

Guar Weekly Research Report

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Guar Seed Fundamental Analysis**Executive Summary**

Guar witnessed fall on increased supplies and poor domestic and overseas demand for its products.

However, nationwide relaxation in lockdown have 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.

As per data released by Baker Hughes, the number of oilrigs in USA has lowered by 17 to 284 as on 05th May 2020 compared to 301 last week and down by 691 compared to 07th June 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:

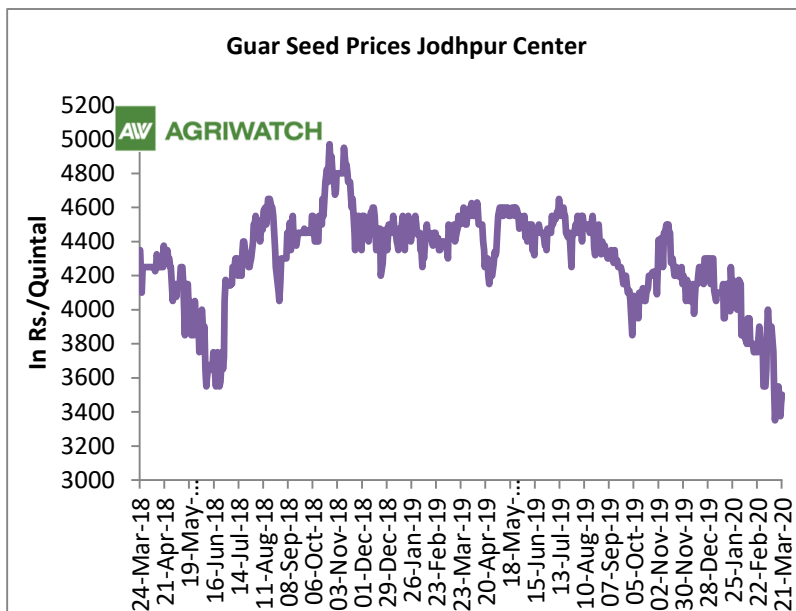
Weekly Call- : Market participants are advised to BUY Guar seed future July contract above 3550 levels for a target of 3650 with a stop loss at 3490.

Outlook:-

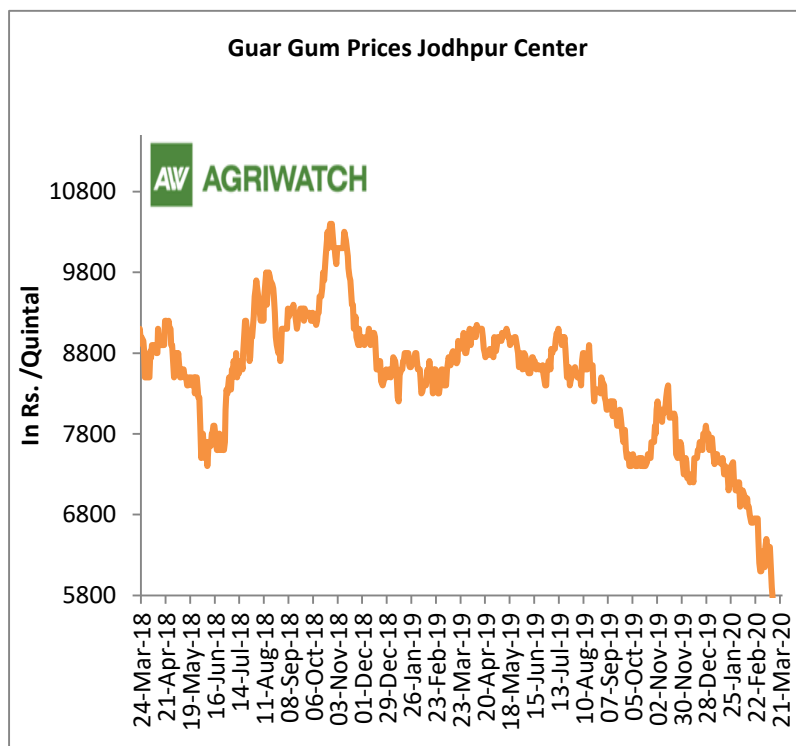
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Domestic Front

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



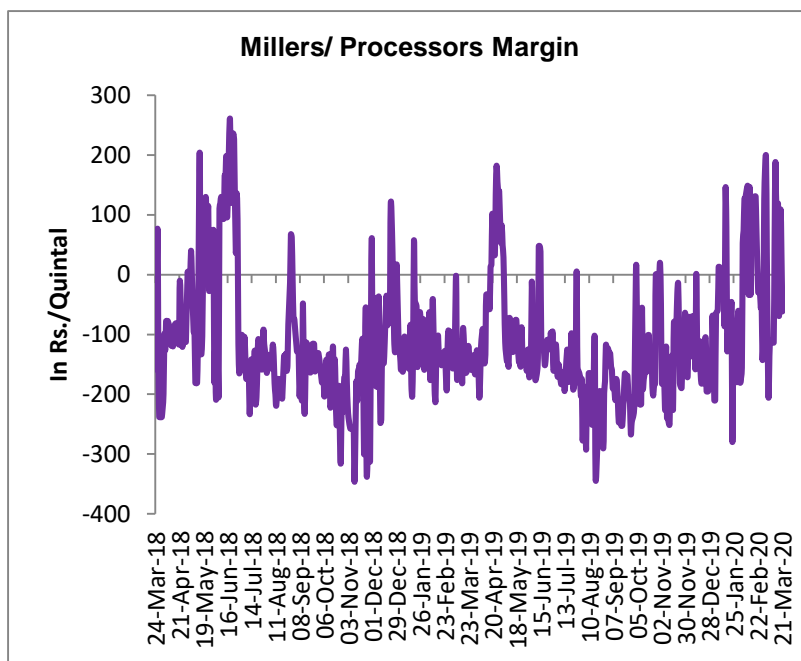
- No trading activities amid lock down in India. Therefore, no major updates in charts and sentiments.
- According to second advance estimate for 2019-20, issued by Gujarat's Department of Agriculture for Guar seed, the area, production and yield are 145000 hectares, 107960 tonnes and 744.52 kg/hectare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

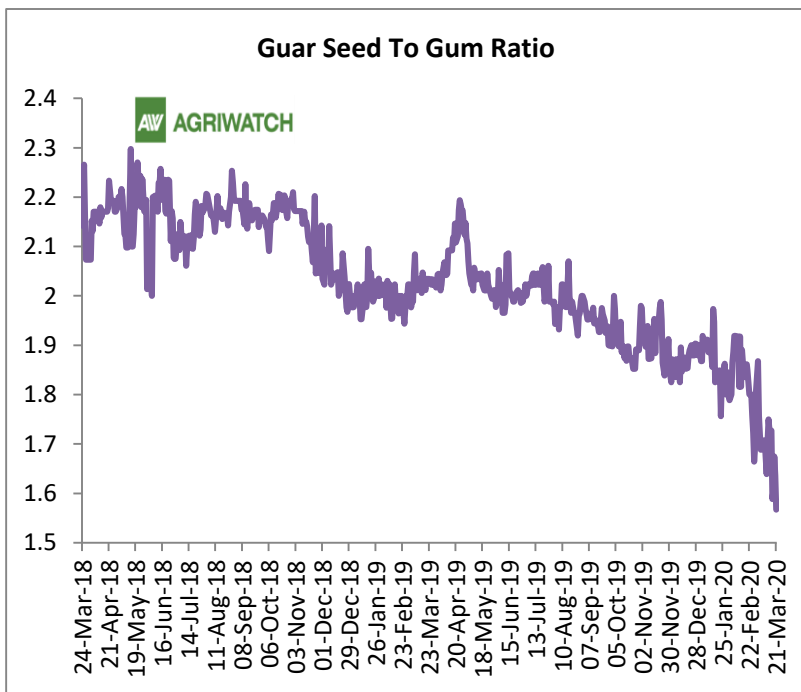
Millers/Processors Margin ([Back to Table of Contents](#))

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: Jul

Exchange: NCDEX
Expiry: Jul 20, 2020

Guar Seed (Jun Daily Chart)



Technical Commentary:

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

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jul	3350	3300	3580	3800	3850
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jul	BUY	Above 3550	3650	3700	3490

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Jul

Exchange: NCDEX
Expiry: Jul 20, 2020

Guar Gum (Jun Daily Chart)



Technical Commentary:

- Guar gum prices posted gains on buying support in the market.
- RSI and stochastic are easing in the neutral region.
- Prices closed above 9 day EMA.
- Prices are expected to gain in near-term.

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jul	5300	5200	5573	5800	5900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jul	BUY	Above 5550	5650	5700	5490

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	29th May to 04th Jun 2020	22nd May to 28th May 2020	Change
Churi	Jodhpur	2300	2350	-50
Korma	Jodhpur	2681	2672	9
Churi	Sri-Ganganagar	2100	2213	-113
Korma	Sri-Ganganagar	2625	2608	18
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	29th May to 04th Jun 2020	22nd May to 28th May 2020	Change
Guargum Split		728	725	3
Guargum Powder	200 Mesh 5000 CPS	993	989	4
	200 Mesh 3500 CPS	927	923	4
Guargum Meal	40%	397	396	2
	50%	464	462	2
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			29th May to 04th Jun 2020	22nd May to 28th May 2020	
Rajasthan	Jodhpur	Jodhpur (Loose)	3358	3375	-17
		Jodhpur(Delivery)	3526	3544	-18
	Sri-Ganganagar	Sri-Ganganagar(Loose)		NA	-
		Sri-Ganganagar (Delivery)		NA	-
		Rawla (Loose)			-
		Gharsana (Loose)			-
		Raisinghnagar (Loose)			-
	Bikaner	Bikaner (Loose)	3305	3403	-98
		Bikaner (Delivery)	3470	3574	-103
		Nokha(Loose)			-
		Nokha (Delivery)			-
		Khajuwala (Loose)	3294	3390	-96

		Khajuwala (Delivery)	3459	3560	-101
		Lunkaransar (Loose)	3392	3347	45
	Hanumangarh	Hanumangarh (Loose)			-
		Hanumangarh (Delivery)			-
		Nohar (Loose)			-
		Pilibanga (Loose)	529	0	529
	Nagaur	Nagaur (Loose)			-
	Churu	Churu (Delivery)			-
	Alwar	Alwar (Loose)			-
Haryana	Hisar	Adampur (Loose)	3368	3413	-44
		Adampur (Delivery)	3537	3583	-46
	Bhiwani	Bhiwani (Delivery)	3600		-
		Siwani (Loose)	3523	3568	-44
	Sirsa	Sirsa (Loose)			-
		Dhabwali (Loose)			-
		Dhabwali (Delivery)			-
		Ellanabad (Loose)			-
	Fatehabad	Fatehabad (Loose)	3317	3292	25
Gujarat	Banaskantha	Deesa (Loose)	8875	3200	5675
	Patan	Patan (Loose)			-
	Rajkot	Rajkot (Loose)	3343	3620	-278
	Jamnagar	Dhrol (Loose)	3275		-
Madhya Pradesh	Gwalior	Dabra (Loose)		0	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5363	5400	-38
	Alwar	Alwar			-
	Hanumangarh	Nohar			-
Haryana	Bhiwani	Bhiwani	5200		-
	Sirsa	Sirsa			-
		Dhabwali			-
		Ellanabad			-
	Fatehabad	Fatehabad	5167	5133	33

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			29th May to 04th Jun 2020	22nd May to 28th May 2020	
Rajasthan	Jodhpur	Jodhpur	10	71	-61
	Sri-Ganganagar	Sri-Ganganagar			-

		Rawla			-
		Gharsana			-
		Raisinghnagar			-
	Bikaner	Bikaner	1050	900	150
		Nokha	0	0	Unch
		Khajuwala	850	800	50
		Lunkaransar	430	470	-40
	Hanumangarh	Hanumangarh	0	0	Unch
		Nohar	0	0	Unch
		Pilibanga	4	0	4
	Nagaur	Nagaur	0	0	Unch
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	575	620	-45
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	900	1700	-800
	Sirsa	Sirsa	0	0	Unch
		Dhabwali	0	0	Unch
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	130	150	-20
Gujarat	Banaskantha	Deesa	572	1258	-686
	Patan	Patan	0	0	Unch
	Rajkot	Rajkot	140	125	15
	Jamnagar	Dhrol	10	0	10
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets					

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			4-Jun-20	29-May-20	4-May-20	4-Jun-19
Rajasthan	Jodhpur	Jodhpur (Loose)	3400	3300	NA	4400
		Jodhpur(Delivery)	3570	3465	NA	4620
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NA	NA	NA	4150
		Sri-Ganganagar (Delivery)	NA	NA	NA	4300
		Rawla (Loose)	NR	NR	0	4030
		Gharsana (Loose)	NR	NR	0	3965
		Raisinghnagar (Loose)	NA	NA	0	4050
	Bikaner	Bikaner (Loose)	3350	3260	NA	4090
		Bikaner (Delivery)	3518	3423	NA	4295
		Nokha(Loose)	NA	NA	NA	4125
		Nokha (Delivery)	NA	NA	NA	4331
		Khajuwala (Loose)	3370	3200	NA	4050
		Khajuwala (Delivery)	3539	3360	NA	4253
		Lunkaransar (Loose)	3450	3350	3350	4050
	Hanumangarh	Hanumangarh (Loose)	NA	NA	NA	4057
		Hanumangarh (Delivery)	NA	NA	NA	4260
		Nohar (Loose)	NR	NR	NR	4070
		Pilibanga (Loose)	0	0	Closed	4075
	Nagaur	Nagaur (Loose)	NA	NA	Closed	4050
	Churu	Churu (Delivery)	NA	NA	NA	NR
	Alwar	Alwar (Loose)	NA	NA	NA	NR
Haryana	Hisar	Adampur (Loose)	3400	3350	NA	4150
		Adampur (Delivery)	3570	3518	NA	4358
	Bhiwani	Bhiwani (Delivery)	3600	NA	NA	4250
		Siwani (Loose)	3570	3500	3500	4250
	Sirsa	Sirsa (Loose)	NA	NA	NA	4160
		Dhabwali (Loose)	NA	NA	Closed	4100
		Dhabwali (Delivery)	NA	NA	Closed	4305
		Ellanabad (Loose)	NR	NR	NR	4100
	Fatehabad	Fatehabad (Loose)	3350	3250	Closed	3950
Gujarat	Banaskantha	Deesa (Loose)	8750	NA	2500	0
	Patan	Patan (Loose)	NA	NA	NA	0

	Rajkot	Rajkot (Loose)	NA	3325	NA	3950
	Jamnagar	Dhrol (Loose)	NA	3275	NA	0
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5550	5200	NA	8800
	Alwar	Alwar	NA	NA	NA	NR
	Hanumangarh	Nohar	NR	NR	NR	8700
Haryana	Bhiwani	Bhiwani	5200	NA	NA	8750
	Sirsa	Sirsa	NA	NA	NA	8700
		Dhabwali	NA	NA	Closed	8650
		Ellanabad	NR	NR	NR	8600
	Fatehabad	Fatehabad	5400	5000	Closed	8650

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