

# Guar Weekly Research Report

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## Guar Seed Fundamental Analysis and

### **Executive Summary**

**No trade happened in any of the guar market except Lunkarnsar – Bikaner, during the week in review, primarily in the absence of demand. However, very limited activities happened in the mandi during the period.**

**Earlier, farmers bought guar in Siwani-Bhiwani and Fatehabad mandis too reported. This shows that there is a stock in these locations but farmers are only interested in offloading at better price offer. Lower volume trade is attributed to the fall in demand due to the COVID-19 pandemic with ongoing nationwide lockdown and weak global demand. 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 21 to 318 as on 22nd May 2020 compared to 339 in last week and down by 665 compared to 24th 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:**

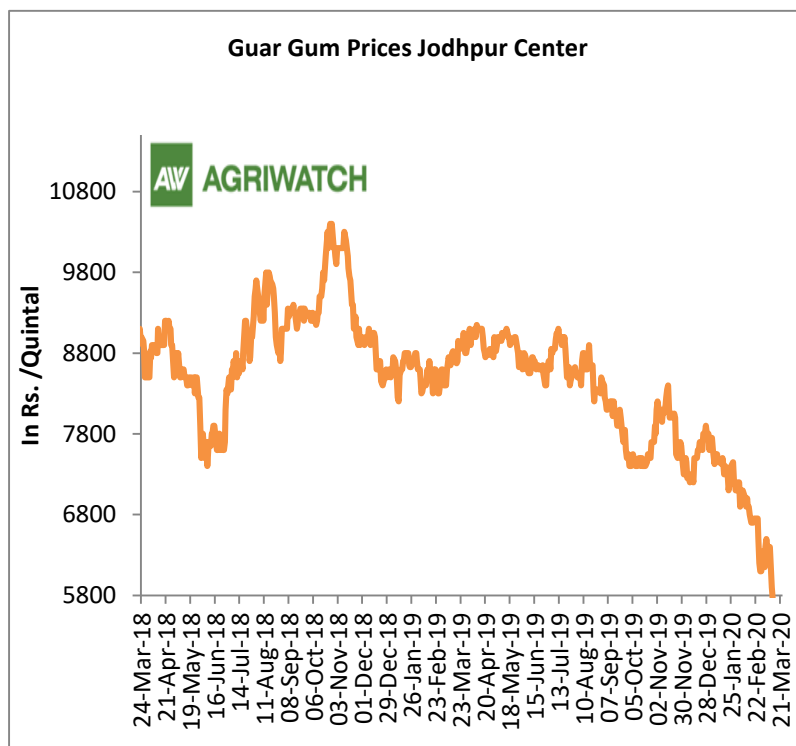
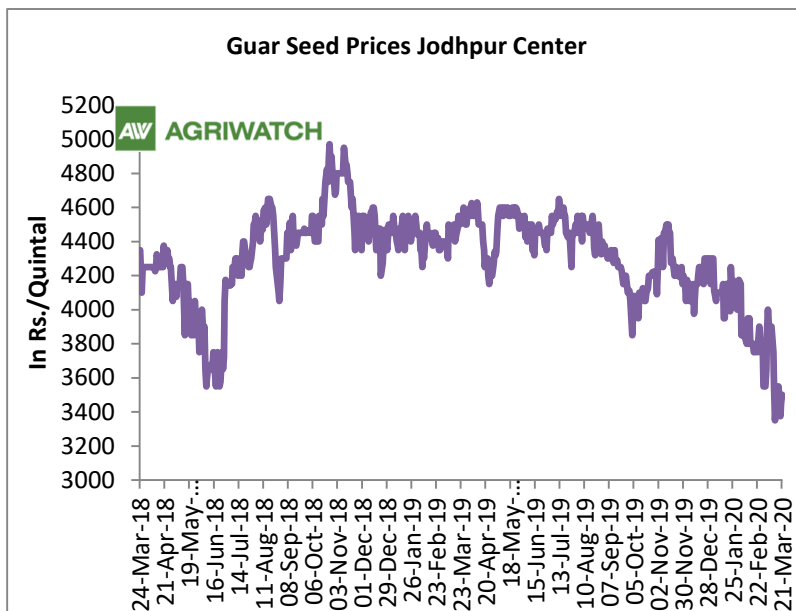
**Weekly Call- : Market participants are advised to SELL Guar seed future June contract below 3550 levels for a target of 350 with a stop loss at 3610.**

## Outlook:-

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## Domestic Front

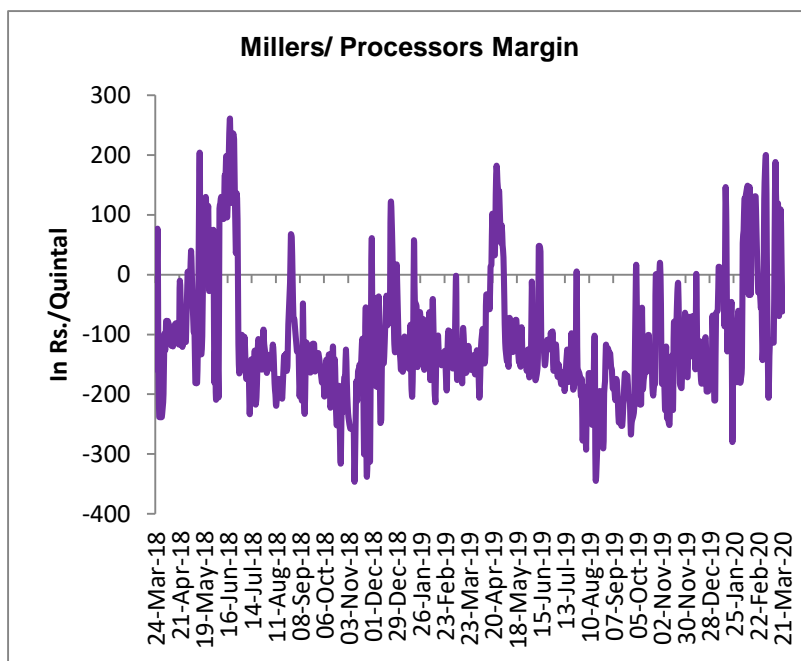
- No major trading activities amid COVID-19 lockdown in India, since last couple of months. Therefore, no major updates in charts and sentiments.
- The benchmark, Jodhpur market continues to remain close.



- 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.

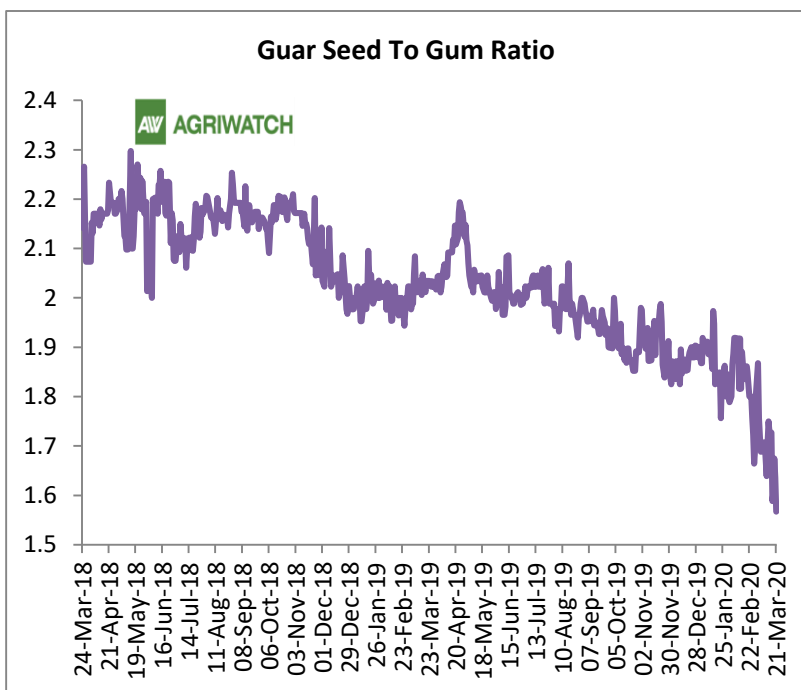
## Millers/Processors Margin ([Back to Table of Contents](#))

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 fell on selling pressure in the market, during the week.
- Prices closed below 9-day EMA.
- RSI and stochastic are falling in the neutral region, supporting the weakness.
- Prices are likely to feature losses in near-term.

### Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jun	3200	3000	3544	3900	4200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jun	<b>SELL</b>	Below 3550	3450	3400	3610

## 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 ended lower than the previous week's level.
- RSI and stochastic are easing in the neutral region.
- Prices closed below 9 day EMA.
- Prices are expected to fall in near-term.

### Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jun			5303		
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jun	<b>SELL</b>	Below 5350	5250	5200	5410

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	15th May to 21st May 2020	08th May to 14th May 2020	Change
Churi	Jodhpur	2350	2350	Unch
Korma	Jodhpur	2644	2625	19
Churi	Sri-Ganganagar	2175	2100	75
Korma	Sri-Ganganagar	2550	2550	Unch
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	15th May to 21st May 2020	08th May to 14th May 2020	Change
Guargum Split		726	712	14
Guargum Powder	200 Mesh 5000 CPS	990	950	41
	200 Mesh 3500 CPS	924	884	40
Guargum Meal	40%	396	422	-26
	50%	449	462	-13
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			15th May to 21st May 2020	08th May to 14th 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			15th May to 21st May 2020	08th May to 14th 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			21-May-20	15-May-20	20-Apr-20	21-May-19
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	Closed	Closed	4450
		Jodhpur(Delivery)	Closed	Closed	Closed	4673
	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	Closed	NA	4150
		Sri-Ganganagar (Delivery)	Closed	Closed	NA	4300
		Rawla (Loose)	NR	NR	0	4150
		Gharsana (Loose)	NR	NR	0	4130
		Raisinghnagar (Loose)	NA	NR	0	4175
	Bikaner	Bikaner (Loose)	Closed	Closed	NA	4175
		Bikaner (Delivery)	Closed	Closed	NA	4384
		Nokha(Loose)	Closed	Closed	NA	4150
		Nokha (Delivery)	Closed	Closed	NA	4358
		Khajuwala (Loose)	Closed	Closed	NA	4190
		Khajuwala (Delivery)	Closed	Closed	NA	4400
		Lunkaransar (Loose)	Closed	Closed	3500	4200
	Hanumangarh	Hanumangarh (Loose)	Closed	Closed	NA	3800
		Hanumangarh (Delivery)	Closed	Closed	NA	3990
		Nohar (Loose)	NR	NR	NR	4200
		Pilibanga (Loose)	NA	Closed	Closed	NR
	Nagaur	Nagaur (Loose)	Closed	Closed	Closed	4150
	Churu	Churu (Delivery)	NA	NA	NA	4250
	Alwar	Alwar (Loose)	NA	NA	NA	4000
Haryana	Hisar	Adampur (Loose)	NA	NA	Closed	4180
		Adampur (Delivery)	NA	NA	Closed	4389
	Bhiwani	Bhiwani (Delivery)	NA	NA	NA	4400
		Siwani (Loose)	NA	Closed	Closed	4325
	Sirsa	Sirsa (Loose)	NA	NA	Closed	4200
		Dhabwali (Loose)	NA	Closed	Closed	4100
		Dhabwali (Delivery)	NA	Closed	Closed	4305
		Ellanabad (Loose)	NR	NR	NR	4100
	Fatehabad	Fatehabad (Loose)	3500	Closed	Closed	4000
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	NA	4050
	Patan	Patan (Loose)	NA	NA	NA	3970



	<b>Rajkot</b>	Rajkot (Loose)	NA	NA	NA	4050
	<b>Jamnagar</b>	Dhrol (Loose)	NA	NA	NA	0
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	0	0
<b>Guar Gum</b>						
	<b>Jodhpur</b>	Jodhpur	Closed	Closed	Closed	8950
<b>Rajasthan</b>	<b>Alwar</b>	Alwar	NA	NA	NA	9000
	<b>Hanumangarh</b>	Nohar	NR	NR	NR	8900
	<b>Bhiwani</b>	Bhiwani	NA	NA	NA	9150
<b>Haryana</b>	<b>Sirsa</b>	Sirsa	NA	NA	Closed	8900
		Dhabwali	NA	Closed	Closed	8900
		Ellanabad	NR	NR	NR	9000
	<b>Fatehabad</b>	Fatehabad	5200	Closed	Closed	8920

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