



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

Steady to weak sentiments featured in the guar seed and guar gum market on dull demand of seed in local markets however, lower stock availability of seed and improving situation of COVID may support gum demand. We can see further major hike in prices during March end to April month in expectation of improved overseas demand for gum.

As per data released by Baker Hughes, the number of oilrigs in USA increased by 8 to 392 as on 5th February 2021 compared to 384 previous week. However, it is lower by 398 compared to 790 on 7th February 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:

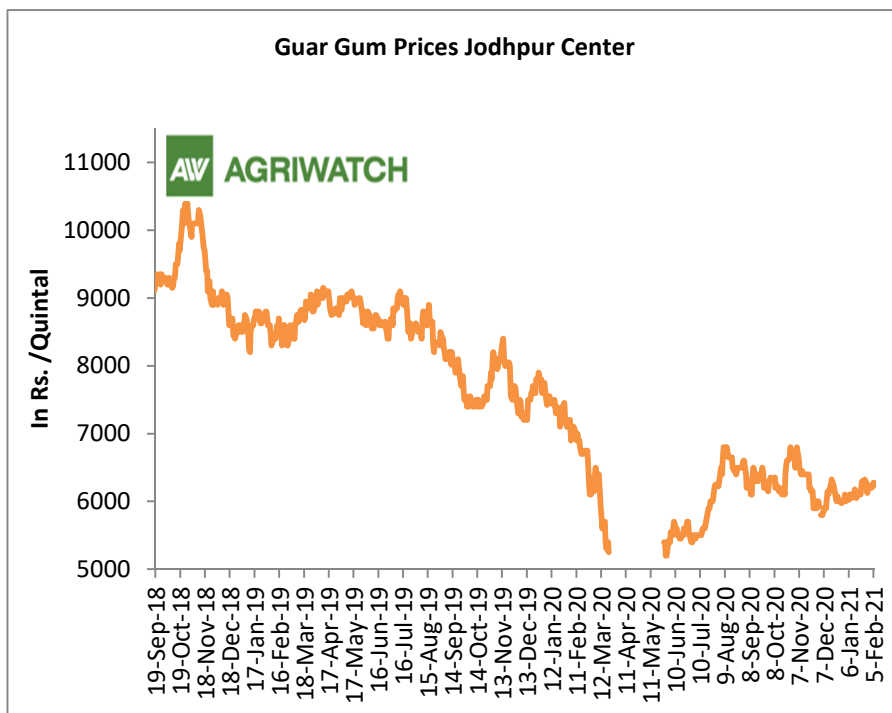
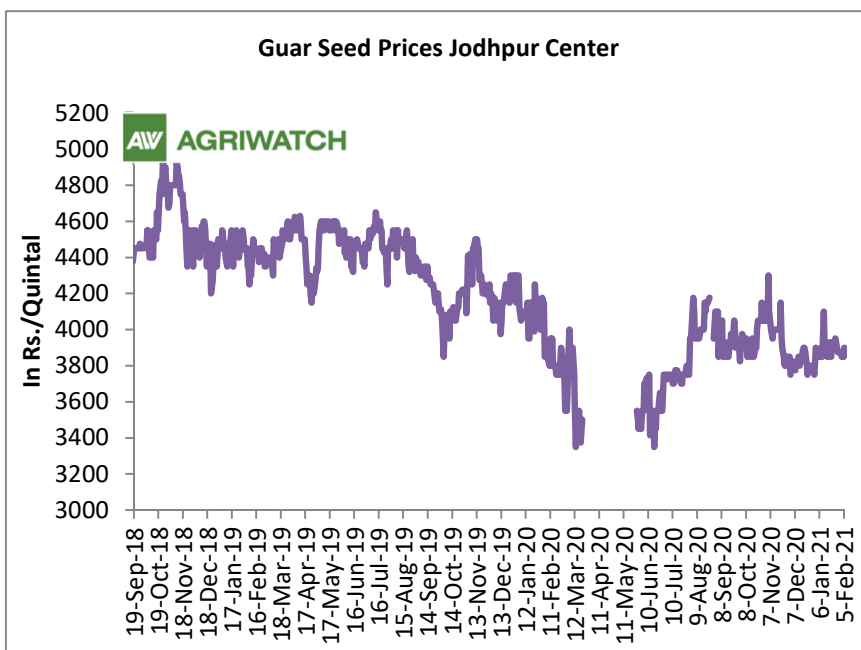
Weekly Call- : Market participants are advised to buy Guar seed future March contract above 3990 levels for a target of 4080 with a stop loss at 3850.

Outlook:-

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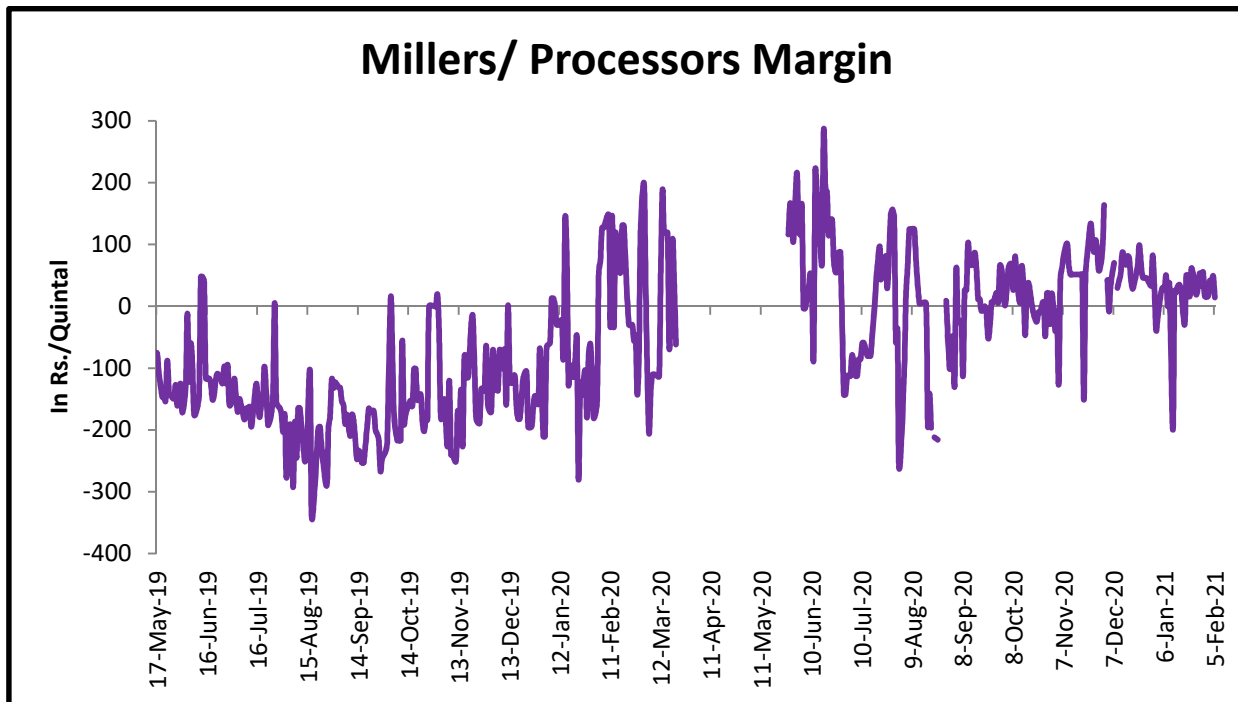
Domestic Front

- The local guar seed prices declined in this week compared to the prices in the previous week. Improving condition of COVID in India and overseas market may support guarseed & gum demand further. Stockists and the processors are the major buyers of the new seed.
- The average guar seed all paid prices in Jodhpur have decreased and was quoted at Rs 3,870 a quintal in this week compared to Rs, 3,900 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 6,225 a quintal in the current week compared to Rs 6,250 per quintal in last week.



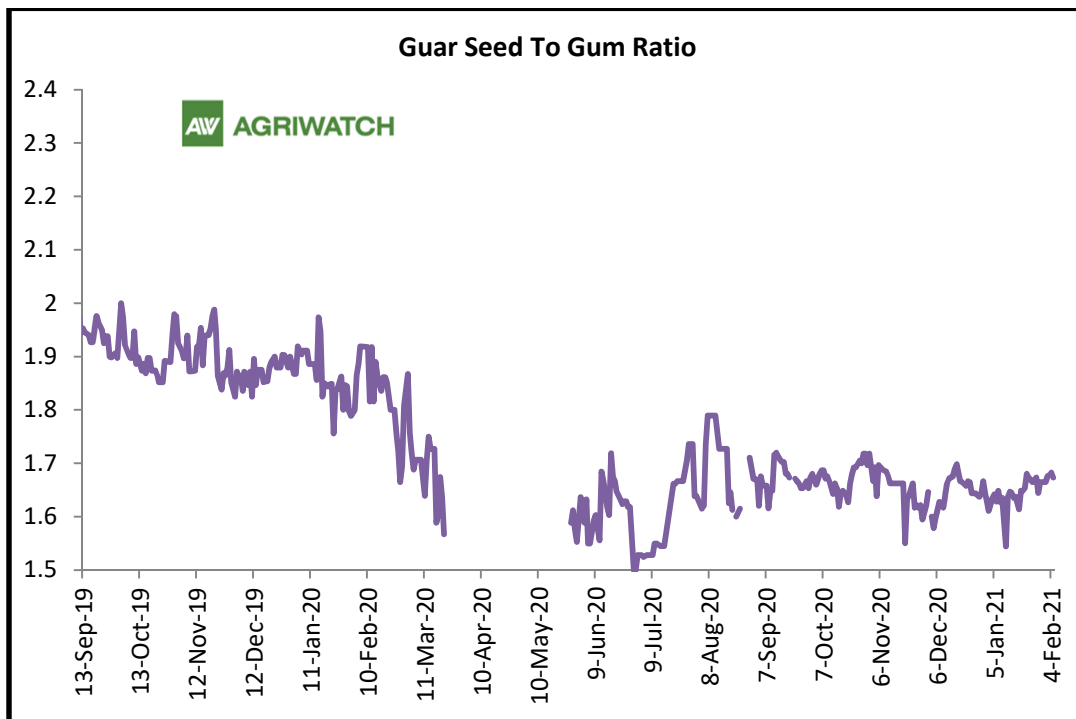
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have declined in this week at 14.37/quintal against Rs. 55.5/quintal in previous week.



Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum stood lower at 1.67 in first week of February 2021 compared to last week. 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: Mar.

Exchange: NCDEX
Expiry: Mar. 19, 2021

Guar Seed (Mar. Daily Chart)



Technical Commentary:

- Guar seed posted gain on buying interest in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed above 18-day EMA.
- Prices are expected to witness gain in the near-term.

Strategy: Buy

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Mar.	3600	3700	4006	4300	4400
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Mar.	Buy	Above 3990	4080	4170	3850

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Mar.

Exchange: NCDEX
Expiry: Mar. 19, 2021



Technical Commentary:

- Guar gum posted gain on buying support in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed above 18-day EMA.
- Prices are expected to feature gain in the near-term.

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Mar.	5650	5900	6363	6750	6900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Mar.	Buy	Above 6300	6480	6600	6150

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	29th Jan to 5th Feb 2021	21st Jan to 28th Jan 2021	Change
Churi	Jodhpur	2050	2075	-25
Korma	Jodhpur	2963	3038	-75
Churi	Sri-Ganganagar	1913	1875	38
Korma	Sri-Ganganagar	2850	2850	Unch
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	29th Jan to 5th Feb 2021	21st Jan to 28th Jan 2021	Change
Guargum Split		864	863	1
Guargum Powder	200 Mesh 5000 CPS	1138	1137	1
	200 Mesh 3500 CPS	1070	1069	1
Guargum Meal	40%	411	411	0
	50%	548	548	0
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			29th Jan to 5th Feb 2021	21st Jan to 28th Jan 2021	
-	Jodhpur	Jodhpur (Loose)	3721	3750	-29
		Jodhpur(Delivery)	3907	3938	-31
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3710	3720	-10
		Sri-Ganganagar (Delivery)	3861	3866	-5
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	3725	3733	-8
		Raisinghnagar (Loose)	3648	3758	-110
	Bikaner	Bikaner (Loose)	3760	3801	-41
		Bikaner (Delivery)	3948	3991	-43
		Nokha(Loose)	3788	3830	-43

		Nokha (Delivery)	3977	4022	-45
		Khajuwala (Loose)	3732	3784	-52
		Khajuwala (Delivery)	3919	3973	-55
		Lunkaransar (Loose)	3758	3767	-8
	Hanumangarh	Hanumangarh (Loose)	3660	3708	-48
		Hanumangarh (Delivery)	3843	3894	-51
		Nohar (Loose)	-	-	Unch
		Pilibanga (Loose)	-	-	Unch
	Nagaur	Nagaur (Loose)	3656	3680	-24
	Churu	Churu (Delivery)	-	-	Unch
	Alwar	Alwar (Loose)	-	-	Unch
Haryana	Hisar	Adampur (Loose)	3708	3782	-74
		Adampur (Delivery)	3894	3971	-77
	Bhiwani	Bhiwani (Delivery)	3923	3971	-48
		Siwani (Loose)	3892	3929	-38
	Sirsa	Sirsa (Loose)	3699	3745	-46
		Dhabwali (Loose)	3706	3679	27
		Dhabwali (Delivery)	3706	3679	27
		Ellanabad (Loose)	-	-	Unch
	Fatehabad	Fatehabad (Loose)	3583	3580	3
Gujarat	Banaskantha	Deesa (Loose)	-	-	Unch
	Patan	Patan (Loose)	3763	3795	-33
	Rajkot	Rajkot (Loose)	3636	3690	-54
	Jamnagar	Dhrol (Loose)	-	-	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6225	6250	-25
	Alwar	Alwar	-	-	Unch
	Hanumangarh	Nohar	-	-	Unch
Haryana	Bhiwani	Bhiwani	6183	6223	-39
	Sirsa	Sirsa	6200	6260	-60
		Dhabwali	6204	6296	-92
		Ellanabad	-	-	Unch
	Fatehabad	Fatehabad	6200	6200	Unch

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			29th Jan to 5th Feb 2021	21st Jan to 28th Jan 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	Unch
	Sri-Ganganagar	Sri-Ganganagar	4000	2000	2000
		Rawla	800	750	50
		Gharsana	1000	750	250
		Raisinghnagar	2150	1000	1150
	Bikaner	Bikaner	1950	2700	-750
		Nokha	3150	2400	750
		Khajuwala	2000	1600	400
		Lunkaransar	775	1300	-525
	Hanumangarh	Hanumangarh	775	455	320
		Nohar	-	-	Unch
		Pilibanga	-	-	Unch
	Nagaur	Nagaur	1000	650	350
	Churu	Churu	-	-	Unch
	Alwar	Alwar	-	-	Unch
Haryana	Hisar	Adampur	2400	2650	-250
	Bhiwani	Bhiwani	6300	4900	1400
		Siwani	2300	2100	200
	Sirsa	Sirsa	9700	7100	2600
		Dhabwali	1500	715	785
		Ellanabad	-	-	Unch
	Fatehabad	Fatehabad	300	250	50
Gujarat	Banaskantha	Deesa	-	-	Unch
	Patan	Patan	647	460	187
	Rajkot	Rajkot	305	335	-30
	-Jamnagar	-	-	-	Unch
Madhya Pradesh	Gwalior	Dabra	-	-	Unch
Total Arrivals/Above Markets			41052	32115	8937

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			5-Feb-21	29-Jan-21	5-Jan-21	5-Feb-20
Rajasthan	Jodhpur	Jodhpur (Loose)	3750	3725	3700	3710
		Jodhpur(Delivery)	3938	3911	3885	3896
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3700	3700	3700	3750
		Sri-Ganganagar (Delivery)	3850	3850	3850	3900
		Rawla (Loose)	-	-	-	-
		Gharsana (Loose)	3700	3750	3650	3825
		Raisinghnagar (Loose)	3650	3680	3650	3790
	Bikaner	Bikaner (Loose)	3760	3770	3750	3760
		Bikaner (Delivery)	3948	3959	3938	3948
		Nokha(Loose)	3850	3775	3725	3750
		Nokha (Delivery)	4043	3964	3911	3938
		Khajuwala (Loose)	3710	3750	3750	3750
		Khajuwala (Delivery)	3896	3938	3938	3938
		Lunkaransar (Loose)	3775	3750	3750	3700
	Hanumangarh	Hanumangarh (Loose)	3650	3650	NA	3800
		Hanumangarh (Delivery)	3833	3833	NA	3990
		Nohar (Loose)	-	-	-	3800
		Pilibanga (Loose)	-	-	-	3730
	Nagaur	Nagaur (Loose)	3650	3700	-	3700
	Churu	Churu (Delivery)	-	-	-	3900
	Alwar	Alwar (Loose)	-	-	-	3700
Haryana	Hisar	Adampur (Loose)	3700	3760	NA	3800
		Adampur (Delivery)	3885	3948	NA	3990
	Bhiwani	Bhiwani (Delivery)	3950	3900	3950	3850
		Siwani (Loose)	3900	3870	0	3880
	Sirsa	Sirsa (Loose)	3691	3675	NA	3790
		Dhabwali (Loose)	3700	3650	3600	3750
		Dhabwali (Delivery)	3700	3650	3780	3938
		Ellanabad (Loose)	-	-	-	-
	Fatehabad	Fatehabad (Loose)	3550	3600	3500	3650

Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	3775	3775	3770	3665
	Rajkot	Rajkot (Loose)	3600	3650	3675	-
	Jamnagar	Dhrol (Loose)	-	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	3710	-
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6200	6300	6000	7200
	Alwar	Alwar	-	-	-	7200
	Hanumangarh	Nohar	-	-	-	7600
Haryana	Bhiwani	Bhiwani	6125	6300	5925	7180
	Sirsa	Sirsa	6200	6400	6000	7150
		Dhabwali	6200	6400	6050	7200
		Ellanabad	-	-	-	-
	Fatehabad	Fatehabad	6200	6200	6000	7200

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