

Guar Weekly Research Report

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Executive Summary**Domestic Guar Seed Market Summary**

Mixed sentiments witnessed in the guar seed and guar gum market on varied factors at various market centers. Overall guar sentiments are weak on decline in the guar gum exports followed by fall in the oilrig counts.

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 09 to 411 as on 19th March 2021 compared to 402 previous week, 12th March 2021. Total number of oilrigs were recorded at 1,588 in February'21 compared to 3,161 in the corresponding period in last year.

India's guar gum exports fell in the month of January 2021 by over -10% to 15811 tonnes compared to 17,644 tonnes during December 2020 at an average FoB of US \$ 2002 per tonne in the month of January compared to US \$ 1849 per tonne in the month of December 2020. **However, the gum shipments were down -32% in January 2021 compared to the same period last year.** Of the total exported quantity, around 5,450 tonnes is bought US, Germany (1,728 tonnes) and China (1,258 tonnes).

India's guar split exports improved in the month of January 2021 by -97% to 5512 tonnes compared to 2,800 tonnes during December 2020 at an average FoB of US \$ 1,463 per tonne in the month of January compared to US \$ 955 per tonne in the month of December 2020. **Further, the guar split shipments were up +62% in January 2021 compared to the same period last year.** Of the total exported quantity, around 1,160 tonnes is bought US, Nepal (517 tonnes) and United Kingdom (439 tonnes)..

Previous Updates:

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).

Recommendation:

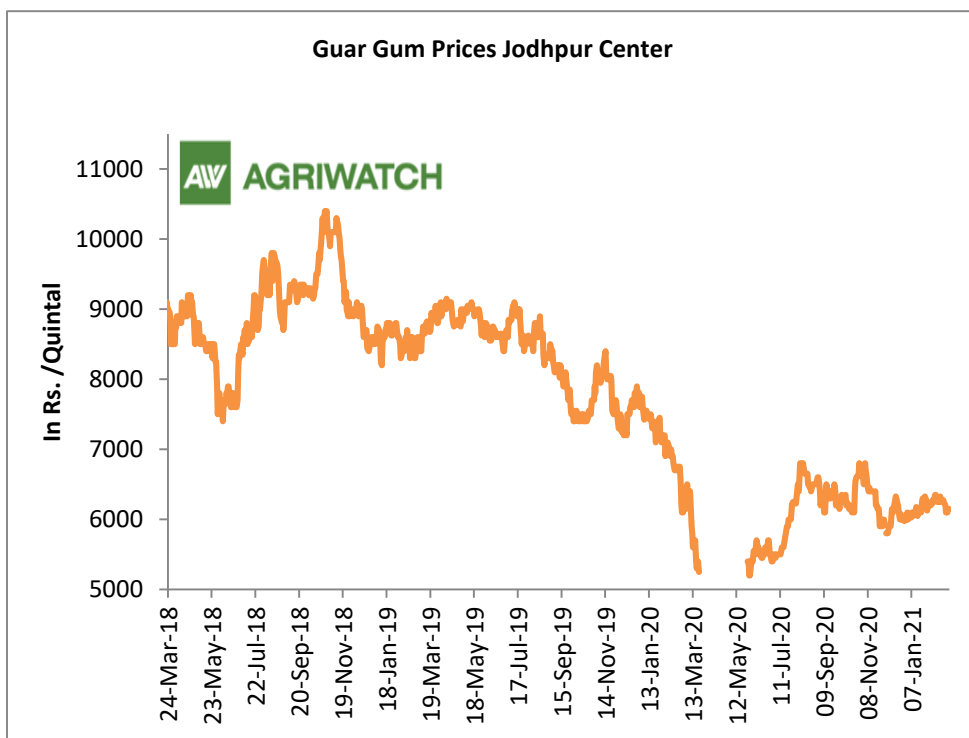
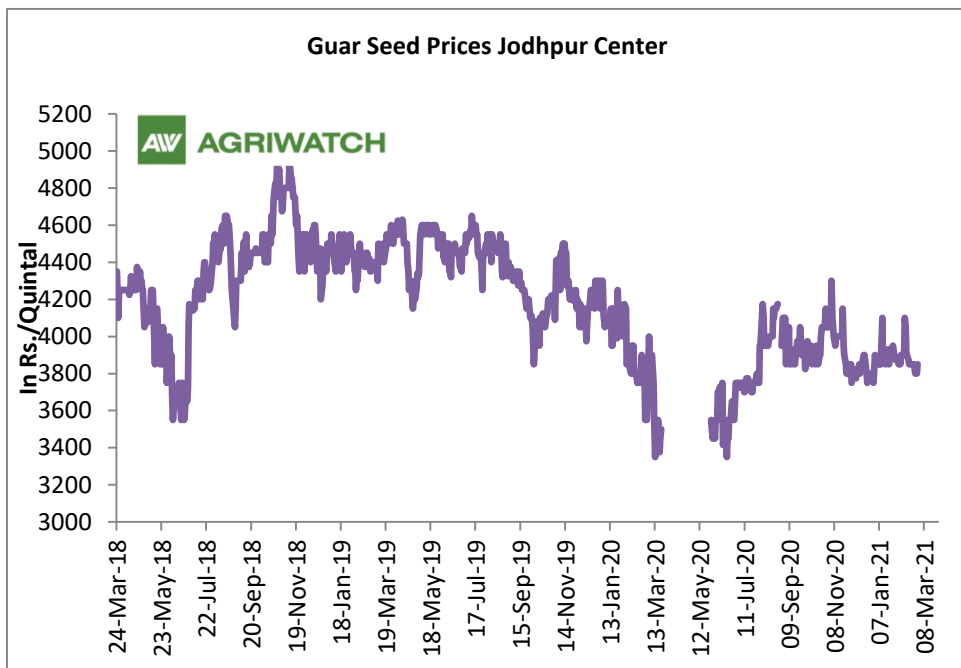
Weekly Call- : Market participants are advised to SELL Guar seed future April contract below 3790 levels for a target of 3690 with a stop loss at 3850.

Outlook:-

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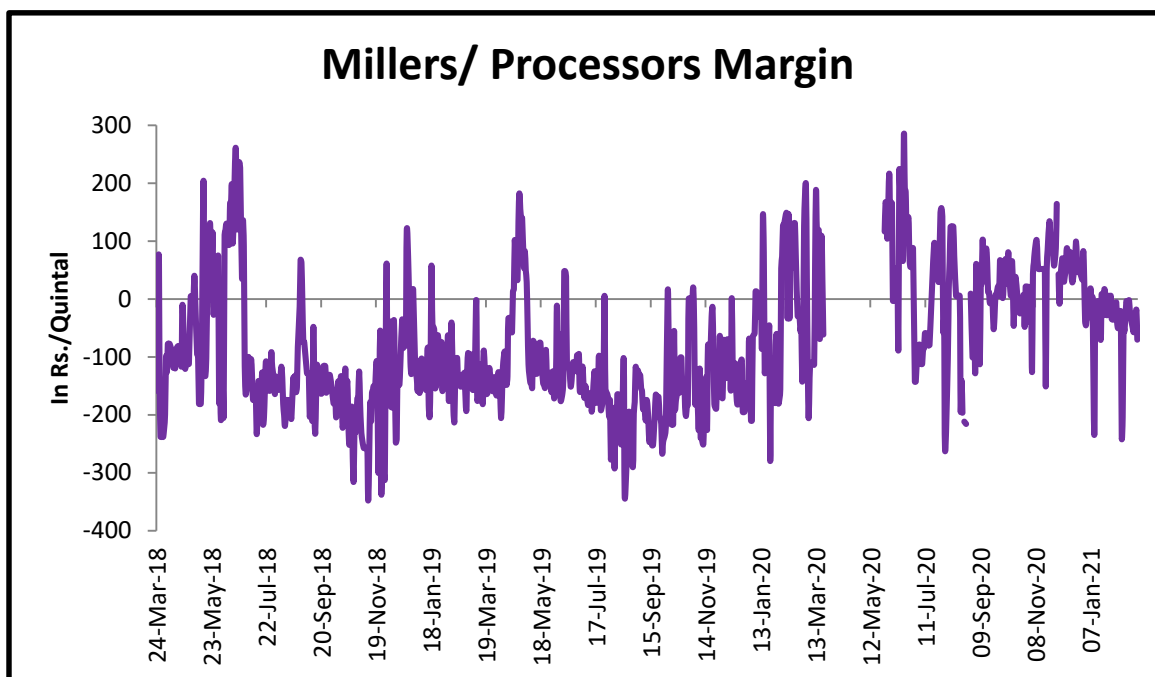
Domestic Front

- The local guar seed prices witnessed mild losses in February compared to previous month. Besides limited demand from processors after COVID followed by weak overseas demand in guar gum remained bearish for the market. Need based buying by the stockists and the processors is witnessed.
- The average guar seed all paid prices in Jodhpur have fell and was quoted at Rs 3,877 a quintal in February compared to Rs 3,889 a quintal in January.
- The 2020/21 guar seed output is estimate to have fallen by around 45% compared to the previous season.
- Besides, the average guar gum prices slightly improved to around Rs 6,234 a quintal in February compared to Rs 6,306 per quintal in January.



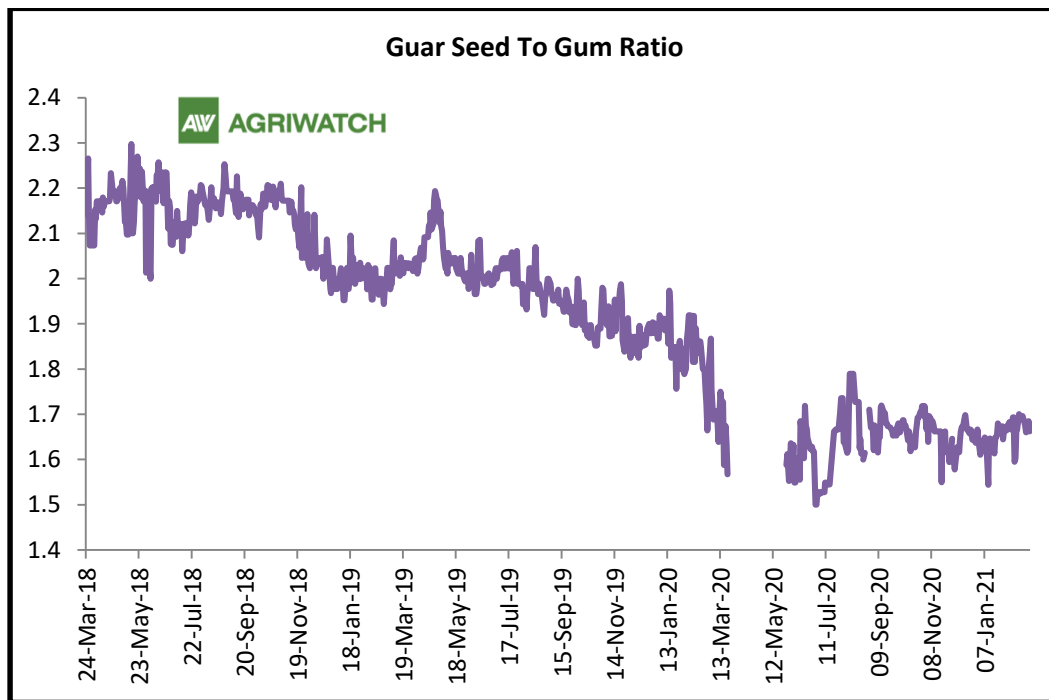
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have declined in February'21 as compared to January'21, the average crush margin improved to Rs. -45.6/quintal in February'21 compared to Rs. -20.9/quintal in January'21. Fall in the guar product prices like churi and korma have pressured the processors' margin.



Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum improved to 1.67 in February'21 compared to 1.64 in January'21. 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 Jan-2021	3982	1462
9-16 Jan-2021	4079	1553
17-24 Jan-2021	4683	3265
25-31 Jan-2021	3066	1611
Total	15810	1973

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: Apr.

Exchange: NCDEX
Expiry: Apr. 20, 2021

Guar Seed (Apr. Daily Chart)



Technical Commentary:

- Guar seed extended losses during the wee.
- RSI and stochastic are easing in the neutral region.
- Prices closed below 18-day EMA.
- Prices are expected to witness losses in the near-term.

Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Apr.	3300	3200	3786	4100	4200
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Apr.	SELL	Below 3790	3690	3590	3850

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: Apr.

Exchange: NCDEX
Expiry: Apr. 20, 2021

Guar Gum (Apr. Daily Chart)



Technical Commentary:

- Guar gum fell on selling pressure in the market.
- RSI and stochastic are easing in the neutral region.
- Prices closed below 18-day EMA.
- Prices are expected to feature losses in the near-term.

Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Apr.	5600	5500	5940	6300	6400
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr.	SELL	Below 5945	5845	5745	6005

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	12th Mar to 18th Mar 2021	05th Mar to 11th Mar 2021	Change
Churi	Jodhpur	2075	2075	Unch
Korma	Jodhpur	2869	2869	Unch
Churi	Sri-Ganganagar	1838	1838	Unch
Korma	Sri-Ganganagar	2700	2700	Unch
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	12th Mar to 18th Mar 2021	05th Mar to 11th Mar 2021	Change
Guargum Split		867	862	5
Guargum Powder	200 Mesh 5000 CPS	1143	1136	7
	200 Mesh 3500 CPS	1074	1068	6
Guargum Meal	40%	413	411	2
	50%	551	548	3
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			12th Mar to 18th Mar 2021	05th Mar to 11th Mar 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	3778	3700	78
		Jodhpur(Delivery)	3966	3885	81
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	-	-
		Sri-Ganganagar (Delivery)	-	-	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	3673	3677	-4
		Bikaner (Delivery)	3856	3861	-4
		Nokha(Loose)	3737	3719	18
		Nokha (Delivery)	3924	3905	19
		Khajuwala (Loose)	3693	3650	43

		Khajuwala (Delivery)	3878	3833	45
		Lunkaransar (Loose)	3705	3660	45
	Hanumangarh	Hanumangarh (Loose)	3697	3650	47
		Hanumangarh (Delivery)	3882	3833	49
		Nohar (Loose)	0	0	Unch
		Pilibanga (Loose)	0	0	Unch
	Nagaur	Nagaur (Loose)	3661	3627	34
	Churu	Churu (Delivery)	0	0	Unch
	Alwar	Alwar (Loose)	0	0	Unch
Haryana	Hisar	Adampur (Loose)	3678	3664	14
		Adampur (Delivery)	3862	3847	15
	Bhiwani	Bhiwani (Delivery)	3821	3873	-53
		Siwani (Loose)	3825	3811	14
	Sirsa	Sirsa (Loose)	3649	3645	4
		Dhabwali (Loose)	3613	3630	-18
		Dhabwali (Delivery)	3793	3630	163
		Ellanabad (Loose)	0	0	Unch
	Fatehabad	Fatehabad (Loose)	3546	3540	6
Gujarat	Banaskantha	Deesa (Loose)	0	0	Unch
	Patan	Patan (Loose)	3415	3525	-110
	Rajkot	Rajkot (Loose)	3582	2844	738
	Jamnagar	Dhrol (Loose)	0	0	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	0	0	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6096	6140	-44
	Alwar	Alwar	0	0	Unch
	Hanumangarh	Nohar	0	0	Unch
Haryana	Bhiwani	Bhiwani	6074	6133	-59
	Sirsa	Sirsa	6068	6040	28
		Dhabwali	6080	6090	-10
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	6108	6060	48

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			12th Mar to 18th Mar 2021	05th Mar to 11th Mar 2021	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	-	-	-
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	1650	1000	650
		Nokha	1345	680	665
		Khajuwala	950	550	400
		Lunkaransar	1250	1500	-250
	Hanumangarh	Hanumangarh	375	570	-195
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	1400	1000	400
Haryana	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
	Hisar	Adampur	2350	2250	100
	Bhiwani	Bhiwani	3800	3400	400
		Siwani	2100	1300	800
	Sirsa	Sirsa	7300	8200	-900
		Dhabwali	1300	1475	-175
		Ellanabad	0	0	Unch
Gujarat	Fatehabad	Fatehabad	250	100	150
	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	64	55	9
	Rajkot	Rajkot	240	185	55
Madhya Pradesh	Jamnagar	Dhrol	0	0	Unch
	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			-	22325	-

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			18-Mar-21	11-Mar-21	15-Feb-21	17-Mar-20
Rajasthan	Jodhpur	Jodhpur (Loose)	3700	-	3720	3400
		Jodhpur(Delivery)	3885	-	3906	3570
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3700	-	3700	3250
		Sri-Ganganagar (Delivery)	3850	-	3850	3400
		Rawla (Loose)	NR	-	0	0
		Gharsana (Loose)	3650	-	3700	3220
		Raisinghnagar (Loose)	3650	-	3660	3225
	Bikaner	Bikaner (Loose)	3660	-	3760	3300
		Bikaner (Delivery)	3843	-	3948	3465
		Nokha(Loose)	3725	-	3850	3400
		Nokha (Delivery)	3911	-	4043	3570
		Khajuwala (Loose)	3700	-	3730	3300
		Khajuwala (Delivery)	3885	-	3917	3465
		Lunkaransar (Loose)	3700	-	3725	3300
	Hanumangarh	Hanumangarh (Loose)	3680	-	3650	3200
		Hanumangarh (Delivery)	3864	-	3833	3360
		Nohar (Loose)	0	-	0	3285
		Pilibanga (Loose)	0	-	0	3200
	Nagaur	Nagaur (Loose)	3640	-	3650	3200
	Churu	Churu (Delivery)	0	-	0	NA
	Alwar	Alwar (Loose)	0	-	0	0
Haryana	Hisar	Adampur (Loose)	3650	-	3725	3225
		Adampur (Delivery)	3833	-	3911	3386
	Bhiwani	Bhiwani (Delivery)	3800	-	3925	3250
		Siwani (Loose)	3810	-	3880	3350
	Sirsa	Sirsa (Loose)	3640	-	3675	3300
		Dhabwali (Loose)	3625	-	3650	3260
		Dhabwali (Delivery)	3806	-	3833	3423
		Ellanabad (Loose)	0	-	0	3250
	Fatehabad	Fatehabad (Loose)	3525	-	3550	3150
Gujarat	Banaskantha	Deesa (Loose)	0	-	0	0
	Patan	Patan (Loose)	3625	-	3675	3525

	Rajkot	Rajkot (Loose)	3575	-	3625	0
	Jamnagar	Dhrol (Loose)	0	-	0	0
Madhya Pradesh	Gwalior	Dabra (Loose)	0	-	0	0
Guar Gum						
	Jodhpur	Jodhpur	6100	-	6325	5400
Rajasthan	Alwar	Alwar	0	-	0	0
	Hanumangarh	Nohar	0	-	0	5300
	Bhiwani	Bhiwani	6000	-	6225	5500
Haryana	Sirsa	Sirsa	6000	-	6300	5400
		Dhabwali	6050	-	6300	5400
		Ellanabad	0	-	0	5500
	Fatehabad	Fatehabad	6100	-	6200	5500

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