

# Guar Monthly Research Report

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**Executive Summary**

During the month under review, monthly average prices of Guar seed went down by 4.4% to Rs. 5,572/qtl. as compared to previous month at Rs. 5,830/qtl. amid the falling guar seed arrivals and weak demand in the market. guar gum monthly average prices also went down by 4.4% to Rs. 11,958/qtl as compared to previous month at Rs. 12,504/qtl in tandem with Guar seed prices.

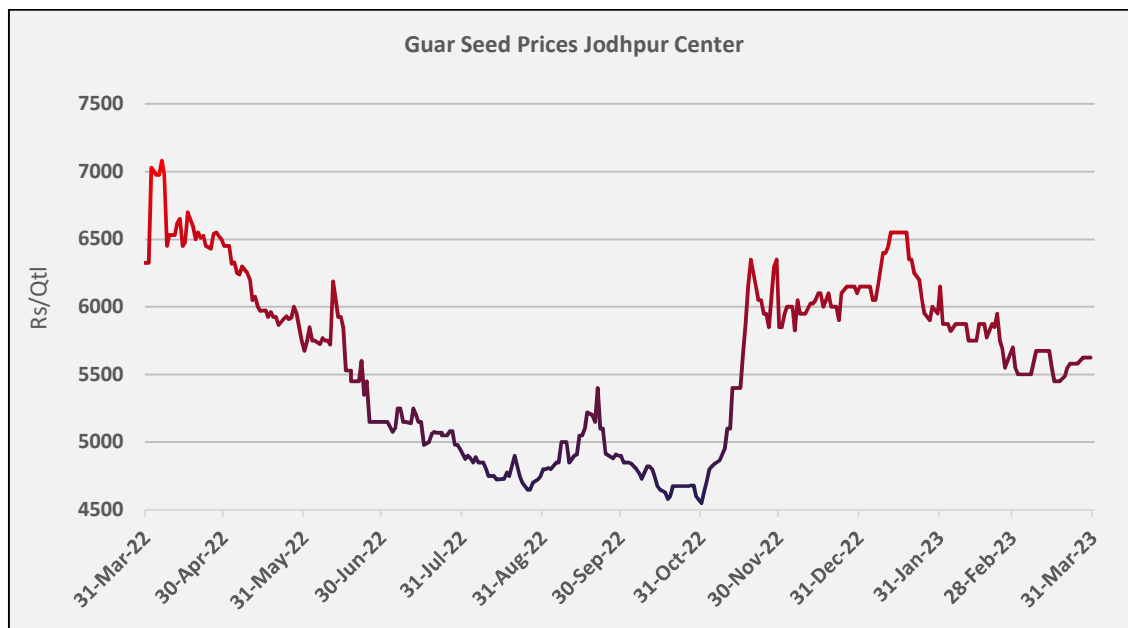
As per data released by Baker Hughes, the average number of oilrigs in USA went down by 13 to 591 in Mar '23 as compared to 604 in the previous month

**Outlook – Guar seed (Spot, Jodhpur basis):**

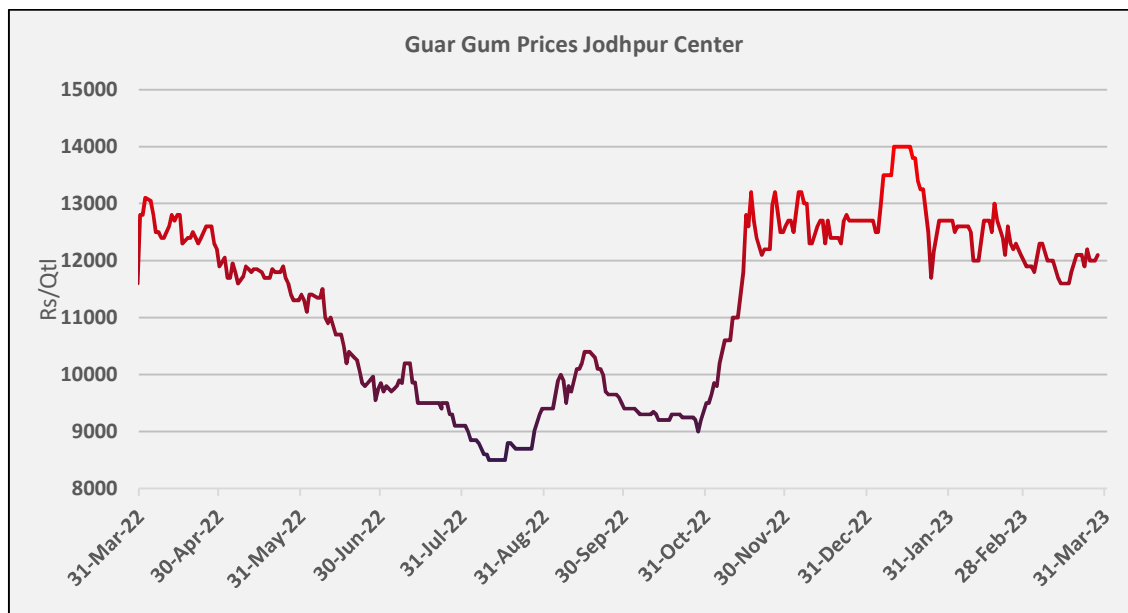
Guar seed delivery prices are expected to show weak bias amid weak demand and less arrivals. The seed prices are likely to trade in the range between 5,500 –6,700/Qtl. in the short-run and guar gum likely to trade in the range of 11,000-12,800.

### Domestic Market Fundamentals

During the month under review, monthly average prices of Guar seed went down by 4.4% to Rs. 5,572/qtl. as compared to previous month at Rs. 5,830/qtl. amid the falling guar seed arrivals and weak demand in the market.



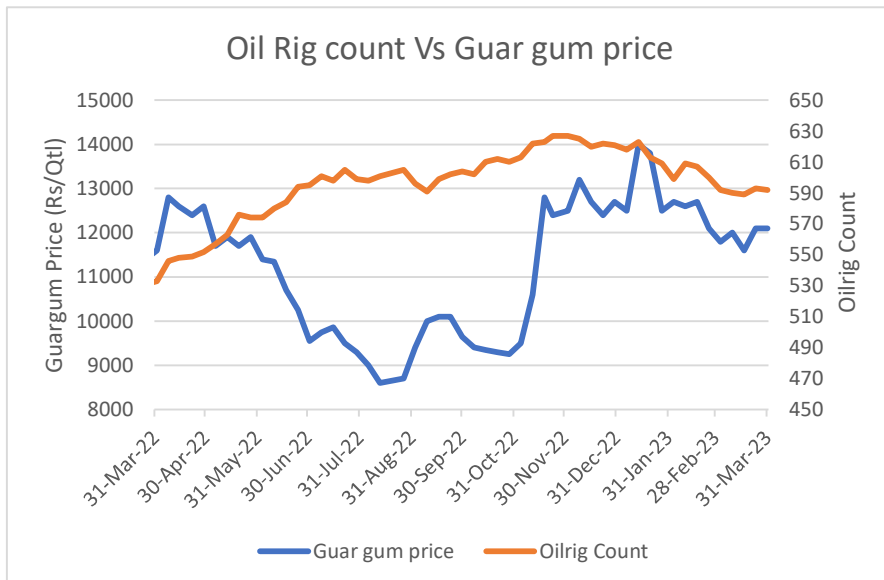
During the month under review, guar gum monthly average prices also went down by 4.4% to Rs. 11,958/qtl as compared to previous month at Rs. 12,504/qtl in tandem with Guar seed prices.



### Oilrig count Vs Guar gum price

As per data released by Baker Hughes, the average number of oilrigs in USA went down by 13 to 591 in Mar '23 as compared to 604 in the previous month. While the average Guar gum prices also went down by 4.4% this month as compared to the previous month.

The oil rig count has continuously fallen for the 2<sup>nd</sup> month in a row, indicating the declining oil demand from the US, which is clearly reflected in the guar gum prices that has also extended the previous months' loss.



### WTI Crude Oil

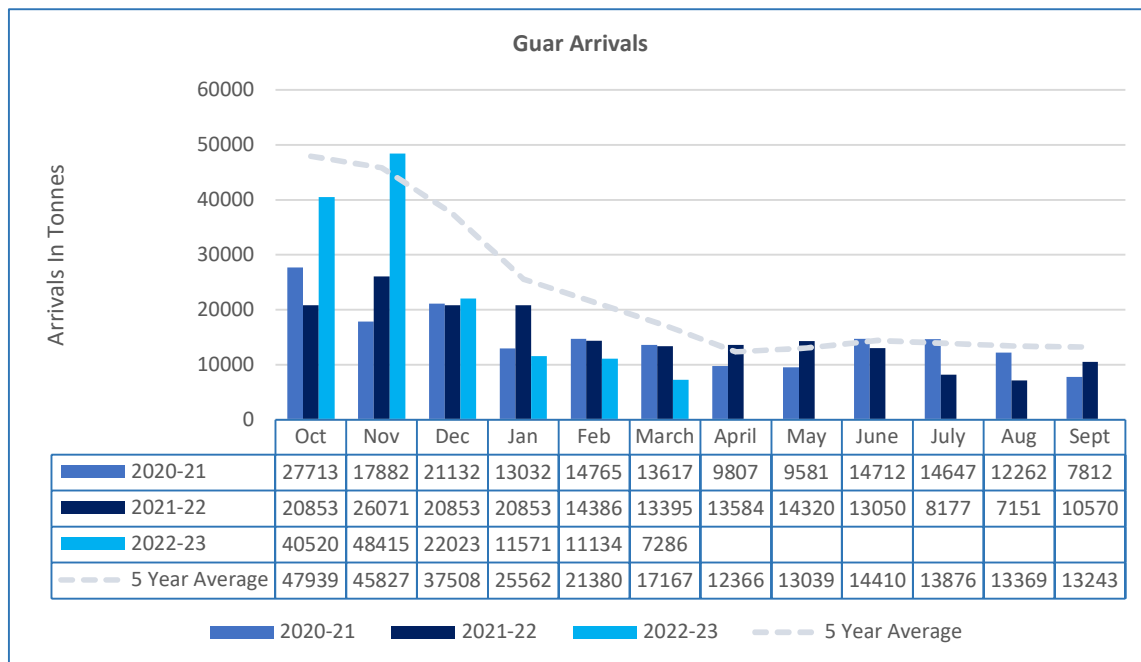
Crude oil prices experienced a 2.7% month-over-month decrease. This can be attributed to the perception that the market is well-stocked with oil, even as concerns over the global

economy's future outlook and a stronger US dollar have not abated. Compared to the same period last year, prices dropped significantly by 14.2%. This week, an increase of 8% was seen in crude oil prices, due to which the guar gum prices also showed an improvement and went up by 2.12%.

WTI Crude oil 31st Mar '23		% Change
31st Mar '23		0.73%
1 Week		8.17%
Month till date		-2.67%

### Arrivals

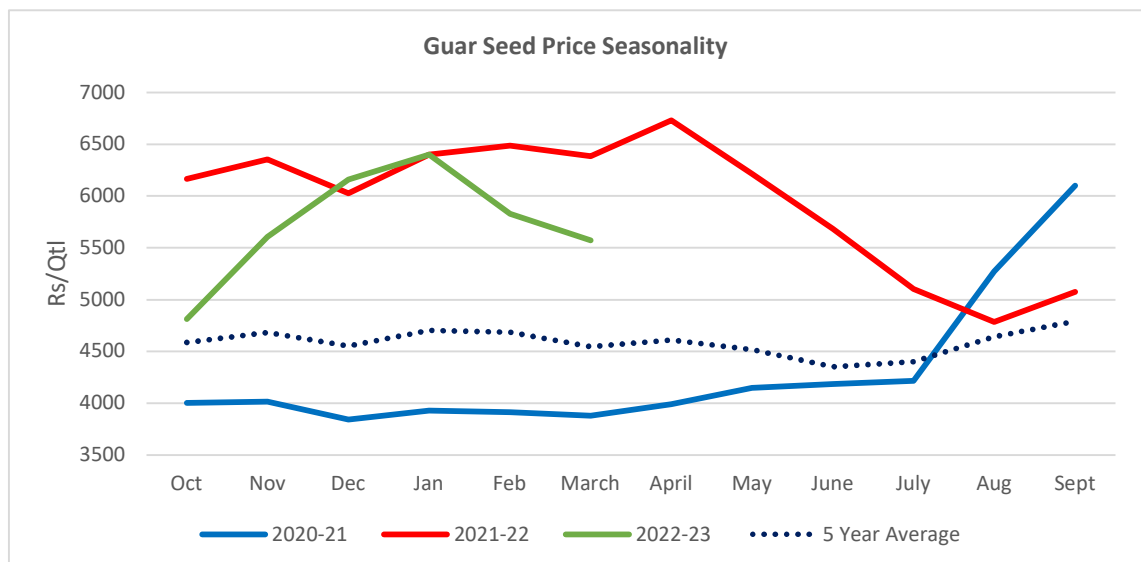
In the period between Oct-Mar '23, Guar seed arrivals declined by 28% at 1,40,949 tonnes as compared to 1,95,382 tonnes five years average. In the month of Mar '23, the arrivals went down by 58% to 7,286 tonnes as compared to 17,167 tonnes five-year average.



Source: Agmarknet

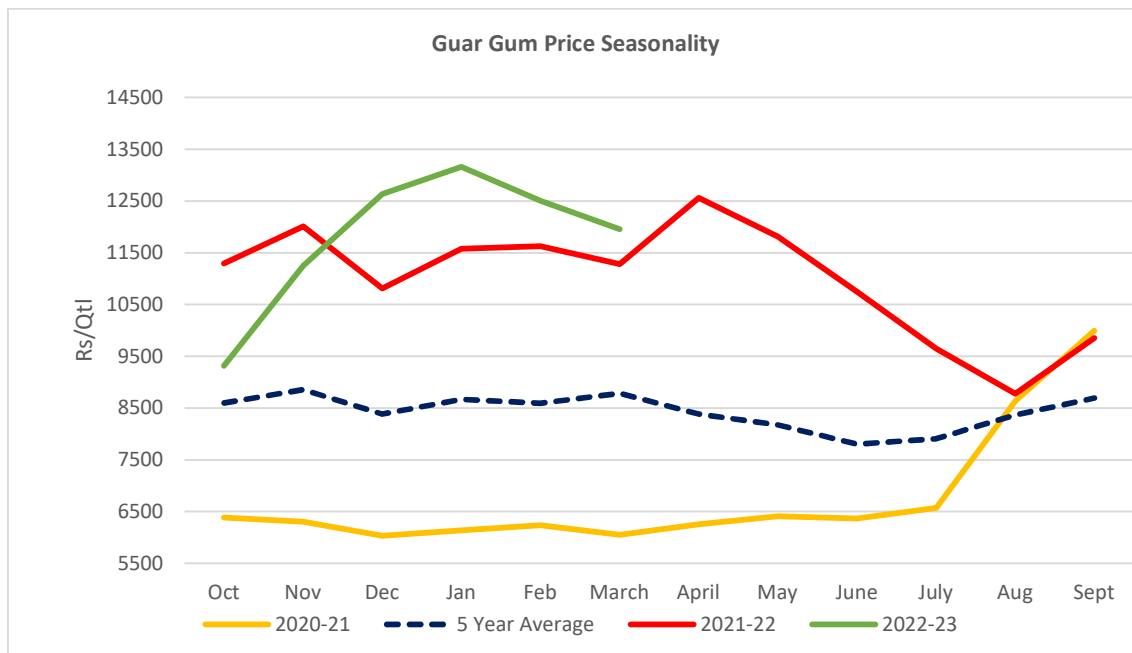
### Guar Seed Price Seasonality

The guar seed prices in the month of Mar'23 went up by 23% as compared to five-year average price while compared to the previous month, it decreased by 4.4%.

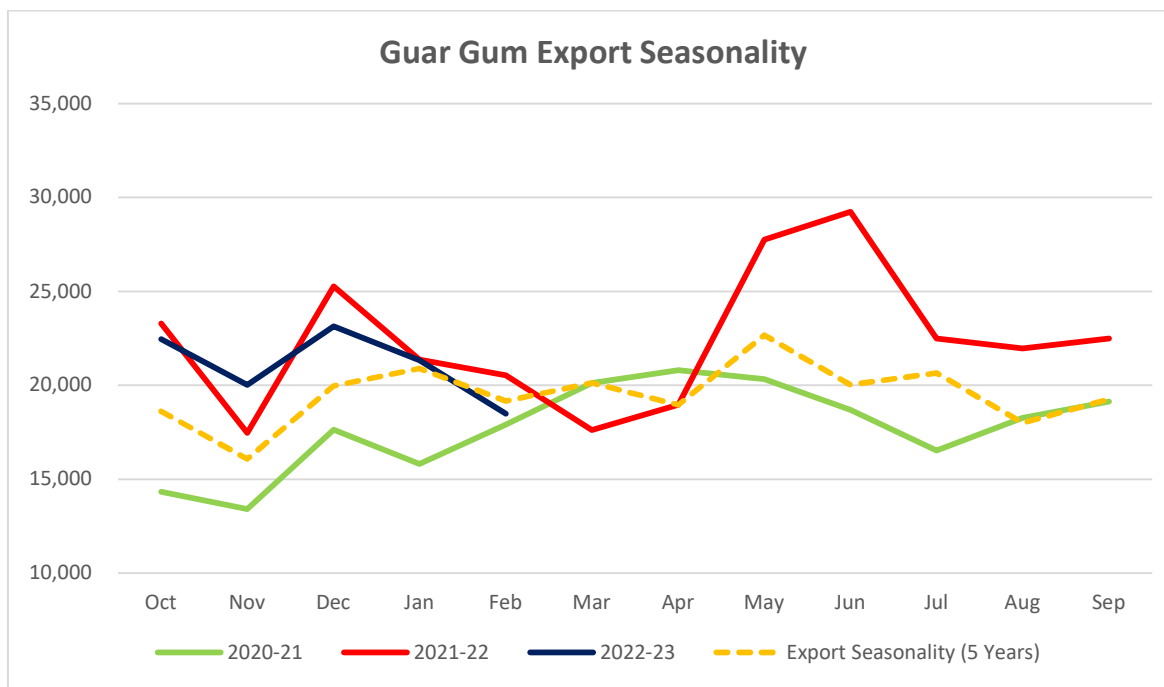


### Guar Gum Price seasonality

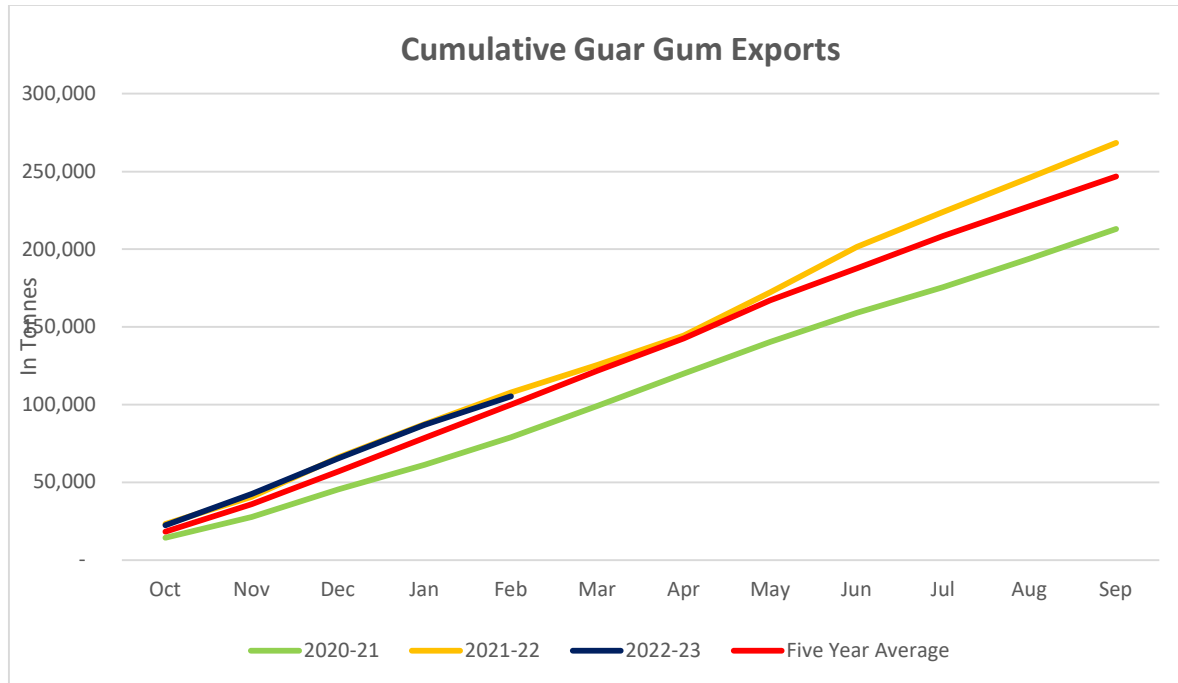
The guar gum prices in the month of Mar '23 went up by 36% as compared to five-year average price while compared to the previous month, it declined by 4.4%.

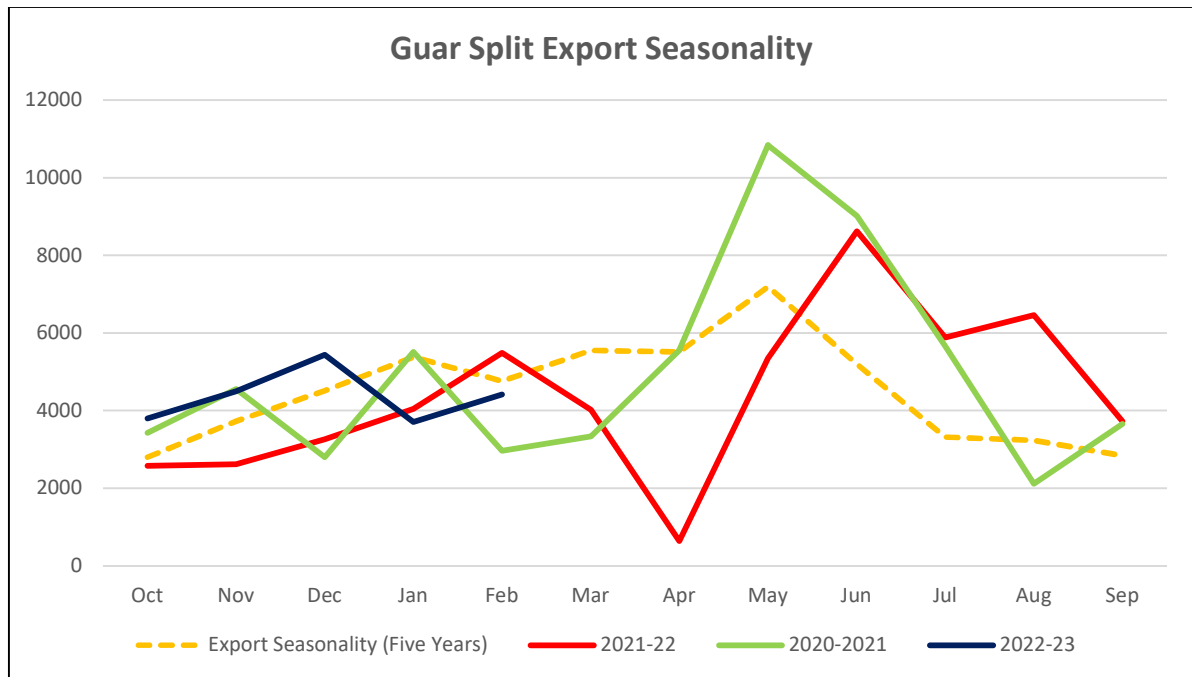
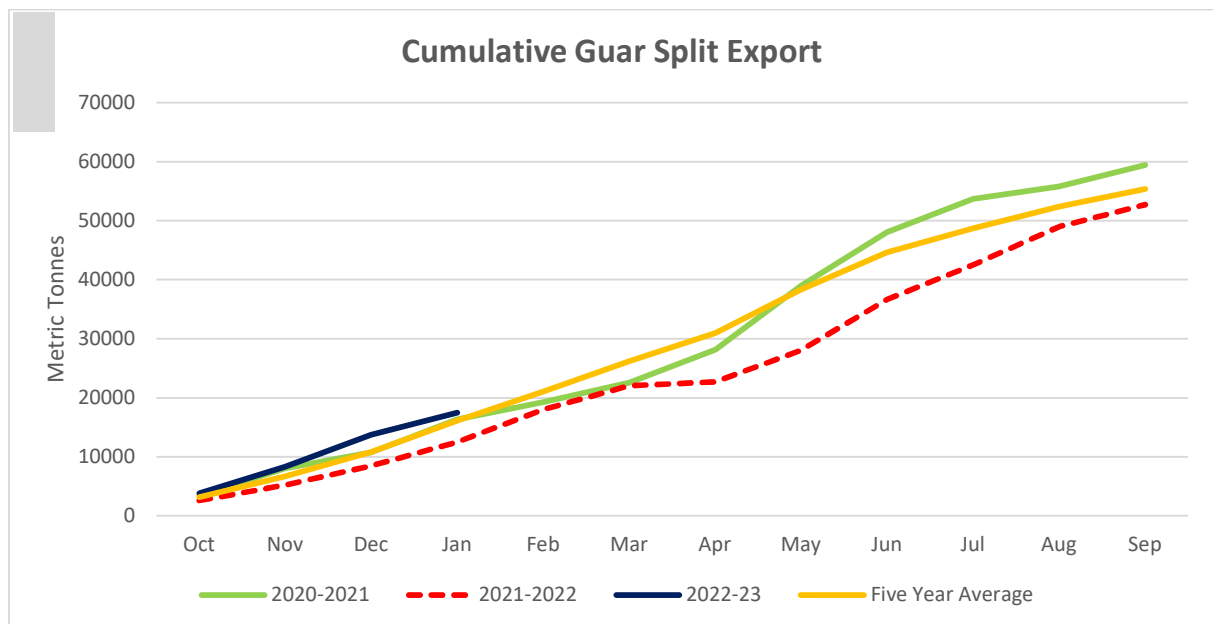


### Guar Gum Export seasonality



**Cumulative Guar Gum Exports**



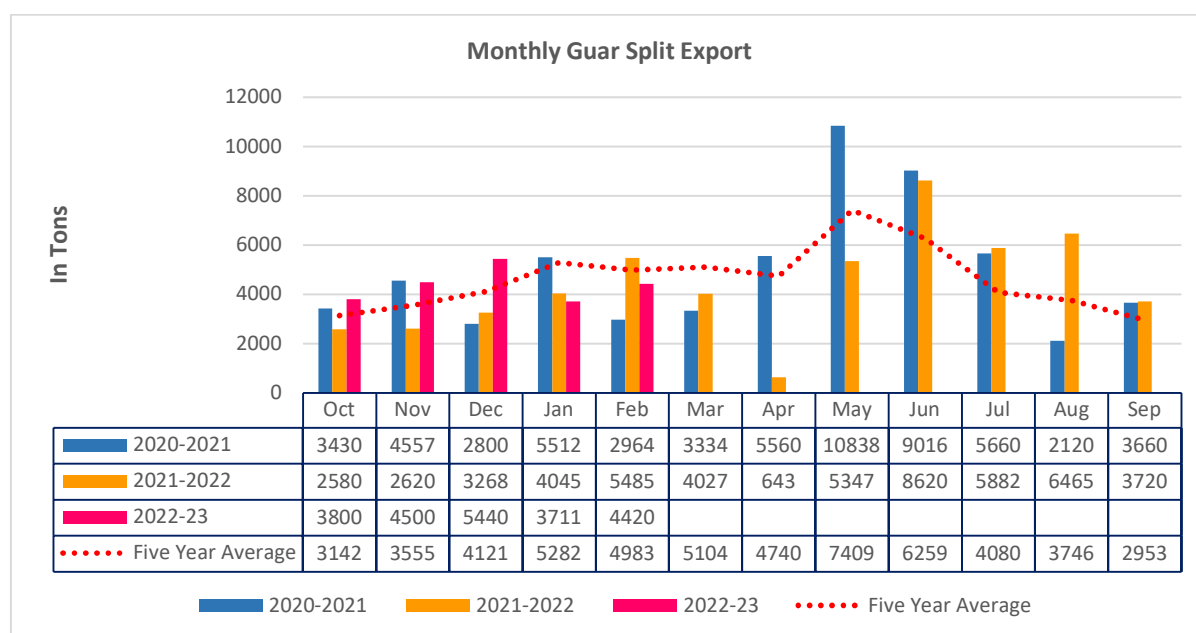
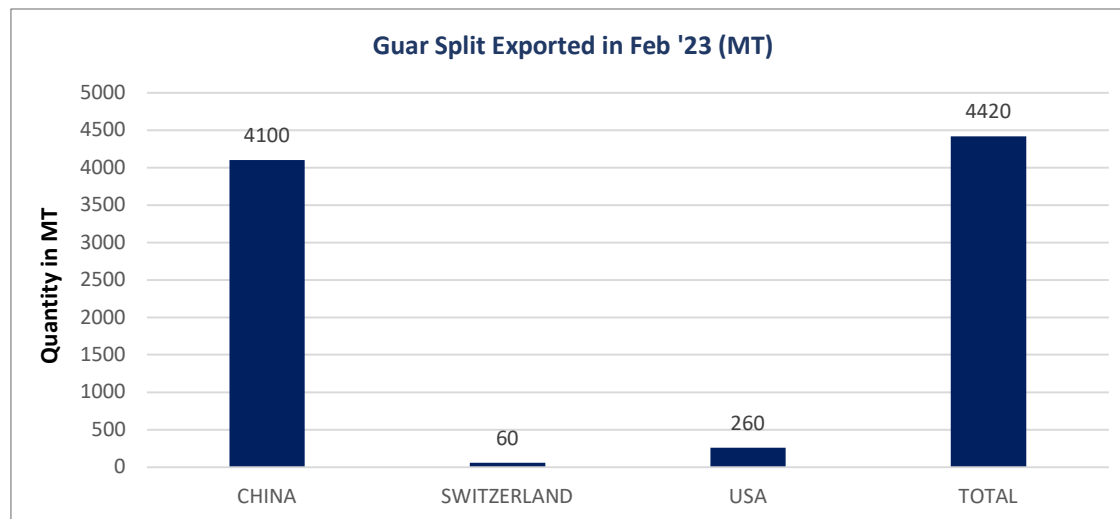
**Guar Split export seasonality**

**Cumulative Guar Gum Exports**




## Export Scenario

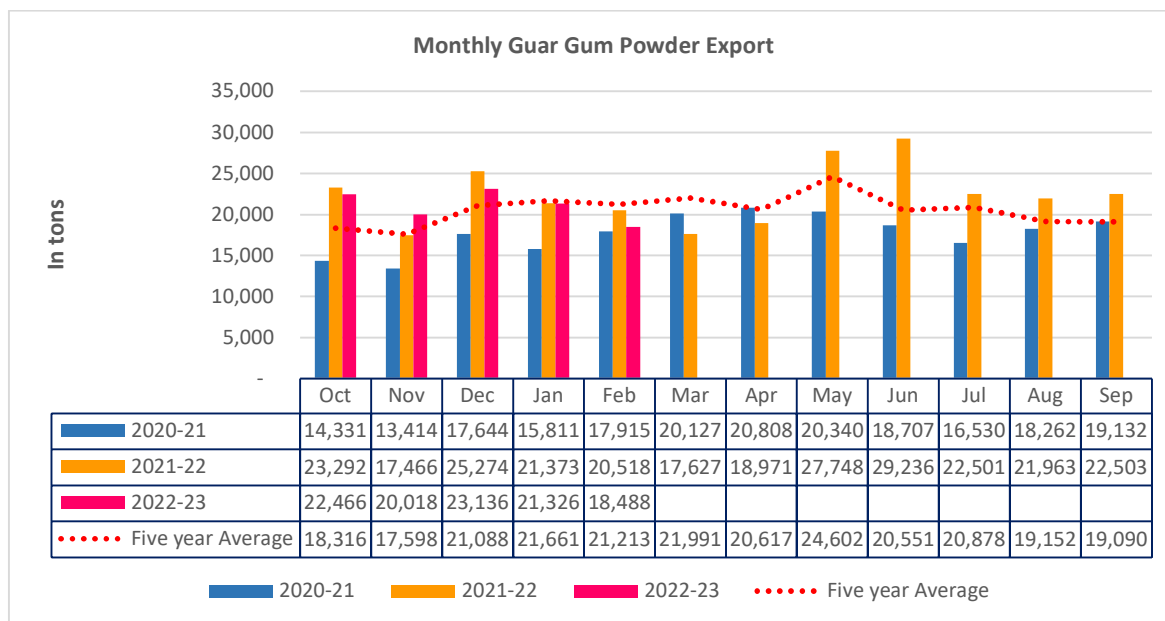
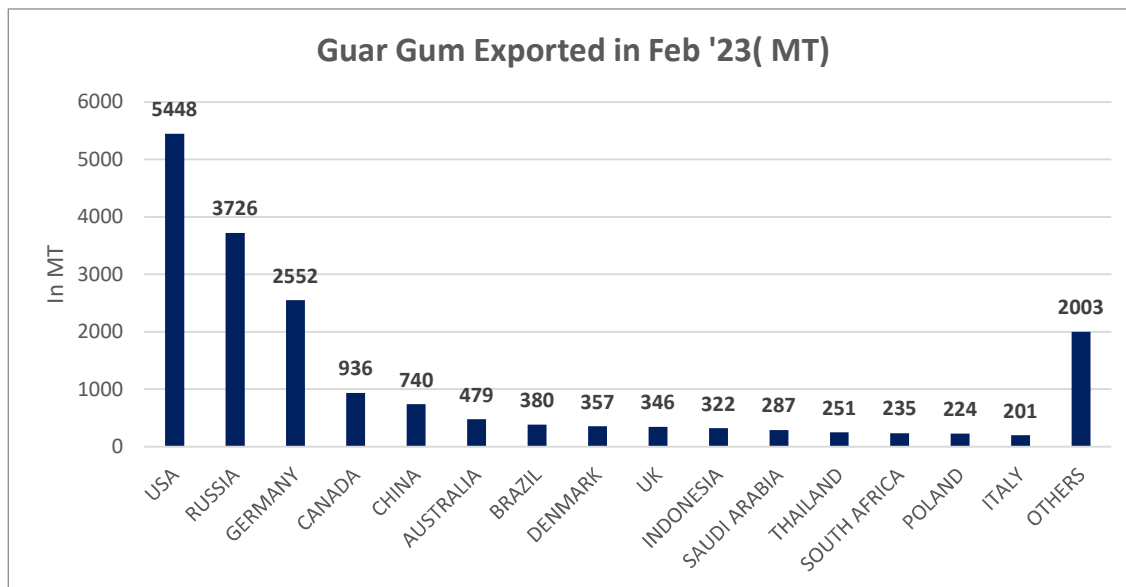
### Guar Split Exports

India's guar split exports increased in the month of Feb '2023 by 19% to 4,420 tonnes compared to 3,711 tonnes previous month at an average FoB of US \$1,843 per tonne in the month of Feb '23 compared to US \$1,936 per tonne previous month. However, the guar split shipments declined by 19% in Feb '23 compared to the same period last year. Of the total exported quantity, around 4,100 tonnes bought by China, US 260 tonnes and Switzerland 60 tonnes.

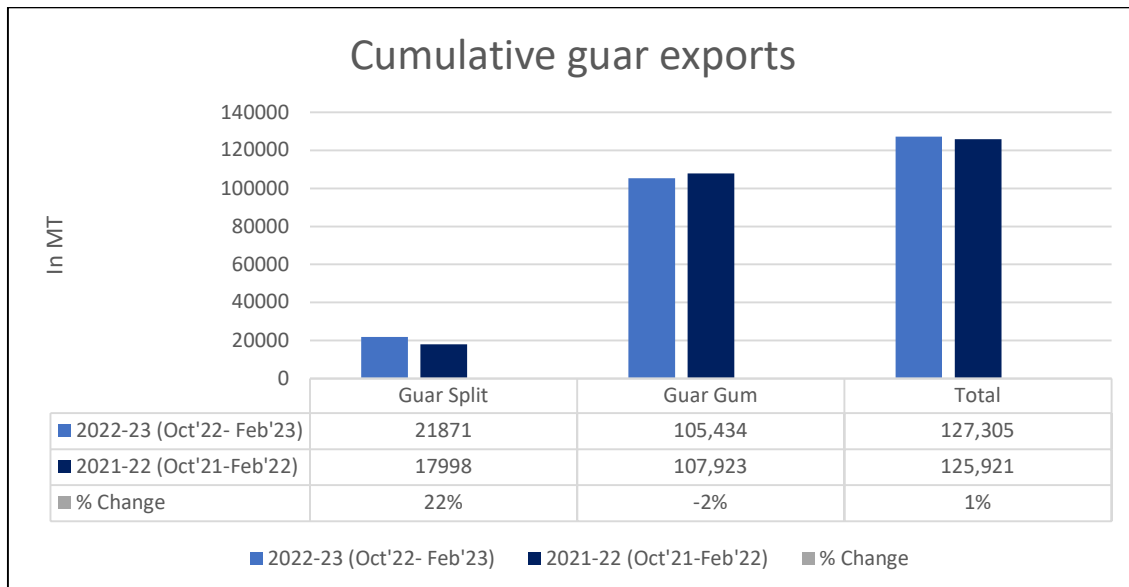


**Guar Gum Exports:**

India's guar gum exports decreased in the month of February 2023 by 13% to 18,488 tonnes compared to 21,326 tonnes during previous month at an average FoB of US \$1,558 per tonne in the month of Feb '2023 as compared to US \$1,482 per tonne previous month. Further, the gum shipments were marginally down by 0.1% in Feb '2023 as compared to the corresponding year. Out of the total exported quantity, around 5,448 tonnes bought by USA, Russia 3,726 tonnes, Germany 2,552 tonnes, Canada 936 tonnes, China 740 tonnes and Australia 479 tonnes.

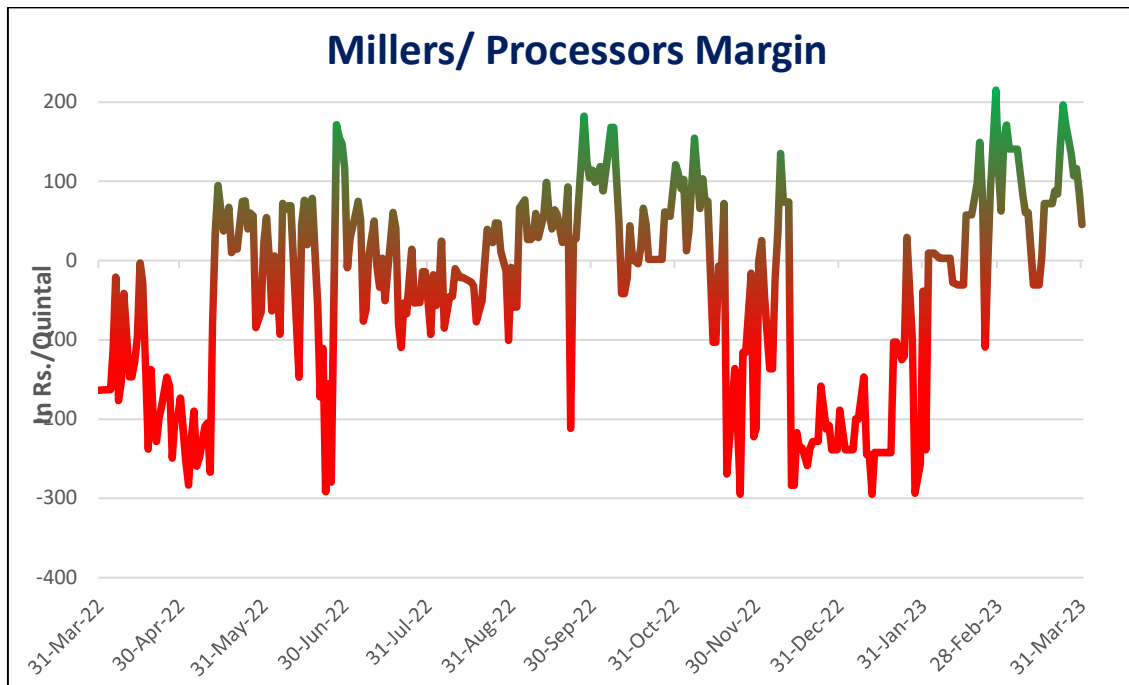


**Total Cumulative Guar exports:** Oct-Feb '23 recorded 1% higher exports at 1.27 Lakh tonnes as compared to 1.25 Lakh tonnes previous year same period.



### Millers/Processors Margin

As seen in the chart, the average net crush margin of guar seed increased in March '23 to 88/ Qtl as compared to -20/ Qtl in February '23, due to declining guar seed prices.



**Technical Analysis (Guar Seed)**

**Commodity:** Guar Seed  
**Contract:** April

**Exchange:** NCDEX  
**Expiry:** Apr 20, 2023

**Guar Seed (Feb, Monthly Chart)**


Violet histogram indicating WTI crude oil price movement.

**Technical Commentary:**

- As seen in the above chart, market is currently trading above 9,50 and 100 DMA, while it is below 18 DMA, indicating weak market sentiments.
- During the month under review, Guar seed prices were bearish and went marginally down by 0.99%, market made low at 5,382, high at 5,778 and closed at 5,703.
- MACD oscillator momentum indicating bearish sentiments.
- RSI is near 50, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Mar	5200	5100	5703	5900	6000
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Mar	<b>SELL</b>	5750	5400	5350	6000

### Technical Analysis (Guar Gum)

**Commodity:** Guar Gum  
**Contract:** April

**Exchange:** NCDEX  
**Expiry:** Apr 20, 2023

#### Guar Gum (Feb, Monthly Chart)



Violet histogram indicating WTI crude oil price movement.

#### Technical Commentary:

- As seen in the above chart, market is currently trading above 9,50 and 100 DMA, while it is below 18 DMA, indicating firm market sentiments.
- During the month under review, Guar gum prices went down by 3.93%. Market made low at 11,200, high at 12,233 and closed at 11,746.
- MACD is indicating bearish sentiments.
- RSI is near 57, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Mar	10800	10700	11746	12800	12900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Mar	<b>SELL</b>	11800	11000	10900	11850

**Guar Seed Prices at Key Spot Markets:**

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			31-Mar-23	28-Feb-23	
Guar Seed	Jodhpur	Jodhpur (Loose)	5430	5550	-120
		Jodhpur (Delivery)	5702	5828	-126
	Sri-Ganganagar	Sri-Ganganagar (Loose)	5350	5500	-150
		Sri-Ganganagar (Delivery)	5500	5650	-150
		Rawla (Loose)	5350	5650	-300
		Gharsana (Loose)	5350	5650	-300
		Raisinghnagar (Loose)	5280	5400	-120
	Bikaner	Bikaner (Loose)	5400	5500	-100
		Bikaner (Delivery)	5670	5775	-105
		Nokha (Loose)	5350	5550	-200
		Nokha (Delivery)	5618	5828	-210
		Khajuwala (Loose)	5500	5700	-200
		Khajuwala (Delivery)	5775	5985	-210
		Lunkaransar (Loose)	5400	5450	-50
	Hanumangarh	Hanumangarh (Loose)	5400	5400	Unch
		Hanumangarh (Delivery)	5670	5670	Unch
		Nohar (Loose)	NA	NA	-
		Pilibanga (Loose)	5325	5450	-125
	Nagaur	Nagaur (Loose)	5450	5600	-150
	Churu	Churu (Delivery)	NA	NA	Unch
	Alwar	Alwar (Loose)	NA	NA	Unch
Haryana	Hisar	Adampur (Loose)	5350	5480	-130
		Adampur (Delivery)	5618	5754	-137
	Bhiwani	Bhiwani (Delivery)	5500	5600	-100
		Siwani (Loose)	5550	5650	-100
	Sirsa	Sirsa (Loose)	5275	5500	-225
		Dhabwali (Loose)	5400	5420	-20
		Dhabwali (Delivery)	5670	5691	-21
		Ellanabad (Loose)	5400	5440	-40
	Fatehabad	Fatehabad (Loose)	5300	5300	Unch
Gujarat	Banaskantha	Deesa (Loose)	5300	NA	-
	Patan	Patan (Loose)	NA	5210	-
	Rajkot	Rajkot (Loose)	NA	5440	-
	Jamnagar	Dhrol (Loose)	NA	5160	-

Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	Unch
<b>Guar Gum</b>					
Rajasthan	Jodhpur	Jodhpur	12100	12300	-200
	Alwar	Alwar	NA	NA	Unch
	Hanumangarh	Nohar	NA	NA	-
Haryana	Bhiwani	Bhiwani	11700	11950	-250
	Sirsa	Sirsa	11600	12200	-600
		Dhabwali	11900	12200	-300
		Ellanabad	11600	12200	-600
	Fatehabad	Fatehabad	12000	12200	-200

Guar Seed Arrivals in Key Centers					
Commodity	District	Centre	Arrivals (Quintals)		Change
Guar Seed			25-Mar-23	28-Feb-23	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	200	300	-100
		Rawla	0	0	Unch
		Gharsana	0	0	Unch
		Raisinghnagar	50	100	-50
	Bikaner	Bikaner	500	700	-200
		Nokha	300	250	50
		Khajuwala	100	200	-100
		Lunkaransar	500	700	-200
	Hanumangarh	Hanumangarh	70	70	Unch
		Nohar	NA	0	-
		Pilibanga	40	40	Unch
	Nagaur	Nagaur	NA	50	-
Haryana	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
	Hisar	Adampur	800	1500	-700
	Bhiwani	Bhiwani	200	100	100
		Siwani	250	700	-450
	Sirsa	Sirsa	500	1100	-600
		Dhabwali	50	150	-100
		Ellanabad	50	450	-400
	Fatehabad	Fatehabad	NA	NA	-
Gujarat	Banaskantha	Deesa	NA	0	-

	<b>Patan</b>	Patan	0	8	<b>-8</b>
	<b>Rajkot</b>	Rajkot	0	180	<b>-180</b>
	<b>Jamnagar</b>	Dhrol	0	8	<b>-8</b>
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra	0	0	<b>Unch</b>
<b>Total Arrivals/Above Markets</b>			<b>3610</b>	<b>6606</b>	<b>-2996</b>

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