

Guar Monthly Research Report

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Executive Summary

Guar seed delivery monthly average prices at Jodhpur extended previous month loss and went down by 5% to Rs.4,732 /Qtl as compared to the last month at Rs. 4,982/Qtl amid new crop arrival pressure. Guar gum went down by 5.4% to Rs.9,312/qtl as compared to the last month at Rs. 9,853/Qtl.

In Oct '22 WTI Crude oil prices went up by 9.5% to USD 86.19/barrels amid tight supply

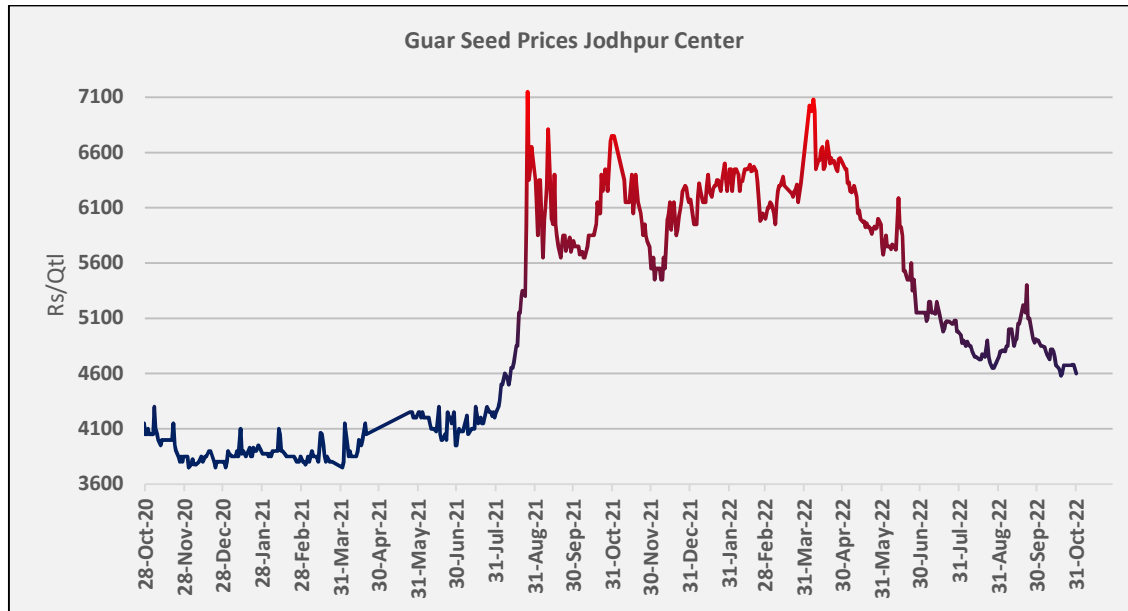
As per data released by Baker Hughes, the number of oilrigs in USA went up by 11 to 609 in Oct '22 as compared to previous month at 598.

Outlook – Guar seed (Spot, Jodhpur basis):

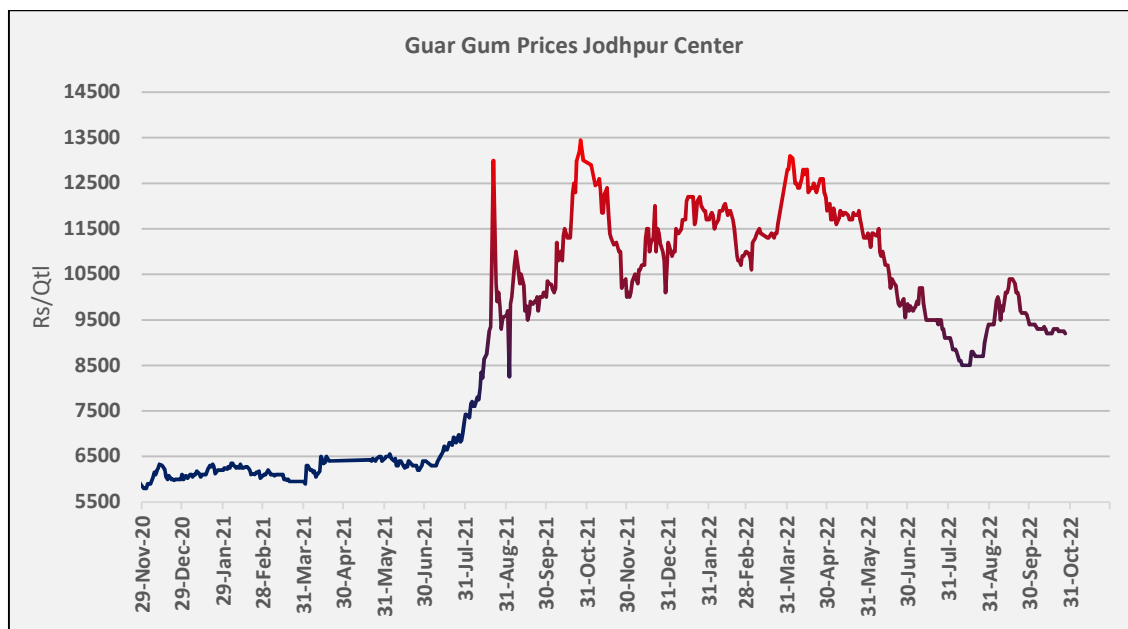
Guar seed delivery prices are expected to trade range bound with steady to weak bias amid higher production. The seed prices are likely to trade in the range between 4,700 –5,200/Qtl. in the short-run.

Domestic Market Fundamentals

During the month under review, monthly average prices of Guar seed extended previous month loss and went down by 5% to Rs. 4,732/qtl as compared to previous month at Rs. 4,982/qtl. due to increase in arrivals in the market.

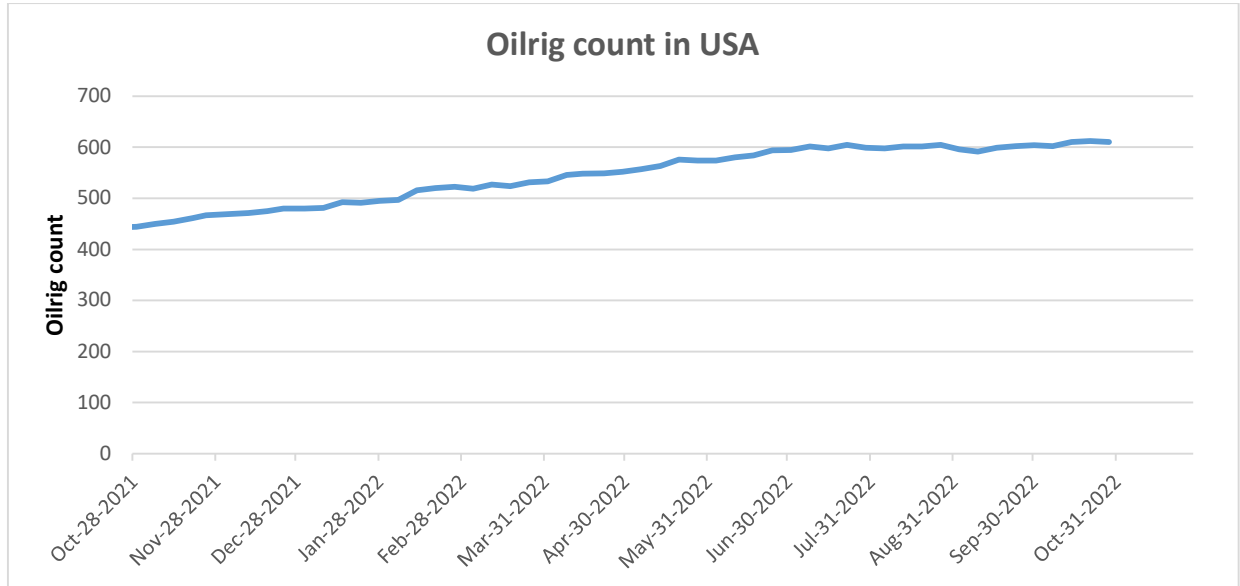


During the month under review, guar gum prices too extended previous month loss and went down by 5.4% to Rs. 9,312/qtl as compared to previous month at Rs. 9,848/qtl in tandem with correction in Guar seed prices and crude oil prices.

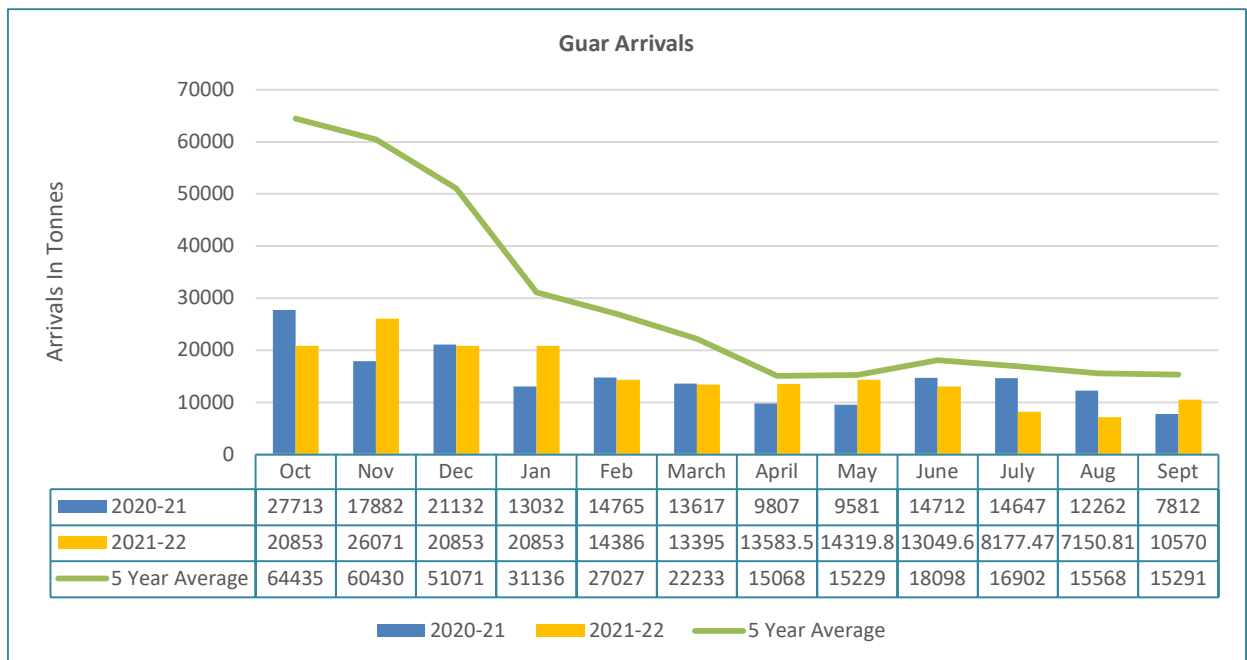


Oilrig count

As per data released by Baker Hughes, the number of oilrigs in USA went up by 11 to 609 in Oct '22 as compared to previous month at 598.

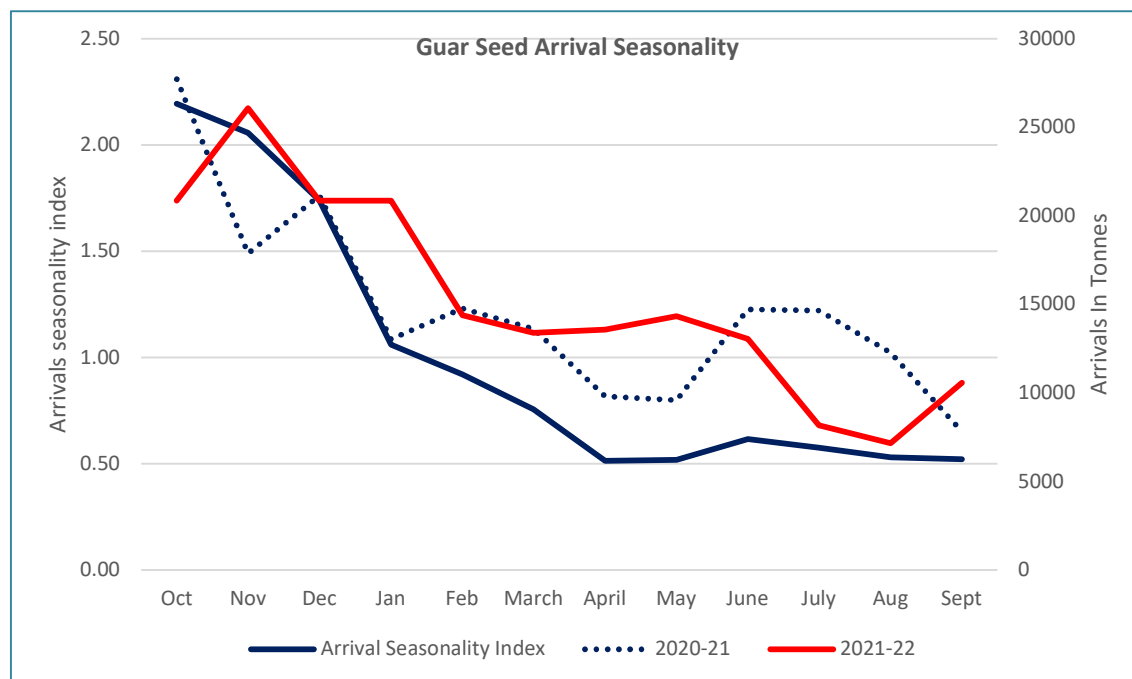


Arrivals

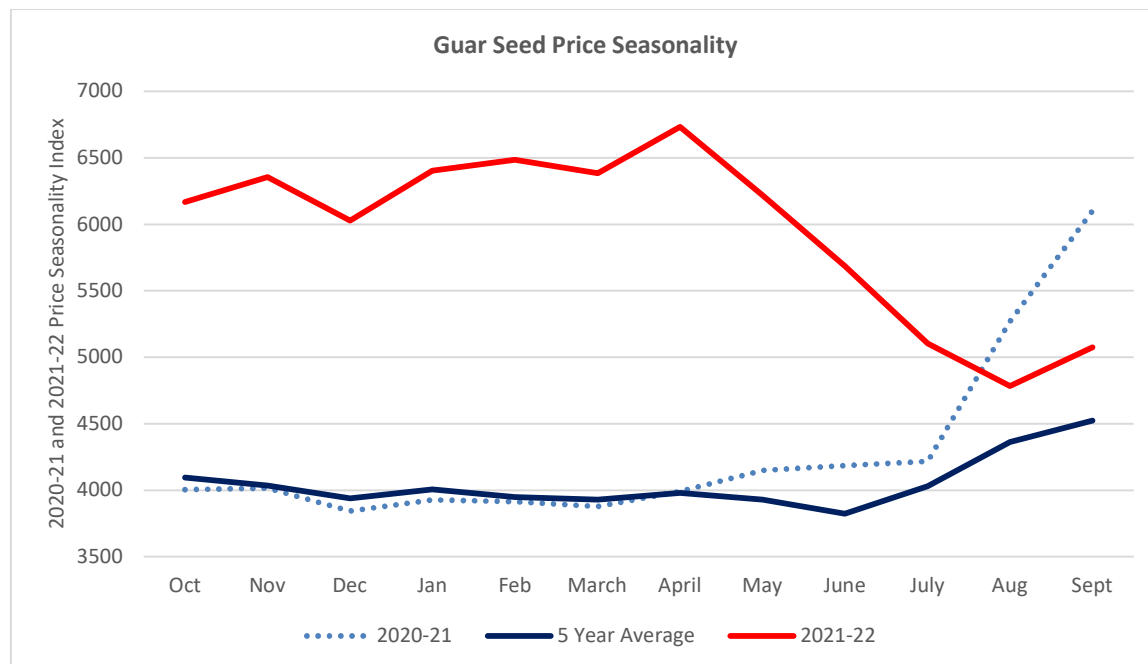


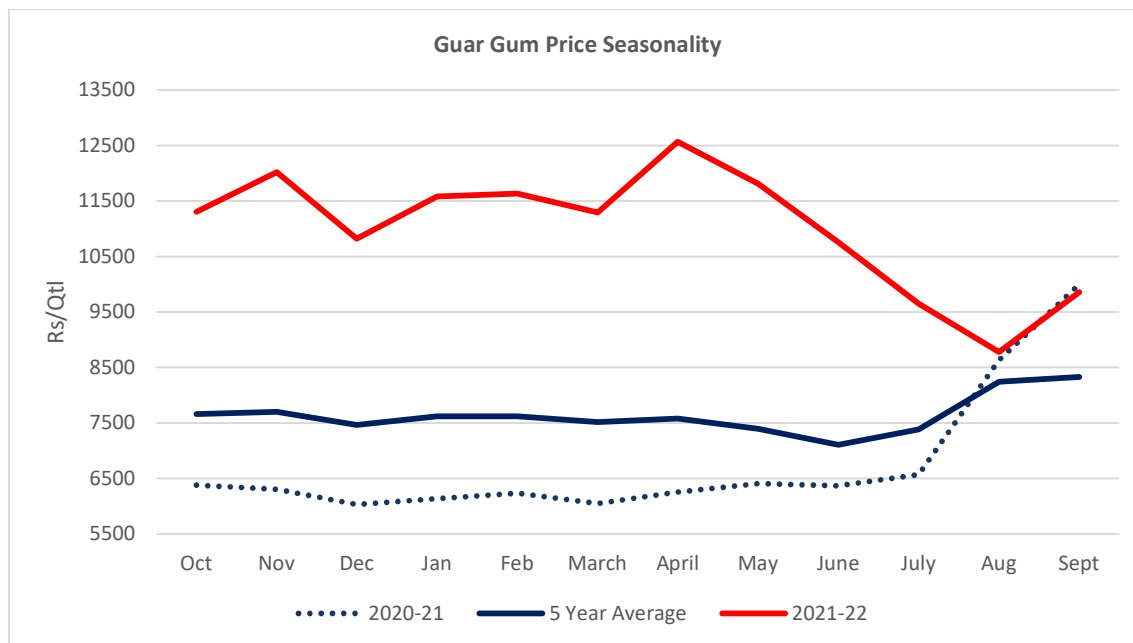
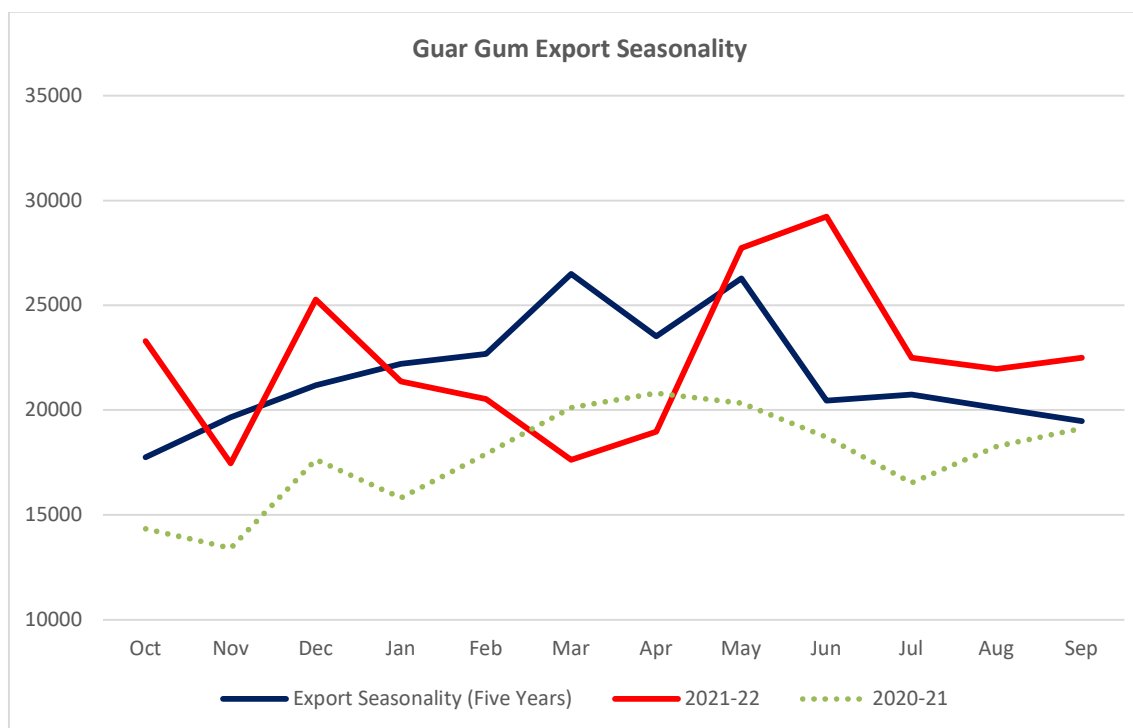
Guar Seed Price Seasonality

In Oct-Sept'22, Guar seed arrivals recorded low by 48% at 183,261 tonnes as compared to 352,490 tonnes five years average. In Sept'22 arrivals went down by 31% to 10,570 tonnes as compared to 15,291 tonnes five-year average.

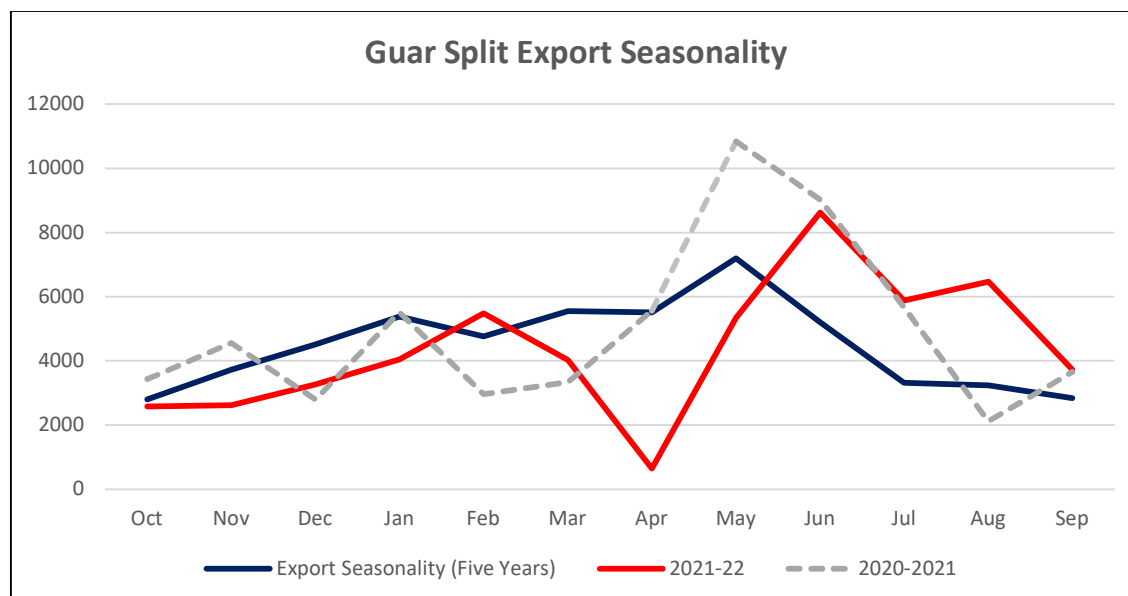


Guar Seed Price Seasonality



Guar Gum Price seasonality

Guar Gum Export seasonality


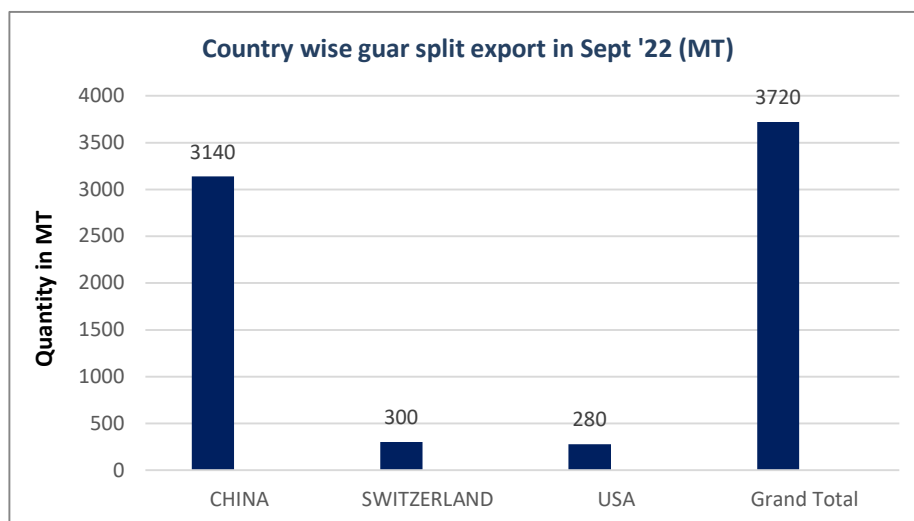
Guar Split export seasonality

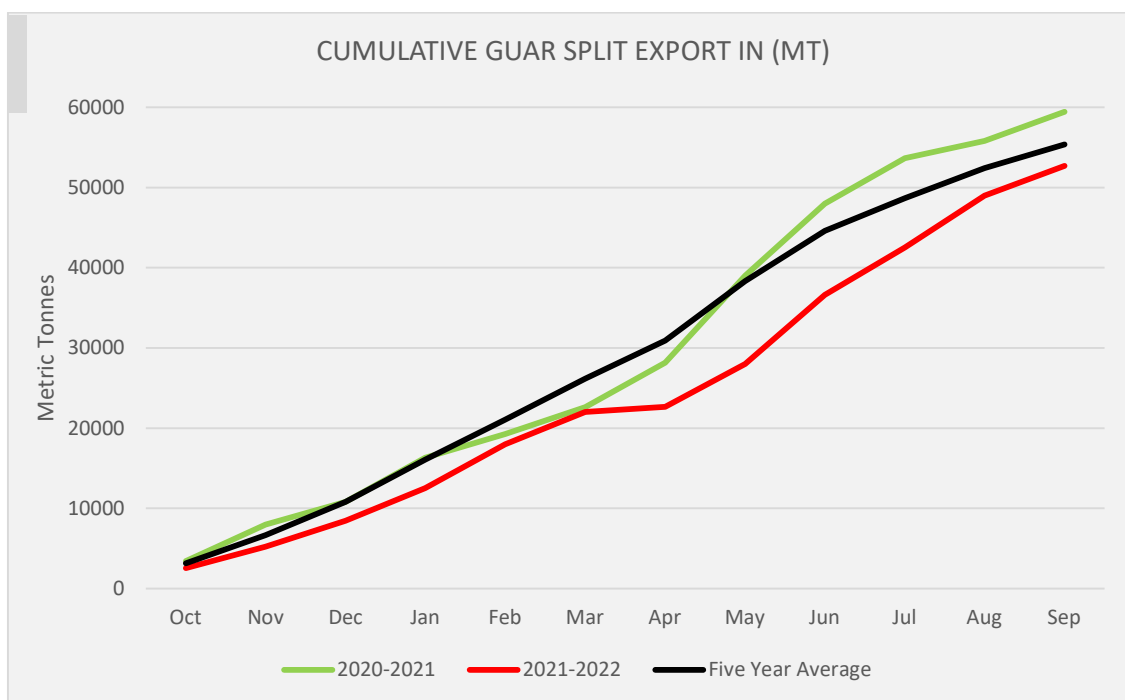
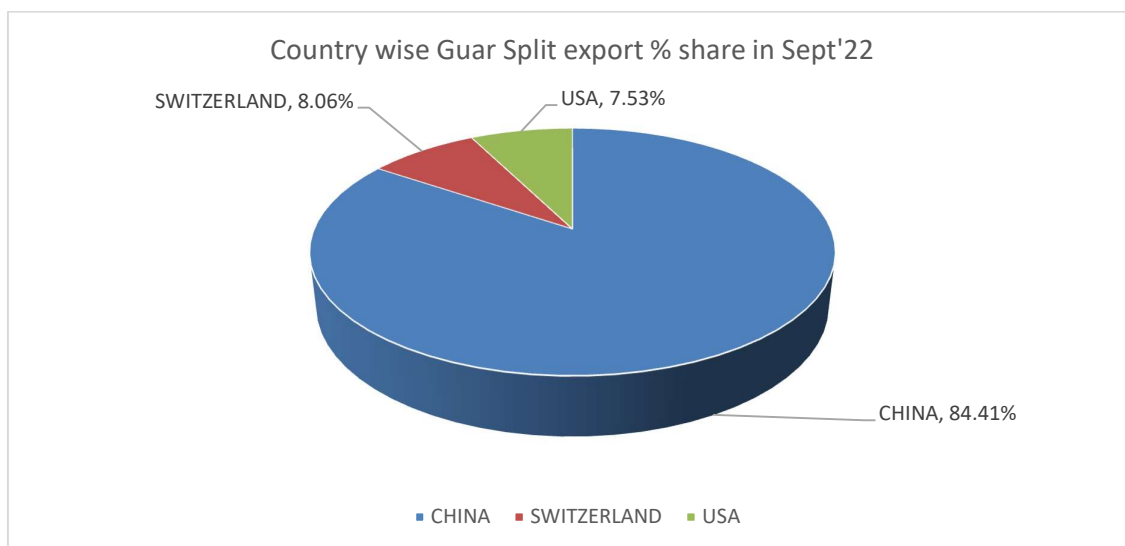


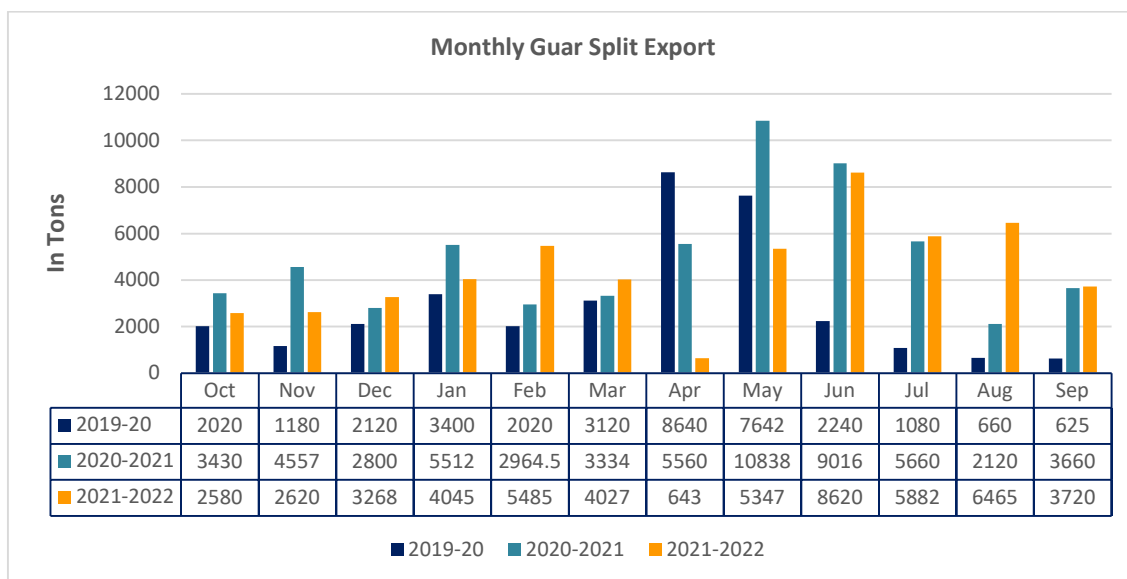
Export Scenario

Guar Split Exports

India's Guar split exports decreased in the month of September '22 by 42% to 3,720 MT as compared to 6,465 MT previous month. However, the Guar split shipments up by 1.64% in September '22 compared to the same period last year. Out of the total exports, around 3,140 MT (84.41%) bought by China, 300 MT (8.06%) bought by Switzerland and 280 MT (7.53%) bought by USA.

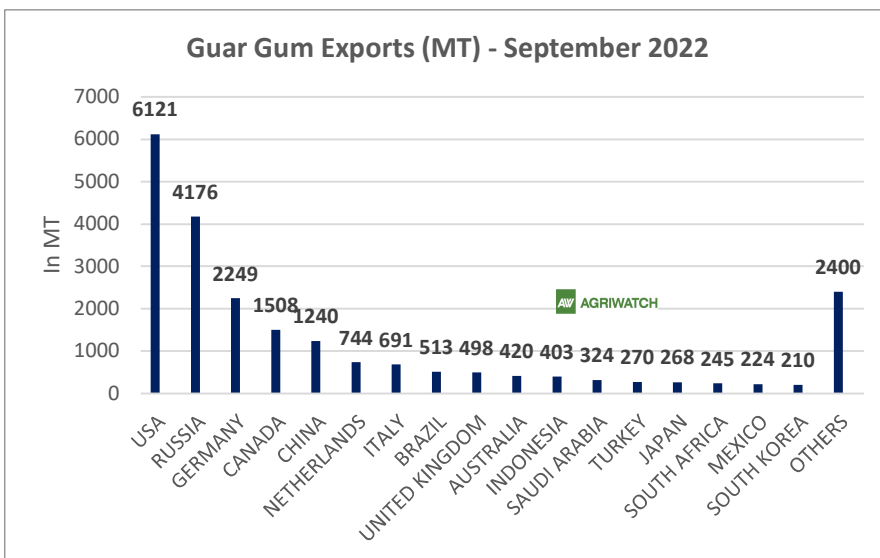




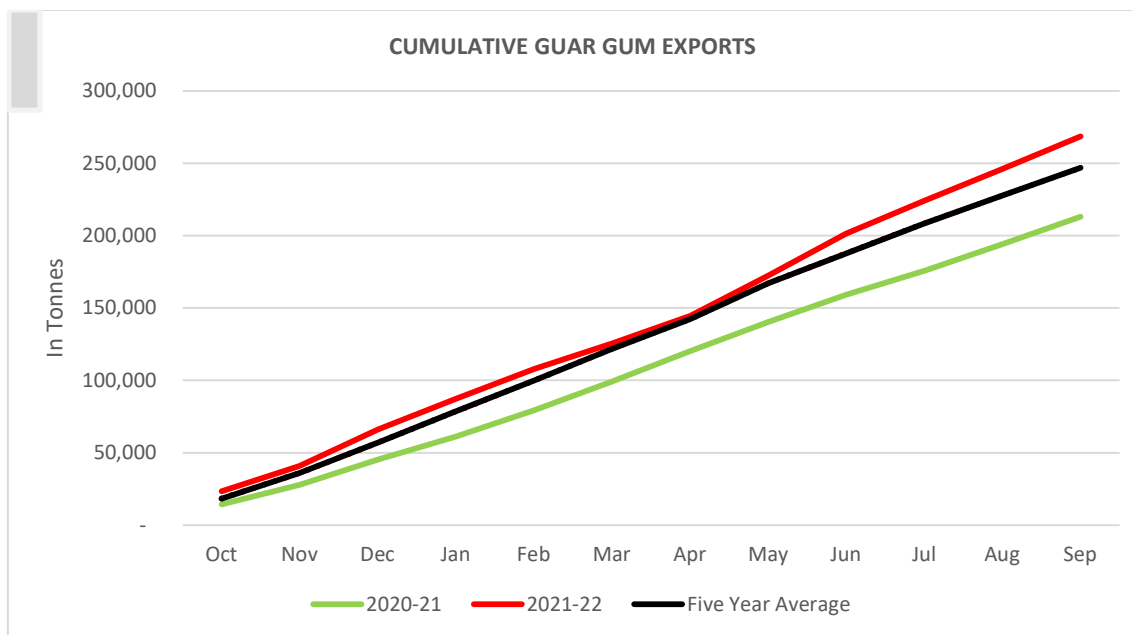
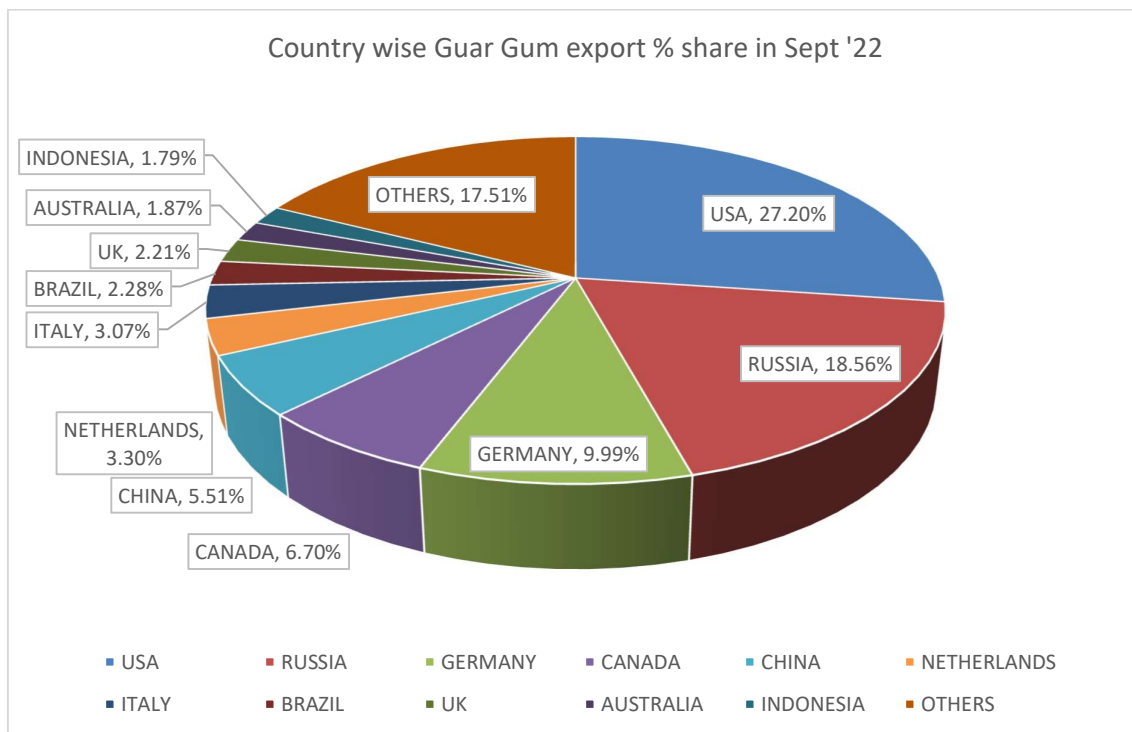


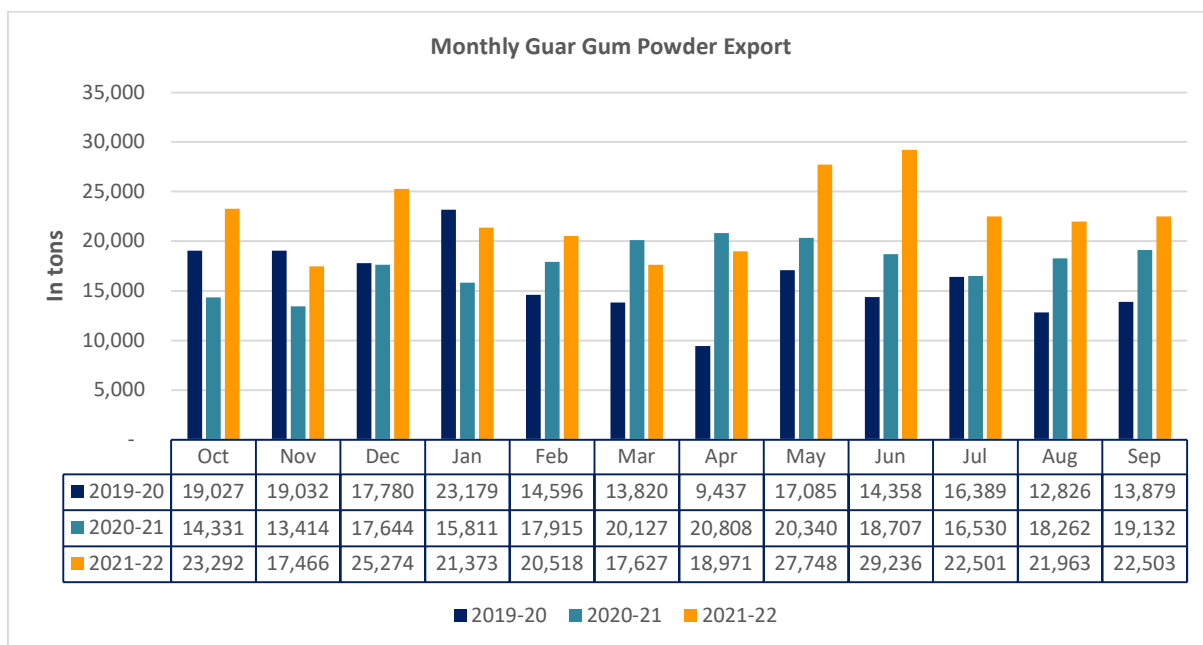
Guar Gum Exports:

India's Guar gum exports increased in the month of September '2022 by 2.5% to 22,503 MT compared to 21,963 MT during previous month. The gum shipments were up by 17.62% in September 2022 compared to the same period last year. Out of the total exported



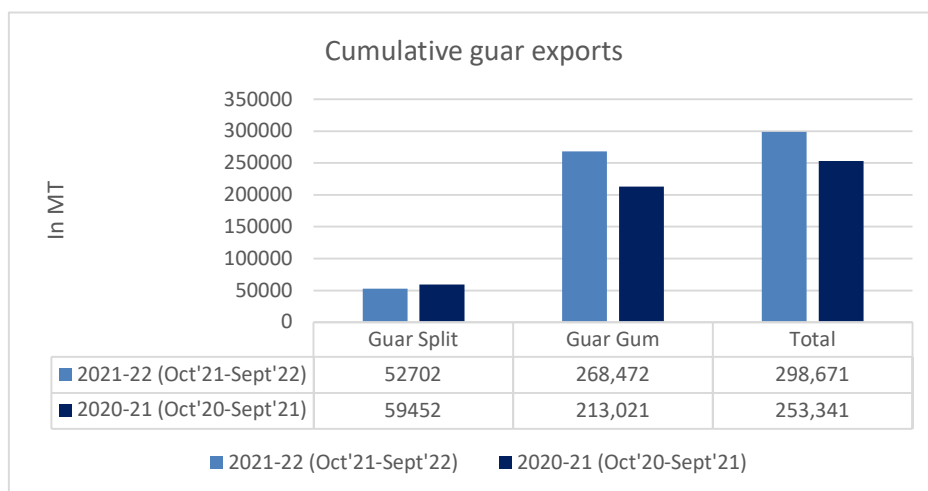
quantity, around 6121 MT (27.20%) was bought by the US, Russia bought 4176 MT (18.56%) and Germany 2,249 MT (10%). We expect Guar gum export in Oct'22 around 22,000-25,000 tonnes.





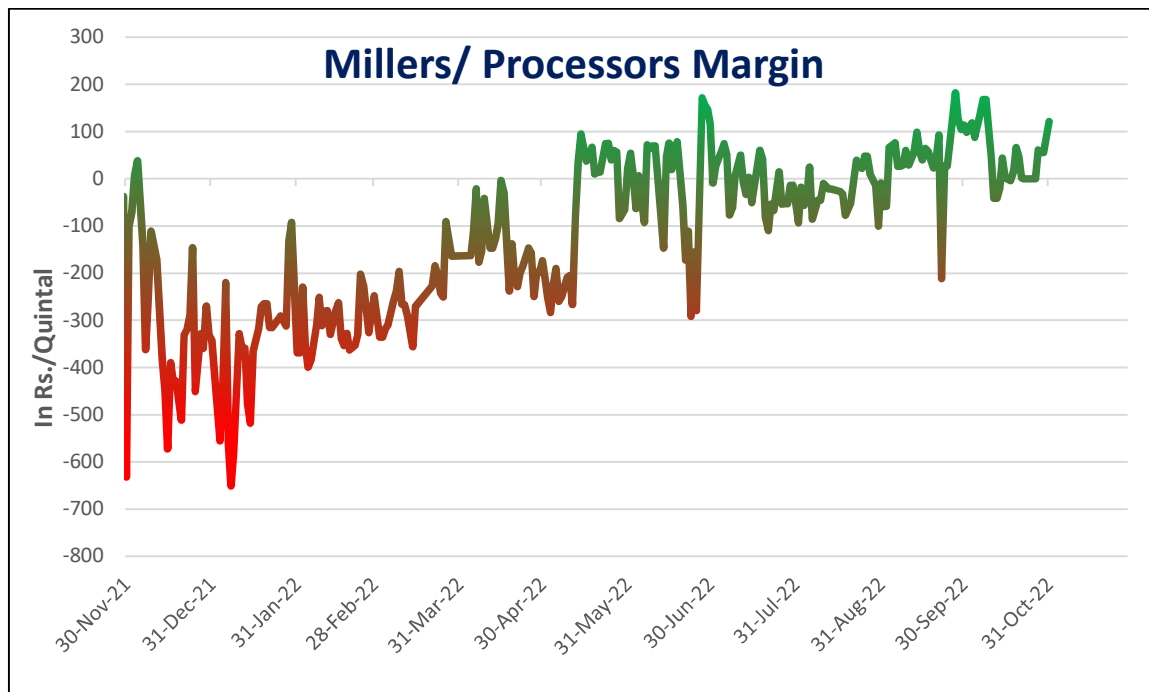
Total Cumulative Guar exports

Oct-Sep '22 recorded up by 18% to 2.98 Lakh tonnes as compared to 2.53 Lakh tonnes previous year same period.



Millers/Processors Margin

As seen in the chart, the average net crush margin of guar seed has increased in October '22 to 57/ Qtl as compared to 44/ Qtl in September '22, due to decline in guar seed prices.



Technical Analysis (Guar Seed)

Commodity: Guar Seed
Exchange: NCDEX

Expiry: Dec 20, 2022
Contract: Dec

Guar Seed (Dec, Daily Chart)


Violet histogram indicating WTI crude oil price movement.

Technical Commentary:

- As seen in the above chart, prices are moving downwards, and making lower lows. Currently trading below 9 and 18 DMA while 50 DMA is acting as a strong support.
- During the month under review, Guar seed went down by 6.6%, market made low at 4590 and a high at 4960 and closed at 4635.
- MACD oscillator momentum indicating weak sentiments.
- RSI is at 48, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Dec	4600	5000	4635	5100	5200
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Dec	Sell	5000	4800	4700	5100

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: Dec

Exchange: NCDEX
Expiry: Dec 20, 2022

Guar Gum (Dec, Daily Chart)



Violet histogram indicating WTI crude oil price movement.

Technical Commentary:

- As seen in the above chart, prices are moving downwards, and making lower lows. Currently trading below 9 and 18 DMA while 50 DMA is acting as a support.
- During the month under review, Guar gum went down by 5.38%, market made low at 8,985 and a high at 9,830 and closed at 9,520.
- MACD indicating weak sentiment.
- RSI is near 50, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Dec	9200	9100	9520	10000	10200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Dec	Sell	9700	9500	9400	9800

Guar Seed Prices at Key Spot Markets:					
Commodity	District	Centre	Prices (Rs/Qtl)		Change
Guar Seed			29-Oct-22	30-Sep-22	
Rajasthan	Jodhpur	Jodhpur (Loose)	4530	4750	-220
		Jodhpur(Delivery)	4757	4988	-231
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4550	4450	100
		Sri-Ganganagar (Delivery)	4700	4600	100
		Rawla (Loose)	4370	4595	-225
		Gharsana (Loose)	4450	-	-
		Raisinghnagar (Loose)	4420	4800	-380
	Bikaner	Bikaner (Loose)	4420	4675	-255
		Bikaner (Delivery)	4641	4909	-268
		Nokha(Loose)	4425	4650	-225
		Nokha (Delivery)	4646	4883	-236
		Khajuwala (Loose)	4450	4700	-250
		Khajuwala (Delivery)	4673	4935	-263
		Lunkaransar (Loose)	4450	4700	-250
	Hanumangarh	Hanumangarh (Loose)	4400	4650	-250
		Hanumangarh (Delivery)	4620	4883	-263
	Nagaur	Nagaur (Loose)	4360	4700	-340
	Churu	Churu (Delivery)	4600	4900	-300
	Alwar	Alwar (Loose)	4200	4500	-300
Haryana	Hisar	Adampur (Loose)	4500	4800	-300
		Adampur (Delivery)	4725	5040	-315
	Bhiwani	Bhiwani (Delivery)	4650	4950	-300
		Siwani (Loose)	4600	4950	-350
	Sirsa	Sirsa (Loose)	4300	4600	-300
		Dhabwali (Loose)	4030	4650	-620
		Dhabwali (Delivery)	4232	4883	-651
		Ellanabad (Loose)	-	4650	-
Gujarat	Banaskantha	Deesa (Loose)	-	-	Unch
	Rajkot	Rajkot (Loose)	-	4750	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9250	9650	-400
	Alwar	Alwar	9400	9400	Unch
Haryana	Bhiwani	Bhiwani	9300	9770	-470
	Sirsa	Sirsa	9150	9400	-250

		Dhabwali	9150	9400	-250
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Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			29-Oct-22	30-Sep-22	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	1000	200	800
		Rawla	500	407	93
		Gharsana	1000	0	1000
		Raisinghnagar	1000	122	878
	Bikaner	Bikaner	1500	300	1200
		Nokha	2000	200	1800
		Khajuwala	1000	150	850
		Lunkaransar	1500	300	1200
	Hanumangarh	Hanumangarh	100	300	-200
	Nagaur	Nagaur	6000	144	5856
	Churu	Churu	2000	600	1400
Haryana	Hisar	Adampur	800	500	300
	Bhiwani	Bhiwani	250	0	250
		Siwani	500	300	200
	Sirsa	Sirsa	100	NA	-
		Ellanabad	0	15	-15
Total Arrivals/Above Markets			19250	3588	15662

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