



Guar Weekly Research Report

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Executive Summary**Domestic Guar Seed Market Summary**

Steady to firm sentiments witnessed in the guar seed and guar gum market on improved demand from the domestic millers however, less overseas demand in the guar gum could not support much to rise prices. Overall guar sentiments are weak on decline in the guar gum exports. We can see further hike in prices during March end to April month in expectation of improved overseas demand for gum.

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

As per data released by Baker Hughes, the number of oilrigs in USA increased by 6 to 384 as on 29th January 2021 compared to 378 previous week. However, it is lower by 406 compared to 790 on 31st January 2020. Total number of oilrigs were recorded at 1,495 in Jan'21 compared to 3,957 in the corresponding period in last year.

India's guar gum exports improved in the month of December 2020 by +32% to 17,644 tonnes compared to 13,414 tonnes during November 2020 at an average FoB of US \$ 1849 per tonne in the month of December compared to US \$ 1611 per tonne in the month of November 2020. However, the gum shipments were down -1% in December 2020 compared to the same period last year. Of the total exported quantity, around 4,914 tonnes is bought US, Russia (3,290 tonnes) and Germany (2,432 tonnes).

India's guar split exports fell in the month of December 2020 by -39% to 2,800 tonnes compared to 4,557 tonnes during November 2020 at an average FoB of US \$ 955 per tonne in the month of December compared to US \$ 1,390 per tonne in the month of November 2020. Further, the guar split shipments were up +32% in December 2020 compared to the same period last year. Of the total exported quantity, around 1,880 tonnes is bought China, US (800 tonnes) and Switzerland (120 tonnes).

Previous Updates:

India's guar gum exports fell in the month of November 2020 by 6% to 13414 tonnes compared to 14,331 tonnes during October 2020 at an average FoB of US \$ 1611 per tonne in the month of November compared to US \$ 1785 per tonne in the month of October 2020. However, the gum shipments were down 30% in November 2020 compared to the same period last year. Of the total exported quantity, around 3,639 tonnes is bought US, Russia (2,914 tonnes) and Germany (1,188 tonnes).

India's guar split exports improved in the month of November 2020 by 33% to 4557 tonnes compared to 3,438 tonnes during October 2020 at an average FoB of US \$ 1,390 per tonne in the month of November compared to US \$ 1,408 per tonne in the month of October 2020. Further, the guar split shipments were up 286% in November 2020 compared to the same period last year. Of the total exported quantity, around 1,152 tonnes is bought US, China (1,940 tonnes) and UK (4,84 tonnes).

Recommendation:

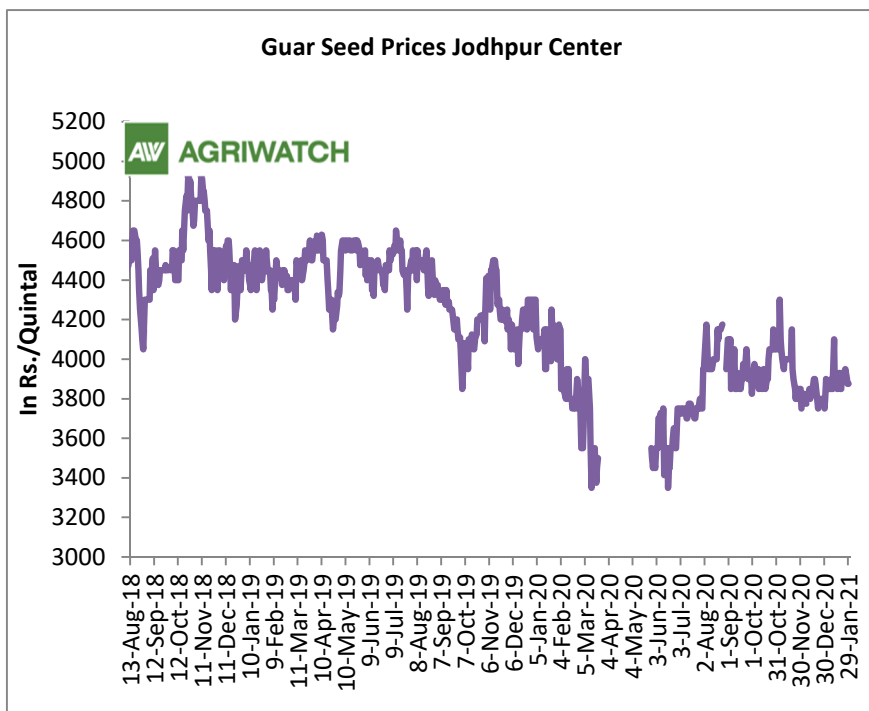
Weekly Call- : Market participants are advised to SELL Guar seed future February contract below 3950 levels for a target of 3850 with a stop loss at 4050.

Outlook:-

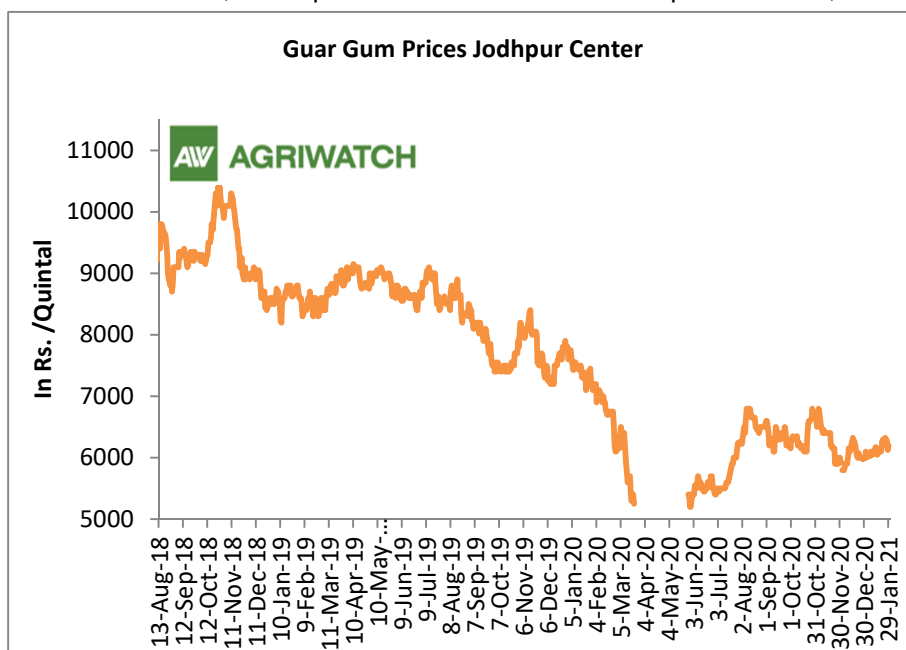
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Domestic Front

- The local guar seed prices rose in this week compared to the prices in the previous week. However dull overseas demand after the sever impact of COVID could not support prices to sustain at higher level.
- Stockists and the processors are the major buyers of the new seed.
- The average guar seed all paid prices in Jodhpur have increased slightly and was quoted at Rs 3,938 a quintal in this week compared to Rs, 3,917 a quintal in last week.
- The 2020/21 guar seed output estimate have fallen by around 45% compared to the previous season.

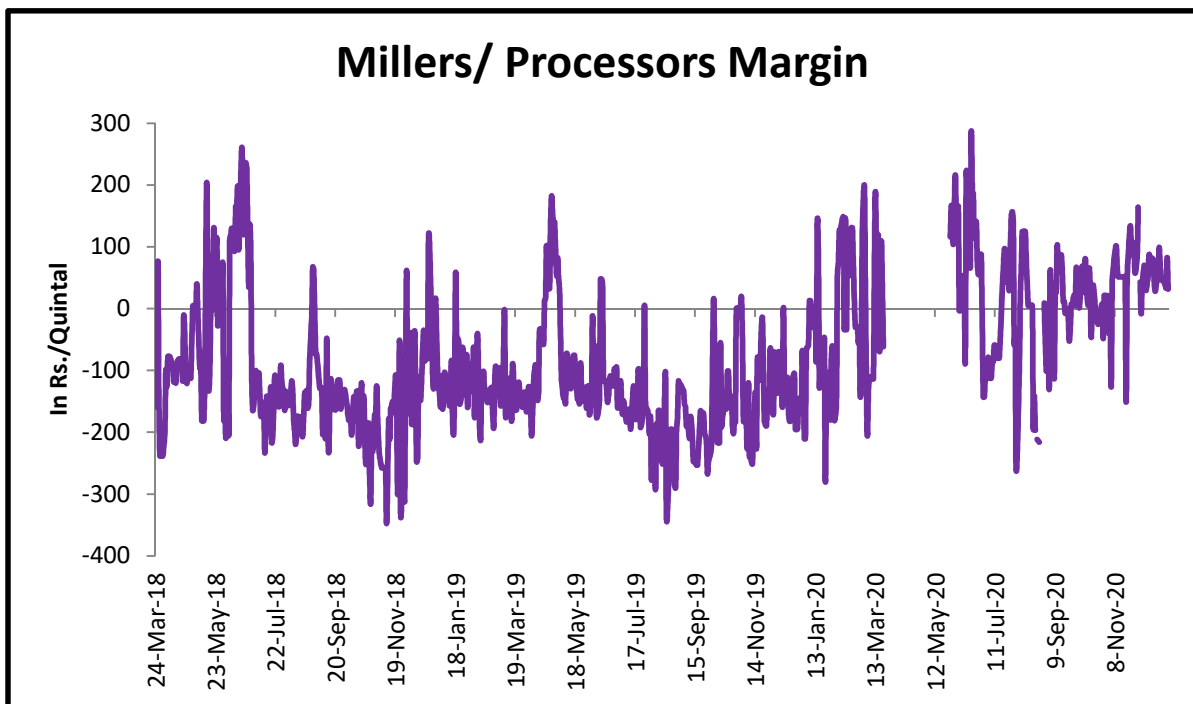


- Besides, the average guar gum prices too fell to around Rs 6,250 a quintal in the current week compared to Rs 6,116 per quintal in last week.



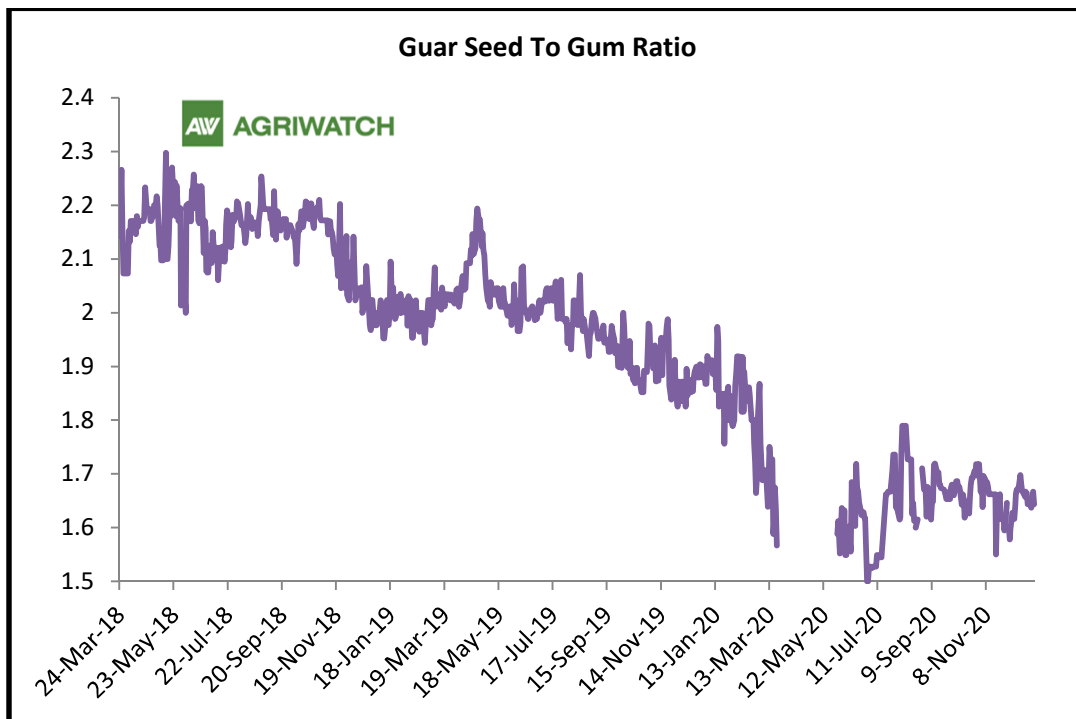
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have improved in December'20 as compared to November'20, the average crush margin improved to Rs. +57/quintal in December'20 compared to Rs. +47/quintal in November'20. Increase in the guar product prices like churi and korma have slightly pushed up the processors' margin.



Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum stood almost flat at 1.65 in December'20 compared to November'20. Overall, poor demand of gum from domestic markets has kept the overall ratio lower side.



Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 Dec-2020	4347	2379
9-16 Dec-2020	4724	1721
17-24 Dec-2020	5292	1641
25-31 Dec-2020	3281	1655
Total	17644	1849

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: Feb.

Exchange: NCDEX
Expiry: Feb. 19, 2021

Guar Seed (Feb. Daily Chart)



Technical Commentary:

- Guar seed posted loss on selling pressures in the market.
- RSI and stochastic are falling in the neutral region.
- Prices closed below 18-day EMA.
- Prices are expected to witness loss in the near-term.

Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Feb.	3650	3550	3917	4300	4400
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Feb.	Sell	Below 3950	3850	3800	4050



Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Feb.

Exchange: NCDEX
Expiry: Feb. 19, 2021



Technical Commentary:

- Guar gum posted loss on selling support in the market.
- RSI and stochastic are falling in the neutral region.
- Prices closed below 18-day EMA.
- Prices are expected to feature loss in the near-term.

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Feb.	5780	5920	6165	6490	6670
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb.	Sell	Below 6200	6080	6010	6300

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

Guar by – Products Weekly Average Prices:				
Commodity	Centre	22nd Jan to 29th Jan 2021	15th Jan to 21st Jan 2021	Change
Churi	Jodhpur	2075	2075	Unch
Korma	Jodhpur	3038	3038	Unch
Churi	Sri-Ganganagar	1875	1875	Unch
Korma	Sri-Ganganagar	2850	2850	Unch
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	22nd Jan to 29th Jan 2021	15th Jan to 21st Jan 2021	Change
Guargum Split		863	861	2
Guargum Powder	200 Mesh 5000 CPS	1137	1135	2
	200 Mesh 3500 CPS	1069	1066	2
Guargum Meal	40%	411	410	1
	50%	548	547	1
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			22nd Jan to 29th Jan 2021	15th Jan to 21st Jan 2021	
-	Jodhpur	Jodhpur (Loose)	3750	3731	19
		Jodhpur(Delivery)	3938	3917	20
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	-	-
		Sri-Ganganagar (Delivery)	-	-	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	3801	3754	47
		Bikaner (Delivery)	3991	3942	49
		Nokha(Loose)	3830	3771	59
		Nokha (Delivery)	4022	3959	62
		Khajuwala (Loose)	3784	3718	66
		Khajuwala (Delivery)	3973	3904	69
		Lunkaransar (Loose)	3767	3729	38

	Hanumangarh	Hanumangarh (Loose)	3708	3618	91
		Hanumangarh (Delivery)	3894	3798	95
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	3680	3640	40
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	3782	3729	53
		Adampur (Delivery)	3971	3916	55
	Bhiwani	Bhiwani (Delivery)	3971	3935	36
		Siwani (Loose)	3929	3877	53
	Sirsa	Sirsa (Loose)	3745	3669	76
		Dhabwali (Loose)	3679	3673	7
		Dhabwali (Delivery)	3679	3673	7
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	3580	3542	38
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	3795	3750	45
	Rajkot	Rajkot (Loose)	3690	3670	20
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6250	6117	133
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	6223	6156	67
	Sirsa	Sirsa	6260	6100	160
		Dhabwali	6296	6133	163
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	6200	6025	175

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			22nd Jan to 29th Jan 2021	15th Jan to 21st Jan 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	-	-	-
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	2700	2450	250
		Nokha	2400	3350	-950
		Khajuwala	1600	1200	400
		Lunkaransar	1300	1050	250
	Hanumangarh	Hanumangarh	455	480	-25
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	650	1100	-450
Churu	Churu	-	-	-	
Alwar	Alwar	-	-	-	
Haryana	Hisar	Adampur	2650	3000	-350
	Bhiwani	Bhiwani	4900	2600	2300
		Siwani	2100	1800	300
	Sirsa	Sirsa	7100	6100	1000
		Dhabwali	715	1050	-335
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	250	250	Unch
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	460	257	203
	Rajkot	Rajkot	335	370	-35
	-Jamnagar	-	-	-	-
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			29-Jan-21	22-Jan-21	29-Dec-20	29-Jan-20
Rajasthan	Jodhpur	Jodhpur (Loose)	3725	3750	3650	3900
		Jodhpur(Delivery)	3911	3938	3833	4095
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3700	3750	-	3850
		Sri-Ganganagar (Delivery)	3850	3900	-	4000
		Rawla (Loose)	-	-	-	3999
		Gharsana (Loose)	3750	3750	3670	3900
		Raisinghnagar (Loose)	3680	3780	3640	NA
	Bikaner	Bikaner (Loose)	3770	3830	3700	3850
		Bikaner (Delivery)	3959	4022	3885	4043
		Nokha(Loose)	3775	3875	3725	3725
		Nokha (Delivery)	3964	4069	3911	3911
		Khajuwala (Loose)	3750	3820	3700	NA
		Khajuwala (Delivery)	3938	4011	3885	NA
		Lunkaransar (Loose)	3750	3800	3700	3750
	Hanumangarh	Hanumangarh (Loose)	3650	3700	3660	NA
		Hanumangarh (Delivery)	3833	3885	3843	NA
		Nohar (Loose)	-	-	-	3810
		Pilibanga (Loose)	-	-	-	NA
	Nagaur	Nagaur (Loose)	3700	3670	3650	3680
	Churu	Churu (Delivery)	-	-	-	4000
	Alwar	Alwar (Loose)	-	-	-	3700
Haryana	Hisar	Adampur (Loose)	3760	3800	3725	3815
		Adampur (Delivery)	3948	3990	3911	4006
	Bhiwani	Bhiwani (Delivery)	3900	4000	3900	3825
		Siwani (Loose)	3870	3980	3860	3910
	Sirsa	Sirsa (Loose)	3675	3780	3650	3850
		Dhabwali (Loose)	3650	3700	3655	3810
		Dhabwali (Delivery)	3650	3700	3838	4001
		Ellanabad (Loose)	-	-	--	
	Fatehabad	Fatehabad (Loose)	3600	3550	3600	3650
Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	3775	3800	3720	3660

	Rajkot	Rajkot (Loose)	3650	3755	-	3750
	Jamnagar	Dhrol (Loose)	-	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-	-
Guar Gum						
	Jodhpur	Jodhpur	6200	6300	6000	7200
Rajasthan	Alwar	Alwar	-	-	-	7200
	Hanumangarh	Nohar	-	-	-	7600
	Bhiwani	Bhiwani	6125	6300	5925	7180
Haryana	Sirsa	Sirsa	6200	6400	6000	7150
		Dhabwali	6200	6400	6050	7200
		Ellanabad	-	-	-	-
	Fatehabad	Fatehabad	6200	6200	6000	7200

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