

Guar Weekly Research Report

Table of Contents

- ❖ **Executive Summary**
- ❖ **Recommendations**
- ❖ **Domestic Market Fundamentals**
- ❖ **Processing Margins**
- ❖ **Guar Seed to Gum Ratio**
- ❖ **Guar Gum Weekly Exports**
- ❖ **Technical Analysis (Guar Seed)**
- ❖ **Technical Analysis (Guar Gum)**
- ❖ **Guar Seed & Gum Prices at Key Spot Markets**
- ❖ **Guar Seed Arrivals at Key Centers**

Executive Summary

Domestic Guar Seed Market Summary

Mixed sentiments witnessed in the guar seed and guar gum market on varied factors at various markets. Increased guar gum exports for consecutive two months will prove positive for the market. The exports of guar gum 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. Most of the guar seed markets remained closed for COVID lockdown restrictions.

As per data released by Baker Hughes, the number of oilrigs in USA increased by 2 to 440 as on 30th April 2021 compared to 438 previous week, 23rd April 2021. Further, they are up by 8% from 408 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:

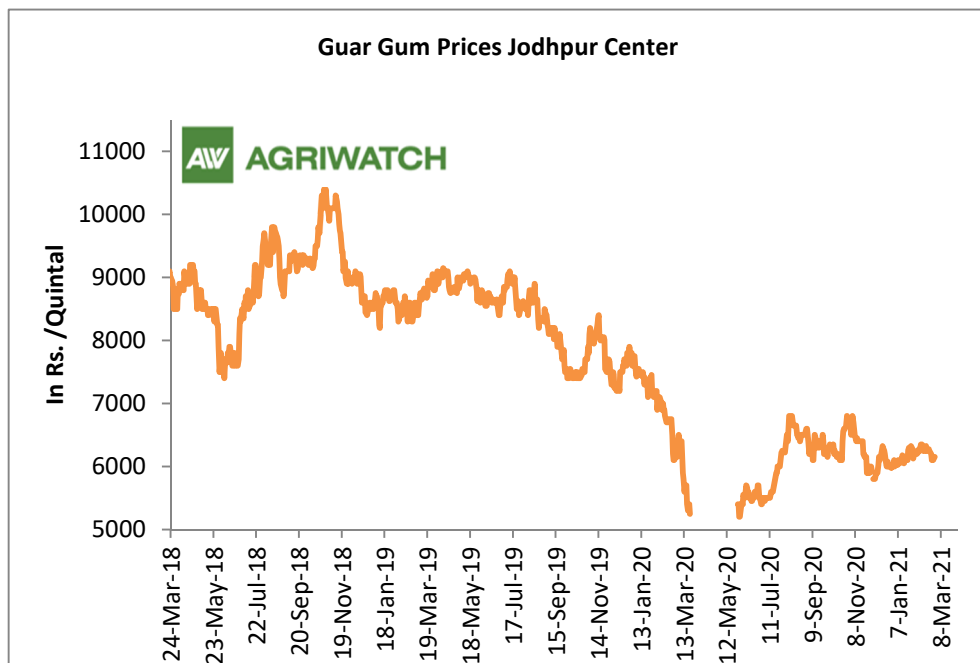
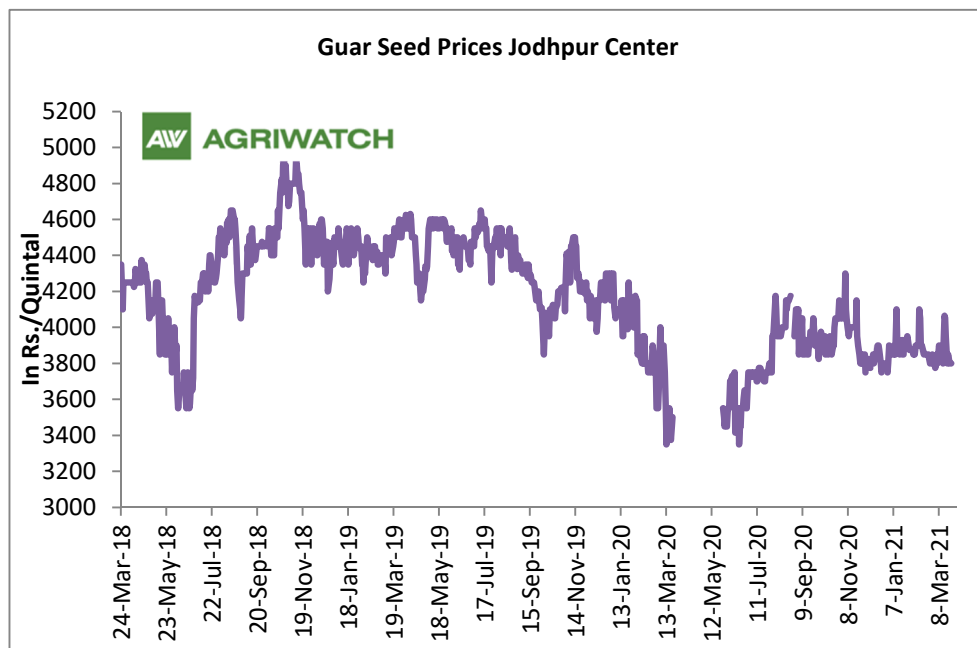
Weekly Call- : Market participants are advised to SELL Guar seed future May contract below 4040 levels for a target of 3940 with a stop loss at 4100.

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.

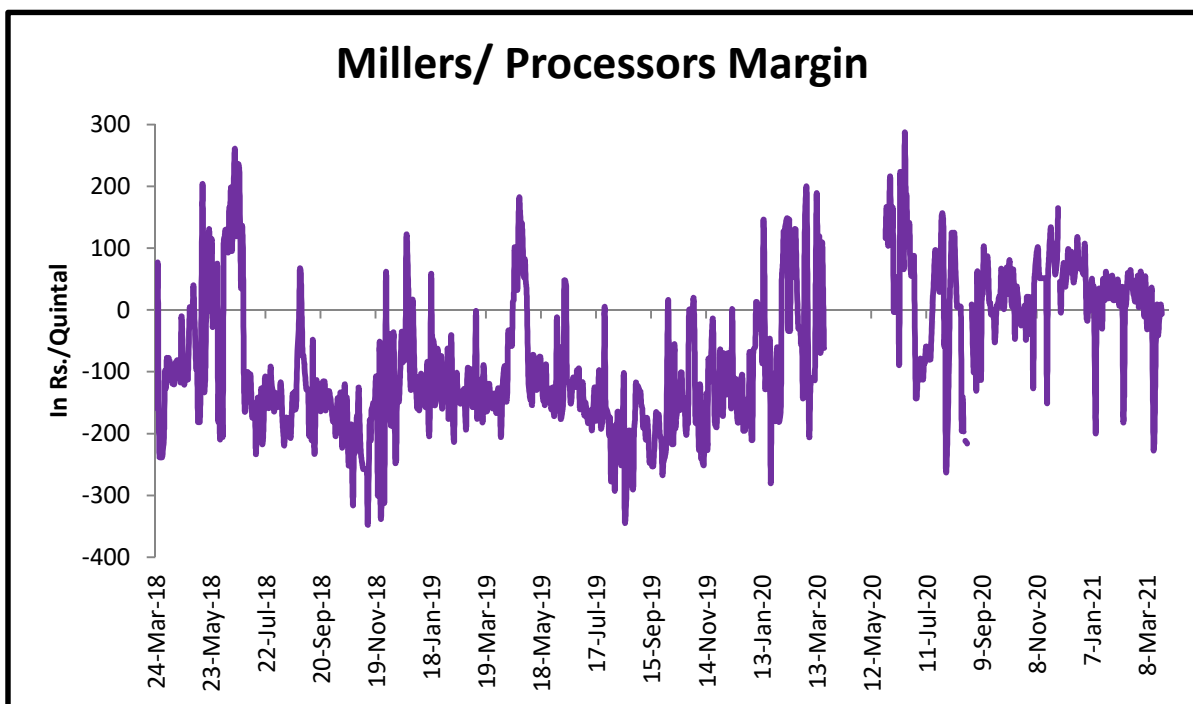
Need based buying by the stockists and the processors is witnessed.

- 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.



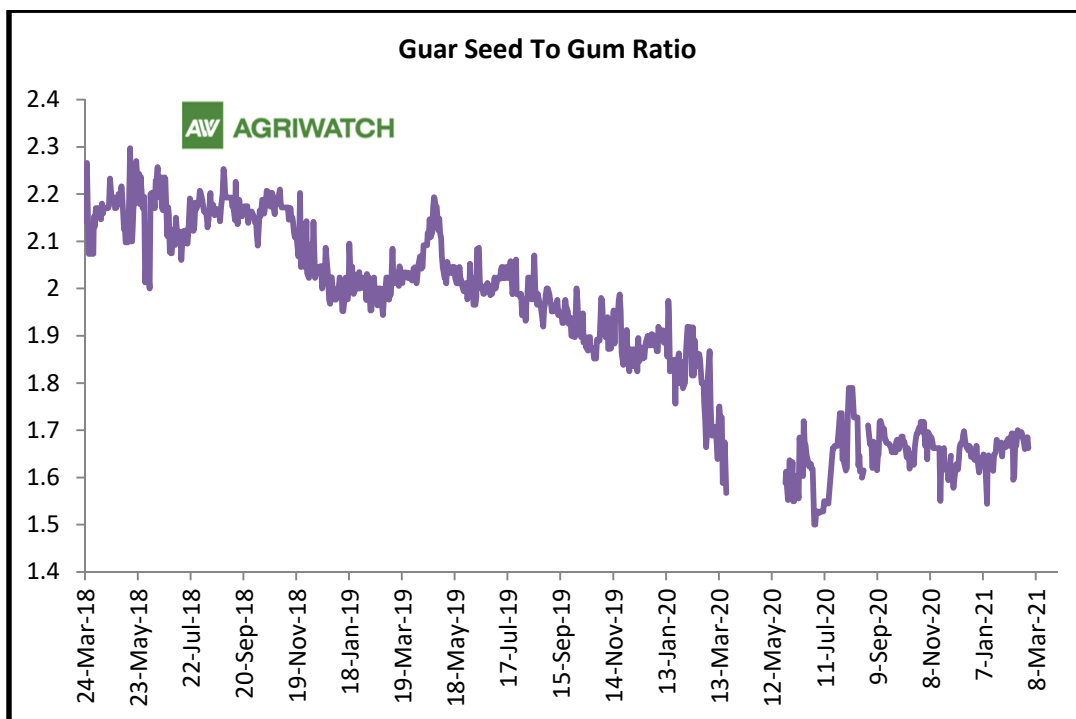
Millers/Processors Margin

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

[\(Back to Table of Contents\)](#)

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)

(Back to Table of Contents)

Commodity: Guar Seed

Contract: May

Exchange: NCDEX

Expiry: May 20, 2021

Guar Seed (May, Daily Chart)



Technical Commentary:

- Guar seed 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 witness losses in the near-term.

Strategy: SELL

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	May	3700	3600	4036	4300	4400
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	May	SELL	Below 4040	3940	3840	4100

Technical Analysis (Guar Gum)

(Back to Table of Contents)

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 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	May	5800	5700	6113	6564	6700
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	May	SELL	Below 6115	6015	5915	6175

Guar Seed & Gum Prices at Key Spot Markets

[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices:				
Commodity	Centre	23rd Apr to 29th Apr 2021	16th Apr to 22nd Apr 2021	Change
Churi	Jodhpur	-	-	-
Korma	Jodhpur	-	-	-
Churi	Sri-Ganganagar	-	-	-
Korma	Sri-Ganganagar	-	-	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	23rd Apr to 29th Apr 2021	16th Apr to 22nd Apr 2021	Change
Guargum Split		-	-	-
Guargum Powder	200 Mesh 5000 CPS	-	-	-
	200 Mesh 3500 CPS	-	-	-
Guargum Meal	40%	-	-	-
	50%	-	-	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			23rd Apr to 29th Apr 2021	16th Apr to 22nd Apr 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	3900	3717	183
		Jodhpur(Delivery)	4095	3903	193
	Sri-Ganganagar	Sri-Ganganagar(Loose)	2938	-	-
		Sri-Ganganagar (Delivery)	3050	-	-
		Rawla (Loose)	0	-	-
		Gharsana (Loose)	0	-	-
		Raisinghnagar (Loose)	0	-	-
	Bikaner	Bikaner (Loose)	3925	3763	163
		Bikaner (Delivery)	4121	3951	171
		Nokha(Loose)	3988	3850	138
		Nokha (Delivery)	4187	4043	144
		Khajuwala (Loose)	-	-	-

		Khajuwala (Delivery)	-	-	-
		Lunkaransar (Loose)	3850	3767	83
	Hanumangarh	Hanumangarh (Loose)	1938	3723	-1785
		Hanumangarh (Delivery)	2034	3909	-1874
		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)	3925	3771	154
		Adampur (Delivery)	4121	3959	162
	Bhiwani	Bhiwani (Delivery)	4025	3935	90
		Siwani (Loose)	4048	3912	136
	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)	0	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	6400	6142	258
	Alwar	Alwar	0	0	Unch
	Hanumangarh	Nohar	0	0	Unch
Haryana	Bhiwani	Bhiwani	6285	6143	143
	Sirsa	Sirsa	6213	6160	53
		Dhabwali	0	4117	-4117
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	6263	6167	96

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			23rd Apr to 29th Apr 2021	16th Apr to 22nd Apr 2021	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	300	-	-
		Rawla	0	-	-
		Gharsana	0	-	-
		Raisinghnagar	0	-	-
	Bikaner	Bikaner	400	1300	-900
		Nokha	1300	2550	-1250
		Khajuwala	0	0	Unch
		Lunkaransar	1050	1300	-250
	Hanumangarh	Hanumangarh	40	271	-231
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	0	350	-350
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	1000	2000	-1000
	Bhiwani	Bhiwani	1400	2100	-700
		Siwani	1400	2300	-900
	Sirsa	Sirsa	0	1400	-1400
		Dhabwali	0	200	-200
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	0	100	-100
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	0	168	-168
	Rajkot	Rajkot	0	35	-35
	Jamnagar	Dhrol	0	0	Unch
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			6890	-	-

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			29-Apr-21	22-Apr-21	29-Mar-21	28-Apr-20
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	4000	-	Closed
		Jodhpur(Delivery)	Closed	4200	-	Closed
	Sri-Ganganagar	Sri-Ganganagar(Loose)	0	3750	-	NA
		Sri-Ganganagar (Delivery)	0	3900	-	NA
		Rawla (Loose)	0	0	-	0
		Gharsana (Loose)	0	0	-	0
		Raisinghnagar (Loose)	0	0	-	0
	Bikaner	Bikaner (Loose)	Closed	4000	-	NA
		Bikaner (Delivery)	Closed	4200	-	NA
		Nokha(Loose)	3950	4000	-	NA
		Nokha (Delivery)	4148	4200	-	NA
		Khajuwala (Loose)	NA	NA	-	NA
		Khajuwala (Delivery)	NA	NA	-	NA
		Lunkaransar (Loose)	3850	4025	-	3500
	Hanumangarh	Hanumangarh (Loose)	3900	3900	-	NA
		Hanumangarh (Delivery)	4095	4095	-	NA
		Nohar (Loose)	0	0	-	NR
		Pilibanga (Loose)	0	0	-	Closed
	Nagaur	Nagaur (Loose)	0	0	-	Closed
	Churu	Churu (Delivery)	0	0	-	NA
	Alwar	Alwar (Loose)	0	0	-	0
Haryana	Hisar	Adampur (Loose)	3900	4050	-	Closed
		Adampur (Delivery)	4095	4253	-	Closed
	Bhiwani	Bhiwani (Delivery)	3900	4200	-	0
		Siwani (Loose)	4020	4150	-	Closed
	Sirsa	Sirsa (Loose)	NA	NA	-	Closed
		Dhabwali (Loose)	0	0	-	Closed
		Dhabwali (Delivery)	0	0	-	Closed
		Ellanabad (Loose)	0	0	-	NR
	Fatehabad	Fatehabad (Loose)	3900	4100	-	Closed
Gujarat	Banaskantha	Deesa (Loose)	0	0	-	NA
	Patan	Patan (Loose)	0	0	-	NA

	Rajkot	Rajkot (Loose)	0	0	-	NA
	Jamnagar	Dhrol (Loose)	0	0	-	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NR	0	-	0
Guar Gum						
	Jodhpur	Jodhpur	Closed	6500	-	Closed
Rajasthan	Alwar	Alwar	0	0	-	0
	Hanumangarh	Nohar	0	0	-	NR
	Bhiwani	Bhiwani	6200	6400	-	0
Haryana	Sirsa	Sirsa	6200	6500	-	Closed
		Dhabwali	0	0	-	Closed
		Ellanabad	0	0	-	NR
	Fatehabad	Fatehabad	6150	6400	-	Closed

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.