



Guar Weekly Research Report

Table of Contents

- ❖ **Executive Summary**
- ❖ **Recommendations**
- ❖ **Domestic Market Fundamentals**
- ❖ **Processing Margins**
- ❖ **Guar Seed to Gum Ratio**
- ❖ **Guar Gum Weekly Exports**
- ❖ **Technical Analysis (Guar Seed)**
- ❖ **Technical Analysis (Guar Gum)**
- ❖ **Guar Seed & Gum Prices at Key Spot Markets**
- ❖ **Guar Seed Arrivals at Key Centers**

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 just 1 to 265 as on 26h June 2020 compared to 265 last week and down by 702 compared to 28th 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 improved in the month of May-20 by 81 percent compared to previous month. India exported around 17085 tonnes of guar gum at an average FoB of \$ 1360 per tonne in the month of May-20 compared to 9437 tonnes in April-20 at an average FoB of \$ 1599 per tonne. Of the total 3008 tonnes have been exported to Russia. Exports are expected to increase in June-20 on improving crude and gradual increase in oilrigs overseas.

Export of guar split have improved in the month of May-20. Exports in the month of May-20 are up by around 104% compared to previous month. India exported around 17642 tonnes of guar split in the month of May-20 at an average FoB of \$ 1740 per tonne compared to 8640 tonnes in April-20 at an average FoB of \$ 985 per tonne. Of the total quantity, around 2964 tonnes have been exported to US.

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.

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.

Recommendation:

Weekly Call- : Market participants are advised to BUY Guar seed future July contract above 3650 levels for a target of 3750 with a stop loss at 3590.

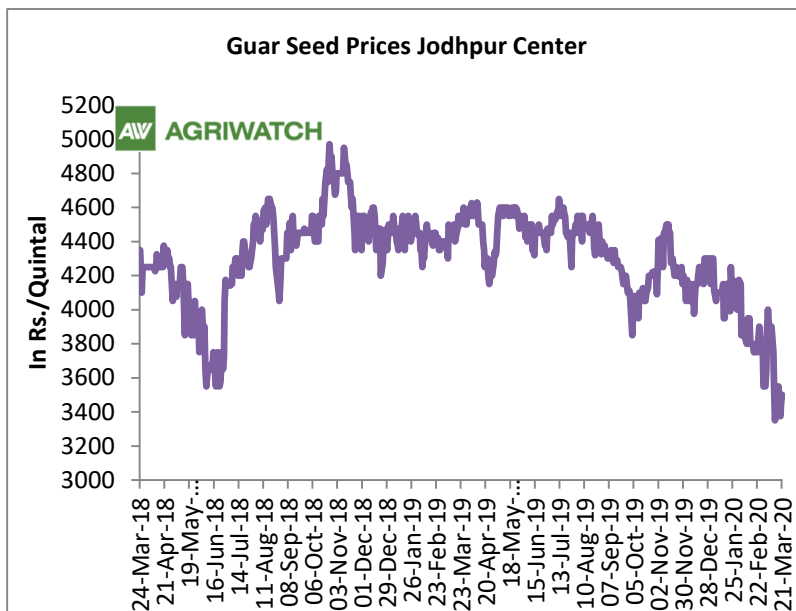
Domestic Guar Seed Market Summary

Outlook:-

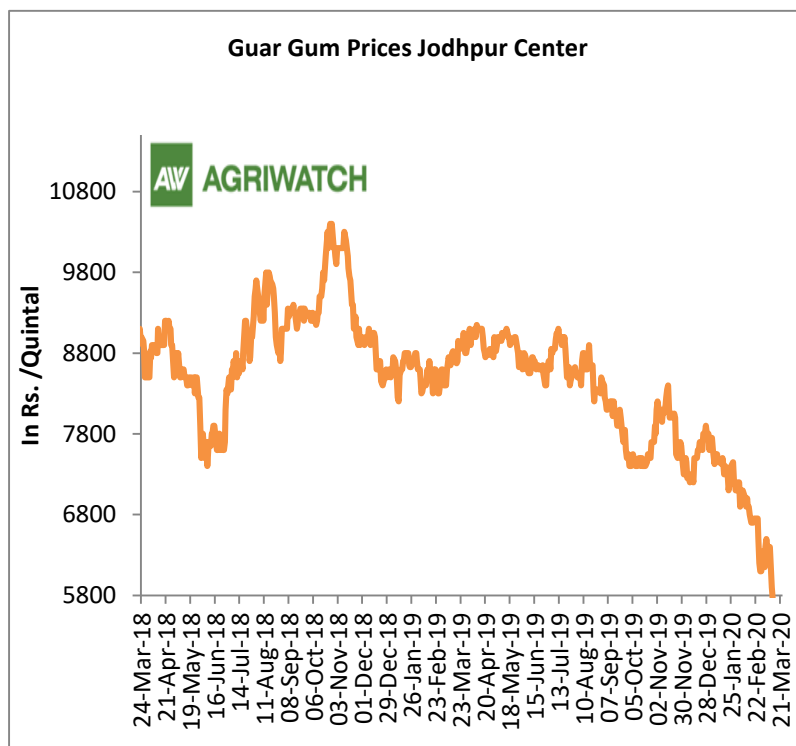
[\(Back to Table of Contents\)](#)

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.

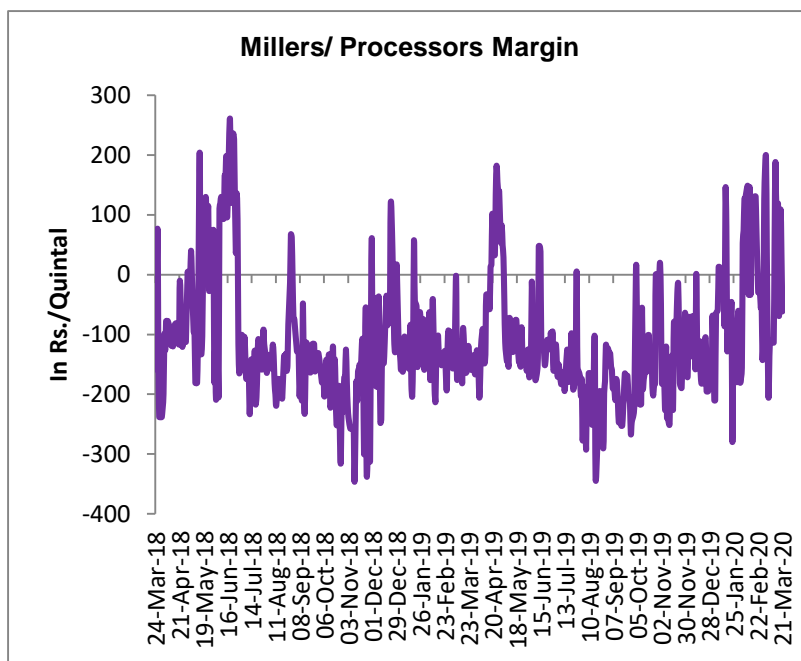


- According to second advance estimate for Kharif 2019-20, issued by Rajasthan's Department of Agriculture for Guar seed, the area, production and yield are 2841314 hectares, 1208100 tonnes and 425 kg/hectare respectively. According to fourth advance estimate for 2018-19, issued by Rajasthan's Department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

Millers/Processors Margin

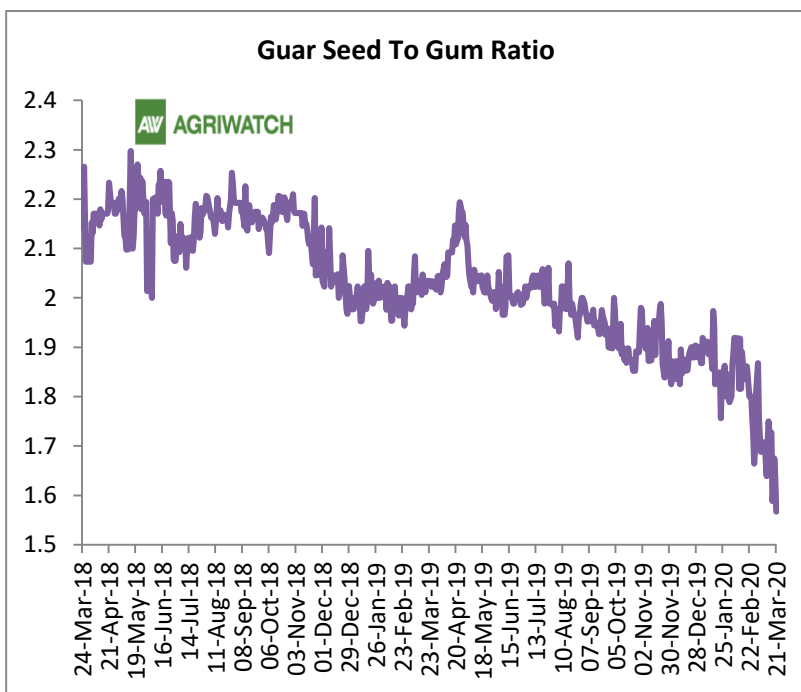
[\(Back to Table of Contents\)](#)

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

[\(Back to Table of Contents\)](#)

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)

[\(Back to Table of Contents\)](#)

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	3400	3350	3670	3900	3950
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jul	BUY	Above 3650	3750	3800	3590

Technical Analysis (Guar Gum)

([Back to Table of Contents](#))

Commodity: Guar Gum
Contract: Jul

Exchange: NCDEX
Expiry: Jul 20, 2020

Guar Gum (Jul Daily Chart)



Technical Commentary:

- Guar gum fell on selling pressure in the market, during the week.
- RSI and stochastic are easing in the neutral region.
- Prices closed above 9 day EMA.
- Prices are expected to fall in near-term.

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jul	5200	5130	5481	5800	5900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jul	SELL	Below 5500	5400	5300	5560

Guar Seed & Gum Prices at Key Spot Markets

[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices:				
Commodity	Centre	19th Jun to 25th Jun 2020	12th Jun to 18th Jun 2020	Change
Churi	Jodhpur	2075	2100	-25
Korma	Jodhpur	2847	2788	60
Churi	Sri-Ganganagar	1875	1888	-13
Korma	Sri-Ganganagar	2732	2675	56
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	19th Jun to 25th Jun 2020	12th Jun to 18th Jun 2020	Change
Guargum Split		731	723	8
Guargum Powder	200 Mesh 5000 CPS	988	986	2
	200 Mesh 3500 CPS	922	920	2
Guargum Meal	40%	389	394	-6
	50%	481	460	21
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			19th Jun to 25th Jun 2020	12th Jun to 18th Jun 2020	
Rajasthan	Jodhpur	Jodhpur (Loose)	3425	3306	119
		Jodhpur(Delivery)	3596	3471	125
	Sri-Ganganagar	Sri-Ganganagar(Loose)			
		Sri-Ganganagar (Delivery)			
		Rawla (Loose)			
		Gharsana (Loose)			
		Raisinghnagar (Loose)			
	Bikaner	Bikaner (Loose)	3400	3332	68
		Bikaner (Delivery)	3570	3498	72
		Nokha(Loose)			
		Nokha (Delivery)			
		Khajuwala (Loose)	3375	3292	83
		Khajuwala (Delivery)	3544	3456	88
		Lunkaransar (Loose)	3442	3325	117
	Hanumangarh	Hanumangarh (Loose)			
		Hanumangarh (Delivery)			
		Nohar (Loose)			
		Pilibanga (Loose)			
	Nagaur	Nagaur (Loose)			
	Churu	Churu (Delivery)			
	Alwar	Alwar (Loose)			
Haryana	Hisar	Adampur (Loose)	3410	3358	52
		Adampur (Delivery)	3581	3526	54
	Bhiwani	Bhiwani (Delivery)	0	3400	-3400
		Siwani (Loose)	3598	3464	133
	Sirsa	Sirsa (Loose)			
		Dhabwali (Loose)			
		Dhabwali (Delivery)			
		Ellanabad (Loose)			
	Fatehabad	Fatehabad (Loose)	3375	3325	50
Gujarat	Banaskantha	Deesa (Loose)			
	Patan	Patan (Loose)	3755	3250	505
	Rajkot	Rajkot (Loose)	3435	3343	93

	Jamnagar	Dhrol (Loose)	3250	3210	40
Madhya Pradesh	Gwalior	Dabra (Loose)			
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5608	5488	121
	Alwar	Alwar			
	Hanumangarh	Nohar			
Haryana	Bhiwani	Bhiwani		5450	
	Sirsa	Sirsa			
		Dhabwali			
		Ellanabad			
	Fatehabad	Fatehabad	5581	5500	81

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			19th Jun to 25th Jun 2020	12th Jun to 18th Jun 2020	
Rajasthan	Jodhpur	Jodhpur	NA	50	-50
	Sri-Ganganagar	Sri-Ganganagar			-
		Rawla			-
		Gharsana			-
		Raisinghnagar			-
	Bikaner	Bikaner	1300	1000	300
		Nokha			
		Khajuwala	1150	990	160
		Lunkaransar	950	900	50
	Hanumangarh	Hanumangarh			-
		Nohar			-
		Pilibanga			-
	Nagaur	Nagaur			-
	Churu	Churu			-
	Alwar	Alwar			-
Haryana	Hisar	Adampur	1250	930	320
	Bhiwani	Bhiwani			
		Siwani	3800	1850	1950
	Sirsa	Sirsa			-
		Dhabwali			-
		Ellanabad			-
	Fatehabad	Fatehabad	210	120	90
Gujarat	Banaskantha	Deesa			-

	Patan	Patan	2	2	Unch
	Rajkot	Rajkot	330	325	5
	Jamnagar	Dhrol	20	25	-5
Madhya Pradesh	Gwalior	Dabra			
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			25-Jun-20	18-Jun-20	25-May-20	25-Jun-19
Rajasthan	Jodhpur	Jodhpur (Loose)	3500	3300	Closed	4300
		Jodhpur(Delivery)	3675	3465	Closed	4515
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NA	0	Closed	4100
		Sri-Ganganagar (Delivery)	NA	0	Closed	4250
		Rawla (Loose)	NR	0	0	4050
		Gharsana (Loose)	NR	0	0	4040
		Raisinghnagar (Loose)	NA	0	0	4100
	Bikaner	Bikaner (Loose)	3400	3320	3500	4040
		Bikaner (Delivery)	3570	3486	3675	4242
		Nokha(Loose)	0	0	0	4125
		Nokha (Delivery)	0	0	0	4331
		Khajuwala (Loose)	3400	3250	3500	4040
		Khajuwala (Delivery)	3570	3413	3675	4242
		Lunkaransar (Loose)	3500	3300	3400	4050
	Hanumangarh	Hanumangarh (Loose)	NA	0	Closed	4000
		Hanumangarh (Delivery)	NA	0	Closed	4200
		Nohar (Loose)	NR	0	Closed	4060
		Pilibanga (Loose)	NA	0	0	4030
	Nagaur	Nagaur (Loose)	NA	0	0	4000
	Churu	Churu (Delivery)	NA	0	0	NR
	Alwar	Alwar (Loose)	NA	0	0	3900
Haryana	Hisar	Adampur (Loose)	3410	3370	3400	4115
		Adampur (Delivery)	3581	3539	3570	4321
	Bhiwani	Bhiwani (Delivery)	0	0	0	4270
		Siwani (Loose)	3575	3520	3560	4250
	Sirsa	Sirsa (Loose)	0	0	0	4080

		Dhabwali (Loose)	0	0	0	4030
		Dhabwali (Delivery)	0	0	0	4232
		Ellanabad (Loose)	0	0	0	4000
	Fatehabad	Fatehabad (Loose)	3300	3350	3200	4000
Gujarat	Banaskantha	Deesa (Loose)	NA	NA	2500	3900
	Patan	Patan (Loose)	NA	3250	NA	4000
	Rajkot	Rajkot (Loose)	3390	3325	3300	3990
	Jamnagar	Dhrol (Loose)	3250	3210	NA	0
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	0	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	5700	5525	Closed	8650
	Alwar	Alwar	NA	0	0	NR
	Hanumangarh	Nohar	NR	0	Closed	8800
Haryana	Bhiwani	Bhiwani	0	0	0	8600
	Sirsa	Sirsa	0	0	0	8650
		Dhabwali	0	0	0	8600
		Ellanabad	0	0	0	8600
	Fatehabad	Fatehabad	5500	5500	5100	8600

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