



Guar Weekly Research Report

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Guar Seed Fundamental Analysis

Executive Summary

Guar seed prices couldn't sustain the gains and once again declined on weak demand during the week in review. Weaker rupee against the US dollar too will make the guar gum exports dearer for the importers.

Volume of trade remained thin in the cash market yards, 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 13 to 266 as on 19th June 2020 compared to 279 last week and down by 701 compared to 21st June 2019. Total number of oilrigs were 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 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.

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Recommendation:

Weekly Call- : Market participants are advised to BUY Guar seed future July contract above 3600 levels for a target of 3700 with a stop loss at 3540.

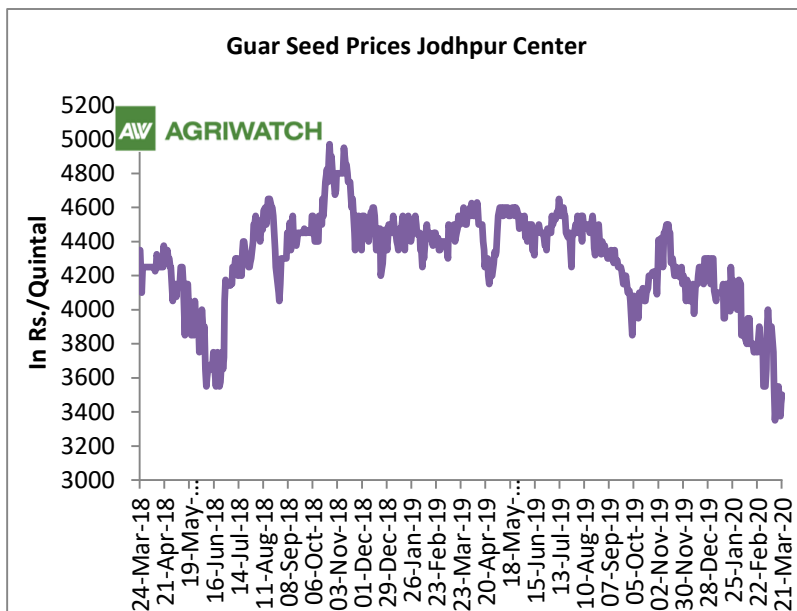
Domestic Guar Seed Market Summary

Outlook:-

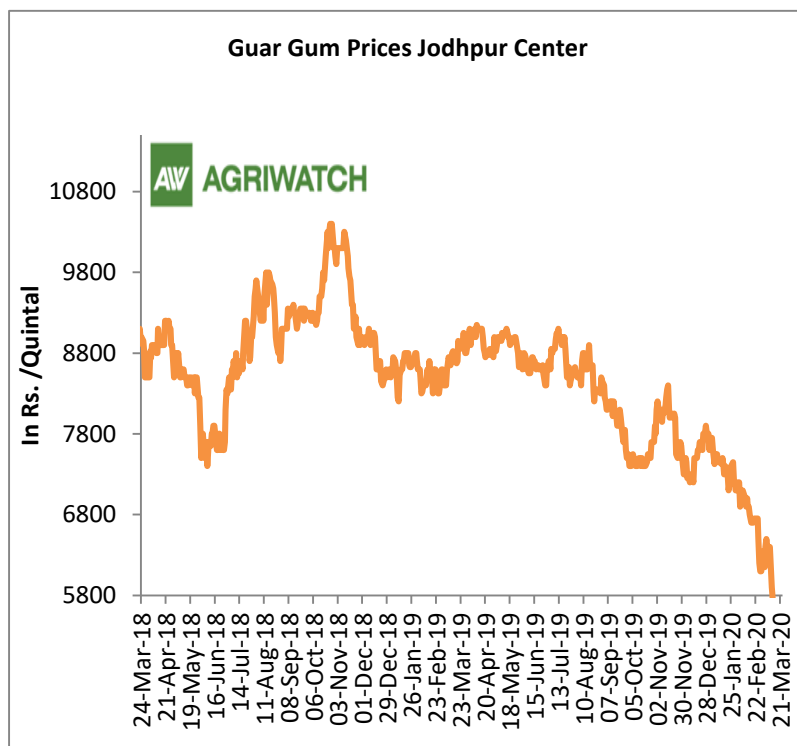
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Domestic Front

- The trading activities have resumed in Jodhpur after more than two-and-a-half month COVID-19 lockdown in India.
- The benchmark, Jodhpur guar seed prices edged-up during the week under review.



- No major activity witnessed in the guar gum market, during the week under review.
- 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.

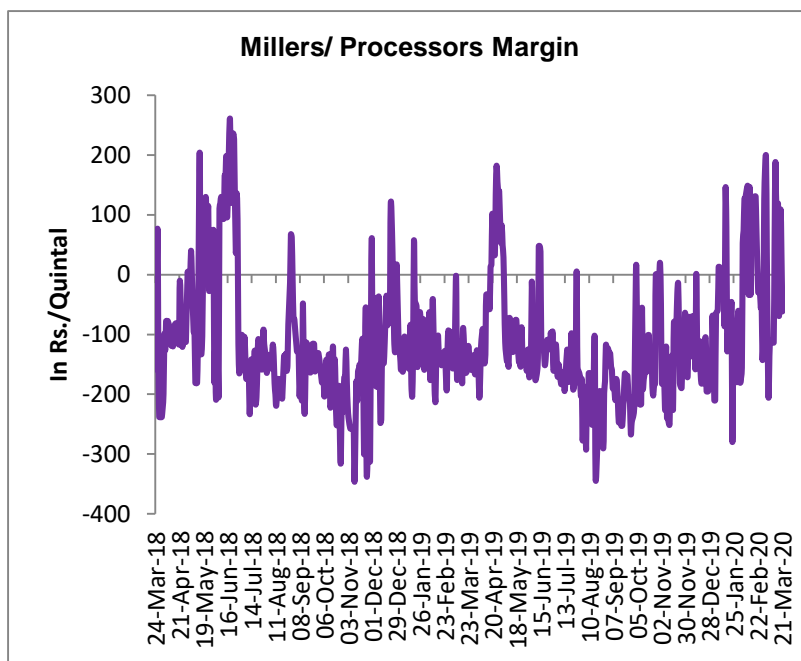


- According to second advance estimate for Kharif 2019-20, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 2841314 hectares, 1208100 tonnes and 425 kg/hectare respectively. According to fourth advance estimate for 2018-19, issued by Rajasthan's Department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

Millers/Processors Margin

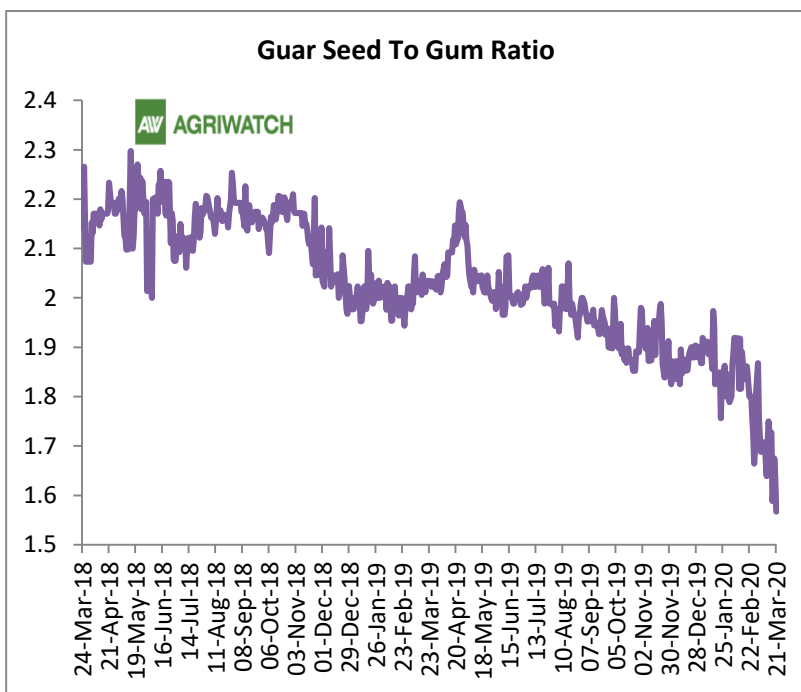
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No trading activities due to weak export sales in guar gum.



Guar Seed to Gum Ratio

No major trading activity 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 May-2020	3638	1715
9-16 May-2020	4555	1220
17-24 May-2020	4654	1250
25-31 May-2020	4238	1255
Total	17085	1360

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: Jul

Exchange: NCDEX
Expiry: Jul 20, 2020

Guar Seed (Jul Daily Chart)



Technical Commentary:

- Guar Seed posted gains on buying interest, during the week.
- Prices closed above 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	3300	3200	3660	3900	4000
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jul	BUY	Above 3600	3700	3750	3540

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Jul

Exchange: NCDEX
Expiry: Jul 20, 2020

Guar Gum (Jul Daily Chart)



Technical Commentary:

- Guar gum edged-up on buying support during the week.
- 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	5202	5000	5636	5900	6100
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jul	BUY	Above 5550	5700	5800	5460

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	12th Jun to 18th Jun 2020	05th Jun to 11th Jun 2020	Change
Churi	Jodhpur	2100	2233	-133
Korma	Jodhpur	2788	2728	60
Churi	Sri-Ganganagar	1888	2006	-119
Korma	Sri-Ganganagar	2675	2638	38
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	12th Jun to 18th Jun 2020	05th Jun to 11th Jun 2020	Change
Guargum Split		723	728	-5
Guargum Powder	200 Mesh 5000 CPS	986	992	-6
	200 Mesh 3500 CPS	920	926	-6
Guargum Meal	40%	394	397	-3
	50%	460	463	-3
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			12th Jun to 18th Jun 2020	05th Jun to 11th Jun 2020	
Rajasthan	Jodhpur	Jodhpur (Loose)	3306	3551	-245
		Jodhpur(Delivery)	3471	3728	-257
	Sri-Ganganagar	Sri-Ganganagar(Loose)	#N/A	#N/A	-
		Sri-Ganganagar (Delivery)	#N/A	#N/A	-
		Rawla (Loose)	#N/A	#N/A	-
		Gharsana (Loose)	#N/A	#N/A	-
		Raisinghnagar (Loose)	#N/A	#N/A	-
	Bikaner	Bikaner (Loose)	3332	3338	-6
		Bikaner (Delivery)	3498	3504	-6
		Nokha(Loose)	0	#DIV/0!	-
		Nokha (Delivery)	0	#DIV/0!	-
		Khajuwala (Loose)	3292	3292	Unch

		Khajuwala (Delivery)	3456	3456	Unch
		Lunkaransar (Loose)	3325	3400	-75
	Hanumangarh	Hanumangarh (Loose)	0	#DIV/0!	-
		Hanumangarh (Delivery)	0	#DIV/0!	-
		Nohar (Loose)	0	#DIV/0!	-
		Pilibanga (Loose)	0	0	Unch
	Nagaur	Nagaur (Loose)	0	#DIV/0!	-
	Churu	Churu (Delivery)	0	#DIV/0!	-
	Alwar	Alwar (Loose)	0	#DIV/0!	-
Haryana	Hisar	Adampur (Loose)	3358	3399	-41
		Adampur (Delivery)	3526	3569	-43
	Bhiwani	Bhiwani (Delivery)	3400	3579	-179
		Siwani (Loose)	3464	3555	-91
	Sirsa	Sirsa (Loose)	0	#DIV/0!	-
		Dhabwali (Loose)	0	#DIV/0!	-
		Dhabwali (Delivery)	0	#DIV/0!	-
		Ellanabad (Loose)	0	#DIV/0!	-
	Fatehabad	Fatehabad (Loose)	3325	3325	Unch
Gujarat	Banaskantha	Deesa (Loose)	#DIV/0!	#DIV/0!	-
	Patan	Patan (Loose)	3250	6850	-3600
	Rajkot	Rajkot (Loose)	3343	3367	-24
	Jamnagar	Dhrol (Loose)	3210	#DIV/0!	-
Madhya Pradesh	Gwalior	Dabra (Loose)	0	#DIV/0!	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5488	5579	-92
	Alwar	Alwar	0	#DIV/0!	-
	Hanumangarh	Nohar	0	#DIV/0!	-
Haryana	Bhiwani	Bhiwani	5450	5273	177
	Sirsa	Sirsa	0	#DIV/0!	-
		Dhabwali	0	#DIV/0!	-
		Ellanabad	0	#DIV/0!	-
	Fatehabad	Fatehabad	5500	5517	-17

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			12th Jun to 18th Jun 2020	05th Jun to 11th Jun 2020	
Rajasthan	Jodhpur	Jodhpur	50	0	50
	Sri-Ganganagar	Sri-Ganganagar	#N/A	#N/A	-

		Rawla	#N/A	#N/A	-
		Gharsana	#N/A	#N/A	-
		Raisinghnagar	#N/A	#N/A	-
	Bikaner	Bikaner	1000	1200	-200
		Nokha	0	0	Unch
		Khajuwala	990	900	90
		Lunkaransar	900	1200	-300
	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	930	800	130
	Bhiwani	Bhiwani	120	800	-680
		Siwani	1850	2200	-350
	Sirsa	Sirsa	0	0	Unch
		Dhabwali	0	0	Unch
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	120	110	10
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	2	166	-164
	Rajkot	Rajkot	325	320	5
	Jamnagar	Dhrol	25	0	25
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			#N/A	#N/A	-1384

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			18-Jun-20	11-Jun-20	18-May-20	18-Jun-19
Rajasthan	Jodhpur	Jodhpur (Loose)	3300	3600	Closed	4300
		Jodhpur(Delivery)	3465	3780	Closed	4515
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NA	NA	Closed	4100
		Sri-Ganganagar (Delivery)	NA	NA	Closed	4250
		Rawla (Loose)	NR	NR	NR	4020

		Gharsana (Loose)	NR	NR	NR	0
		Raisinghnagar (Loose)	NA	NA	NR	4100
	Bikaner	Bikaner (Loose)	3320	3325	Closed	4050
		Bikaner (Delivery)	3486	3491	Closed	4253
		Nokha(Loose)	0	0	Closed	4125
		Nokha (Delivery)	0	0	Closed	4331
		Khajuwala (Loose)	3250	3300	Closed	4040
		Khajuwala (Delivery)	3413	3465	Closed	4242
		Lunkaransar (Loose)	3300	3400	Closed	4050
	Hanumangarh	Hanumangarh (Loose)	0	0	Closed	4020
		Hanumangarh (Delivery)	0	0	Closed	4221
		Nohar (Loose)	0	0	NR	4050
		Pilibanga (Loose)	0	0	Closed	4000
	Nagaur	Nagaur (Loose)	0	0	Closed	4100
	Churu	Churu (Delivery)	0	0	NA	4200
	Alwar	Alwar (Loose)	0	0	0	3900
Haryana	Hisar	Adampur (Loose)	3370	3370	NA	4100
		Adampur (Delivery)	3539	3539	NA	4305
	Bhiwani	Bhiwani (Delivery)	NA	3500	NA	4225
		Siwani (Loose)	3520	3550	NA	4225
	Sirsa	Sirsa (Loose)	0	0	0	4125
		Dhabwali (Loose)	0	0	0	4075
		Dhabwali (Delivery)	0	0	0	4279
		Ellanabad (Loose)	0	0	0	4050
	Fatehabad	Fatehabad (Loose)	3350	3350	3500	3950
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	1500	3900
	Patan	Patan (Loose)	3250	NA	NA	3850
	Rajkot	Rajkot (Loose)	3325	3350	NA	3970
	Jamnagar	Dhrol (Loose)	3210	NA	NA	0
Madhya Pradesh	Gwalior	Dabra (Loose)	0	0	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5525	5600	Closed	8600
	Alwar	Alwar	0	0	0	8600
	Hanumangarh	Nohar	0	0	NR	8800
Haryana	Bhiwani	Bhiwani	NA	5200	NA	8360
	Sirsa	Sirsa	0	0	0	8750
		Dhabwali	0	0	0	8500



		Ellanabad	0	0	0	8700
	Fatehabad	Fatehabad	5500	5500	5200	8500

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