

Guar Monthly Research Report

Contents

- ❖ Executive Summary
- ❖ Outlook
- ❖ Domestic Market Fundamentals
- ❖ Export Scenario
- ❖ Price Seasonality of Guar Seed
- ❖ Domestic Guar Seed Supply & Demand Situation
- ❖ Processing Margins (Monthly)
- ❖ Technical Analysis (Futures Market)
- ❖ Monthly Guar Seed & Gum Prices at Key Spot Markets

Executive Summary

Guar seed delivery monthly average prices at Jodhpur prices went down by 9% to Rs.5,685 /Qtl on on higher acreage. Guar gum too went down by 9% to Rs.10752/qtl.

In June'22 WTI Crude oil remained weak and went down by 7.37% to USD 106/barrels.

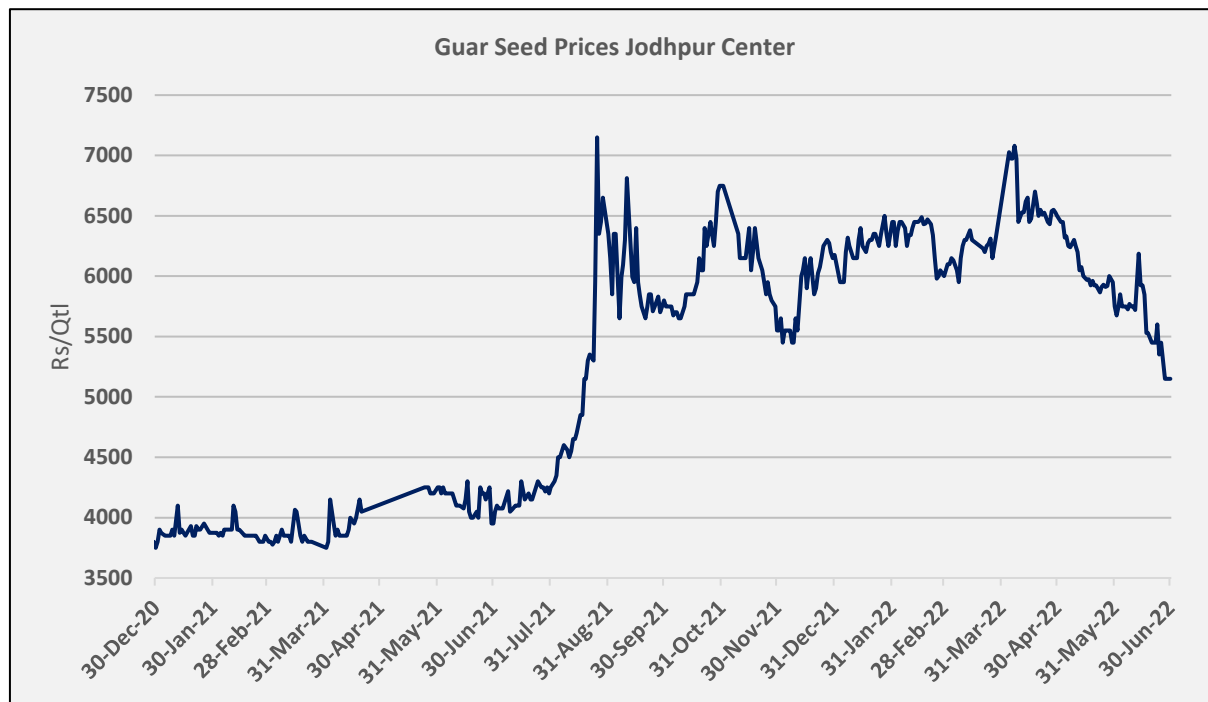
As per data released by Baker Hughes, the number of oilrigs in USA went up by 20 to 594 in June'22 as compared to previous month at 574.

Outlook – Guar seed (Spot, Jodhpur basis):

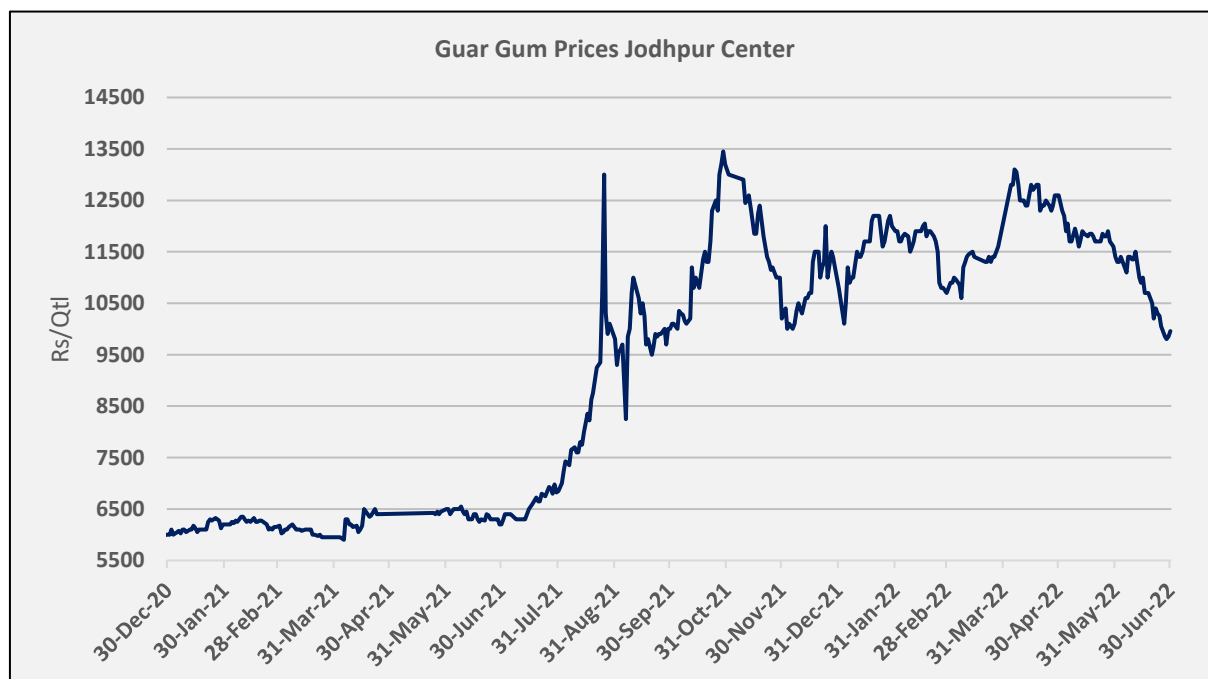
Guar seed delivery prices are expected to trade range bound with steady to weak bias amid higher acreage. The seed prices are likely to trade in the range between 5,000 –5,500/Qtl. in the short-run.

Domestic Market Fundamentals

During the month under review, Monthly average prices of Guar seed extended previous month loss and went down by 9% to Rs. 5,685/qtl as compared to previous month at Rs. 6,216/qtl. amid higher acreage and good rainfall in western Rajasthan.



During the month under review, guar gum prices too extended previous month loss and went down by 9% to Rs. 10752/qtl in tandem with correction in Guar seed prices.



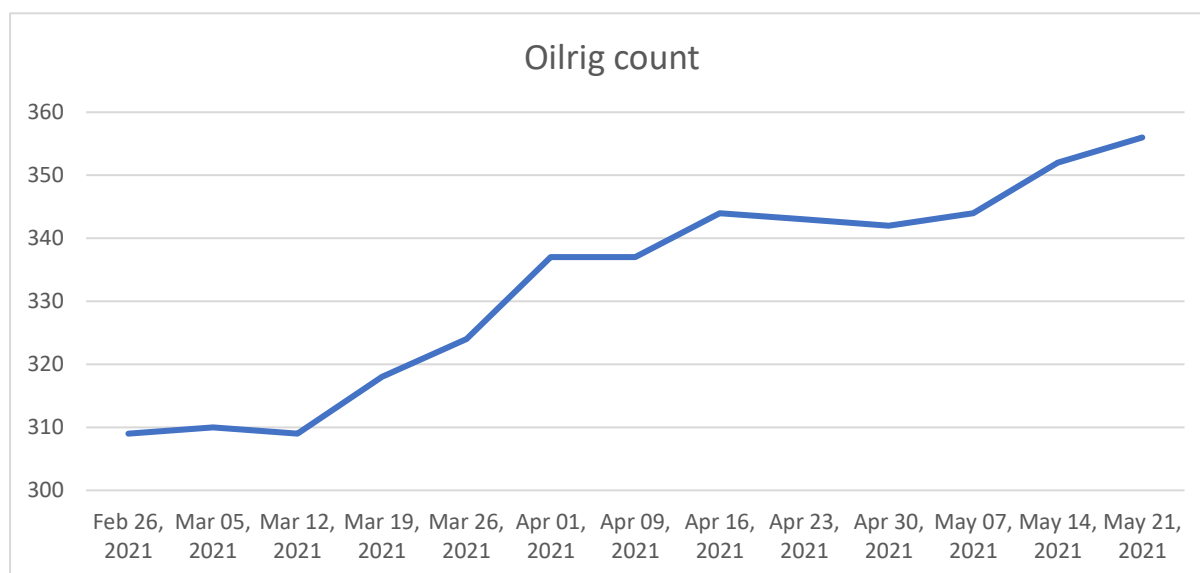
Weather and Guar sowing Updates

In western Rajasthan, from 1st June to 4th July'2022 except Jalor, pali and jodhpur, rainfall remained above average.

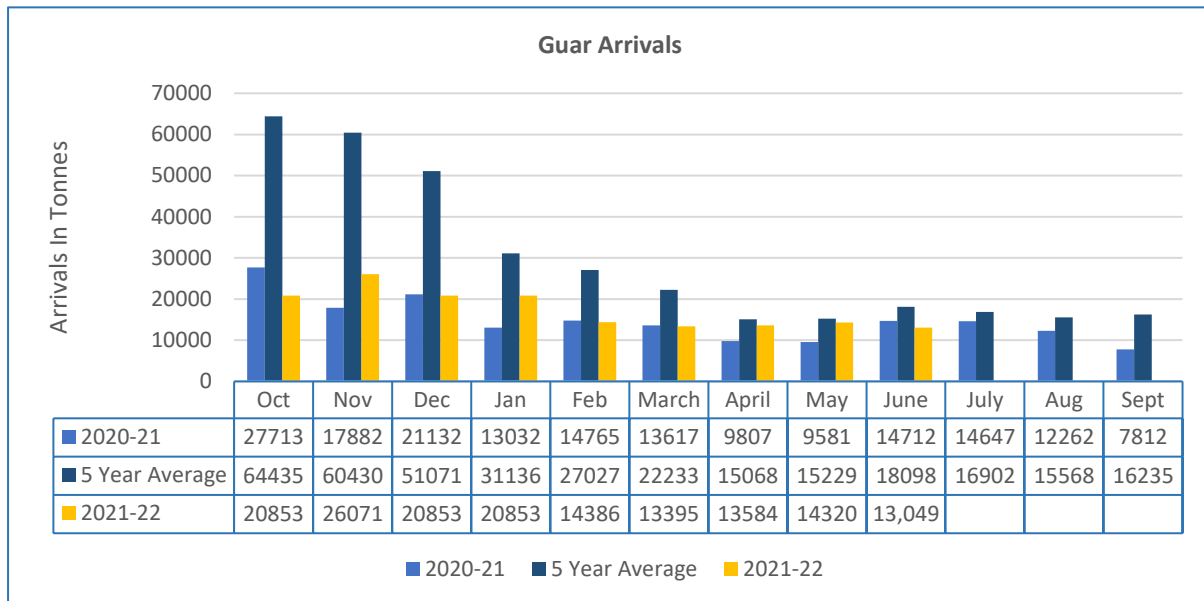
As on 04th July'22, According to Department of Agriculture, Rajasthan 9.04 Lakh hectare sowing has been completed as compared to 2.75 lakh hectare previous year same period.

Western Rajasthan Districts	Departure (%) 1st June to 4th July'22 In Western Rajasthan Districts
Barmer	34%
Bikaner	173%
Churu	116%
Ganganagar	85%
Hanumangarh	38%
Jaisalmer	25%
Jalor	-58%
Jodhpur	-1%
Nagaur	133%
Pali	-20%

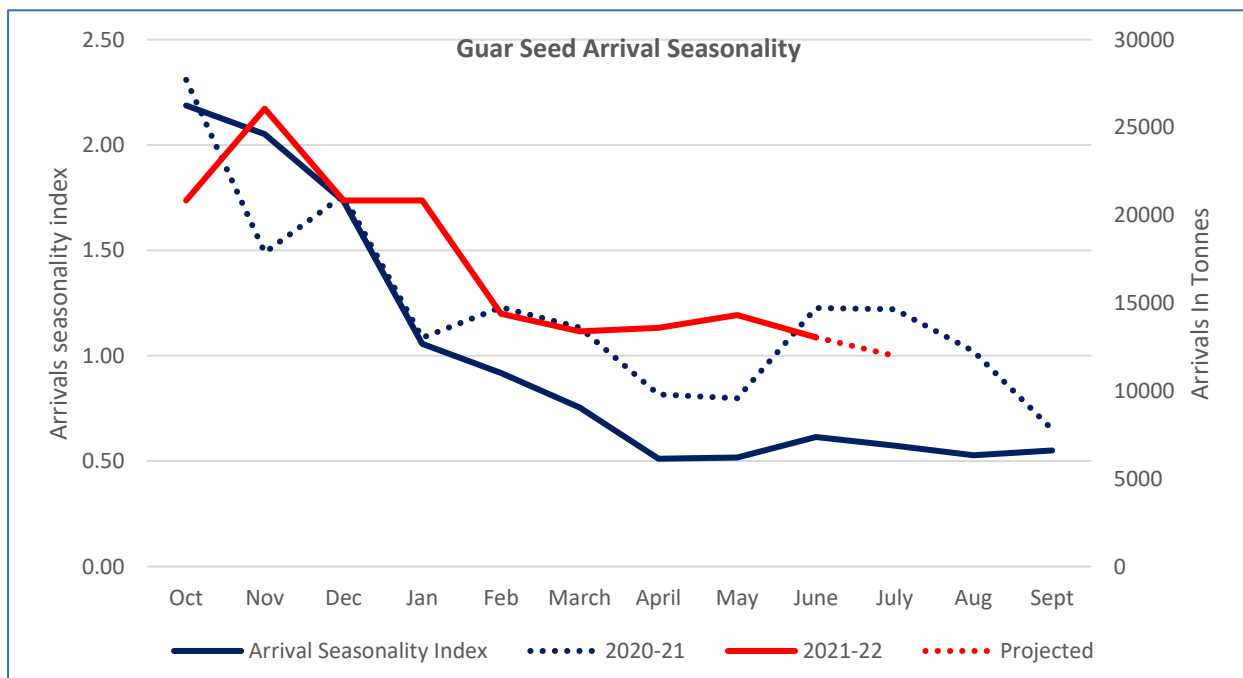
As per data released by Baker Hughes, the number of oilrigs in USA went up by 20 to 574 in June'22 as compared to previous month at 594. Increase in oil rig count were driven by firm crude oil prices.



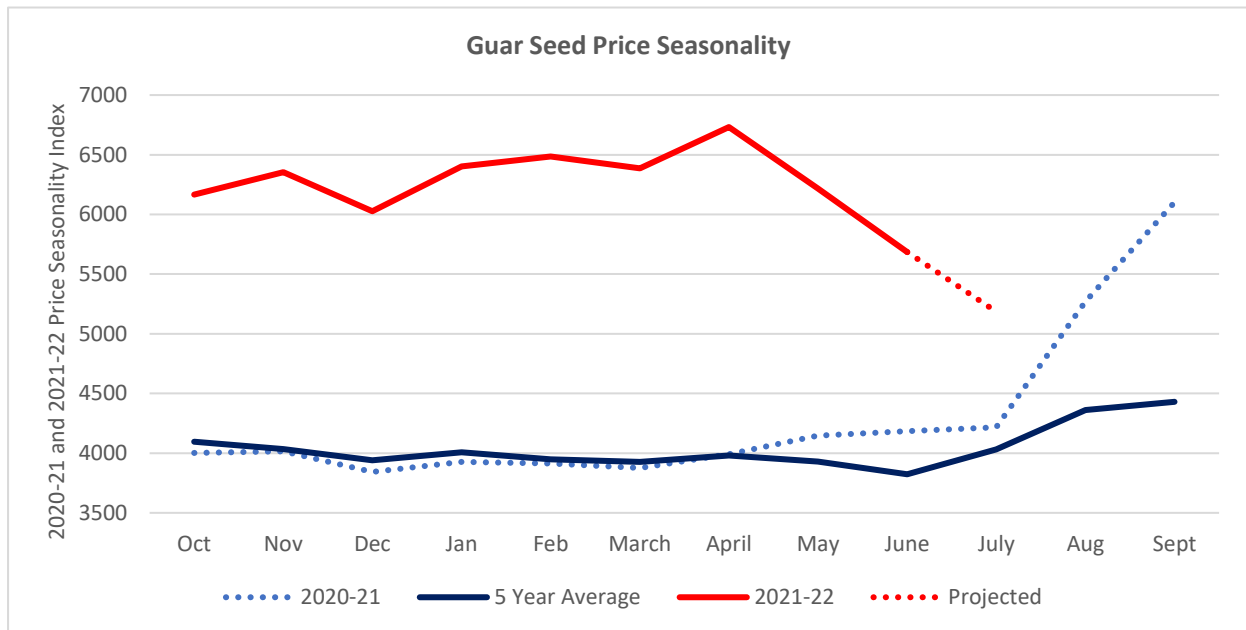
Arrivals



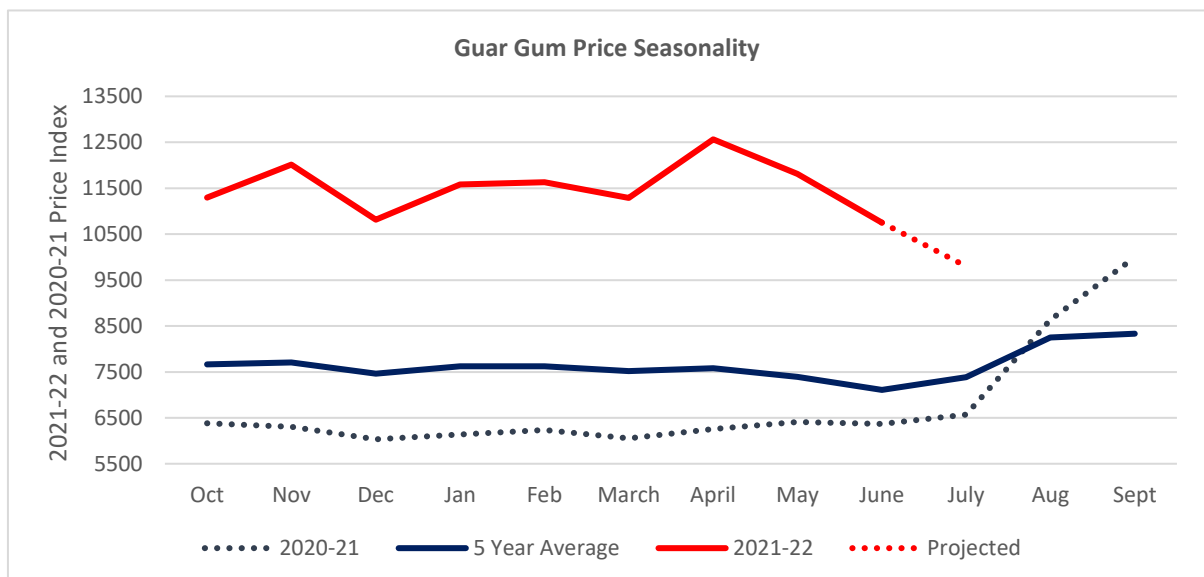
In Oct-June'22, Guar arrivals recorded low by 48% at 1.57 Lakh tonnes as compared to 3.04 Lakh tonnes five years average. Tight arrivals and good export demand kept prices high YoY by 27%. In June'22 arrivals went down by 28% to 13,049 tonnes as compare to 18,098 tonnes five-year average.

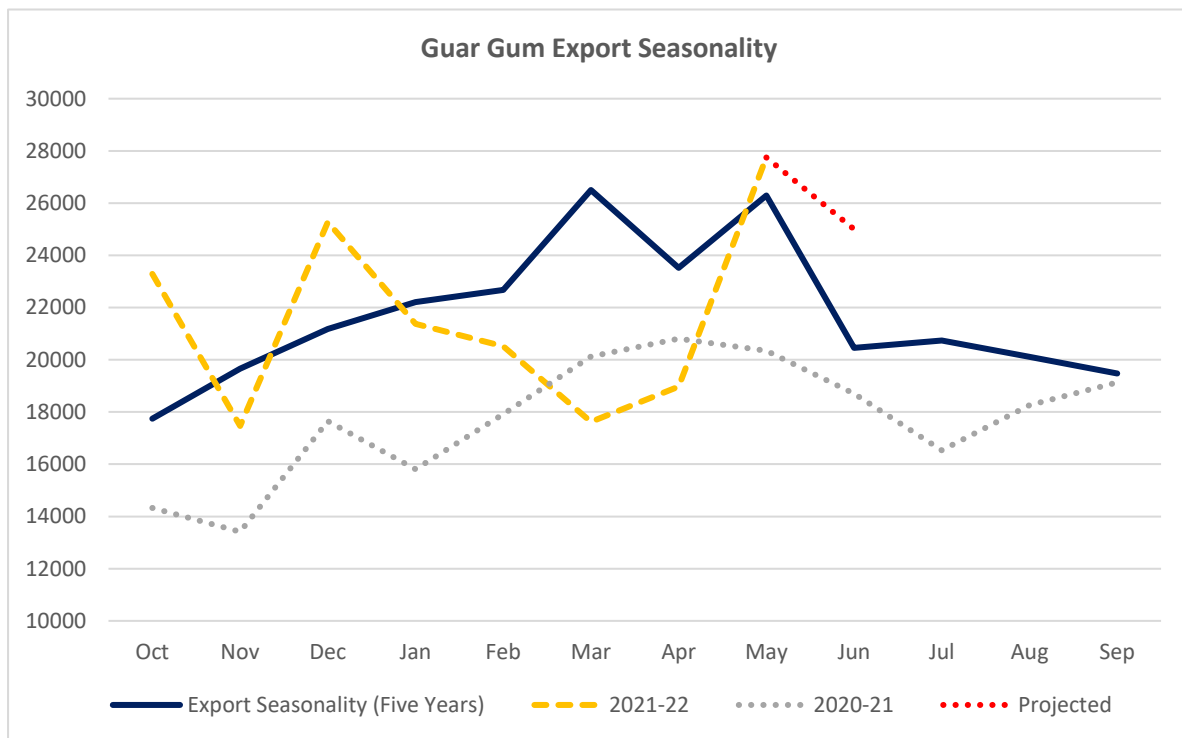
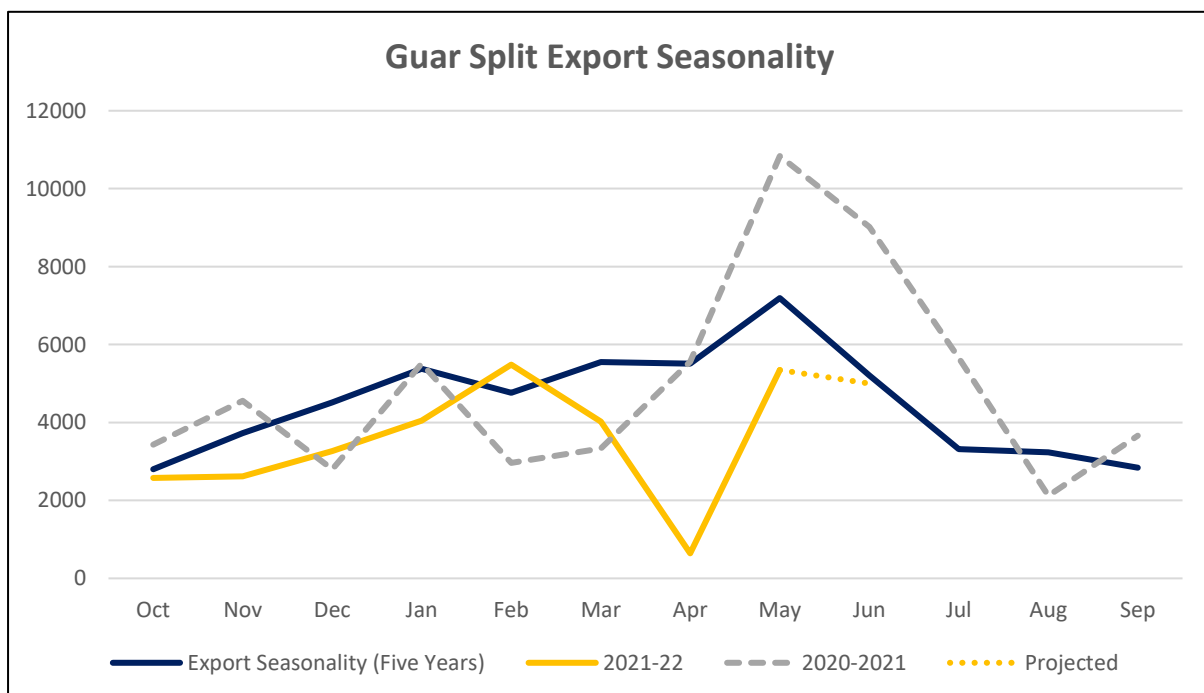


Guar Price Seasonality



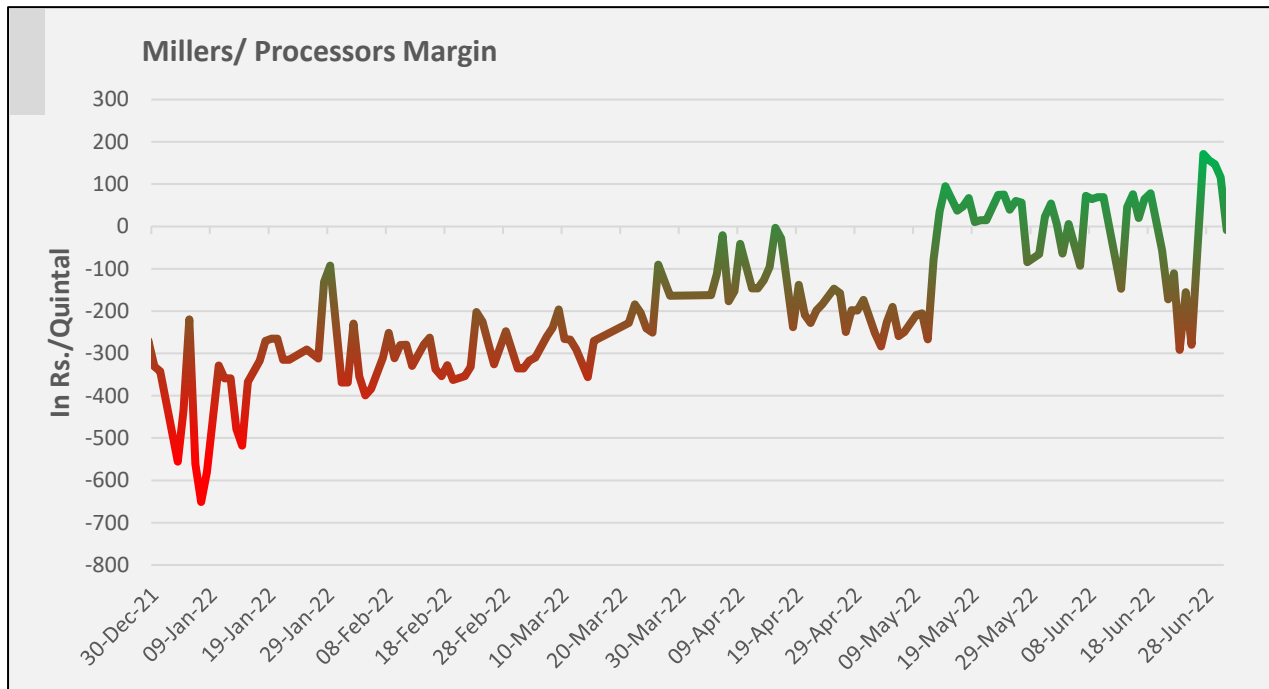
Guar Gum Price seasonality



Guar Gum Export seasonality

Guar Split export seasonality


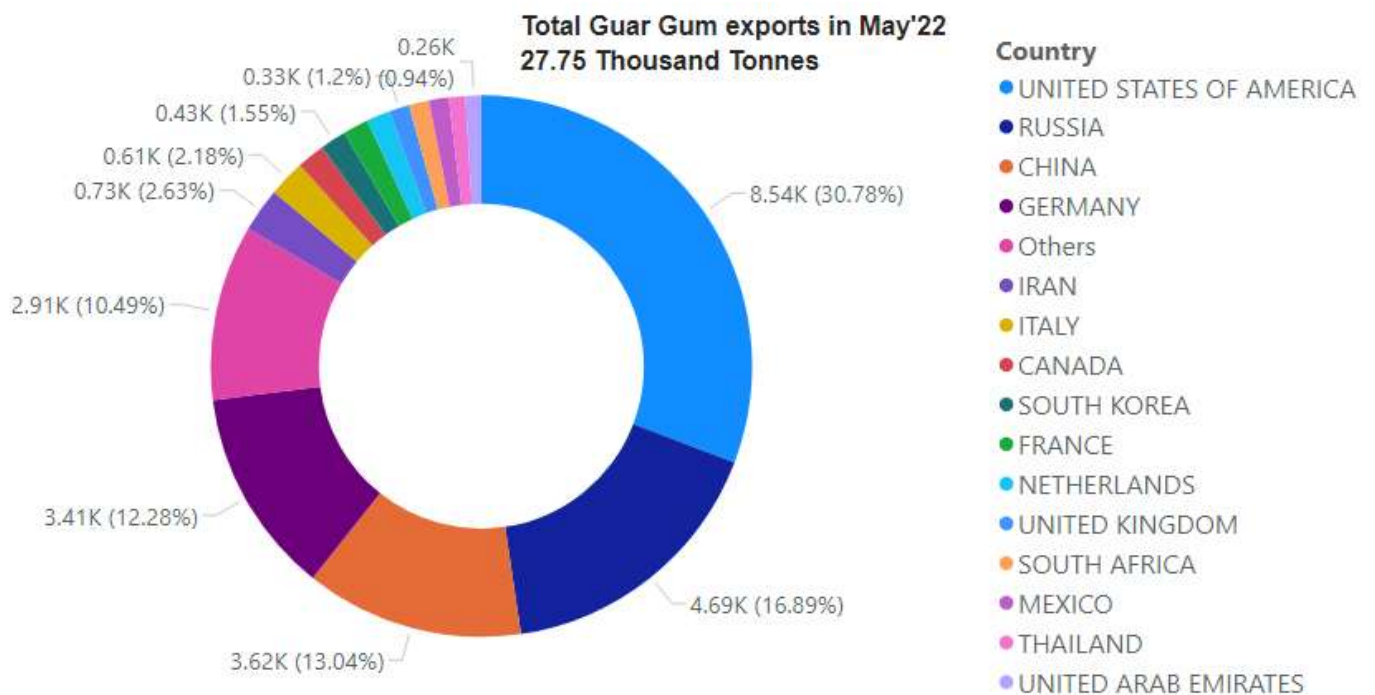
Millers/Processors Margin

As seen in the chart, the average net crush margin of guar seed has increased in June'22 to -6/ Qtl as compared to -66/ Qtl in May'22, Lower guar product prices like churi and korma have kept processors' margin tight. However, crush margin improved in June on decrease in Guar seed prices.



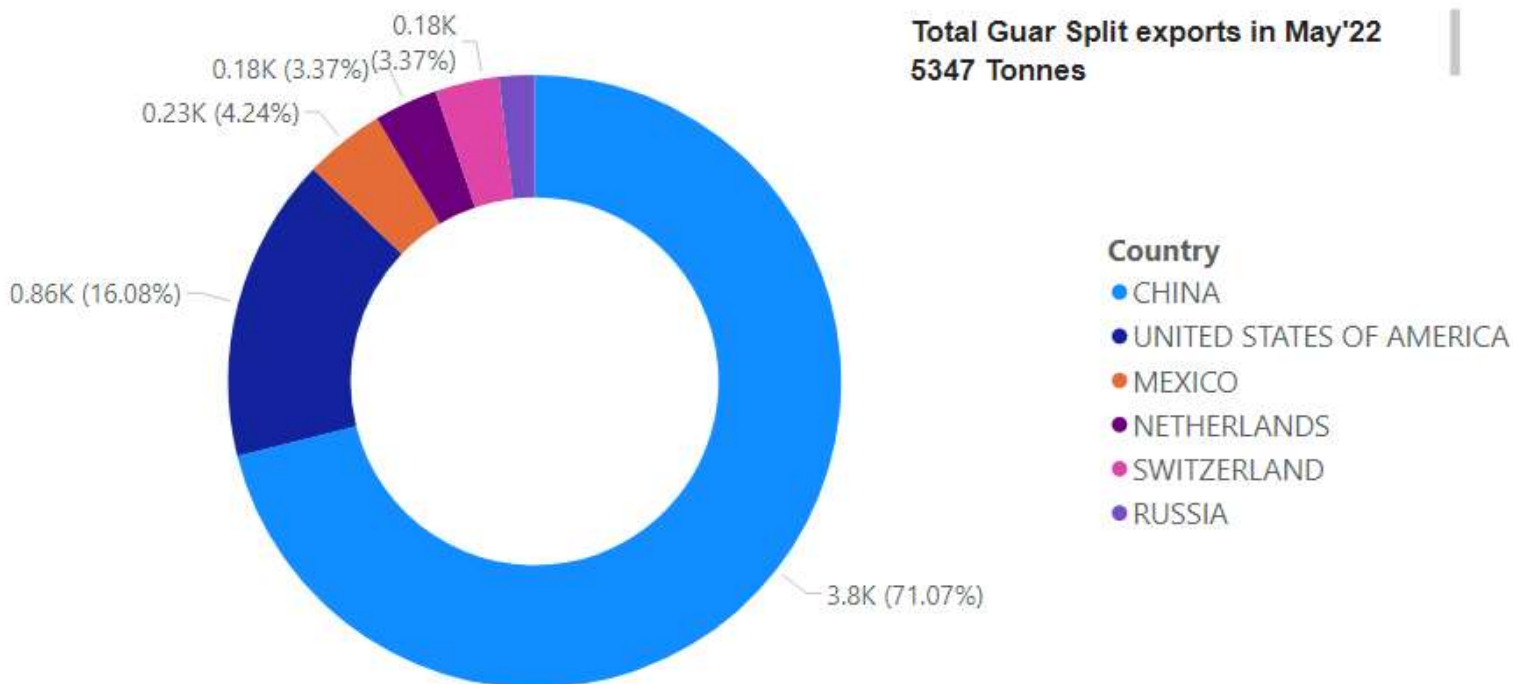
Export Scenario

Guar Gum Exports:

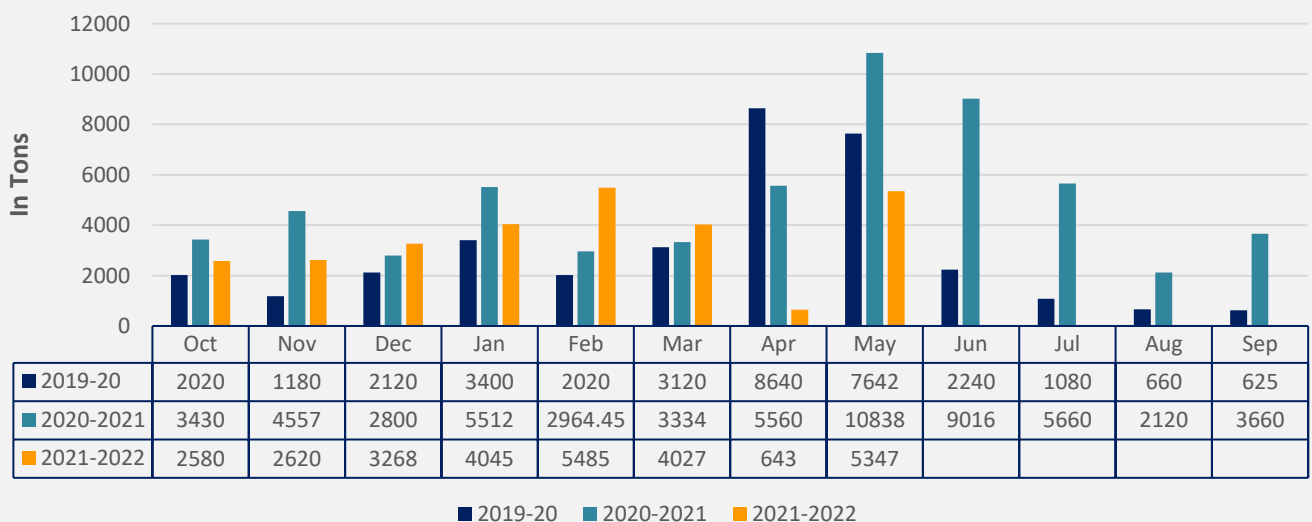


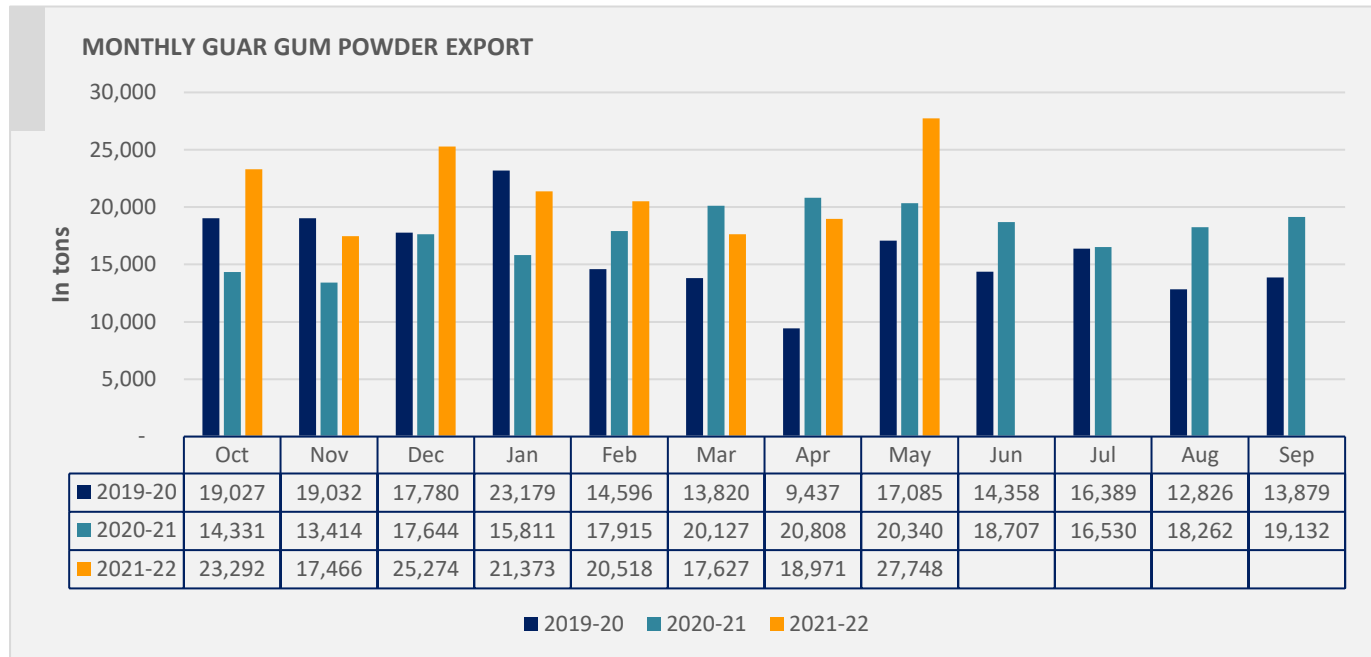
India's guar gum exports increased in the month of May'2022 by 36.42% to 27,748 MT compared to 18,971 MT during previous month. However, the gum shipments were up by 46.27 % in May'2022 compared to the same period last year. Out of the total exported quantity, around 8541 MT (30.78%) bought by US, Russia bought 4,686 MT (16.89%), China 3,618 MT (13.04%), Germany 3,408 MT (12.28%). Export demand was driven by bullish crude oil prices. We expect Guar export in June'22 at 25,000-28,000 tonnes.

Guar Split Exports

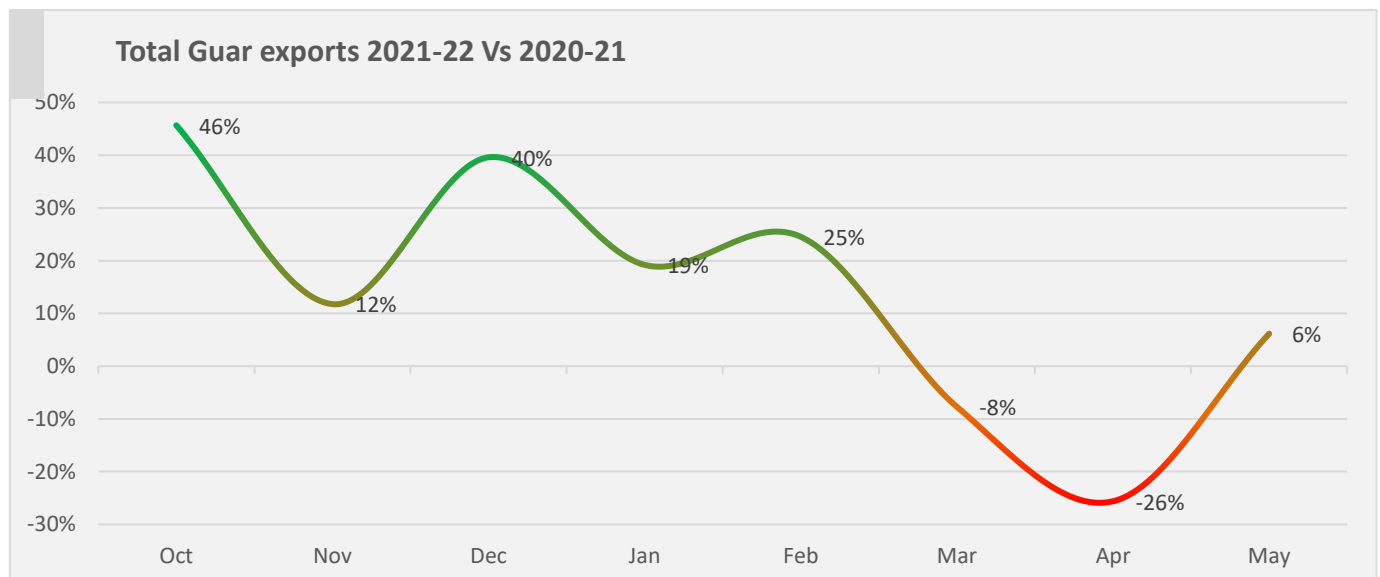


MONTHLY GUAR SPLIT EXPORT

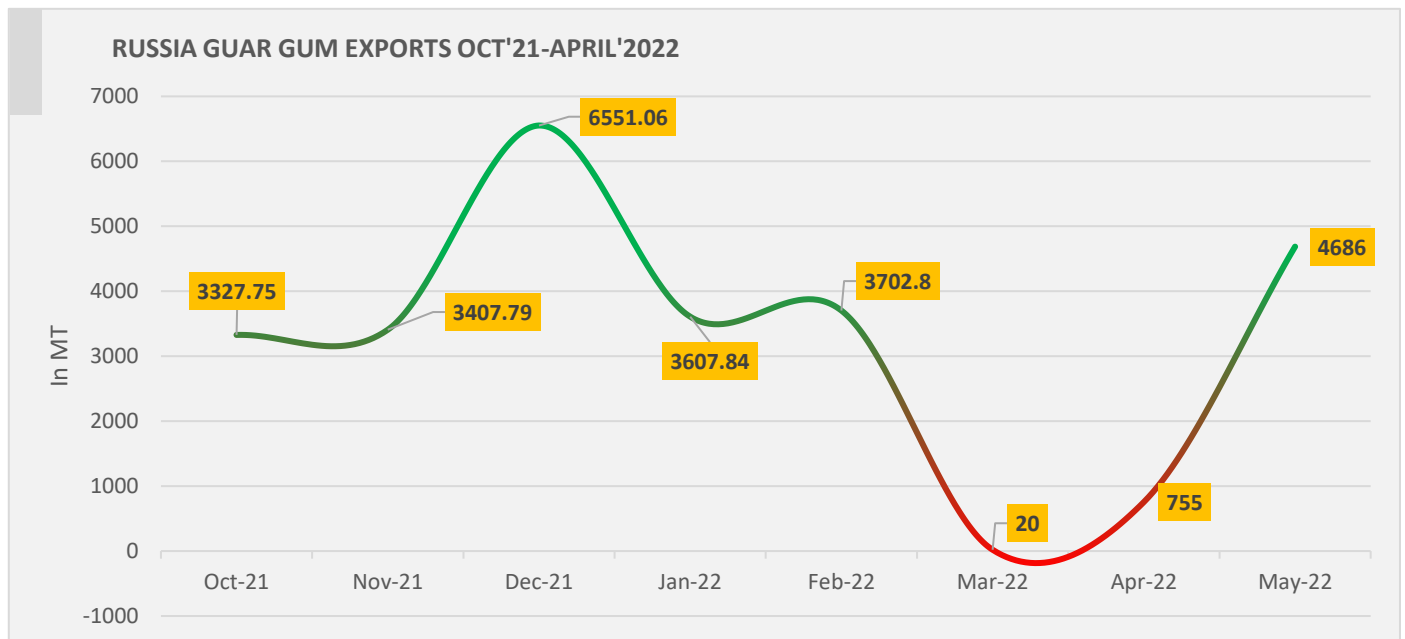




India's Guar split exports increased in the month of May'2022 by 731% to 5,347 MT as compared to 643 MT previous month. However, the guar split shipments down by 50.66% in May'22 compared to the same period last year at 10,838 MT. Out of the total exports, around 3,800 MT (71.07%) bought by China, US 860 MT (16.08%), We expect guar split export in June at 4,000-5,000 tonnes.



Total guar exports in May'22 recorded up by 6% to 33,095 MT as compared to 31,178 MT previous year same period amid bullish crude oil prices and increase in oil rig count. However, cumulative exports till May'22 still up by 12% to 200284 MT as compared to previous year same period at 179386.

Russia Guar Gum exports Oct'21-May'22


Russian Guar gum imports went down in Feb-March amid Russia-Ukraine war, however export demand has rebounded in May.

Technical Analysis (Guar Seed)

Commodity: Guar Seed
Exchange: NCDEX

Expiry: August 18, 2022
Contract: August

Guar Seed (August, Daily Chart)

Technical Commentary:

- As seen in the above chart, prices are moving downwards, and making lower lows.
- During the month under review, Guar seed went down by 11.91%, market made low at 5170 and a high at 5949 and closed at 5208.
- Currently trading below 9,18, 50 and 100 DMA indicating bearish sentiments.
- MACD oscillator momentum indicating weak sentiments.
- RSI indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	August	4900	4800	5208	5500	5600
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Sell	5300	5100	5000	5400

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: August

Exchange: NCDEX
Expiry: August 18, 2022

Guar Gum (August, Daily Chart)

Technical Commentary:

- As seen in the above chart, market is in down trend and making lower lows, currently trading below 9 and 18,50 and 100 DMA indicating weak sentiments.
- During the month under review, Guar gum went down by 14.56%, market made low at 9650 and a high at 11511 and closed at 9740.
- MACD cross over indicating weak momentum.
- RSI indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	August	9500	9400	9740	10200	10300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	August	Sell	10000	9800	9600	10100

Guar Seed Prices at Key Spot Markets:					
Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			30-Jun-22	31-May-22	
Rajasthan	Jodhpur	Jodhpur (Loose)	5000	5600	-600
		Jodhpur(Delivery)	5250	5880	-630
	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	5800	-
		Sri-Ganganagar (Delivery)	Closed	5950	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	4850	5650	-800
		Raisinghnagar (Loose)	4925	-	-
	Bikaner	Bikaner (Loose)	4900	5600	-700
		Bikaner (Delivery)	5145	5880	-735
		Nokha(Loose)	4950	5650	-700
		Nokha (Delivery)	5198	5933	-735
		Khajuwala (Loose)	5000	5500	-500
		Khajuwala (Delivery)	5250	5775	-525
		Lunkaransar (Loose)	4950	5750	-800
	Hanumangarh	Hanumangarh (Loose)	4620	5350	-730
		Hanumangarh (Delivery)	4851	5618	-767
		Nohar (Loose)	5029	5826	-797
		Pilibanga (Loose)	NA	5300	-
	Nagaur	Nagaur (Loose)	-	-	-
	Churu	Churu (Delivery)	5200	5800	-600
	Alwar	Alwar (Loose)	4800	5300	-500
Haryana	Hisar	Adampur (Loose)	4950	5650	-700
		Adampur (Delivery)	5198	5933	-735
	Bhiwani	Bhiwani (Delivery)	5100	-	-
		Siwani (Loose)	5150	5750	-600
	Sirsa	Sirsa (Loose)	4850	5400	-550
		Dhabwali (Loose)	NA	5600	-
		Dhabwali (Delivery)	NA	5880	-
		Ellanabad (Loose)	4800	5100	-300
	Fatehabad	Fatehabad (Loose)	5000	5450	-450
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5115	-	-
	Rajkot	Rajkot (Loose)	4975	5675	-700
	Jamnagar	Dhrol (Loose)	5000	5460	-460
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-

Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9960	11400	-1440
	Alwar	Alwar	9900	11600	-1700
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	-	-	-
	Sirsa	Sirsa	9800	11300	-1500
		Dhabwali	NA	11550	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	9950	11700	-1750

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			30-Jun-22	31-May-22	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	Closed	20	-
		Rawla	-	-	-
		Gharsana	100	40	60
		Raisinghnagar	20	-	-
	Bikaner	Bikaner	150	300	-150
		Nokha	50	200	-150
		Khajuwala	40	50	-10
		Lunkaransar	500	700	-200
	Hanumangarh	Hanumangarh	40	20	20
		Nohar	109	175	-66
		Pilibanga	NA	50	-
	Nagaur	Nagaur	-	-	-
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	700	800	-100
	Bhiwani	Bhiwani	-	-	-
		Siwani	200	300	-100
	Sirsa	Sirsa	250	350	-100
		Dhabwali	NA	86	-
		Ellanabad	29	131	-102
	Fatehabad	Fatehabad	-	-	-
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	41	-	-
	Rajkot	Rajkot	500	450	50

	Jamnagar	Dhrol	31	996	-965
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			2760	4668	-1908

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.asp> © 2022 Indian Agribusiness Systems Limited