



## 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

**Guar seed prices have declined this week despite tight arrival amid low demand in the spot market and this week mandis in Rajasthan remain closed for two days which impacted trading activities and limited the arrivals.**

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 remain steady to 470 as on 25th June 2021 compared to 470 previous week, 19th June 2021. Further, they are up by 51.82% from 301 oilrigs in the corresponding period in last year.

India's guar gum exports declined in the month of May 2021 by 2.25% to 20,340 tonnes compared to 20,808 tonnes during March 2021 at an average FoB of US \$ 1676 per tonne in the month of May 2021 as compared to US \$ 1392 per tonne in the month of March 2021. Further, the gum shipments were up by 19% in May 2021 compared to the same period last year. Of the total exported quantity, around 6,438 tonnes is bought US, Russia (2,959 tonnes) and Thailand (2,81 tonnes).

India's guar split exports rose in the month of May 2021 by +99.93% to 10838 tonnes compared to 5,560 tonnes during May 2021 at an average FoB of US \$ 1002 per tonne in the month of April compared to US \$ 960 per tonne in the month of April 2021. However, the guar split shipments gone up by 41.82 % in May 2021 compared to the same period last year. Of the total exported quantity, around 8,700 tonnes is bought China, US (1420 tonnes) and Switzerland 320 tonnes.

## Previous Updates:

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.

## Recommendation:

**Weekly Call- : Market participants are advised to sell Guar seed future July contract below 4100 levels for a target of 3950 with a stop loss at 4160.**

## 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 ease in lockdown restrictions is supporting prices to rise.

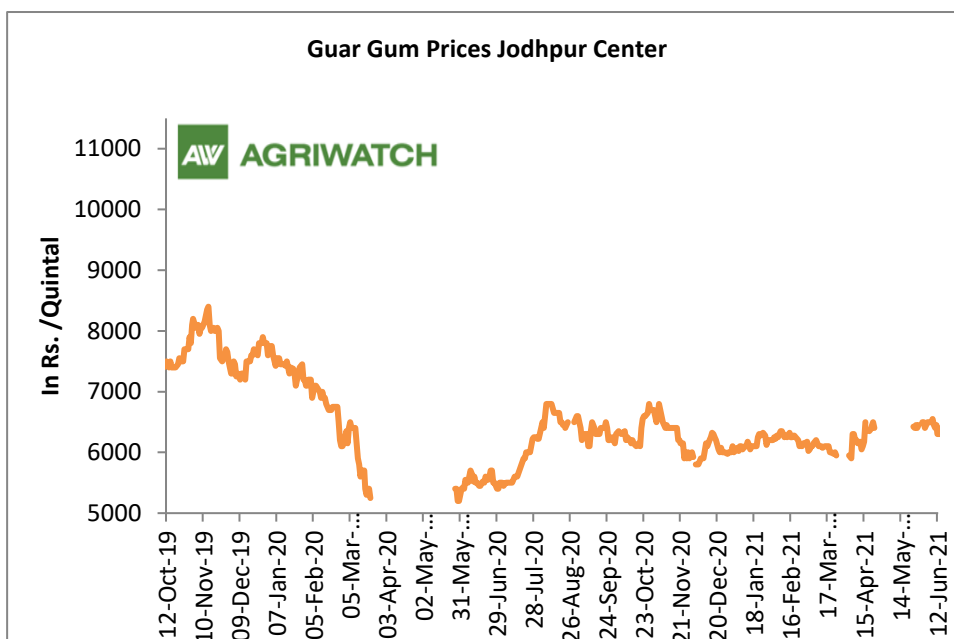
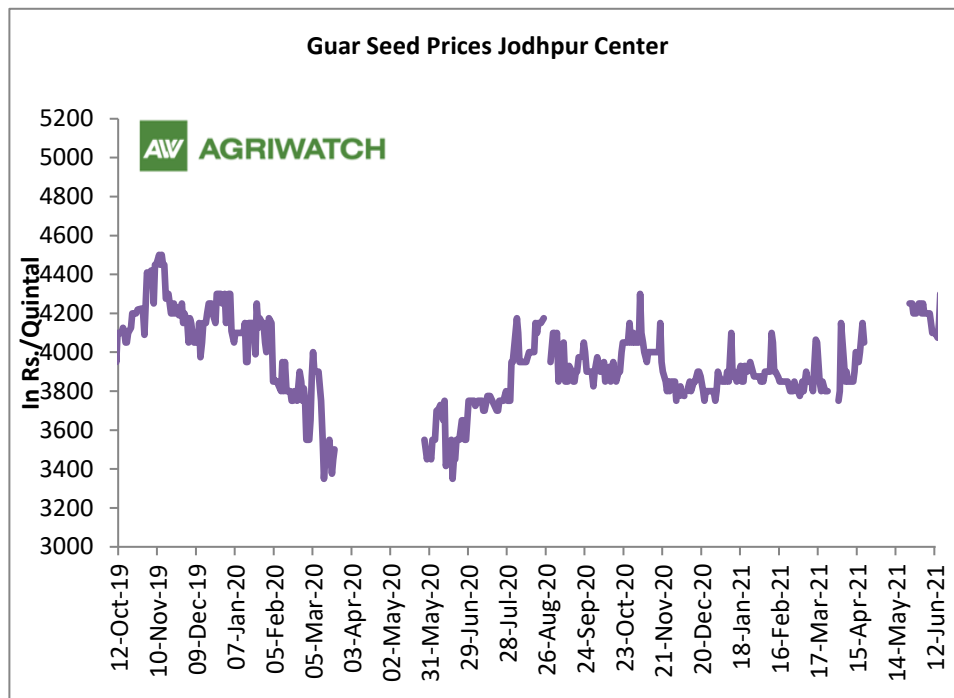
The average guar seed all paid prices in Jodhpur have decreased and was quoted at Rs. 4179 a quintal in June'21 compared to Rs. 4288 a quintal in May'21.

In Jodhpur, weekly average Guar seed loose price increased to Rs. 4183/ qtl. in this week against Rs. 4070/qtl in previous week.

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

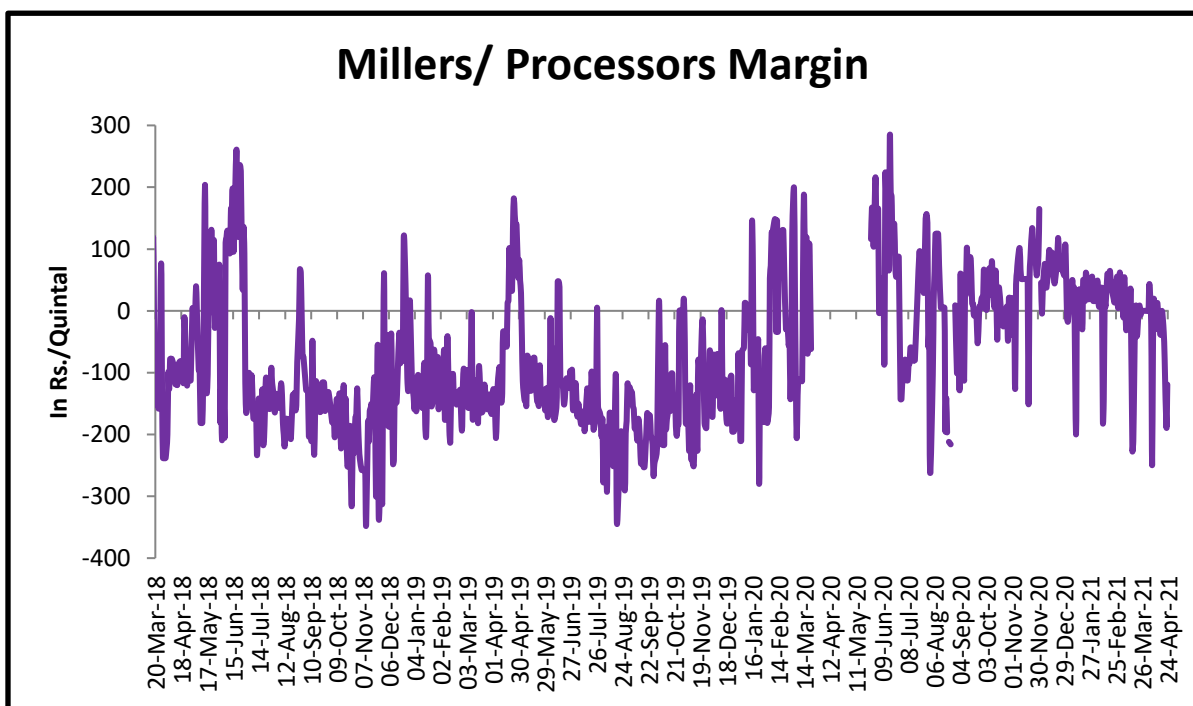
In Jodhpur, weekly average guar gum price increased to Rs 6360/Qtl in this week against Rs.6267/Qtl in previous week.

In addition, the average guar gum prices improved to around Rs. 6,369 a quintal in June'21 compared to Rs. 6437 per quintal in May'21.



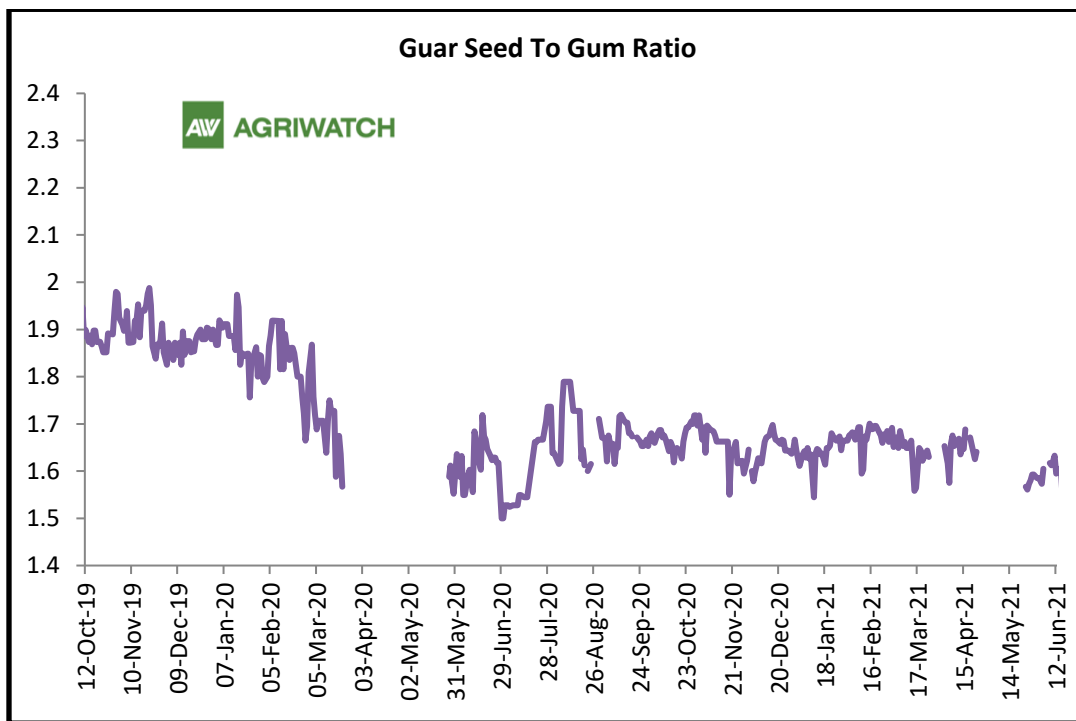
## Millers/Processors Margin

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 weekly Ratio of guar seed to gum stood at 1.52 as compared to last week 1.53.



## Guar Gum Weekly Export

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

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 May-2021	5635	1648
9-15 May-2021	4878	1684
16-22 May-2021	4212	1662
23-31 May-2021	5615	1708
<b>Total</b>	<b>20340</b>	<b>1676</b>

Source: Trade



## Technical Analysis (Guar Seed)

(Back to Table of Contents)

Commodity: Guar Seed  
Contract: August

Exchange: NCDEX  
Expiry: Aug 20, 2021

### Guar Seed (June, Daily Chart)



### Technical Commentary:

- Guar seed traded lower amid sellers' pressure in the market.
- Prices closed below 9-day 18-day EMA, indicating weak tone in near-term.
- MACD cross over indicating bearish tone in near term.
- RSI and stochastic are in negative zone indicating weak buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	August	3850	3900	4063	4150	4220
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Sell	4100	3950	4000	4160



## Technical Analysis (Guar Gum)

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

Commodity: Guar Gum  
Contract: August

Exchange: NCDEX  
Expiry: Aug 20, 2021

### Guar Gum (June, Daily Chart)



### Technical Commentary:

- Guar gum plunged lower amid sellers' pressure in the market.
- Prices closed below 9-day 18-day EMA, indicating weak tone in near-term.
- MACD is moving in negative zone.
- RSI and stochastic are rising from negative zone.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	July	6210	6110	6303	6510	6560
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Sell	6360	6260	6220	6440

Guar Seed & Gum Prices at Key Spot Markets[\(Back to Table of Contents\)](#)

Guar by – Products Weekly Average Prices:				
Commodity	Centre	1st July to 8th July 2021	24th June to 1st July 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	1st July to 8th July 2021	24th June to 1st July 2021	Change
Guargum Split		NA	NA	-
Guargum Powder	200 Mesh 5000 CPS	NA	NA	-
	200 Mesh 3500 CPS	NA	NA	-
Guargum Meal	40%	NA	NA	-
	50%	NA	NA	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			1st July to 8th July 2021	24th June to 1st July 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	3968	3880	88
		Jodhpur(Delivery)	4166	4030	136
	Sri-Ganganagar	Sri-Ganganagar (Loose)	3850	-	-
		Sri-Ganganagar (Delivery)	4000	-	-
		Rawla (Loose)	3790	3810	-20
		Gharsana (Loose)	-	3907	-
		Raisinghnagar (Loose)	4086	4102	-16
	Bikaner	Bikaner (Loose)	3903	3942	-40
		Bikaner (Delivery)	4108	4139	-31
		Nokha(Loose)	3956	3833	123
		Nokha (Delivery)	4154	4025	129
		Khajuwala (Loose)	3875	3875	Unch
		Khajuwala (Delivery)	4069	-	-
		Lunkaransar (Loose)	3963	-	-



	Hanumangarh	Hanumangarh (Loose)	3813	-	-
		Hanumangarh (Delivery)	4003	-	-
		Nohar (Loose)		-	-
		Pilibanga (Loose)		-	-
	Nagaur	Nagaur (Loose)	3900	-	-
	Churu	Churu (Delivery)	-	3863	-
	Alwar	Alwar (Loose)	-	4056	-
Haryana	Hisar	Adampur (Loose)	4021	4042	-21
		Adampur (Delivery)	4020	4053	-33
	Bhiwani	Bhiwani (Delivery)	4075	3833	242
		Siwani (Loose)	4039	-	-
	Sirsa	Sirsa (Loose)	3804	-	-
		Dhabwali (Loose)	3900	3956	-56
		Dhabwali (Delivery)	4095	3858	237
		Ellanabad (Loose)	3817	-	-
	Fatehabad	Fatehabad (Loose)	3883	3712	171
Gujarat	Banaskantha	Deesa (Loose)	5300	-	-
	Patan	Patan (Loose)	3658	-	-
	Rajkot	Rajkot (Loose)	3679	-	-
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6375	6267	108
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	6433	6225	208
	Sirsa	Sirsa	6417	6483	-66
		Dhabwali	6300	-	-
		Ellanabad	6400	-	-
	Fatehabad	Fatehabad	6383	6317	66

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			1st July to 8th July 2021	24th June to 1st July 2021	
Rajasthan	Jodhpur	Jodhpur		-	-
	Sri-Ganganagar	Sri-Ganganagar	300	1800	-1500
		Rawla	50	-	-
		Gharsana	-	-	-
		Raisinghnagar	50	80	-30
	Bikaner	Bikaner	325	3850	-3525
		Nokha	275	3050	-2775
		Khajuwala	300	2800	-2500
		Lunkaransar	450	3200	-2750
	Hanumangarh	Hanumangarh	53	-	-
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	150	-	-
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	383	4300	-3917
	Bhiwani	Bhiwani	583	3300	-2717
		Siwani	258	2900	-2642
	Sirsa	Sirsa	425	9600	-9175
		Dhabwali	200	-	-
		Ellanabad	20	-	-
	Fatehabad	Fatehabad	52	600	-548
Gujarat	Banaskantha	Deesa	220	-	-
	Patan	Patan	23	206	-183
	Rajkot	Rajkot	14	830	-816
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			4131	36516	-32385

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			8-Jul-21	1-Jul-21	7-Jun-21	8-Jul-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4070	3900	Closed	3600
		Jodhpur(Delivery)	4274	4095	Closed	3780
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3850	3900	-	-
		Sri-Ganganagar (Delivery)	4000	4050	-	-
		Rawla (Loose)	3790	-	-	-
		Gharsana (Loose)	-	-	-	-
		Raisinghnagar (Loose)	3900			
	Bikaner	Bikaner (Loose)	3880	3925	3980	3450
		Bikaner (Delivery)	4074	4121	4179	3623
		Nokha(Loose)	3900	3950	4025	
		Nokha (Delivery)	4095	4148	4226	
		Khajuwala (Loose)	3800	3900	NR	3400
		Khajuwala (Delivery)	3990	4095	NR	3570
		Lunkaransar (Loose)	3850	3875	4050	Closed
	Hanumangarh	Hanumangarh (Loose)	3800	-	-	-
		Hanumangarh (Delivery)	3990	-	-	-
		Nohar (Loose)	-	-	-	-
		Pilibanga (Loose)	-	-	-	
	Nagaur	Nagaur (Loose)	3900	-	4050	-
	Churu	Churu (Delivery)	-	-	-	-
	Alwar	Alwar (Loose)	-	-	-	-
Haryana	Hisar	Adampur (Loose)	3750	3870	4030	3500
		Adampur (Delivery)	3938	4064	4232	3675
	Bhiwani	Bhiwani (Delivery)	4000	4150	Closed	
		Siwani (Loose)	4015	4060	4200	3650
	Sirsa	Sirsa (Loose)	3775	3850	4000	-
		Dhabwali (Loose)	3900	-	-	-
		Dhabwali (Delivery)	4095	-	-	-
		Ellanabad (Loose)	3800	3800	-	-
	Fatehabad	Fatehabad (Loose)	3750	3900	4000	3500
Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	3655	3950	3795	-

	<b>Rajkot</b>	Rajkot (Loose)	3650	3700	3775	3425
	<b>Jamnagar</b>	Dhrol (Loose)	-	-	-	-
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	-	-	-	-
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	6300	6300	Closed	5500
	<b>Alwar</b>	Alwar	-	-	-	-
	<b>Hanumangarh</b>	Nohar	-	-	-	-
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	6250	6500	Closed	-
	<b>Sirsa</b>	Sirsa	6400	6500	6500	-
		Dhabwali	6300	-	-	-
		Ellanabad	6400	-	-	-
	<b>Fatehabad</b>	Fatehabad	6400	6400	6400	5600

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