

# Guar Weekly Research Report

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

**Markets are opening slowly and traded higher side amid weak supplies. Arrivals are lower amid dull trading activities. Prices in Bikaner markets reported higher side on weak supplies.**

Volume of trade continued to remain thin in the cash market yards, due to need based local and overseas demand in guar products.

However, there is considerably a good sign of gradual increase in oilrags with surge in crude oil demand in recent months; this could increase in the overseas guar gum demand.

As per data released by Baker Hughes, the number of oilrags in USA increased by 2 to 455 as on 21<sup>st</sup> May 2021 compared to 453 previous week, 14<sup>th</sup> May 2021. Further, they are up by 43.08% from 318 oilrags 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 June contract above 4200 levels for a target of 4350 with a stop loss at 4100.**

## Outlook:-

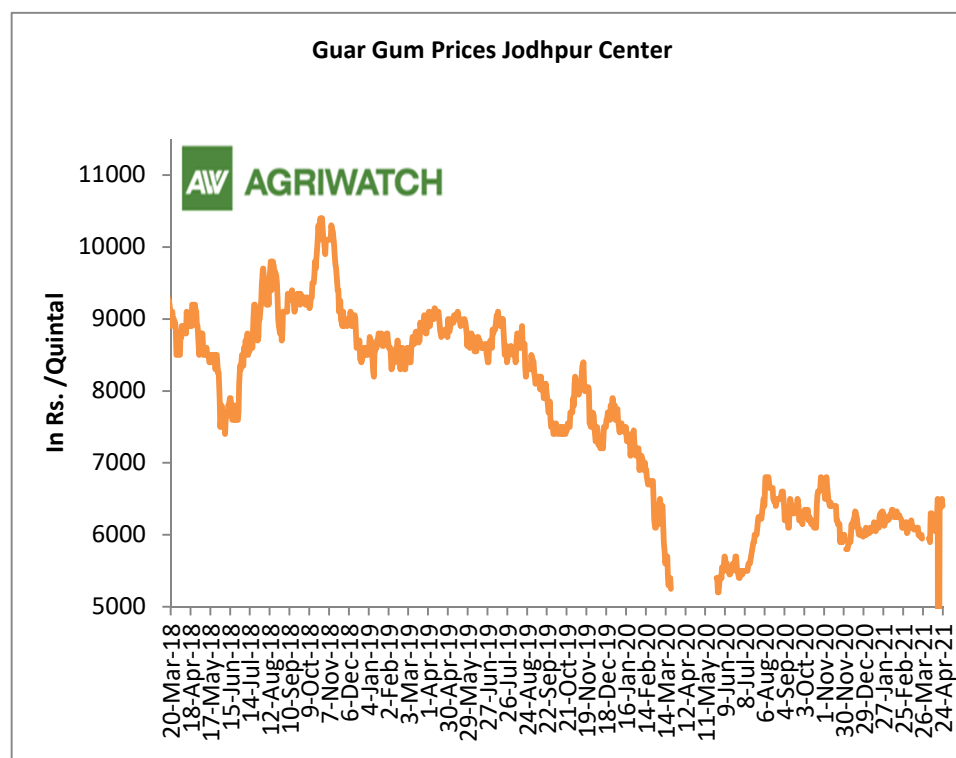
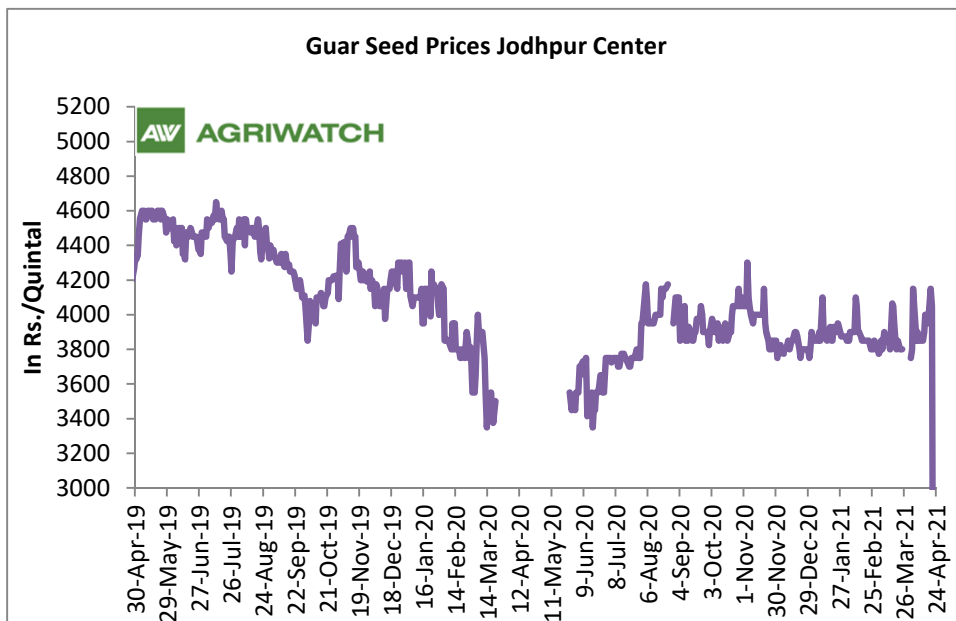
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### Domestic Front

- 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.

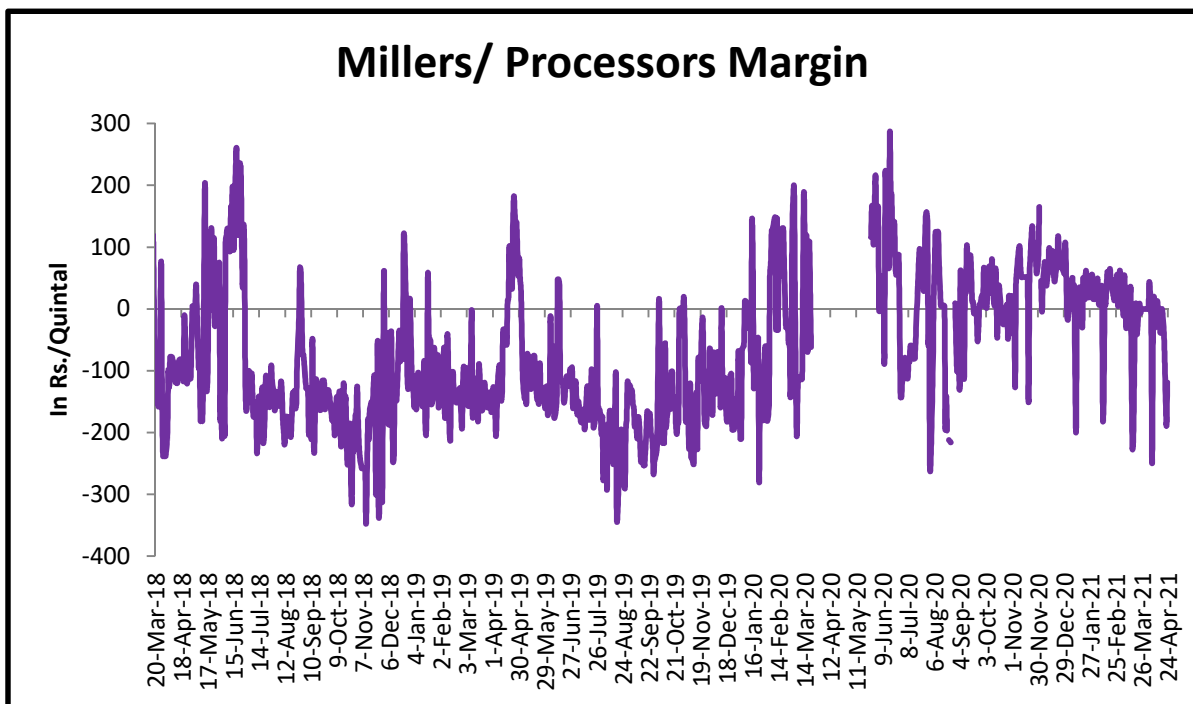
Need based buying by the stockiest and the processors is witnessed.

- 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.



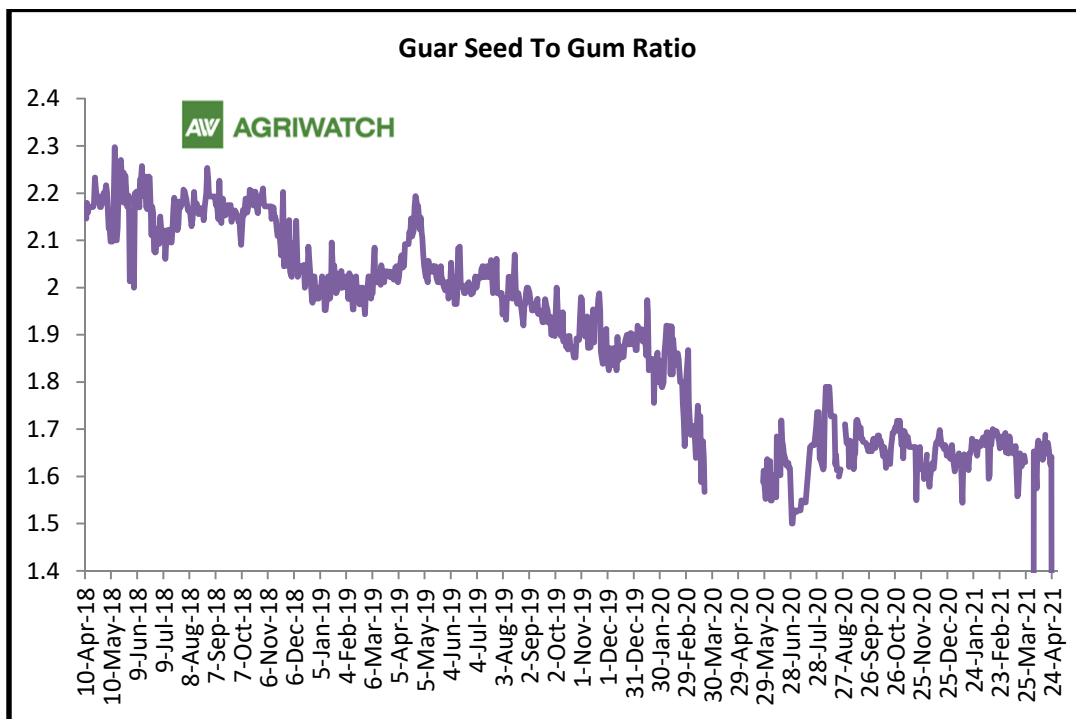
## Millers/Processors Margin

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: June

Exchange: NCDEX  
Expiry: June 18, 2021

### Guar Seed (July, Daily Chart)



### Technical Commentary:

- Guar seed increased 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	June	3980	4100	4265	4590	4700
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	June	Buy	Above 4200	4350	4450	4100

## Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: June

Exchange: NCDEX  
Expiry: June 18, 2021

## Guar Gum (June, Daily Chart)



### Technical Commentary:

- Guar gum inched higher on buying interests in the market.
- RSI and stochastic are rising in the neutral region.
- Prices closed above 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	June	6000	6200	6466	6600	6900
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Buy	Below 6350	6450	6520	6250

Guar by – Products Weekly Average Prices:				
Commodity	Centre	17th Apr to 22nd May 2021	8th May to 16th May 2021	Change
Churi	Jodhpur	-	-	-
Korma	Jodhpur	-	-	-
Churi	Sri-Ganganagar	-	-	-
Korma	Sri-Ganganagar	-	-	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	17th Apr to 22nd May 2021	8th May to 16th May 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			17th Apr to 22nd May 2021	8th May to 16th May 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	Closed	Closed	-
		Jodhpur(Delivery)	Closed	Closed	-
	Sri-Ganganagar	Sri-Ganganagar(Loose)	Closed	Closed	-
		Sri-Ganganagar (Delivery)	Closed	Closed	-
		Rawla (Loose)	Closed	Closed	-
		Gharsana (Loose)	Closed	Closed	-
		Raisinghnagar (Loose)	Closed	Closed	-
	Bikaner	Bikaner (Loose)	4100	4017	83
		Bikaner (Delivery)	4305	4218	87
		Nokha(Loose)	Closed	3950	-3950
		Nokha (Delivery)	Closed	4148	-4148
		Khajuwala (Loose)	Closed	Closed	-
		Khajuwala (Delivery)	Closed	Closed	-

		Lunkaransar (Loose)	Closed	3900	-3900
	Hanumangarh	Hanumangarh (Loose)	Closed	Closed	-
		Hanumangarh (Delivery)	Closed	Closed	-
		Nohar (Loose)	Closed	Closed	-
		Pilibanga (Loose)	Closed	Closed	-
	Nagaur	Nagaur (Loose)	Closed	Closed	-
	Churu	Churu (Delivery)	Closed	Closed	-
Haryana	Alwar	Alwar (Loose)	Closed	Closed	-
	Hisar	Adampur (Loose)	Closed	Closed	-
		Adampur (Delivery)	Closed	Closed	-
	Bhiwani	Bhiwani (Delivery)	Closed	Closed	-
		Siwani (Loose)	Closed	Closed	-
	Sirsa	Sirsa (Loose)	Closed	Closed	-
		Dhabwali (Loose)	Closed	Closed	-
		Dhabwali (Delivery)	Closed	Closed	-
		Ellanabad (Loose)	Closed	Closed	-
	Fatehabad	Fatehabad (Loose)	Closed	Closed	-
Gujarat	Banaskantha	Deesa (Loose)	Closed	Closed	-
	Patan	Patan (Loose)	1267	Closed	-
	Rajkot	Rajkot (Loose)	Closed	Closed	-
	Jamnagar	Dhrol (Loose)	Closed	Closed	-
Madhya Pradesh	Gwalior	Dabra (Loose)	Closed	Closed	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6400	6400	Unch
	Alwar	Alwar	Closed	Closed	-
	Hanumangarh	Nohar	Closed	Closed	-
Haryana	Bhiwani	Bhiwani	6285	6285	Unch
	Sirsa	Sirsa	6213	6213	-1
		Dhabwali	Closed	Closed	-
		Ellanabad	Closed	Closed	-
	Fatehabad	Fatehabad	6263	6263	-1

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			17th Apr to 22nd May 2021	8th May to 16th May 2021	
Rajasthan	Jodhpur	Jodhpur	Closed	Closed	-
	Sri-Ganganagar	Sri-Ganganagar	Closed	Closed	-
		Rawla	Closed	Closed	-
		Gharsana	Closed	Closed	-
		Raisinghnagar	Closed	Closed	-
	Bikaner	Bikaner	800	500	300
		Nokha	Closed	300	-300
		Khajuwala	Closed	Closed	-
		Lunkaransar	Closed	500	-500
	Hanumangarh	Hanumangarh	Closed	Closed	-
		Nohar	Closed	Closed	-
		Pilibanga	Closed	Closed	-
	Nagaur	Nagaur	Closed	Closed	-
	Churu	Churu	Closed	Closed	-
	Alwar	Alwar	Closed	Closed	-
Haryana	Hisar	Adampur	Closed	Closed	-
	Bhiwani	Bhiwani	Closed	Closed	-
		Siwani	Closed	Closed	-
	Sirsa	Sirsa	Closed	Closed	-
		Dhabwali	Closed	Closed	-
		Ellanabad	Closed	Closed	-
	Fatehabad	Fatehabad	Closed	Closed	-
Gujarat	Banaskantha	Deesa	Closed	Closed	-
	Patan	Patan	5	Closed	-
	Rajkot	Rajkot	Closed	Closed	-
	Jamnagar	Dhrol	Closed	Closed	-
Madhya Pradesh	Gwalior	Dabra	Closed	Closed	-
Total Arrivals/Above Markets			805	1300	-450

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			22-May-21	15-May-21	22-Apr-21	22-May-20
Rajasthan	Jodhpur	Jodhpur (Loose)	NA	NA	4000	Closed
		Jodhpur(Delivery)	NA	NA	4200	Closed
	Sri-Ganganagar	Sri-Ganganagar(Loose)	NA	NA	3750	Closed
		Sri-Ganganagar (Delivery)	NA	NA	3900	Closed
		Rawla (Loose)	NA	NA	0	3150
		Gharsana (Loose)	NA	NA	0	0
		Raisinghnagar (Loose)	NA	NA	0	0
	Bikaner	Bikaner (Loose)	NA	Closed	4000	3400
		Bikaner (Delivery)	NA	Closed	4200	3570
		Nokha(Loose)	Closed	Closed	4000	Closed
		Nokha (Delivery)	Closed	Closed	4200	Closed
		Khajuwala (Loose)	Closed	Closed	NA	3400
		Khajuwala (Delivery)	closed	closed	NA	3570
		Lunkaransar (Loose)	Closed	Closed	4025	3350
	Hanumangarh	Hanumangarh (Loose)	Closed	Closed	3900	Closed
		Hanumangarh (Delivery)	Closed	Closed	4095	Closed
		Nohar (Loose)	Closed	Closed	0	Closed
		Pilibanga (Loose)	Closed	Closed	Closed	Closed
	Nagaur	Nagaur (Loose)	Closed	Closed	Closed	Closed
	Churu	Churu (Delivery)	Closed	Closed	Closed	Closed
	Alwar	Alwar (Loose)	Closed	Closed	Closed	Closed
Haryana	Hisar	Adampur (Loose)	Closed	Closed	4050	3470
		Adampur (Delivery)	Closed	Closed	4253	3644
	Bhiwani	Bhiwani (Delivery)	Closed	Closed	4200	0
		Siwani (Loose)	Closed	Closed	4150	3575
	Sirsa	Sirsa (Loose)	NA	Closed	NA	0
		Dhabwali (Loose)	NA	Closed	0	0
		Dhabwali (Delivery)	NA	Closed	0	0
		Ellanabad (Loose)	NR	Closed	0	0
	Fatehabad	Fatehabad (Loose)	Closed	Closed	4100	3400
Gujarat	Banaskantha	Deesa (Loose)	Closed	Closed	Closed	3000
	Patan	Patan (Loose)	3750	Closed	Closed	NA
	Rajkot	Rajkot (Loose)	Closed	Closed	Closed	4875
	Jamnagar	Dhrol (Loose)	Closed	Closed	Closed	NA



<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NR	Closed	Closed	Closed
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	NA	NA	6500	Closed
	<b>Alwar</b>	Alwar	NA	NA	NA	NA
	<b>Hanumangarh</b>	Nohar	NA	NA	NA	Closed
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	Closed	NA	6400	NA
	<b>Sirsa</b>	Sirsa	NA	NA	6500	NA
		Dhabwali	NA	NA	NA	NA
		Ellanabad	NR	NA	NA	NA
	<b>Fatehabad</b>	Fatehabad	Closed	NA	6400	5200

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