

Guar Weekly Research Report

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Executive Summary**Domestic Guar Seed Market Summary**

Guar seed prices declined amid heavy supplies during this week. Farmers and traders are releasing their stocks at the current market prices. Guar gum prices increased on good export demand.

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 fell by one to 456 as on 4th June 2021 compared to 457 previous week, 28th 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 4208 levels for a target of 4250 with a stop loss at 4050.

Outlook:-

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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 ease in lockdown restrictions is supporting prices to rise.

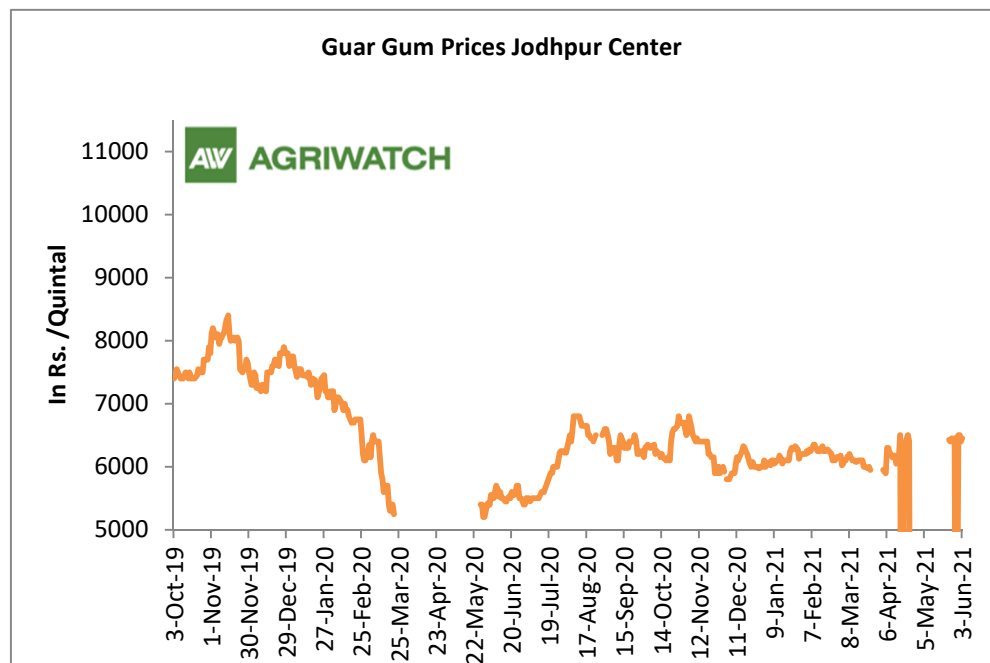
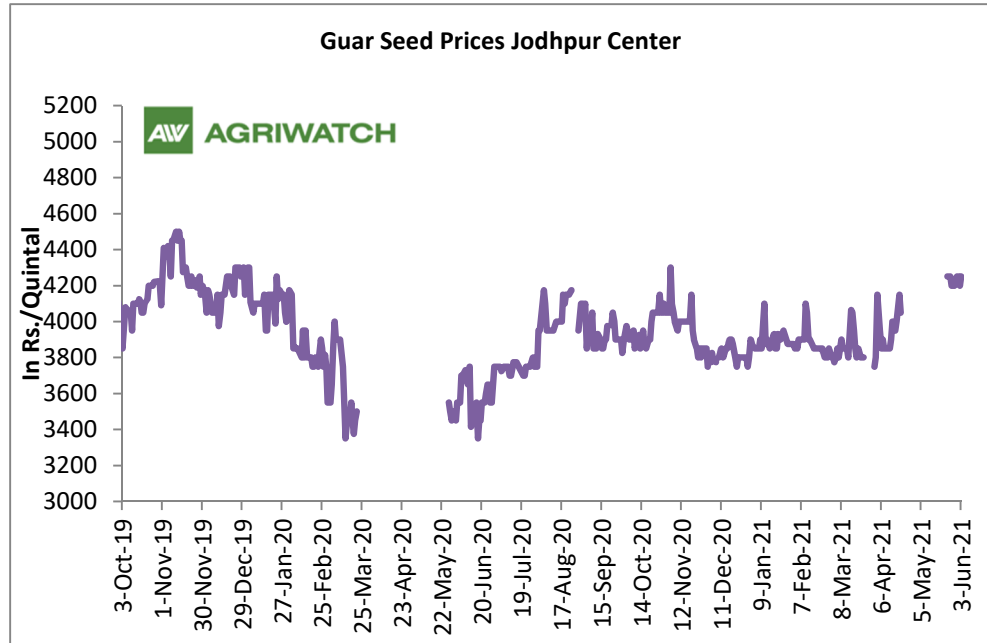
The average guar seed all paid prices in Jodhpur have increased and was quoted at Rs. 4228 a quintal in May'21 compared to Rs. 3,928.12 a quintal in April'21.

In Jodhpur, weekly average Guar seed loose price declined to Rs. 4225/ qtl. in this week against Rs. 4237.5/qtl in previous week.

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

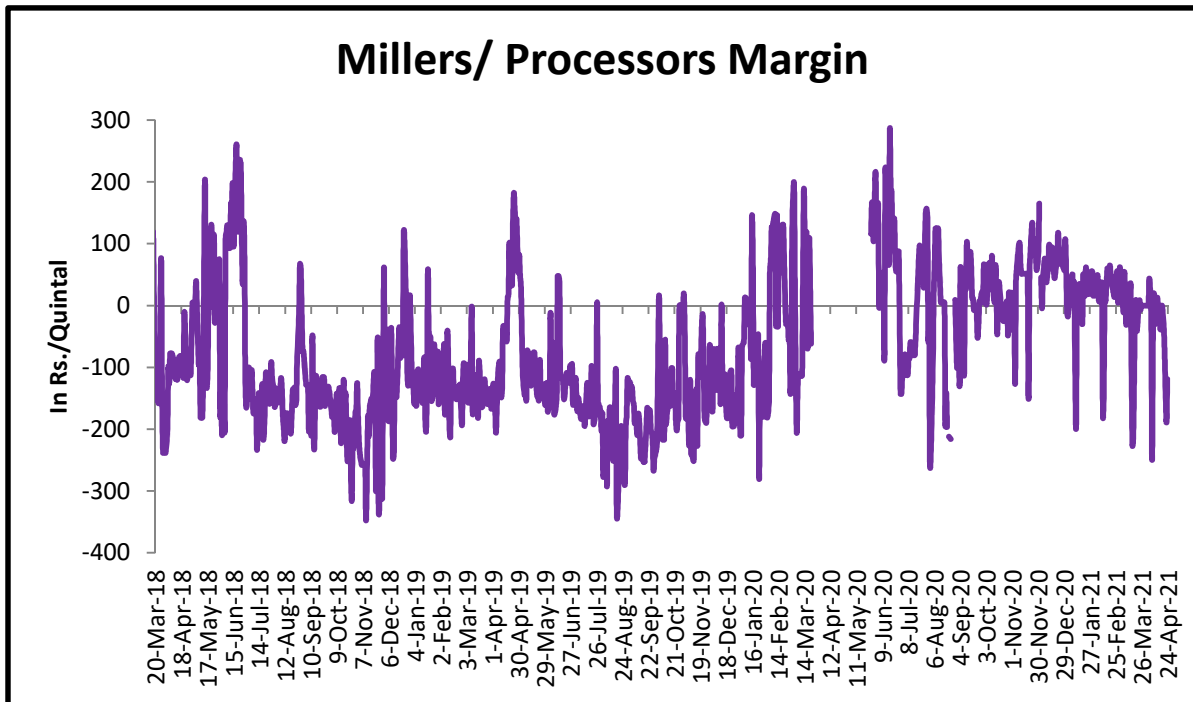
In Jodhpur, weekly average guar gum price increased to Rs 6460/Qtl in this week against Rs. 6418/Qtl in previous week.

In addition, 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 oil rings also supported prices to increase.



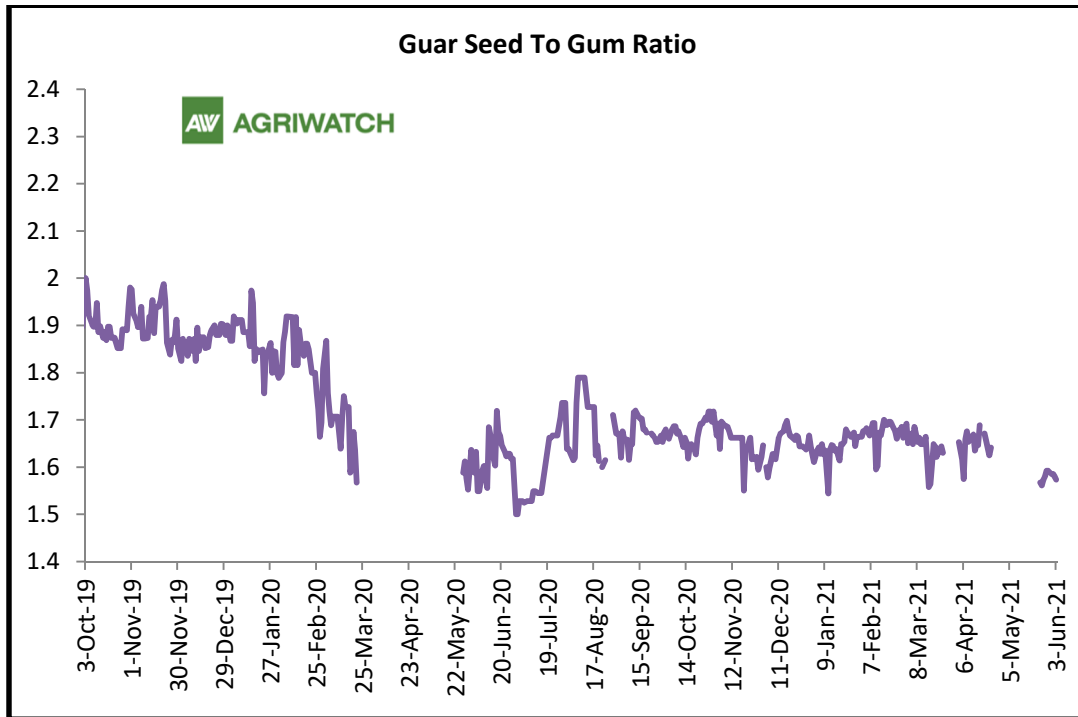
Millers/Processors Margin

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 at 1.64 in April'21, which is at par with March'21. Overall, steady to firm demand of gum from domestic and overseas markets has kept the overall ratio steady. Market were closed from mid of April 2021 to May month 2021 due to lockdown restrictions. Therefore, chart is not updated in this month.



Guar Gum Weekly Export

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

Source: Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: June

Exchange: NCDEX
Expiry: June 18, 2021



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 from 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	4208	4400	4600
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	June	Buy	Below 4160	4250	4380	4050

Technical A-lysis (Guar Gum)

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Commodity: Guar Gum
Contract: June

Exchange: NCDEX
Expiry: June 18, 2021



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 from the neutral zone.

Strategy: Buy on dips

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	June	6200	6000	6416	6700	6850
Weekly Trade Call			Call	Entry	Call	Entry	T1
Guar Gum	NCDEX	June	Buy	6380	6500	6600	6200

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	27th May to 3rd June 2021	20th May to 27th 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	27th May to 3rd June 2021	20th May to 27th 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
			27th May to 3rd June 2021	20th May to 27th May 2021	
Guar Seed	Jodhpur	Jodhpur (Loose)	4080	4088	-8
		Jodhpur(Delivery)	4284	4292	-8
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	-	-
		Sri-Ganganagar (Delivery)	-	-	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	3992	4083	-91
		Bikaner (Delivery)	4191	4287	-95
		Nokha(Loose)	4040	4075	-35
		Nokha (Delivery)	4242	4279	-37
		Khajuwala (Loose)	3950	-	-
		Khajuwala (Delivery)	4148	-	-
		Lunkaransar (Loose)	4088	4113	-25
	Hanumangarh	Hanumangarh (Loose)	-	-	-
		Hanumangarh (Delivery)	-	-	-

		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	988	-	-
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	4043	4050	-7
		Adampur (Delivery)	4246	4253	-7
	Bhiwani	Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	4053	-	-
	Sirsa	Sirsa (Loose)	4043	4050	-7
		Dhabwali (Loose)	-	-	-
		Dhabwali (Delivery)	-	-	-
		Ellanabad (Loose)	-	-	-
Fatehabad	Fatehabad (Loose)	3917	-	-	
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	-	3800	-
	Rajkot	Rajkot (Loose)	3825	3883	-58
	Jamnagar	Dhrol (Loose)	598	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6460	6419	41
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	-	-	-
	Sirsa	Sirsa	6465	6450	15
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	6150	-	-

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			27th May to 3rd June 2021	20th May to 27th May 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	-	-	-
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	2350	2200	150
		Nokha	2050	1950	100
		Khajuwala	400	-	-
		Lunkaransar	1900	1000	900
	Hanumangarh	Hanumangarh	-	-	-
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	100	-	-
	Churu	Churu	-	-	-
Alwar	Alwar	-	-	-	
Haryana	Hisar	Adampur	2700	1550	1150
	Bhiwani	Bhiwani	-	-	-
		Siwani	1100	-	-
	Sirsa	Sirsa	5550	1650	3900
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	-	-	-
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	-	9	-
	Rajkot	Rajkot	645	550	95
	Jamnagar	Dhrol	4	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			16799	8909	7890

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			3-Jun-21	27-May-21	3-May-21	3-Jun-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4050	-	Closed	Closed
		Jodhpur(Delivery)	4253	-	Closed	Closed
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	-	4000	Closed
		Sri-Ganganagar (Delivery)	-	-	4150	Closed
		Rawla (Loose)	-	-	-	-
		Gharsana (Loose)	-	-	-	-
		Raisinghnagar (Loose)	-	-	-	-
	Bikaner	Bikaner (Loose)	4050	NA	Closed	3350
		Bikaner (Delivery)	4253	NA	Closed	3518
		Nokha(Loose)	4025	-	3975	-
		Nokha (Delivery)	4226	-	4174	-
		Khajuwala (Loose)	NA	-	NA	3300
		Khajuwala (Delivery)	NA	-	NA	3465
		Lunkaransar (Loose)	4100	-	3800	3300
	Hanumangarh	Hanumangarh (Loose)	-	-	-	Closed
		Hanumangarh (Delivery)	-	-	-	Closed
		Nohar (Loose)	-	-	-	Closed
		Pilibanga (Loose)	-	-	-	-
	Nagaur	Nagaur (Loose)	-	-	-	-
	Churu	Churu (Delivery)	-	-	-	-
	Alwar	Alwar (Loose)	-	-	-	-
Haryana	Hisar	Adampur (Loose)	4000	-	3850	3400
		Adampur (Delivery)	4200	-	4043	3570
	Bhiwani	Bhiwani (Delivery)	Closed	-	4000	-
		Siwani (Loose)	Closed	-	4050	3560
	Sirsa	Sirsa (Loose)	4050	-	NA	-
		Dhabwali (Loose)	-	-	-	-
		Dhabwali (Delivery)	-	-	-	-
		Ellanabad (Loose)	-	-	-	-
Fatehabad	Fatehabad (Loose)	-	-	4000	3300	
Gujarat	Banaskantha	Deesa (Loose)	NA	-	-	4000

	Patan	Patan (Loose)	NA	-	-	NA
	Rajkot	Rajkot (Loose)	3825	-	-	3325
	Jamnagar	Dhrol (Loose)	NA	-	-	NA
Madhya Pradesh	Gwalior	Dabra (Loose)	NR	-	-	-
Guar Gum						
	Jodhpur	Jodhpur	6450	6400	Closed	5400
Rajasthan	Alwar	Alwar	-	-	-	-
	Hanumangarh	Nohar	-	-	-	-
	Bhiwani	Bhiwani	Closed	Closed	-	5200
Haryana	Sirsa	Sirsa	6500	6400	-	-
		Dhabwali	NA	-	-	-
		Ellanabad	NR	-	-	-
	Fatehabad	Fatehabad	6200	-	6100	5400

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