



## Guar Weekly Research Report

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## Guar Seed Fundamental Analysis

### **Executive Summary**

**Several guar seed cash market yards opened with the easing of lockdown during the week under review. Further, announcement of nationwide relaxation in June raised hope of fresh demand in coming days.**

**Few more markets of Rajasthan, Haryana and Gujarat have opened which remained closed during lockdown, since third week of March'20.**

**However, volume of trade remained thin due to weak domestic and overseas demand of the guar products.**

*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 17 to 301 as on 29th May 2020 compared to 318 in last week and down by 683 compared to 31st May 2019. Total number of oilrigs was recorded at 1740 in May'20 compared to 4932 in the corresponding period in last year. Hence, fall in India's guar gum exports.**

*Export of guar gum have further declined in the month of April-20 by 32 percent compared to previous month. India exported around 9437 tonnes of guar gum at an average FoB of \$ 1599 per tonne in the month of April-20 compared to 13820 tonnes in March-20 at an average FoB of \$ 1815 per tonne. Of the total 2266 tonnes have been exported to Germany. Exports are expected to decline in May-20 on weak demand in overseas markets.*

*Export of guar split have improved in the month of April-20. Exports in the month of April-20 are up by around 177% compared to previous month. India exported around 8640 tonnes of guar split in the month of April-20 at an average FoB of \$ 985 per tonne. Of the total quantity, around 7920 tonnes have been exported to China.*

### **Previous Updates:**

**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.**

### **Recommendation:**

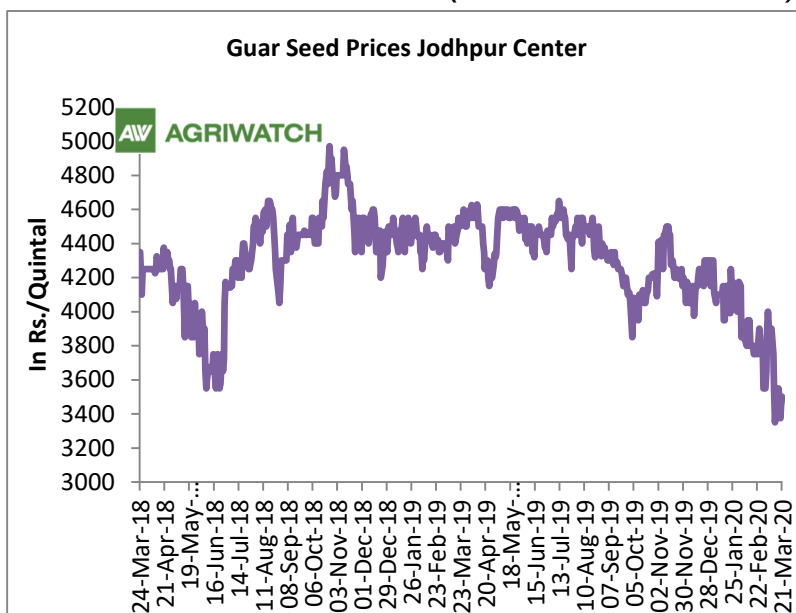
**Weekly Call- : Market participants are advised to SELL Guar seed future June contract below 3495 levels for a target of 3395 with a stop loss at 3555.**

## Outlook:-

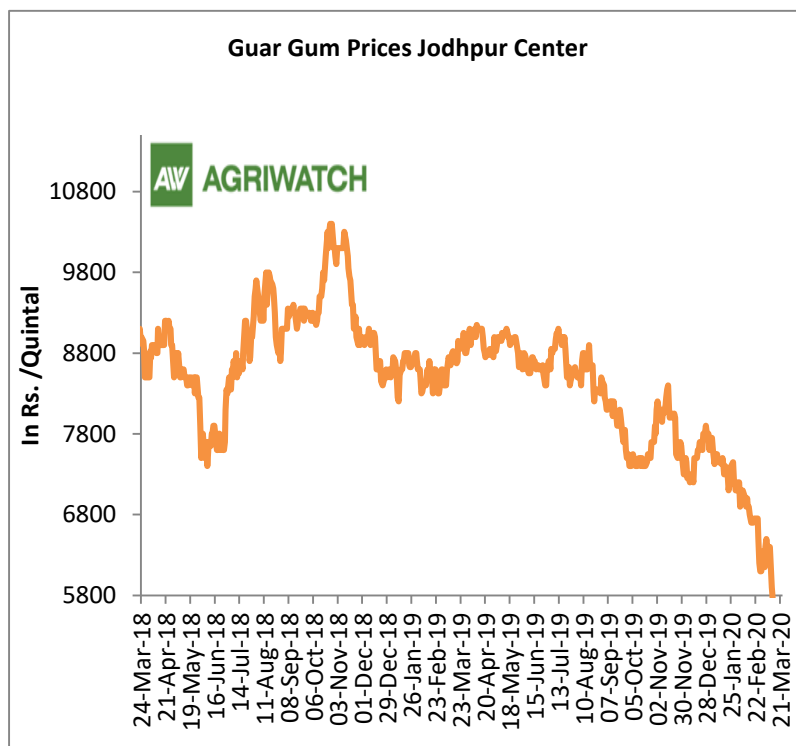
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### Domestic Front

- 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.

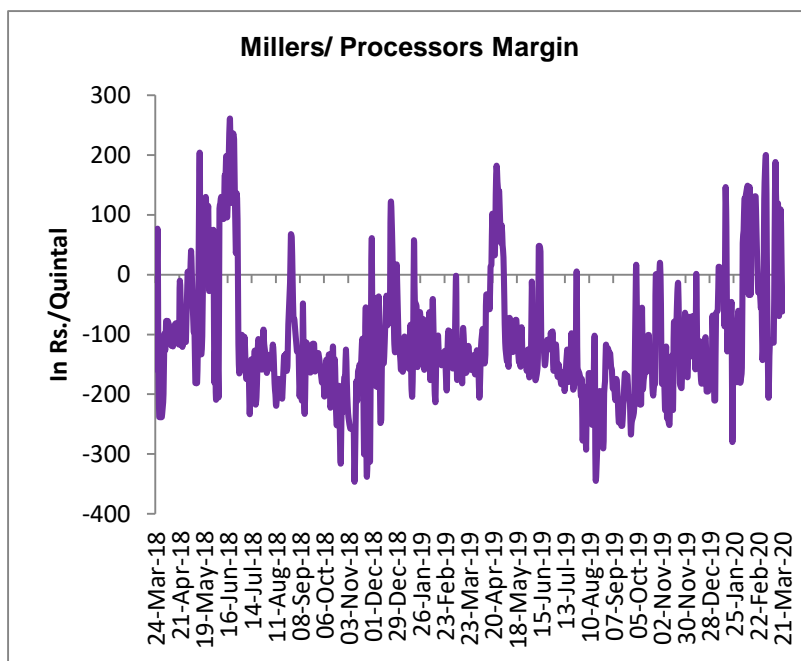


- No trading activities amid lock down in India. Therefore, no major updates in charts and sentiments.
- According to second advance estimate for 2019-20, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 145000 hectares, 107960 tonnes and 744.52 kg/hectare 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.



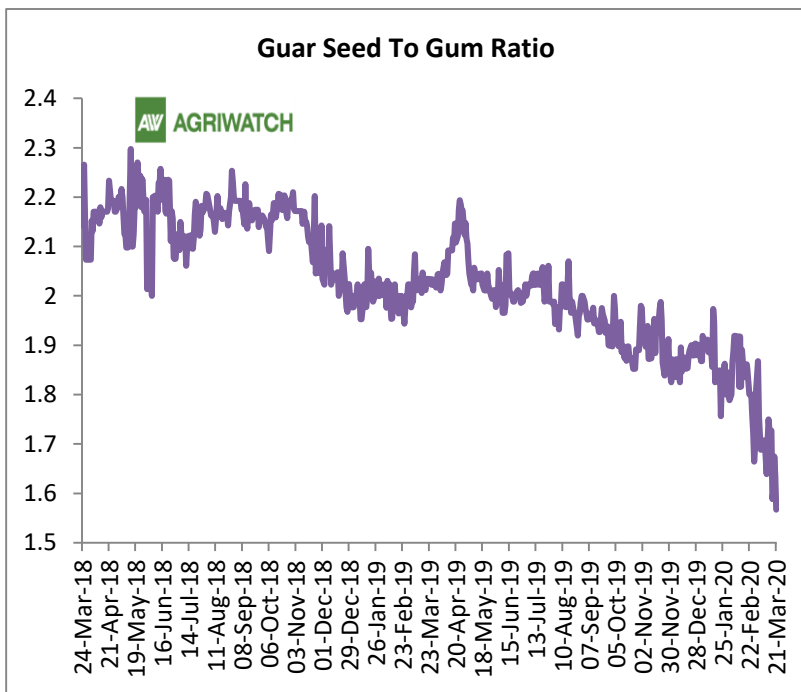
## Millers/Processors Margin ([Back to Table of Contents](#))

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 April-2020	1273	1727
9-16 April-2020	2755	1712
17-24 April-2020	3518	1461
25-31 April-2020	1891	1496
Total	9437	1599

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	3300	3250	3478	3700	4000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jun	<b>SELL</b>	Below 3495	3395	3345	3555



## 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	4800	4750	5184	5400	5450
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jun	<b>SELL</b>	Below 5200	5100	5050	5260

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	22nd May to 28th May 2020	15th May to 21st May 2020	Change
Churi	Jodhpur	2350	2350	Unch
Korma	Jodhpur	2672	2644	28
Churi	Sri-Ganganagar	2213	2175	38
Korma	Sri-Ganganagar	2608	2550	58
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	22nd May to 28th May 2020	15th May to 21st May 2020	Change
Guargum Split		725	726	-1
Guargum Powder	200 Mesh 5000 CPS	989	990	-1
	200 Mesh 3500 CPS	923	924	-1
Guargum Meal	40%	396	396	-1
	50%	462	449	13
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			22nd May to 28th May 2020	15th May to 21st 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			22nd May to 28th May 2020	15th May to 21st 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			28-May-20	22-May-20	27-Apr-20	28-May-19
Rajasthan	Jodhpur	Jodhpur (Loose)	3350	Closed	Closed	4400
		Jodhpur(Delivery)	3518	Closed	Closed	4620
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NA	Closed	NA	4150
		Sri-Ganganagar (Delivery)	NA	Closed	NA	4300
		Rawla (Loose)	NR	3150	0	4080
		Gharsana (Loose)	NR	NR	0	4065
		Raisinghnagar (Loose)	NA	NA	0	4100
	Bikaner	Bikaner (Loose)	3320	3400	NA	4160
		Bikaner (Delivery)	3486	3570	NA	4368
		Nokha(Loose)	NA	NA	NA	4080
		Nokha (Delivery)	NA	NA	NA	4284
		Khajuwala (Loose)	3250	3400	NA	4150
		Khajuwala (Delivery)	3413	3570	NA	4358
		Lunkaransar (Loose)	3310	3350	3500	4150
	Hanumangarh	Hanumangarh (Loose)	NA	Closed	NA	4069
		Hanumangarh (Delivery)	NA	Closed	NA	4272
		Nohar (Loose)	NR	Closed	NR	4100
		Pilibanga (Loose)	0	0	Closed	0
	Nagaur	Nagaur (Loose)	NA	NA	Closed	4100
	Churu	Churu (Delivery)	NA	NA	NA	4200
	Alwar	Alwar (Loose)	NA	NA	NA	4000
Haryana	Hisar	Adampur (Loose)	3400	3470	Closed	4150
		Adampur (Delivery)	3570	3644	Closed	4358
	Bhiwani	Bhiwani (Delivery)	NA	NA	NA	4325
		Siwani (Loose)	3570	3575	Closed	4275
	Sirsa	Sirsa (Loose)	NA	NA	Closed	4150
		Dhabwali (Loose)	NA	NA	Closed	3950
		Dhabwali (Delivery)	NA	NA	Closed	4148
		Ellanabad (Loose)	NR	NR	NR	4000
	Fatehabad	Fatehabad (Loose)	3350	3400	Closed	4000
Gujarat	Banaskantha	Deesa (Loose)	NA	3000	NA	4025

	<b>Patan</b>	Patan (Loose)	NA	NA	NA	3975
	<b>Rajkot</b>	Rajkot (Loose)	3300	4875	NA	4000
	<b>Jamnagar</b>	Dhrol (Loose)	NA	NA	NA	0
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	0	0	0
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	5400	Closed	Closed	8800
	<b>Alwar</b>	Alwar	NA	NA	NA	8800
	<b>Hanumangarh</b>	Nohar	NR	Closed	NR	8800
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	NA	NA	NA	9050
	<b>Sirsa</b>	Sirsa	NA	NA	Closed	8800
		Dhabwali	NA	NA	Closed	8800
		Ellanabad	NR	NR	NR	8700
	<b>Fatehabad</b>	Fatehabad	5200	5200	Closed	8800

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