



## Guar Weekly Research Report

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

**Guarseed and Gum prices increased amid weak supplies during this week. Farmers expect higher prices in coming days therefore not releasing the stocks at the current market price. 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 oilrigs 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 oilrigs in USA increased by 2 to 457 as on 28th May 2021 compared to 455 previous week, 21st May 2021. Further, they are up by 51.82% from 301 oilrigs in the corresponding period in last year.

India's guar gum exports improved in the month of April 2021 higher by +3.38% to 20,808 tonnes compared to 20127 tonnes during March 2021 at an average FoB of US \$ 1392 per tonne in the month of April 2021 as compared to US \$ 1659 per tonne in the month of March 2021. Further, the gum shipments were up +120% in April 2021 compared to the same period last year. Of the total exported quantity, around 7,155 tonnes is bought US, Germany (2,348 tonnes) and China (2,489 tonnes).

India's guar split exports rose in the month of April 2021 by +66% to 5560 tonnes compared to 3,334 tonnes during March 2021 at an average FoB of US \$ 960 per tonne in the month of April compared to US \$ 1,024 per tonne in the month of March 2021. However, the guar split shipments Plunged -35% in April 2021 compared to the same period last year. Of the total exported quantity, around 4,960 tonnes is bought China, US (240 tonnes) and Switzerland 360.

**Previous Updates:**

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 Chi- (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 Chi-, US (680 tonnes) and Netherlands and Switzerland (60 tonnes each).

**Recommendation:**

**Weekly Call- : Market participants are advised to buy Guar seed future June contract above 4160 levels for a target of 4380 with a stop loss at 4050.**

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

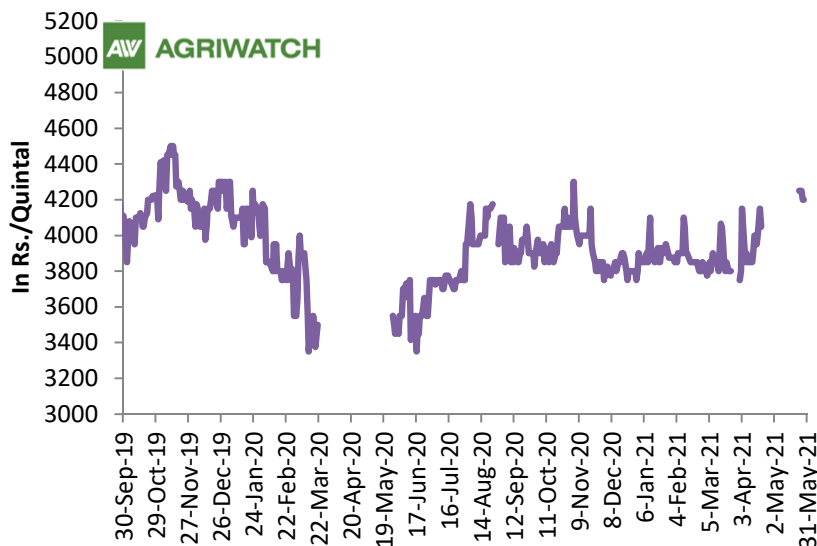
The local guar seed paid prices witnessed gain in May'21 compared to previous month. Fresh buying activities of seed in local markets after lockdown restrictions is supporting prices to rise.

The average guar seed all paid prices in Jodhpur have increased and was quoted at Rs. 4228 a quintal in May compared to Rs. 3,928.12 a quintal in March.

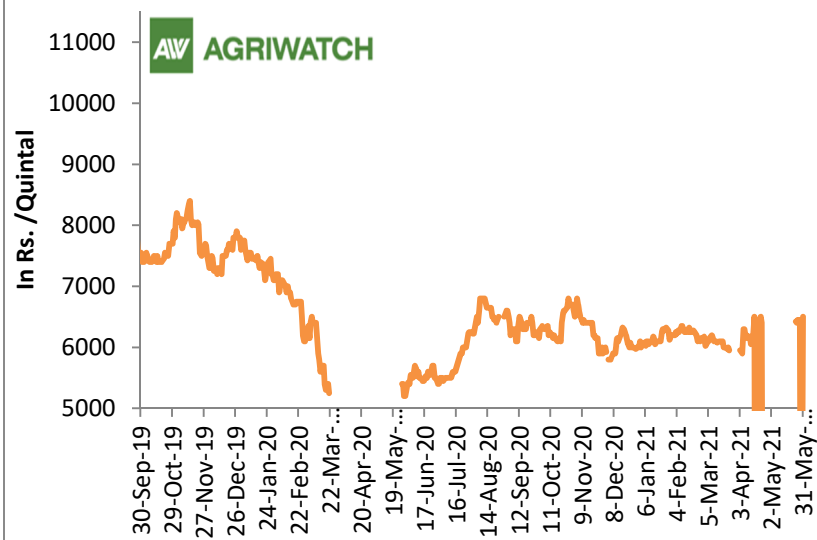
The 2020/21 guar seed output is estimate to have fallen by around 45% compared to the previous season.

Also, the average guar gum prices improved to around Rs. 6,437.5 a quintal in May'21 compared to Rs. 6,226.5 per quintal in April'21 supported by good demand of exporters. Rise in oilrings also supported prices to increase.

Guar Seed Prices Jodhpur Center

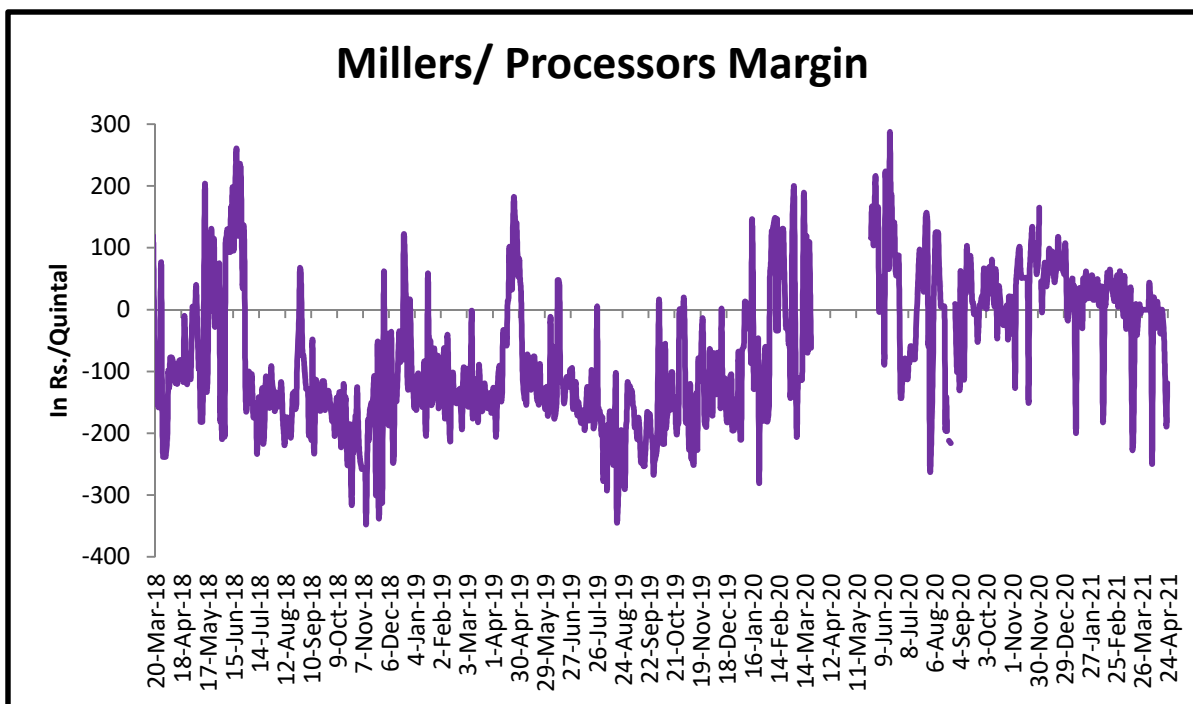


Guar Gum Prices Jodhpur Center



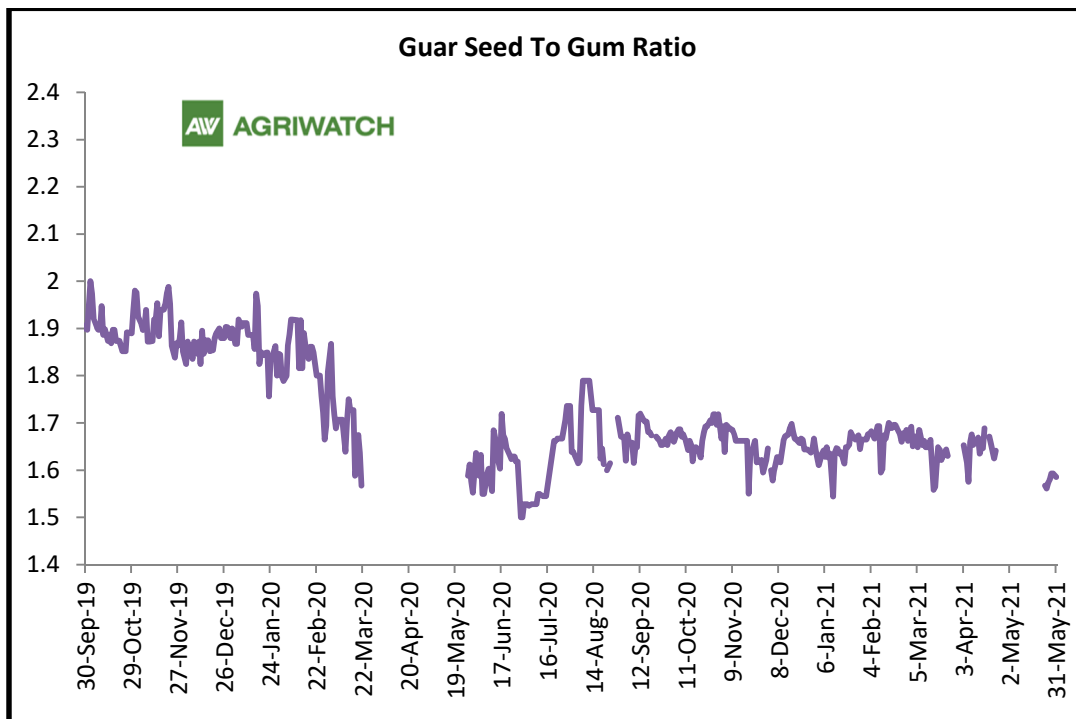
## Millers/Processors Margin

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. -50/quintal in April'21 compared to Rs. -19.61/quintal in March'21.



## Guar Seed to Gum Ratio

The average monthly Ratio of guar seed to gum stood remain at 1.57 in May'21 against 1.64 in April'21. Lockdown restrictions in domestic markets has kept the overall ratio lower side.



## Guar Gum Weekly Export

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<b>Week On Week Exports</b>	<b>Quantity in MT</b>	<b>Average FoB (\$/T)</b>
01-08 Apr-2021	5272	1461
9-15 Apr-2021	4459	1358
16-22 Apr-2021	4627	1351
23-30 Apr-2021	6450	1398
<b>Total</b>	<b>20808</b>	<b>1392</b>

Source:Trade



## Technical Analysis (Guar Seed)

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Commodity: Guar Seed  
Contract: June

Exchange: NCDEX  
Expiry: June 18, 2021

### Guar Seed (June, Daily Chart)



### Technical Commentary:

- The Guar seed posted gain on buyer's interest in the market.
- Prices closed near 9-day and 18-day EMA, indicating steady to firm tone in near term.
- However, MACD is falling in the negative territory.
- RSI are moving up in the neutral zone.
- Volume is not giving any clear indication.

### Strategy: Buy on dips

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	June	3700	3900	4180	4400	4600
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	June	Buy	Below 4160	4250	4380	4050



## 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 edged-higher amid buyer's interest in the market.
- Prices closed near 9-day 18-day EMA, indicating firm tone in near-term.
- MACD is moving in neutral zone.
- RSI and stochastic are moving up in the neutral zone.

### Strategy: Buy on dips

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	June	6100	6300	6384	6650	6800
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	June	Buy	Below 6350	6480	6590	6480

## Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	20th May to 27th May 2021	13th May to 20th May 2021	Change
Churi	Jodhpur	NA	NA	-
Korma	Jodhpur	NA	NA	-
Churi	Sri-Ganganagar	NA	NA	-
Korma	Sri-Ganganagar	NA	NA	-
Prices in Rs/75kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	20th May to 27th May 2021	13th May to 20th 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			20th May to 27th May 2021	13th May to 20th May 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	4088	3575	513
		Jodhpur(Delivery)	4292	3754	538
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	-	-
		Sri-Ganganagar (Delivery)	-	-	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	4083	3535	548
		Bikaner (Delivery)	4287	3712	575
		Nokha(Loose)	4075	0	4075
		Nokha (Delivery)	4279	0	4279
		Khajuwala (Loose)	-	3544	-
		Khajuwala (Delivery)	-	3721	-



		Lunkaransar (Loose)	4113	3626	487
		Hanumangarh (Loose)	-	-	-
		Hanumangarh (Delivery)	-	-	-
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	-	-	-
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	4050	3578	472
		Adampur (Delivery)	4253	3757	495
	Bhiwani	Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	-	3716	-3716
	Sirsa	Sirsa (Loose)	4050	-	4050
		Dhabwali (Loose)	-	-	
		Dhabwali (Delivery)	-	-	
		Ellanabad (Loose)	-	-	
	Fatehabad	Fatehabad (Loose)	-	3458	-3458
	Banaskantha	Deesa (Loose)	-	-	
Gujarat	Patan	Patan (Loose)	3800	-	3800
	Rajkot	Rajkot (Loose)	3883	3549	334
	Jamnagar	Dhrol (Loose)	-	584	-584
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	
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	Unch
		Dhabwali	Closed	Closed	-
		Ellanabad	Closed	Closed	-
	Fatehabad	Fatehabad	6263	6263	Unch

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			20th May to 27th May 2021	13th May to 20th May 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	Unch
	Sri-Ganganagar	Sri-Ganganagar	-	-	-
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	2200	1750	450
		Nokha	1950	0	1950
		Khajuwala	0	1150	-1150

		Lunkaransar	1000	595	405
		Hanumangarh	Hanumangarh	-	-
			Nohar	-	-
			Pilibanga	-	-
		Nagaur	Nagaur	-	-
		Churu	Churu	-	-
		Alwar	Alwar	-	-
Haryana	Hisar	Adampur	1550	1550	Unch
	Bhiwani	Bhiwani	-	-	-
		Siwani	-	4200	-
	Sirsa	Sirsa	1650	-	1650
		Dhabwali	-	-	Unch
		Ellanabad	-	-	Unch
	Fatehabad	Fatehabad	-	260	-260
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	9	0	9
	Rajkot	Rajkot	550	270	280
	Jamnagar	Dhrol	0	7	-7
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			805	1300	-495

## Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			27-May-21	20-May-21	27-Apr-21	26-May-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4050	-	Closed	Closed
		Jodhpur(Delivery)	4253	-	Closed	Closed
	Sri-Ganganagar	Sri-Ganganagar(Loose)	0	-	4000	Closed
		Sri-Ganganagar (Delivery)	0	-	4150	Closed
		Rawla (Loose)	0	-	0	0
		Gharsana (Loose)	0	-	0	0
		Raisinghnagar (Loose)	0	-	0	0
	Bikaner	Bikaner (Loose)	4050	NA	Closed	3350
		Bikaner (Delivery)	4253	NA	Closed	3518
		Nokha(Loose)	4025	0	3975	0
		Nokha (Delivery)	4226	0	4174	0
		Khajuwala (Loose)	NA	0	NA	3300
		Khajuwala (Delivery)	NA	0	NA	3465
		Lunkaransar (Loose)	4100	0	3800	3300

	<b>Hanumangarh</b>	Hanumangarh (Loose)	0	0	0	Closed
		Hanumangarh (Delivery)	0	0	0	Closed
		Nohar (Loose)	0	0	0	Closed
		Pilibanga (Loose)	0	0	0	0
	<b>Nagaur</b>	Nagaur (Loose)	0	0	0	0
	<b>Churu</b>	Churu (Delivery)	0	0	0	0
	<b>Alwar</b>	Alwar (Loose)	0	0	0	0
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	4000	0	3850	3400
		Adampur (Delivery)	4200	0	4043	3570
	<b>Bhiwani</b>	Bhiwani (Delivery)	Closed	0	4000	0
		Siwani (Loose)	Closed	0	4050	3560
	<b>Sirsa</b>	Sirsa (Loose)	4050	0	NA	0
		Dhabwali (Loose)	0	0	0	0
		Dhabwali (Delivery)	0	0	0	0
		Ellanabad (Loose)	0	0	0	0
	<b>Fatehabad</b>	Fatehabad (Loose)	0	0	4000	3300
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	NA	0	0	4000
	<b>Patan</b>	Patan (Loose)	NA	0	0	NA
	<b>Rajkot</b>	Rajkot (Loose)	3825	0	0	3325
	<b>Jamnagar</b>	Dhrol (Loose)	NA	0	0	NA
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NR	0	0	0
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	6400	0	Closed	Closed
	<b>Alwar</b>	Alwar	0	0	0	0
	<b>Hanumangarh</b>	Nohar	0	0	0	Closed
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	Closed	0	6270	0
	<b>Sirsa</b>	Sirsa	6400	0	6200	0
		Dhabwali	0	0	0	0
		Ellanabad	0	0	0	0
	<b>Fatehabad</b>	Fatehabad	0	0	6300	5100



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