

Guar Weekly Research Report

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Executive Summary**Domestic Guar Seed Market Summary**

Mostly firm sentiments witnessed in the guar seed and guar gum market on improved guar gum exports. Increased exports for consecutive two months remained. The exports of guar gums seems to be gradually picking-up with gradual increase 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 declined by 1 to 438 as on 23rd April 2021 compared to 439 previous week, 16th April 2021. However, they are down by 6% from 465 oilrigs in the corresponding period in last year.

India's guar gum exports improved in the month of March 2021 by over +12% to 20,127 tonnes compared to 17,915 tonnes during February 2021 at an average FoB of US \$ 1659 per tonne in the month of March compared to US \$ 1993 per tonne in the month of February 2021. **Further, the gum shipments were up +46% in March 2021 compared to the same period last year.** Of the total exported quantity, around 6,235 tonnes is bought US, Germany (3,075 tonnes) and China (2,688 tonnes).

India's guar split exports rose in the month of March 2021 by +12.5% to 3,334 tonnes compared to 2,964 tonnes during February 2021 at an average FoB of US \$ 1,025 per tonne in the month of February compared to US \$ 1,013 per tonne in the month of February 2021. **However, the guar split shipments were up +8% in March 2021 compared to the same period last year.** Of the total exported quantity, around 2,521 tonnes is bought China, US (680 tonnes) and Netherlands and Switzerland (60 tonnes each).

Previous Updates:

India's guar gum exports improved in the month of February 2021 by over +13% to 17,915 tonnes compared to 15,811 tonnes during January 2021 at an average FoB of US \$ 1993 per tonne in the month of February compared to US \$ 2002 per tonne in the month of January 2021. **Further, the gum shipments were up +23% in February 2021 compared to the same period last year.** Of the total exported quantity, around 4,086 tonnes is bought US, Germany (2,744 tonnes) and China (2,312 tonnes).

India's guar split exports fell in the month of February 2021 by -46% to 2,964 tonnes compared to 5512 tonnes during January 2021 at an average FoB of US \$ 1,013 per tonne in the month of February compared to US \$ 1,463 per tonne in the month of January 2021. **However, the guar split shipments were up +47% in February 2021 compared to the same period last year.** Of the total exported quantity, around 2,200 tonnes is bought by China, US (460 tonnes) and Netherlands (180 tonnes).

Recommendation:

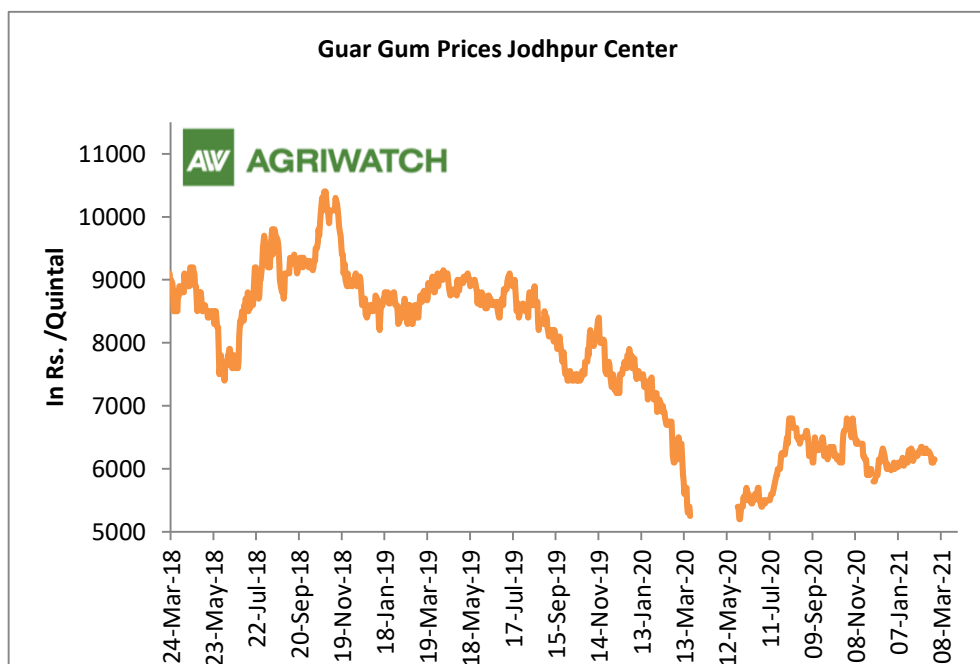
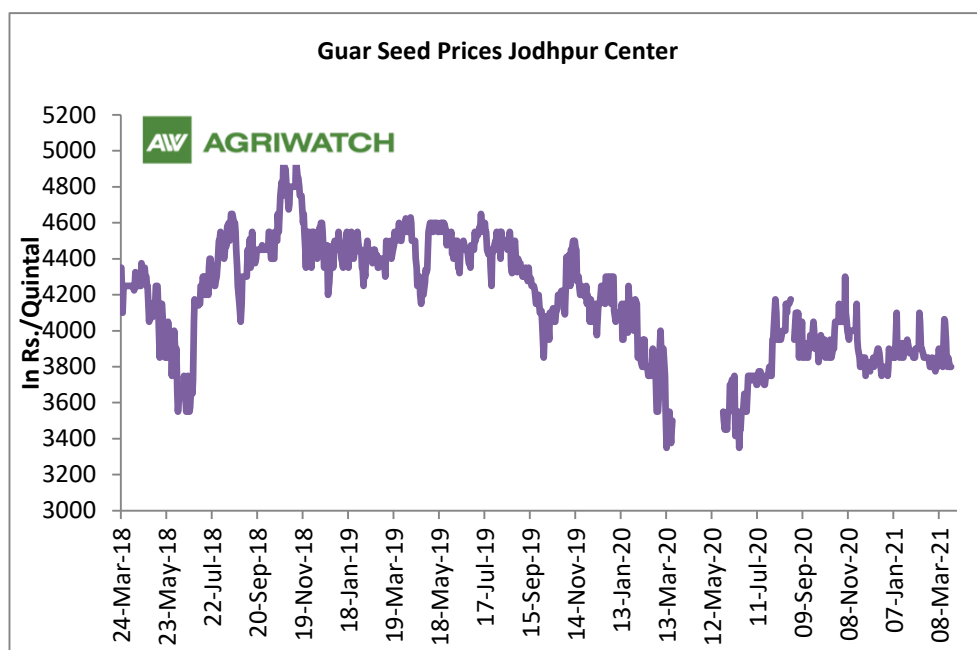
Weekly Call- : Market participants are advised to BUY Guar seed future May contract above 4200 levels for a target of 4300 with a stop loss at 4140.

Outlook:-[\(Back to Table of Contents\)](#)Domestic Front

- The local guar seed prices once again witnessed mild losses in March compared to previous month. Besides limited demand from processors after COVID followed by weak overseas demand in guar gum remained bearish for the market.

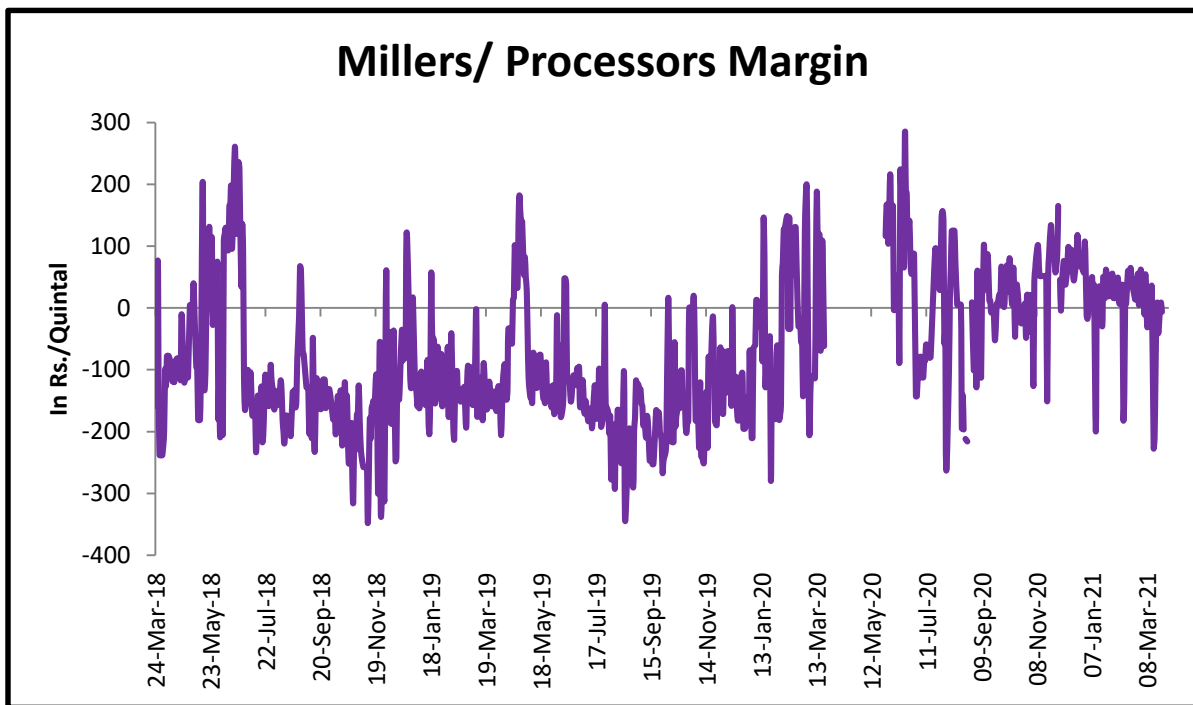
Need based buying by the stockists and the processors is witnessed.

- The average guar seed all paid prices in Jodhpur have fell and was quoted at Rs 3,852 a quintal in March compared to Rs 3,877 a quintal in February.
- 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 fell to around Rs 6,078 a quintal in March compared to Rs 6,234 per quintal in February.



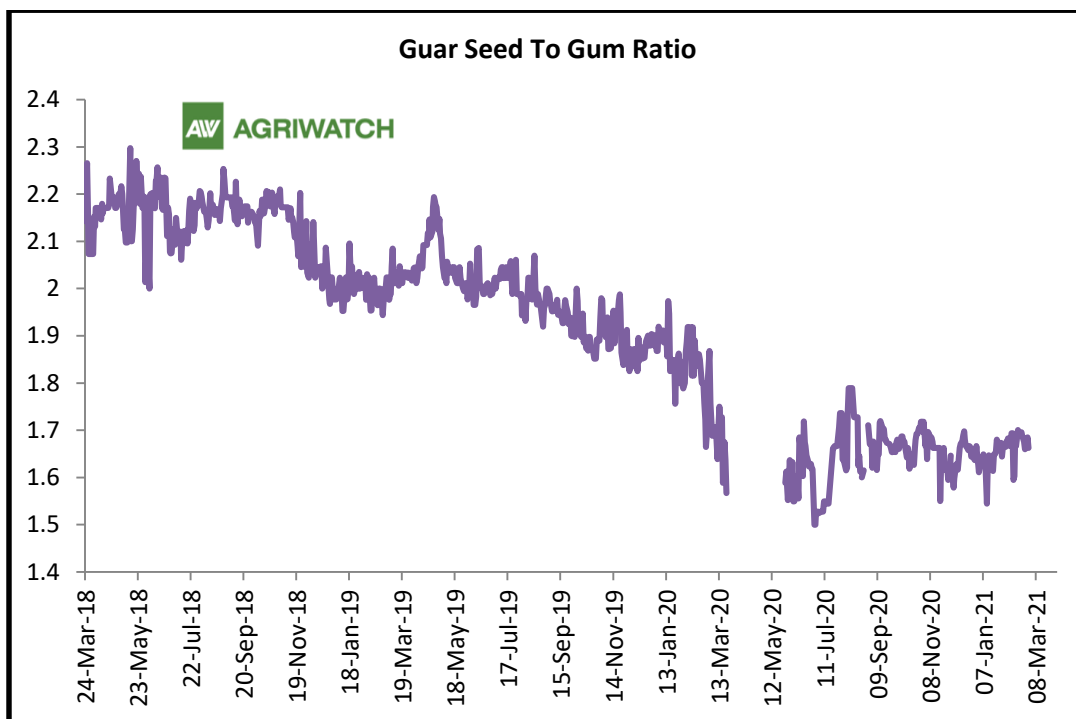
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have further declined in March'21 as compared to February'21, the average crush margin have slightly improved to Rs. -19.61/quintal in February'21 compared to Rs. -45.6/quintal in February'21.



Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum stood at 1.64 in March'21 compared to 1.67 in February'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 Mar-2021	5446	1618
9-16 Mar-2021	5098	1743
17-24 Mar-2021	6721	1654
25-31 Mar-2021	2862	1598
Total	20127	1653

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: May

Exchange: NCDEX
Expiry: May 20, 2021

Guar Seed (May, Daily Chart)



Technical Commentary:

- Guar seed posted gains compared to the previous week in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed above 18-day EMA.
- Prices are expected to witness gains in the near-term.

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	May	3900	3800	4202	4500	4600
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	BUY	Above 4200	4300	4400	4140

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: May

Exchange: NCDEX
Expiry: May 20, 2021

Guar Gum (May, Daily Chart)



Technical Commentary:

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

Strategy: BUY

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	May	6100	6000	6370	6700	6800
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	BUY	Above 6365	6465	6564	6305

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

Commodity	Centre	16th Apr to 22th Apr 2021	9th Apr to 15th Apr 2021	Change
Churi	Jodhpur	-	2075	-
Korma	Jodhpur	-	2869	-
Churi	Sri-Ganganagar	-	1838	-
Korma	Sri-Ganganagar	-	2700	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	16th Apr to 22th Apr 2021	9th Apr to 15th Apr 2021	Change
Guargum Split		-	869	-
Guargum Powder	200 Mesh 5000 CPS	-	1145	-
	200 Mesh 3500 CPS	-	1076	-
Guargum Meal	40%	-	414	-
	50%	-	552	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			16th Apr to 22th Apr 2021	9th Apr to 15th Apr 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	3875	3717	158
		Jodhpur(Delivery)	4069	3903	166
	Sri-Ganganagar	Sri-Ganganagar(Loose)	1875	-	-
		Sri-Ganganagar (Delivery)	1950	-	-
		Rawla (Loose)	0	-	-
		Gharsana (Loose)	0	-	-
		Raisinghnagar (Loose)	0	-	-
	Bikaner	Bikaner (Loose)	3967	3763	204
		Bikaner (Delivery)	4165	3951	214
		Nokha(Loose)	4000	3850	150
		Nokha (Delivery)	4200	4043	158
		Khajuwala (Loose)	-	-	-
		Khajuwala (Delivery)	-	-	-

		Lunkaransar (Loose)	3956	3767	190
	Hanumangarh	Hanumangarh (Loose)	3850	3723	128
		Hanumangarh (Delivery)	4043	3909	134
		Nohar (Loose)	0	0	Unch
		Pilibanga (Loose)	0	0	Unch
	Nagaur	Nagaur (Loose)	0	1825	-
	Churu	Churu (Delivery)	0	0	Unch
	Alwar	Alwar (Loose)	0	0	Unch
Haryana	Hisar	Adampur (Loose)	3983	3771	213
		Adampur (Delivery)	4183	3959	223
	Bhiwani	Bhiwani (Delivery)	4138	3935	203
		Siwani (Loose)	4131	3912	220
	Sirsa	Sirsa (Loose)	-	3750	-
		Dhabwali (Loose)	0	2447	-
		Dhabwali (Delivery)	0	2569	-
		Ellanabad (Loose)	0	0	Unch
	Fatehabad	Fatehabad (Loose)	3988	3633	354
Gujarat	Banaskantha	Deesa (Loose)	0	0	Unch
	Patan	Patan (Loose)	-	3755	-
	Rajkot	Rajkot (Loose)	0	3633	-
	Jamnagar	Dhrol (Loose)	0	0	Unch
Madhya Pradesh	Gwalior	Dabra (Loose)	0	0	Unch
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6431	6142	290
	Alwar	Alwar	0	0	Unch
	Hanumangarh	Nohar	0	0	Unch
Haryana	Bhiwani	Bhiwani	6343	6143	200
	Sirsa	Sirsa	6367	6160	207
		Dhabwali	0	4117	-
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	6388	6167	221

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			16th Apr to 22th Apr 2021	9th Apr to 15th Apr 2021	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	200	-	-
		Rawla	0	-	-

		Gharsana	0	-	-
		Raisinghnagar	0	-	-
	Bikaner	Bikaner	650	1300	-650
		Nokha	2300	2550	-250
		Khajuwala	0	0	Unch
		Lunkaransar	2400	1300	1100
	Hanumangarh	Hanumangarh	60	271	-211
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	0	350	-
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	600	2000	-1400
	Bhiwani	Bhiwani	1900	2100	-200
		Siwani	2100	2300	-200
	Sirsa	Sirsa	300	1400	-1100
		Dhabwali	0	200	-
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	0	100	-
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	70	168	-98
	Rajkot	Rajkot	0	35	-
	Jamnagar	Dhrol	0	0	Unch
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			10580	-	-

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			22-Apr-21	15-Apr-21	22-Mar-21	21-Apr-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4000	3750	3650	Closed
		Jodhpur(Delivery)	4200	3938	3833	Closed
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3750	3725	3650	NA
		Sri-Ganganagar (Delivery)	3900	3875	3800	NA
		Rawla (Loose)	0	0	0	0
		Gharsana (Loose)	0	0	3650	0
		Raisinghnagar (Loose)	0	0	3610	0
	Bikaner	Bikaner (Loose)	4000	3900	3620	NA

		Bikaner (Delivery)	4200	4095	3801	NA
		Nokha(Loose)	4000	3950	3650	NA
		Nokha (Delivery)	4200	4148	3833	NA
		Khajuwala (Loose)	NA	NA	3650	NA
		Khajuwala (Delivery)	NA	NA	3833	NA
		Lunkaransar (Loose)	4025	3900	3650	3500
	Hanumangarh	Hanumangarh (Loose)	3900	3800	NA	NA
		Hanumangarh (Delivery)	4095	3990	NA	NA
		Nohar (Loose)	0	0	0	NR
		Pilibanga (Loose)	0	0	0	Closed
	Nagaur	Nagaur (Loose)	0	0	3650	Closed
	Churu	Churu (Delivery)	0	0	0	NA
	Alwar	Alwar (Loose)	0	0	0	0
Haryana	Hisar	Adampur (Loose)	4050	3875	3650	Closed
		Adampur (Delivery)	4253	4069	3833	Closed
	Bhiwani	Bhiwani (Delivery)	4200	4020	3800	0
		Siwani (Loose)	4150	4050	3780	Closed
	Sirsa	Sirsa (Loose)	NA	3850	3685	Closed
		Dhabwali (Loose)	0	0	3620	Closed
		Dhabwali (Delivery)	0	0	3801	Closed
		Ellanabad (Loose)	0	0	0	NR
	Fatehabad	Fatehabad (Loose)	4100	3750	3500	Closed
Gujarat	Banaskantha	Deesa (Loose)	0	0	0	NA
	Patan	Patan (Loose)	0	3735	3560	NA
	Rajkot	Rajkot (Loose)	0	0	0	NA
	Jamnagar	Dhrol (Loose)	0	0	0	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	0	0	0	0
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	6500	6175	5975	Closed
	Alwar	Alwar	0	0	0	0
	Hanumangarh	Nohar	0	0	0	NR
Haryana	Bhiwani	Bhiwani	6400	6380	6070	0
	Sirsa	Sirsa	6500	6300	5950	Closed
		Dhabwali	0	0	6000	Closed
		Ellanabad	0	0	0	NR
	Fatehabad	Fatehabad	6400	6300	6000	Closed



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