



## 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**

## Executive Summary

## Domestic Guar Seed Market Summary

**Guar seed Jodhpur prices have surged this week 5% at Rs 4568/Qtl as compared to Rs 4350/Qtl despite heavy arrival in the market, Prices are expected to remain elevated, however profit booking at higher level may limit gains in near term.**

Volume of trade continued to remain thin in the cash market yards, due to need based local and overseas demand in guar products.

However, there is considerably a good sign of gradual increase in oilrigs with surge in crude oil demand in recent months; this could increase in the overseas guar gum demand.

As per data released by Baker Hughes, the number of oilrigs in USA was 387 as on 23rd July 2021 compared to 380 previous week, 16th June 2021.

Rain over the country during the southwest monsoon season "is most likely to be normal – 95 percent to 105 percent of Long Period Average (LPA) -- with a tendency to be in the positive side of the normal", the IMD forecast stated.

IMD has forecast that rainfall will pick up gradually in August across north India, which has just witnessed a revival due to favorable meteorological conditions.

There will also be some respite in the central and eastern regions in the coming week, IMD said, with forecasts of heavy showers ranging from Maharashtra to Odisha.

In Rajasthan, Guar sowing is done in 1604.81 thousand hectares as compared to last year's 1592.3 thousand hectares i.e up by 0.8% while sowing is down by 38.28% as targeted area of sowing is 2600 thousand hectares for the current year.

In Gujarat, Guar Seed sowing is done in 67,730 hectares as compared to last three year's overage of 1,33,902 i.e down by -49.42% and also down by 22.53% from 2020.

India's guar gum exports declined in the month of June 2021 by 8.03% to 18,707 tonnes compared to 20,340 tonnes during June 2021 at an average FoB of US \$ 1589 per tonne in the month of May 2021 as compared to US \$ 1676 per tonne in the month of May 2021. Further, the gum shipments were up by 30.29% in June 2021 compared to the same period last year. Of the total exported quantity, around 4,152 tonnes is bought US, Russia (6,042 tonnes), Germany (1,551 tonnes) and china 1033 tonnes.

India's guar split exports declined in the month of June 2021 by 16.81% to 9,016 tonnes compared to 10,838 tonnes during May 2021 at an average FoB of US \$ 1005 per tonne in the month of June compared to US \$ 1002 per tonne in the month of May 2021. However, the guar split shipments gone up by 302 % in June 2021 compared to the same period last year. Of the total exported quantity, around 7,700 tonnes is bought China, US (980 tonnes) and Mexico 314 tonnes.

***Previous Updates:***

*India's guar gum exports declined in the month of May 2021 by 2.25% to 20,340 tonnes compared to 20,808 tonnes during April 2021 at an average FoB of US \$ 1676 per tonne in the month of May 2021 as compared to US \$ 1392 per tonne in the month of April 2021. Further, the gum shipments were up by 19% in May 2021 compared to the same period last year. Of the total exported quantity, around 6,438 tonnes is bought US, Russia (2,959 tonnes) and Thailand (2,81 tonnes).*

*India's guar split exports rose in the month of May 2021 by +99.93% to 10838 tonnes compared to 5,560 tonnes during May 2021 at an average FoB of US \$ 1002 per tonne in the month of April compared to US \$ 960 per tonne in the month of April 2021. However, the guar split shipments gone up by 41.82 % in May 2021 compared to the same period last year. Of the total exported quantity, around 8,700 tonnes is bought China, US (1420 tonnes) and Switzerland 320 tonnes.*

**Recommendation:**

**Weekly Call- : Market participants are advised to buy Guar seed future September contract near 4700 levels for a target of 4800 with a stop loss at 4655.**

### Outlook:-

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

### Domestic Front

The local guar seed paid prices witnessed gain in June'21 compared to previous month. Fresh buying activities of seed in local markets after ease in lockdown restrictions is supporting prices to rise.

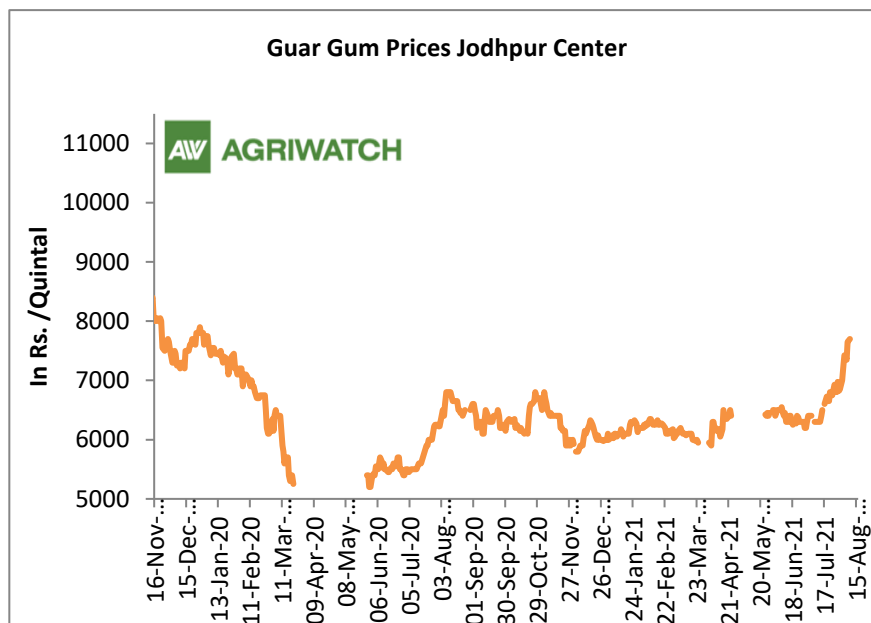
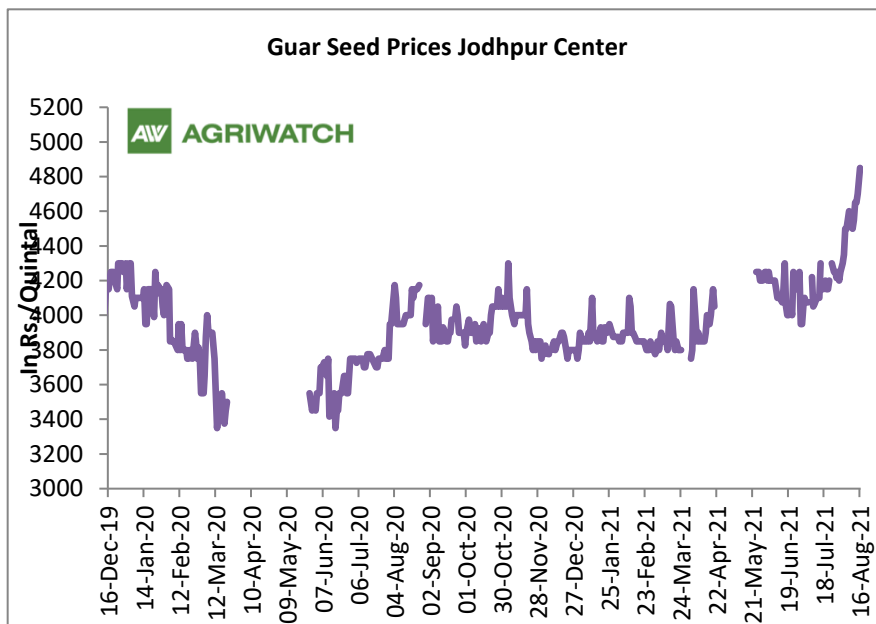
The average guar seed all paid prices in Jodhpur have increased and was quoted at Rs. 4,165 a quintal in July'21 compared to Rs. 4,138 a quintal in June'21.

In Jodhpur, weekly average Guar seed loose price inclined to Rs. 4568.5/ qtl. in this week against Rs. 4350/qtl in previous week.

The 2020/21 guar seed output is estimate to have fallen by around 45% compared to the previous season.

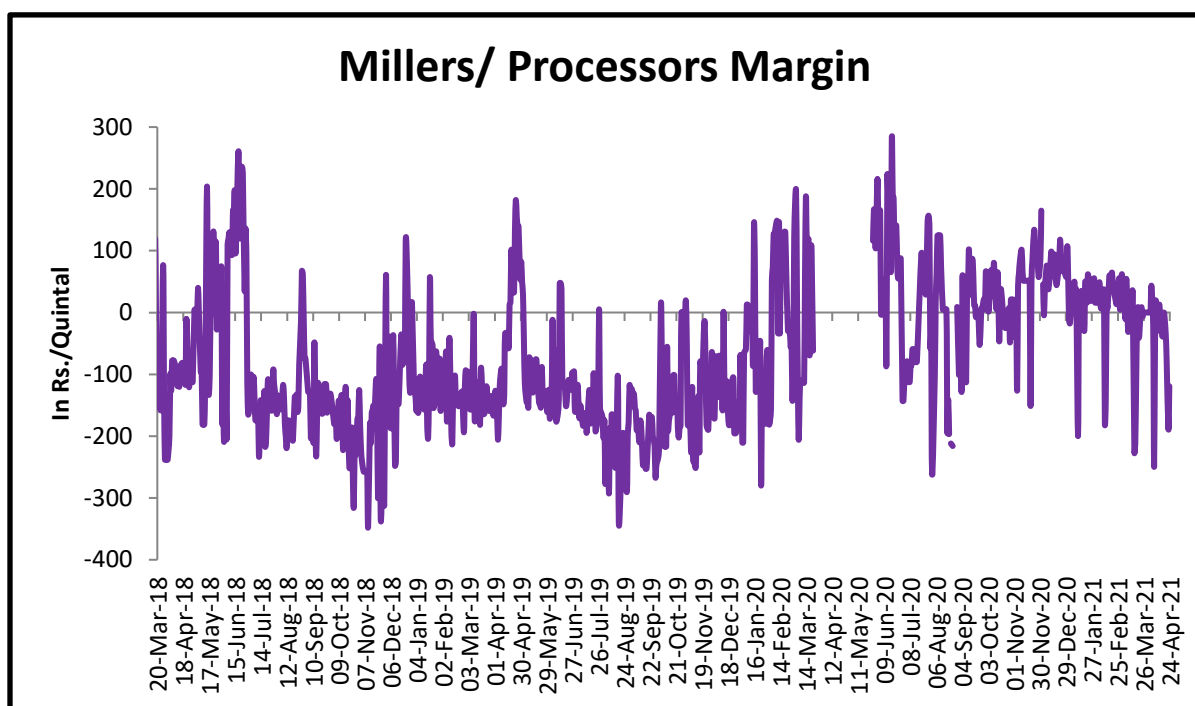
In Jodhpur, weekly average guar gum price inclined to Rs 7,616/Qtl in this week against Rs.7,125/Qtl in previous week.

In addition, the average guar gum prices improved to around Rs. 6,580 a quintal in July'21 compared to Rs. 6,369 per quintal in June'21.



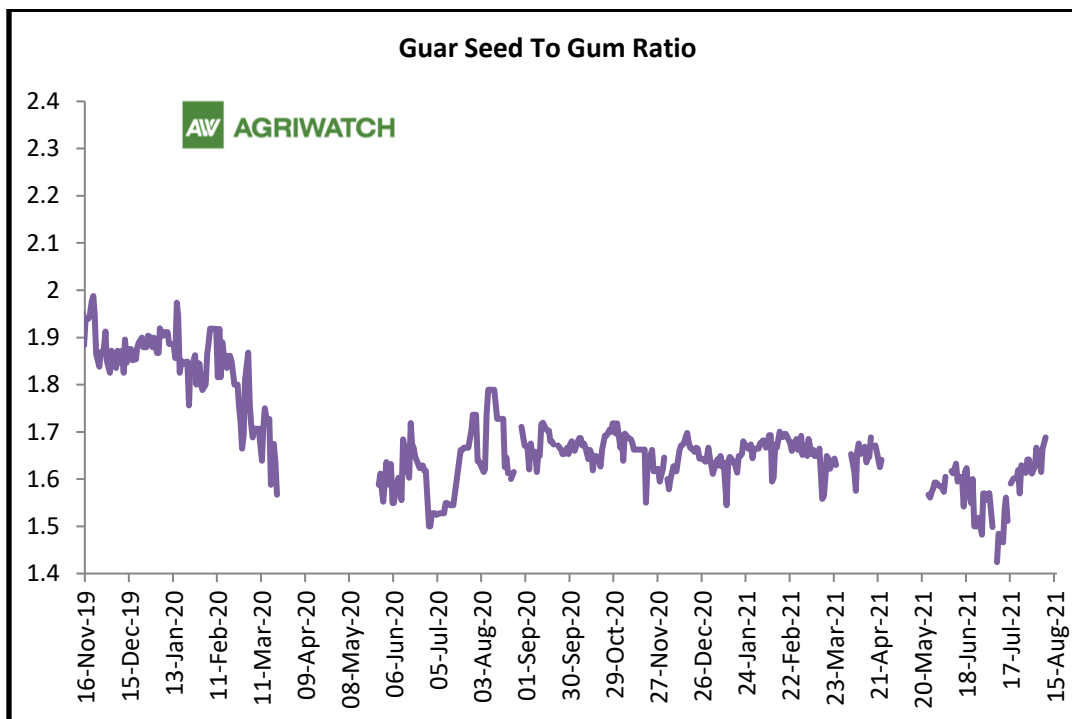
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have further declined in April'21 as compared to March'21, the average crush margin declined to Rs. -50/quintal in April'21 compared to Rs. -19.61/quintal in March'21.



## Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.66 as compared to last week 1.63.



## Guar Gum Weekly Export

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

<b>Week On Week Exports</b>	<b>Quantity in MT</b>	<b>Average FoB (\$/T)</b>
01-08 June-2021	4681	1519
9-15 June-2021	4452	1565
16-22 June-2021	4311	1539
23-31 June-2021	5263	1732
<b>Total</b>	<b>18707</b>	<b>1589</b>

Source:Trade

## Technical Analysis (Guar Seed)

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

Commodity: Guar Seed  
Contract: September

Exchange: NCDEX  
Expiry: Sept 20, 2021

### Guar Seed (June, Daily Chart)



### Technical Commentary:

- Guar seed traded higher despite profit booking.
- Prices closed above 9-day 18-day EMA, indicating firm tone in near-term.
- MACD cross over indicating bullish tone in near term.
- RSI and stochastic are rising indicating firm buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	September	4300	4500	4715	4790	4810
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	September	Buy	4700	4800	5000	4655



## Technical Analysis (Guar Gum)

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

Commodity: Guar Gum  
Contract: September

Exchange: NCDEX  
Expiry: Sept 20, 2021

### Guar Gum (June, Daily Chart)

GUAR GUM:MT 2109(NCGUMJ1)2021/08/12 - Daily B:7590.00 A:7590.00  
O:7620.00 H:7624.00 L:7561.00 C:7586.00 ↑ V:1,490 I:55,090 -10 -0.13%  
EMA(9):7513.4 (18):7301.3



### Technical Commentary:

- Guar gum posted loss on sellers pressure.
- Prices closed above 9-day 18-day EMA, indicating firm tone in near-term.
- MACD cross over indicating bullish tone in near term.
- RSI and stochastic are dipping indicating weak buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	September	7450	7350	7598	7750	7800
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	September	<b>Sell</b>	7600	7500	7400	7680



Guar Seed & Gum Prices at Key Spot Markets[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices:				
Commodity	Centre	06th July to 12th Aug 2021	30th July to 5th Aug 2021	Change
Churi	Jodhpur	2733	2733	Unch
Korma	Jodhpur	4200	4200	Unch
Churi	Sri-Ganganagar	3450	3450	Unch
Korma	Sri-Ganganagar	3925	3925	Unch
Prices in Rs/Qtl				

Guar Export Weekly Average Prices:				
Commodity	Variety	06th July to 12th Aug 2021	30th July to 5th Aug 2021	Change
Guargum Split		NA	NA	-
Guargum Powder	200 Mesh 5000 CPS	NA	NA	-
	200 Mesh 3500 CPS	NA	NA	-
Guargum Meal	40%	NA	NA	-
	50%	NA	NA	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			06th July to 12th Aug 2021	30th July to 5th Aug 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	4419	4200	219
		Jodhpur(Delivery)	4639	4410	229
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4391	4180	211
		Sri-Ganganagar (Delivery)	4516	4305	211
		Rawla (Loose)	4673	4305	368
		Gharsana (Loose)	4673	4305	368
		Raisinghnagar (Loose)	4496	4274	222
	Bikaner	Bikaner (Loose)	4504	4353	151
		Bikaner (Delivery)	4729	4571	158
		Nokha(Loose)	4425	4254	171
		Nokha (Delivery)	4646	4467	179
		Khajuwala (Loose)	4430	4270	160

		Khajuwala (Delivery)	4652	4484	168
		Lunkaransar (Loose)	4483	4288	196
	Hanumangarh	Hanumangarh (Loose)	4428	4150	278
		Hanumangarh (Delivery)	4650	4358	292
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	4309	4233	76
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	4347	4203	144
		Adampur (Delivery)	4564	4413	151
	Bhiwani	Bhiwani (Delivery)	4480	4410	70
		Siwani (Loose)	4493	4371	122
	Sirsa	Sirsa (Loose)	4302	4144	158
		Dhabwali (Loose)	4335	4192	143
		Dhabwali (Delivery)	4552	4401	151
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	4262	4117	145
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	4287	4065	222
	Rajkot	Rajkot (Loose)	4363	4180	183
	Jamnagar	Dhrol (Loose)	-	3775	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum			-	-	-
Rajasthan	Jodhpur	Jodhpur	7617	7125	492
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	7362	7183	179
	Sirsa	Sirsa	7550	7108	442
		Dhabwali	7567	7158	408
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	7300	6800	500

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			06th July to 12th Aug 2021	30th July to 5th Aug 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	2100	2000	100

		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	170	251	-81
	Bikaner	Bikaner	3350	3950	-600
		Nokha	3450	3600	-150
		Khajuwala	1050	1050	Unch
		Lunkaransar	2250	2500	-250
	Hanumangarh	Hanumangarh	332	190	142
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	720	860	-140
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	2800	1500	1300
	Bhiwani	Bhiwani	4300	3200	1100
		Siwani	2400	2800	-400
	Sirsa	Sirsa	4200	4000	200
		Dhabwali	500	550	-50
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	-	100	-
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	269	235	34
	Rajkot	Rajkot	468	590	-122
	Jamnagar	Dhrol	-	6	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			28359	27382	977

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			12-Aug-21	5-Aug-21	12-Jul-21	13-Aug-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4500	4350	3950	3850
		Jodhpur(Delivery)	4725	4568	4148	4043
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4350	4200	3850	3750
		Sri-Ganganagar (Delivery)	4500	4350	4000	3900
		Rawla (Loose)	-	-	3800	-

		Gharsana (Loose)	-	-	-	-
		Raisinghnagar (Loose)	4475	4465	3800	-
	<b>Bikaner</b>	Bikaner (Loose)	4600	4460	3925	3850
		Bikaner (Delivery)	4830	4683	4121	4043
		Nokha(Loose)	4525	4275	3925	-
		Nokha (Delivery)	4751	4489	4121	-
		Khajuwala (Loose)	4450	4300	3850	3800
		Khajuwala (Delivery)	4673	4515	4043	3990
		Lunkaransar (Loose)	4450	4400	3900	3950
	<b>Hanumangarh</b>	Hanumangarh (Loose)	4450	4300	3850	-
		Hanumangarh (Delivery)	4673	4515	4043	-
		Nohar (Loose)	-	-	-	3800
		Pilibanga (Loose)	-	-	-	0
	<b>Nagaur</b>	Nagaur (Loose)	4350	4300	3850	3725
	<b>Churu</b>	Churu (Delivery)	-	-	-	-
	<b>Alwar</b>	Alwar (Loose)	-	-	-	-
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	4450	4250	3820	3810
		Adampur (Delivery)	4673	4463	4011	4001
	<b>Bhiwani</b>	Bhiwani (Delivery)	4650	4500	4000	4200
		Siwani (Loose)	4675	4500	4050	4050
	<b>Sirsa</b>	Sirsa (Loose)	4315	4175	3825	3850
		Dhabwali (Loose)	4400	4200	3925	3800
		Dhabwali (Delivery)	4620	4410	4121	3990
		Ellanabad (Loose)	-	-	3850	-
	<b>Fatehabad</b>	Fatehabad (Loose)	4350	4000	3775	3750
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	-	-	-	-
	<b>Patan</b>	Patan (Loose)	4260	4275	-	-
	<b>Rajkot</b>	Rajkot (Loose)	4440	4325	-	Closed
	<b>Jamnagar</b>	Dhrol (Loose)	-	-	-	-
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	-	-	-	-
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	7800	7400	6300	6650
	<b>Alwar</b>	Alwar	-	-	-	-
	<b>Hanumangarh</b>	Nohar	-	-	-	6700
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	7800	7100	6300	7000
	<b>Sirsa</b>	Sirsa	7800	7300	6400	6500
		Dhabwali	7800	7350	6400	6450



		Ellanabad	-	-	6400	-
	Fatehabad	Fatehabad	7800	6800	6350	6570

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.