

# Guar Weekly Research Report

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**Executive Summary****Domestic Guar Seed Market Summary**

**Weak sentiments witnessed in the guar seed and guar gum market on decline in the guar gum exports on 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. However, they are down by 47% from 772 oilrigs 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:**

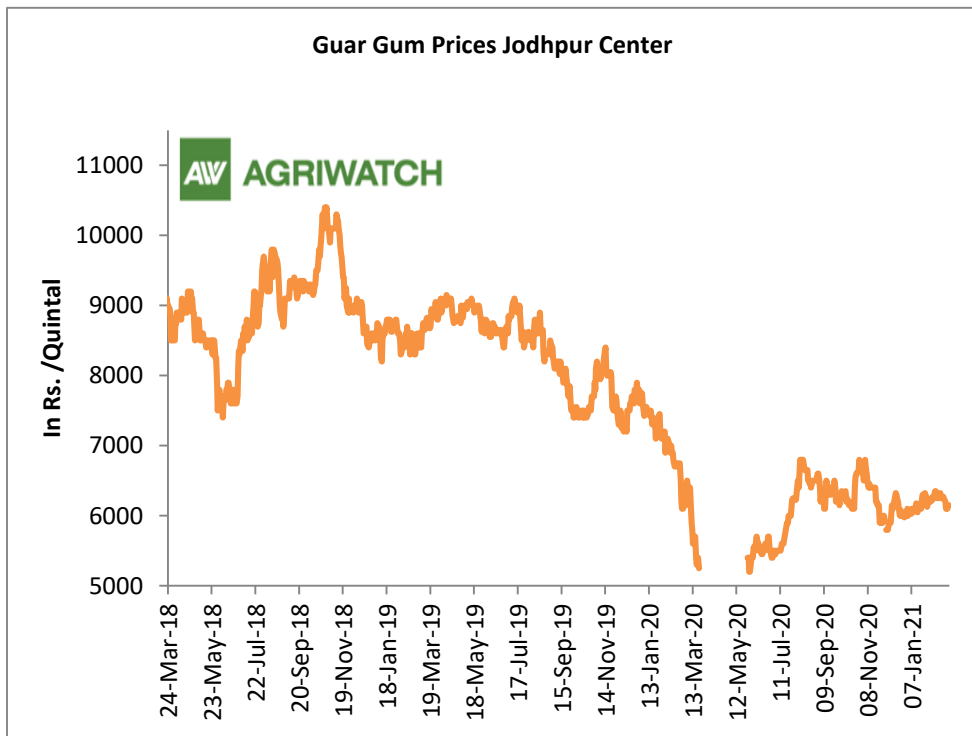
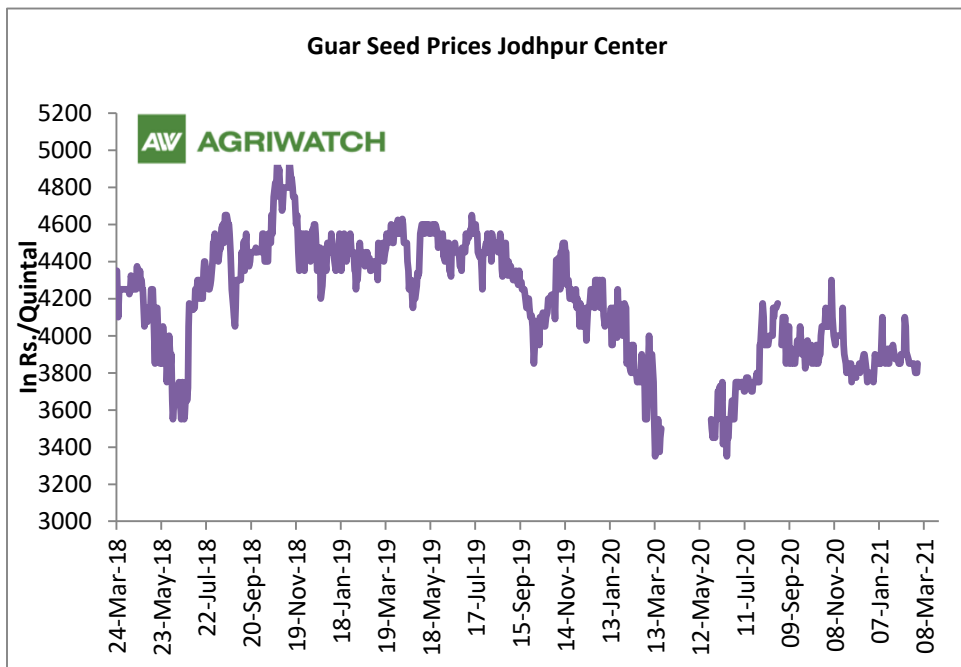
**Weekly Call- : Market participants are advised to SELL Guar seed future April contract below 3760 levels for a target of 3660 with a stop loss at 3822.**

## Outlook:-

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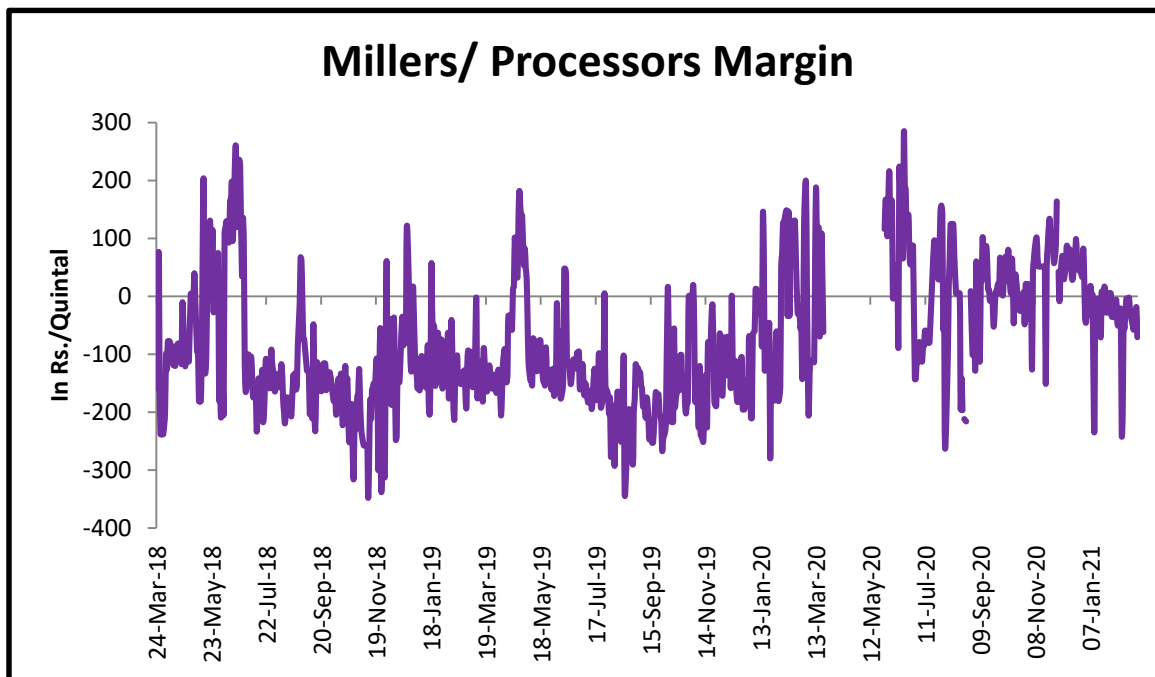
### Domestic Front

- 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.



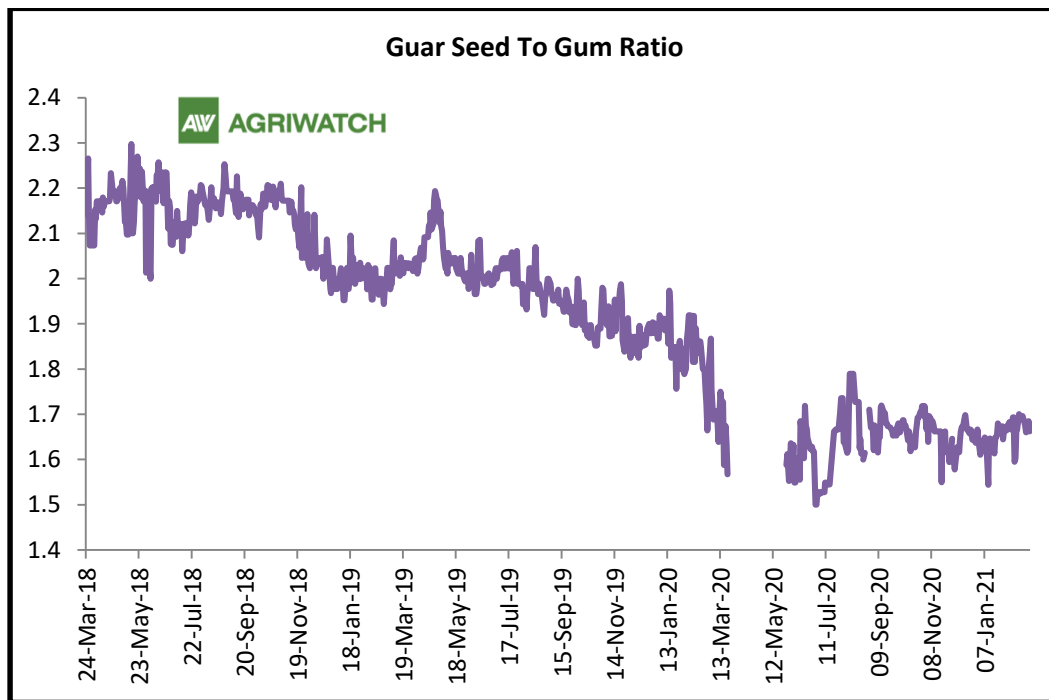
## Millers/Processors Margin

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
<b>Total</b>	<b>15810</b>	<b>1973</b>

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 continued downward movement.
- 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	3757	4100	4200
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Apr.	SELL	Below 3760	3660	3560	3822

## 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.	5650	5550	5988	6300	6400
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Apr.	<b>SELL</b>	Below 6000	5900	5800	6060

Guar Seed & Gum Prices at Key Spot Markets[\(Back to Table of Contents\)](#)**Guar by – Products Weekly Average Prices:**

Commodity	Centre	19th Mar to 25th Mar 2021	12th Mar to 18th 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	19th Mar to 25th Mar 2021	12th Mar to 18th Mar 2021	Change
Guargum Split		869	867	2
Guargum Powder	200 Mesh 5000 CPS	1145	1143	3
	200 Mesh 3500 CPS	1076	1074	2
Guargum Meal	40%	414	413	1
	50%	552	551	1
Prices in \$/MT				

**Guar Seed Weekly Average Prices:**

Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
			19th Mar to 25th Mar 2021	12th Mar to 18th Mar 2021	
Guar Seed  Rajasthan	Jodhpur	Jodhpur (Loose)	3658	3778	-119
		Jodhpur(Delivery)	3841	3966	-125
	Sri-Ganganagar	Sri-Ganganagar(Loose)	#N/A	#N/A	-
		Sri-Ganganagar (Delivery)	#N/A	#N/A	-
		Rawla (Loose)	#N/A	#N/A	-
		Gharsana (Loose)	#N/A	#N/A	-
		Raisinghnagar (Loose)	#N/A	#N/A	-
	Bikaner	Bikaner (Loose)	3618	3673	-54
		Bikaner (Delivery)	3799	3856	-57
		Nokha(Loose)	3650	3737	-87
		Nokha (Delivery)	3833	3924	-91
		Khajuwala (Loose)	3660	3693	-33



		Khajuwala (Delivery)	3843	3878	-35
		Lunkaransar (Loose)	3646	3705	-59
	Hanumangarh	Hanumangarh (Loose)	3622	3697	-75
		Hanumangarh (Delivery)	3803	3882	-78
		Nohar (Loose)	0	0	Unch
		Pilibanga (Loose)	0	0	Unch
	Nagaur	Nagaur (Loose)	3641	3661	-20
	Churu	Churu (Delivery)	0	0	Unch
	Alwar	Alwar (Loose)	0	0	Unch
Haryana	Hisar	Adampur (Loose)	3648	3678	-30
		Adampur (Delivery)	3830	3862	-32
	Bhiwani	Bhiwani (Delivery)	3788	3821	-33
		Siwani (Loose)	3772	3825	-53
	Sirsa	Sirsa (Loose)	3618	3649	-32
		Dhabwali (Loose)	3579	3613	-33
		Dhabwali (Delivery)	3758	3793	-35
		Ellanabad (Loose)	0	0	Unch
	Fatehabad	Fatehabad (Loose)	3500	3546	-46
Gujarat	Banaskantha	Deesa (Loose)	0	0	Unch
	Patan	Patan (Loose)	3605	3415	190
	Rajkot	Rajkot (Loose)	0	3582	-3582
	Jamnagar	Dhrol (Loose)	0	0	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	0	0	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	5979	6096	-117
	Alwar	Alwar	0	0	Unch
	Hanumangarh	Nohar	0	0	Unch
Haryana	Bhiwani	Bhiwani	6002	6074	-73
	Sirsa	Sirsa	5933	6068	-135
		Dhabwali	5992	6080	-88
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	6000	6108	-108

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			19th Mar to 25th Mar 2021	12th Mar to 18th Mar 2021	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	#N/A	#N/A	-

		Rawla	#N/A	#N/A	-
		Gharsana	#N/A	#N/A	-
		Raisinghnagar	#N/A	#N/A	-
	Bikaner	Bikaner	1650	1650	Unch
		Nokha	825	1345	-520
		Khajuwala	1230	950	280
		Lunkaransar	1560	1250	310
	Hanumangarh	Hanumangarh	130	375	-245
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	1150	1400	-250
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	1550	2350	-800
	Bhiwani	Bhiwani	3500	3800	-300
		Siwani	2250	2100	150
	Sirsa	Sirsa	6000	7300	-1300
		Dhabwali	750	1300	-550
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	300	250	50
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	174	64	110
	Rajkot	Rajkot	0	240	-240
	Jamnagar	Dhrol	0	0	Unch
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			#N/A	#N/A	-

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			22-Mar-21	15-Mar-21	19-Feb-21	21-Mar-20
Rajasthan	Jodhpur	Jodhpur (Loose)	3650	3915	3700	3350
		Jodhpur(Delivery)	3833	4111	3885	3518
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3650	3700	3650	Closed
		Sri-Ganganagar (Delivery)	3800	3850	3800	Closed
		Rawla (Loose)	0	0	0	0
		Gharsana (Loose)	3650	3700	3660	0
		Raisinghnagar (Loose)	3610	3650	3630	0

	<b>Bikaner</b>	Bikaner (Loose)	3620	3700	3700	3225
		Bikaner (Delivery)	3801	3885	3885	3386
		Nokha(Loose)	3650	3775	3750	3200
		Nokha (Delivery)	3833	3964	3938	3360
		Khajuwala (Loose)	3650	3700	3650	3300
		Khajuwala (Delivery)	3833	3885	3833	3465
		Lunkaransar (Loose)	3650	3750	3670	3200
	<b>Hanumangarh</b>	Hanumangarh (Loose)	NA	3750	3625	Closed
		Hanumangarh (Delivery)	NA	3938	3806	Closed
		Nohar (Loose)	0	0	0	NR
		Pilibanga (Loose)	0	0	0	3225
	<b>Nagaur</b>	Nagaur (Loose)	3650	3700	3640	3200
	<b>Churu</b>	Churu (Delivery)	0	0	0	NA
	<b>Alwar</b>	Alwar (Loose)	0	0	0	0
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	3650	3700	3650	Closed
		Adampur (Delivery)	3833	3885	3833	Closed
	<b>Bhiwani</b>	Bhiwani (Delivery)	3800	3825	3825	3300
		Siwani (Loose)	3780	3850	3825	3375
	<b>Sirsa</b>	Sirsa (Loose)	3685	3670	3648	3275
		Dhabwali (Loose)	3620	3620	3630	3250
		Dhabwali (Delivery)	3801	3801	3812	3413
		Ellanabad (Loose)	0	0	0	NR
	<b>Fatehabad</b>	Fatehabad (Loose)	3500	3550	3550	3200
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	0	0	0	0
	<b>Patan</b>	Patan (Loose)	3560	3125	3585	3160
	<b>Rajkot</b>	Rajkot (Loose)	0	3605	3550	0
	<b>Jamnagar</b>	Dhrol (Loose)	0	0	0	0
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	0	0	0	0
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	5975	6100	6275	5250
	<b>Alwar</b>	Alwar	0	0	0	0
	<b>Hanumangarh</b>	Nohar	0	0	0	NR
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	6070	6050	6000	5300
	<b>Sirsa</b>	Sirsa	5950	6100	6100	5400
		Dhabwali	6000	6100	6150	5400
		Ellanabad	0	0	0	NR
	<b>Fatehabad</b>	Fatehabad	6000	6125	6200	5400



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