum prices witness gains on buying interest in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed below 9 day EMA.
- Prices are expected to gain in near-term.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jun	4700	4600	5356	6000	6300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jun	BUY	Above 5340	5430	5480	5280

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

Guar by – Products Weekly Average Prices:				
Commodity	Centre	08th May to 14th May 2020	01st May to 07th May 2020	Change
Churi	Jodhpur	2350	Closed	-
Korma	Jodhpur	2625	Closed	-
Churi	Sri-Ganganagar	2100	Closed	-
Korma	Sri-Ganganagar	2550	Closed	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	08th May to 14th May 2020	01st May to 07th May 2020	Change
Guargum Split		712	Closed	-
Guargum Powder	200 Mesh 5000 CPS	950	Closed	-
	200 Mesh 3500 CPS	884	Closed	-
Guargum Meal	40%	422	Closed	-
	50%	462	Closed	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			08th May to 14th May 2020	01st May to 07th May 2020	
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	Closed	-
		Jodhpur(Delivery)	Closed	Closed	-
	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	Closed	-
		Sri-Ganganagar (Delivery)	Closed	Closed	-
		Rawla (Loose)	Closed	Closed	-
		Gharsana (Loose)	Closed	Closed	-
		Raisinghnagar (Loose)	Closed	Closed	-
	Bikaner	Bikaner (Loose)	Closed	Closed	-
		Bikaner (Delivery)	Closed	Closed	-
		Nokha(Loose)	Closed	Closed	-
		Nokha (Delivery)	Closed	Closed	-

		Khajuwala (Loose)	Closed	Closed	-
		Khajuwala (Delivery)	Closed	Closed	-
		Lunkaransar (Loose)	3483	3483	Unch
	Hanumangarh	Hanumangarh (Loose)	Closed	Closed	-
		Hanumangarh (Delivery)	Closed	Closed	-
		Nohar (Loose)	Closed	Closed	-
		Pilibanga (Loose)	Closed	Closed	-
	Nagaur	Nagaur (Loose)	Closed	Closed	-
	Churu	Churu (Delivery)	Closed	Closed	-
	Alwar	Alwar (Loose)	Closed	Closed	-
Haryana	Hisar	Adampur (Loose)	Closed	Closed	-
		Adampur (Delivery)	Closed	Closed	-
	Bhiwani	Bhiwani (Delivery)	Closed	Closed	-
		Siwani (Loose)	Closed	Closed	-
	Sirsa	Sirsa (Loose)	Closed	Closed	-
		Dhabwali (Loose)	Closed	Closed	-
		Dhabwali (Delivery)	Closed	Closed	-
		Ellanabad (Loose)	Closed	Closed	-
	Fatehabad	Fatehabad (Loose)	Closed	Closed	-
Gujarat	Banaskantha	Deesa (Loose)	Closed	Closed	-
	Patan	Patan (Loose)	Closed	Closed	-
	Rajkot	Rajkot (Loose)	Closed	Closed	-
	Jamnagar	Dhrol (Loose)	Closed	Closed	-
Madhya Pradesh	Gwalior	Dabra (Loose)	Closed	Closed	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	Closed	Closed	-
	Alwar	Alwar	Closed	Closed	-
	Hanumangarh	Nohar	Closed	Closed	-
Haryana	Bhiwani	Bhiwani	Closed	Closed	-
	Sirsa	Sirsa	Closed	Closed	-
		Dhabwali	Closed	Closed	-
		Ellanabad	Closed	Closed	-
	Fatehabad	Fatehabad	Closed	Closed	-

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			08th May to 14th May 2020	01st May to 07th	

				May 2020	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	0	0	Unch
		Rawla	0	0	Unch
		Gharsana	0	0	Unch
		Raisinghnagar	0	0	Unch
	Bikaner	Bikaner	0	0	Unch
		Nokha	0	0	Unch
		Khajuwala	0	0	Unch
		Lunkaransar	660	660	Unch
	Hanumangarh	Hanumangarh	0	0	Unch
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	0	0	Unch
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	0	0	Unch
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	0	0	Unch
	Sirsa	Sirsa	0	0	Unch
		Dhabwali	0	0	Unch
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	0	0	Unch
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	0	0	Unch
	Rajkot	Rajkot	0	0	Unch
	Jamnagar	Dhrol	0	0	Unch
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			1506	1506	0

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			14-May-20	8-May-20	13-Apr-20	14-May-19
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	Closed	Closed	4450
		Jodhpur(Delivery)	Closed	Closed	Closed	4673

	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	Closed	Closed	4250
		Sri-Ganganagar (Delivery)	Closed	Closed	Closed	4400
		Rawla (Loose)	0	0	0	4200
		Gharsana (Loose)	0	0	0	4150
		Raisinghnagar (Loose)	0	0	0	4250
	Bikaner	Bikaner (Loose)	Closed	Closed	Closed	4200
		Bikaner (Delivery)	Closed	Closed	Closed	4410
		Nokha(Loose)	Closed	Closed	Closed	4200
		Nokha (Delivery)	Closed	Closed	Closed	4410
		Khajuwala (Loose)	Closed	Closed	Closed	NA
		Khajuwala (Delivery)	Closed	Closed	Closed	NA
		Lunkaransar (Loose)	Closed	Closed	Closed	4200
	Hanumangarh	Hanumangarh (Loose)	Closed	Closed	Closed	0
		Hanumangarh (Delivery)	Closed	Closed	Closed	0
		Nohar (Loose)	NR	NR	NR	4300
		Pilibanga (Loose)	Closed	Closed	Closed	4050
	Nagaur	Nagaur (Loose)	Closed	Closed	Closed	4150
	Churu	Churu (Delivery)	NA	NA	NA	4300
	Alwar	Alwar (Loose)	NA	NA	NA	4050
Haryana	Hisar	Adampur (Loose)	NA	NA	Closed	4250
		Adampur (Delivery)	NA	NA	Closed	4463
	Bhiwani	Bhiwani (Delivery)	NA	NA	Closed	4400
		Siwani (Loose)	Closed	3500	Closed	4400
	Sirsa	Sirsa (Loose)	NA	NA	Closed	4250
		Dhabwali (Loose)	Closed	Closed	Closed	0
		Dhabwali (Delivery)	Closed	Closed	Closed	0
		Ellanabad (Loose)	NR	NR	NR	0
	Fatehabad	Fatehabad (Loose)	Closed	Closed	Closed	0
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	4150
	Patan	Patan (Loose)	NA	NA	NA	3950
	Rajkot	Rajkot (Loose)	NA	NA	NA	4095
	Jamnagar	Dhrol (Loose)	NA	NA	NA	0
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	NA	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	Closed	Closed	Closed	9050



Haryana	Alwar	Alwar	NA	NA	NA	9000
	Hanumangarh	Nohar	NR	NR	NR	9150
	Bhiwani	Bhiwani	NA	NA	Closed	9000
	Sirsa	Sirsa	NA	NA	Closed	9100
		Dhabwali	Closed	Closed	Closed	0
		Ellanabad	NR	NR	NR	0
	Fatehabad	Fatehabad	Closed	Closed	Closed	0

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