



## Guar Weekly Research Report

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## Executive Summary

## Domestic Guar Seed Market Summary

**Most of the cash market yards remained closed for COVID lockdown restrictions. 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.

**As per data released by Baker Hughes, the number of oilrigs in USA increased by 8 to 448 as on 7<sup>th</sup> May 2021 compared to 440 previous week, 30<sup>th</sup> April 2021. Further, they are up by 19.78% from 374 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:-

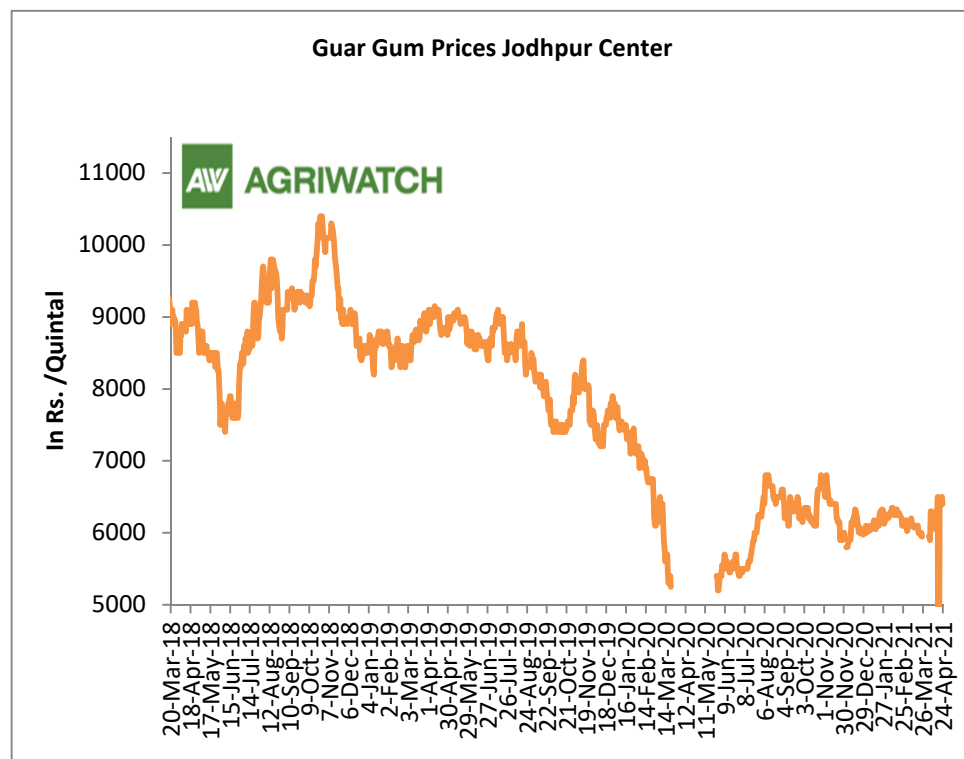
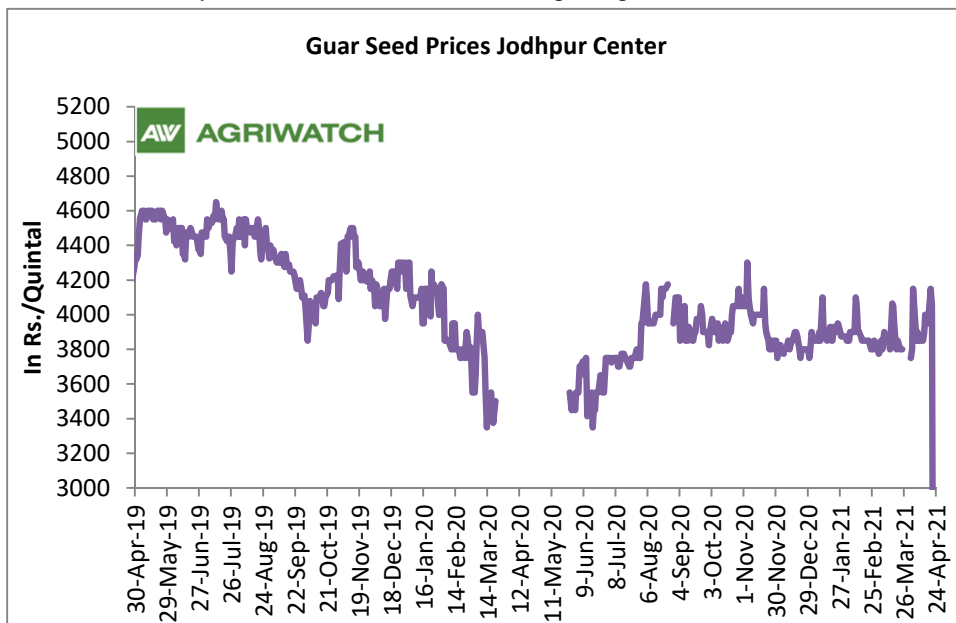
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### Domestic Front

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

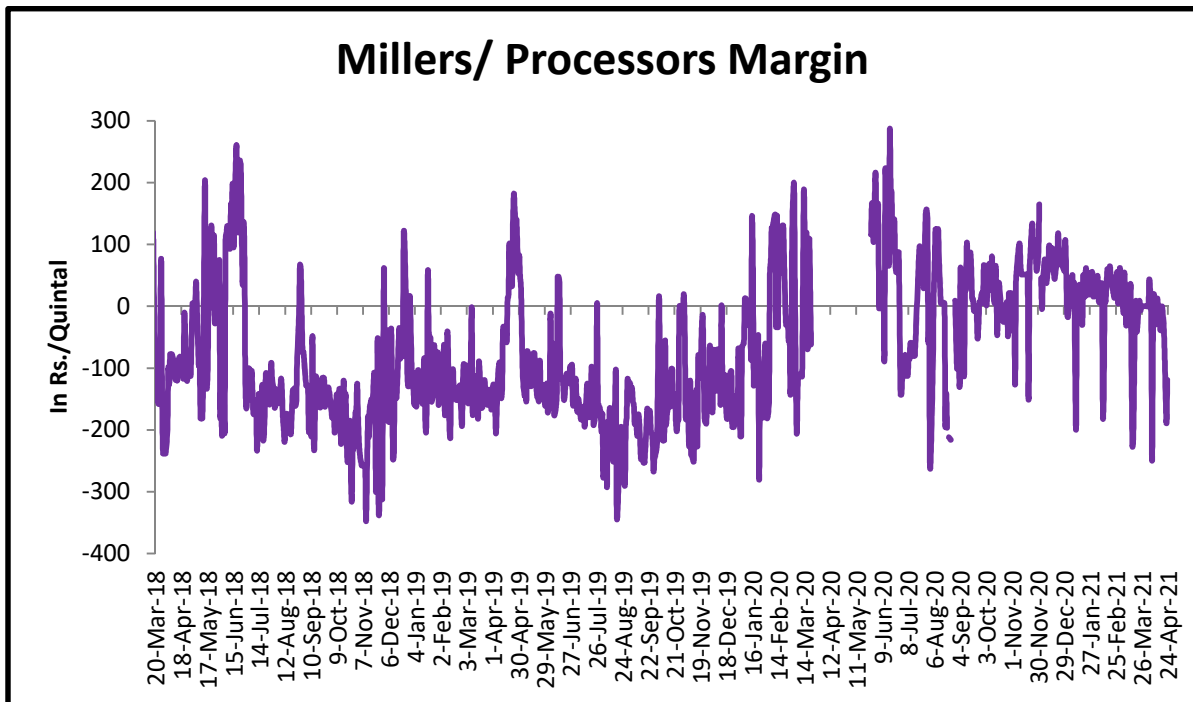
Need based buying by the stockiest and the processors is witnessed.

- The average guar seed all paid prices in Jodhpur have fell and was quoted at Rs 3929 a quintal in April compared to Rs 3,852 a quintal in March.
- 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.



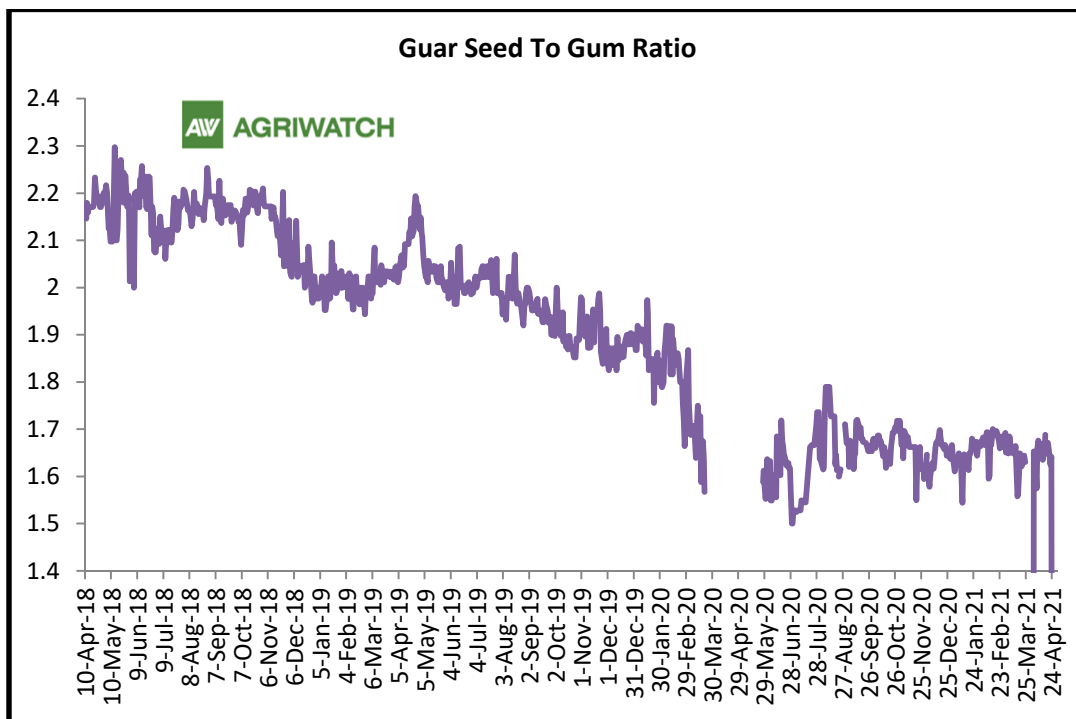
## Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have further declined in April'21 as compared to March'21, the average crush margin declined to Rs. -119/quintal in April'21 compared to Rs. -38.75/quintal in March'21.



## Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum stood remain at 1.64 in April'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               |
| <b>Total</b>         | <b>20127</b>   | <b>1653</b>        |

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 rose on buyer's interests in the market.
- RSI and stochastic are moving up in the neutral region.
- Prices closed above 18-day EMA.
- Prices are expected to witness gain in the near-term.

### Strategy: Buy on Dips

| Weekly Supports & Resistances |       |     | S1   | S2         | PCP  | R1   | R2   |
|-------------------------------|-------|-----|------|------------|------|------|------|
| Guar Seed                     | NCDEX | May | 3800 | 3900       | 4141 | 4450 | 4590 |
|                               |       |     | Call | Entry      | T1   | T2   | SL   |
| Guar Seed                     | NCDEX | May | Buy  | Above 4100 | 4200 | 4300 | 3950 |

## 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 rose on buying interests in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed below 18-day EMA.
- Prices are expected to feature gain in the near-term.

### Strategy: Buy on dips

| Weekly Supports & Resistances |       |     | S1   | S2         | PCP  | R1   | R2   |
|-------------------------------|-------|-----|------|------------|------|------|------|
| Guar Gum                      | NCDEX | May | 5450 | 5600       | 6157 | 6700 | 6900 |
| Weekly Trade Call             |       |     | Call | Entry      | T1   | T2   | SL   |
| Guar Gum                      | NCDEX | May | Buy  | Above 6140 | 6350 | 6500 | 6000 |

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

| Commodity | Centre         | 29th Apr to 6th May 2021 | 23rd Apr to 29th Apr 2021 | Change |
|-----------|----------------|--------------------------|---------------------------|--------|
| Churi     | Jodhpur        | -                        | -                         | -      |
| Korma     | Jodhpur        | -                        | -                         | -      |
| Churi     | Sri-Ganganagar | -                        | -                         | -      |
| Korma     | Sri-Ganganagar | -                        | -                         | -      |

Prices in Rs/75kg

**Guar Export Weekly Average Prices:**

| Commodity      | Variety           | 29th Apr to 6th May 2021 | 23rd Apr to 29th 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 )<br>(Rs/Qtl) |                           | Change |
|-----------|----------------|---------------------------|--------------------------------------|---------------------------|--------|
|           |                |                           | 29th Apr to 6th May 2021             | 23rd Apr to 29th Apr 2021 |        |
| Guar Seed |                |                           |                                      |                           |        |
| Rajasthan | Jodhpur        | Jodhpur (Loose)           | Closed                               | 3900                      | Closed |
|           |                | Jodhpur(Delivery)         | Closed                               | 4095                      | Closed |
|           | Sri-Ganganagar | Sri-Ganganagar(Loose)     | Closed                               | 2938                      | -      |
|           |                | Sri-Ganganagar (Delivery) | Closed                               | 3050                      | -      |
|           |                | Rawla (Loose)             | Closed                               | Closed                    | Closed |
|           |                | Gharsana (Loose)          | Closed                               | Closed                    | Closed |
|           |                | Raisinghnagar (Loose)     | Closed                               | Closed                    | Closed |
|           | Bikaner        | Bikaner (Loose)           | 3825                                 | 3925                      | -100   |
|           |                | Bikaner (Delivery)        | 4016                                 | 4121                      | -105   |
|           |                | Nokha(Loose)              | 3917                                 | 3988                      | -71    |
|           |                | Nokha (Delivery)          | 4113                                 | 4187                      | -74    |
|           |                | Khajuwala (Loose)         | Closed                               | Closed                    | Closed |
|           |                | Khajuwala (Delivery)      | Closed                               | Closed                    | Closed |



|                |             |                        |        |        |        |
|----------------|-------------|------------------------|--------|--------|--------|
|                |             | Lunkaransar (Loose)    | 3820   | 3850   | -30    |
|                | Hanumangarh | Hanumangarh (Loose)    | Closed | 1938   | Closed |
|                |             | Hanumangarh (Delivery) | Closed | 2034   | Closed |
|                |             | Nohar (Loose)          | Closed | Closed | Closed |
|                |             | Pilibanga (Loose)      | Closed | Closed | Closed |
|                | Nagaur      | Nagaur (Loose)         | Closed | Closed | Closed |
|                | Churu       | Churu (Delivery)       | Closed | Closed | Closed |
| Haryana        | Alwar       | Alwar (Loose)          | Closed | Closed | Closed |
|                | Hisar       | Adampur (Loose)        | Closed | 3925   | Closed |
|                |             | Adampur (Delivery)     | Closed | 4121   | Closed |
|                | Bhiwani     | Bhiwani (Delivery)     | Closed | 4025   | Closed |
|                |             | Siwani (Loose)         | Closed | 4048   | Closed |
|                | Sirsa       | Sirsa (Loose)          | Closed | Closed | Closed |
|                |             | Dhabwali (Loose)       | Closed | Closed | Closed |
|                |             | Dhabwali (Delivery)    | Closed | Closed | Closed |
|                |             | Ellanabad (Loose)      | Closed | Closed | Closed |
|                | Fatehabad   | Fatehabad (Loose)      | Closed | 3988   | Closed |
| Gujarat        | Banaskantha | Deesa (Loose)          | Closed | Closed | Closed |
|                | Patan       | Patan (Loose)          | Closed | Closed | Closed |
|                | Rajkot      | Rajkot (Loose)         | Closed | Closed | Closed |
|                | Jamnagar    | Dhrol (Loose)          | Closed | Closed | Closed |
| Madhya Pradesh | Gwalior     | Dabra (Loose)          | Closed | Closed | Closed |
| Guar Gum       |             |                        |        |        |        |
| Rajasthan      | Jodhpur     | Jodhpur                | Closed | 6400   | Closed |
|                | Alwar       | Alwar                  | Closed | Closed | Closed |
|                | Hanumangarh | Nohar                  | Closed | Closed | Closed |
| Haryana        | Bhiwani     | Bhiwani                | Closed | 6285   | Closed |
|                | Sirsa       | Sirsa                  | Closed | 6213   | Closed |
|                |             | Dhabwali               | Closed | Closed | Closed |
|                |             | Ellanabad              | Closed | Closed | Closed |
|                | Fatehabad   | Fatehabad              | Closed | 6263   | Closed |

| 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        | Closed                     | Closed                    | Closed |
|  | Sri-Ganganagar | Sri-Ganganagar | Closed                     | Closed                    | Closed |
|  |                | Rawla          | Closed                     | Closed                    | Closed |
|  |                | Gharsana       | Closed                     | Closed                    | Closed |
|  |                | Raisinghnagar  | Closed                     | Closed                    | Closed |
|  | Bikaner        | Bikaner        | 380                        | 1300                      | -920   |
|  |                | Nokha          | 1100                       | 2550                      | -1450  |
|  |                | Khajuwala      | Closed                     | Closed                    | Closed |
|  |                | Lunkaransar    | 800                        | 1300                      | -500   |
|  | Hanumangarh    | Hanumangarh    | Closed                     | 271                       | -271   |
|  |                | Nohar          | Closed                     | Closed                    | Closed |
|  |                | Pilibanga      | Closed                     | Closed                    | Closed |
|  | Nagaur         | Nagaur         | Closed                     | 350                       | -350   |
|  | Churu          | Churu          | Closed                     | Closed                    | Closed |
|  | Alwar          | Alwar          | Closed                     | Closed                    | Closed |
| Haryana                                  | Hisar          | Adampur        | 300                        | 2000                      | -1700  |
|  | Bhiwani        | Bhiwani        | 400                        | 2100                      | -1700  |
|  |                | Siwani         | 600                        | 2300                      | -1700  |
|  | Sirsa          | Sirsa          | Closed                     | 1400                      | Closed |
|  |                | Dhabwali       | Closed                     | 200                       | Closed |
|  |                | Ellanabad      | Closed                     | Closed                    | Closed |
|  | Fatehabad      | Fatehabad      | Closed                     | 100                       | -100   |
| Gujarat                                  | Banaskantha    | Deesa          | Closed                     | Closed                    | Closed |
|  | Patan          | Patan          | Closed                     | 168                       | Closed |
|  | Rajkot         | Rajkot         | Closed                     | 35                        | Closed |
|  | Jamnagar       | Dhrol          | Closed                     | Closed                    | Closed |
| Madhya Pradesh                           | Gwalior        | Dabra          | Closed                     | Closed                    | Closed |
| Total Arrivals/Above Markets             |                |                | 6890                       | 14074                     | -7184  |

| Week on Week Price: Scenario of Guarseed and Guargum: |                |                           |          |           |           |          |
|---|----------------|---------------------------|----------|-----------|-----------|----------|
| Commodity   | District       | Centre                    | Today    | Week Ago  | Month Ago | Year Ago |
| Guar Seed   |                |                           | 6-May-21 | 29-Apr-21 | 6-Apr-21  | 6-May-20 |
| Rajasthan   | Jodhpur        | Jodhpur (Loose)           | Closed   | Closed    | 4000      | Closed   |
|   |                | Jodhpur(Delivery)         | Closed   | Closed    | 4200      | Closed   |
|   | Sri-Ganganagar | Sri-Ganganagar(Loose)     | Closed   | Closed    | 3650      | NA       |
|   |                | Sri-Ganganagar (Delivery) | Closed   | Closed    | 3800      | NA       |
|   |                | Rawla (Loose)             | Closed   | Closed    | Closed    | Closed   |
|   |                | Gharsana (Loose)          | Closed   | Closed    | Closed    | Closed   |
|   |                | Raisinghnagar (Loose)     | Closed   | Closed    | Closed    | Closed   |
|   | Bikaner        | Bikaner (Loose)           | 3850     | Closed    | 3800      | Closed   |
|   |                | Bikaner (Delivery)        | 4043     | Closed    | 3990      | Closed   |
|   |                | Nokha(Loose)              | 3975     | 3950      | 3850      | Closed   |
|   |                | Nokha (Delivery)          | 4174     | 4148      | 4043      | Closed   |
|   |                | Khajuwala (Loose)         | NA       | NA        | NA        | Closed   |
|   |                | Khajuwala (Delivery)      | NA       | NA        | NA        | Closed   |
|   |                | Lunkaransar (Loose)       | 3900     | 3850      | 3800      | Closed   |
|   | Hanumangarh    | Hanumangarh (Loose)       | Closed   | 3900      | 3700      | Closed   |
|   |                | Hanumangarh (Delivery)    | Closed   | 4095      | 3885      | Closed   |
|   |                | Nohar (Loose)             | Closed   | Closed    | Closed    | NR       |
|   |                | Pilibanga (Loose)         | Closed   | Closed    | Closed    | Closed   |
|   | Nagaur         | Nagaur (Loose)            | Closed   | Closed    | 3700      | Closed   |
|   | Churu          | Churu (Delivery)          | Closed   | Closed    | Closed    | NA       |
|   | Alwar          | Alwar (Loose)             | Closed   | Closed    | Closed    | Closed   |
| Haryana   | Hisar          | Adampur (Loose)           | Closed   | 3900      | 3750      | NA       |
|   |                | Adampur (Delivery)        | Closed   | 4095      | 3938      | NA       |
|   | Bhiwani        | Bhiwani (Delivery)        | Closed   | 3900      | NR        | Closed   |
|   |                | Siwani (Loose)            | Closed   | 4020      | 3900      | 3450     |
|   | Sirsa          | Sirsa (Loose)             | Closed   | NA        | 3740      | Closed   |
|   |                | Dhabwali (Loose)          | Closed   | Closed    | 3690      | Closed   |
|   |                | Dhabwali (Delivery)       | Closed   | Closed    | 3875      | Closed   |
|   |                | Ellanabad (Loose)         | Closed   | Closed    | Closed    | NR       |
|   | Fatehabad      | Fatehabad (Loose)         | Closed   | 3900      | 3600      | Closed   |
| Gujarat   | Banaskantha    | Deesa (Loose)             | Closed   | Closed    | Closed    | NA       |
|   | Patan          | Patan (Loose)             | Closed   | Closed    | 3635      | NA       |

|                       |                    |                |        |        |        |        |
|-----------------------|--------------------|----------------|--------|--------|--------|--------|
|                       | <b>Rajkot</b>      | Rajkot (Loose) | Closed | Closed | 3700   | NA     |
|                       | <b>Jamnagar</b>    | Dhrol (Loose)  | Closed | Closed | Closed | NA     |
|                       | <b>Gwalior</b>     | Dabra (Loose)  | Closed | Closed | 4000   | Closed |
| <b>Madhya Pradesh</b> |                    |                |        |        |        |        |
| <b>Guar Gum</b>       |                    |                |        |        |        |        |
| <b>Rajasthan</b>      | <b>Jodhpur</b>     | Jodhpur        | Closed | Closed | 6300   | Closed |
|                       | <b>Alwar</b>       | Alwar          | Closed | Closed | Closed | Closed |
|                       | <b>Hanumangarh</b> | Nohar          | Closed | Closed | Closed | Closed |
| <b>Haryana</b>        | <b>Bhiwani</b>     | Bhiwani        | Closed | 6200   | NR     | Closed |
|                       | <b>Sirsa</b>       | Sirsa          | Closed | 6200   | 6300   | Closed |
|                       |                    | Dhabwali       | Closed | Closed | 6200   | Closed |
|                       |                    | Ellanabad      | Closed | Closed | Closed | NR     |
|                       | <b>Fatehabad</b>   | Fatehabad      | Closed | 6150   | 6200   | Closed |

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