

# Guar Weekly Research Report

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## Executive Summary

## Domestic Guar Seed Market Summary

**Guar seed prices have declined this week amid tight arrival amid low demand in the spot market. However it is likely to improve in coming weeks as future markets are up.**

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 rose by 4 to 479 as on 9nd July 2021 compared to 475 previous week, 25th 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 buy Guar seed future August contract below 4200 levels for a target of 4300 with a stop loss at 4150.**

## 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.

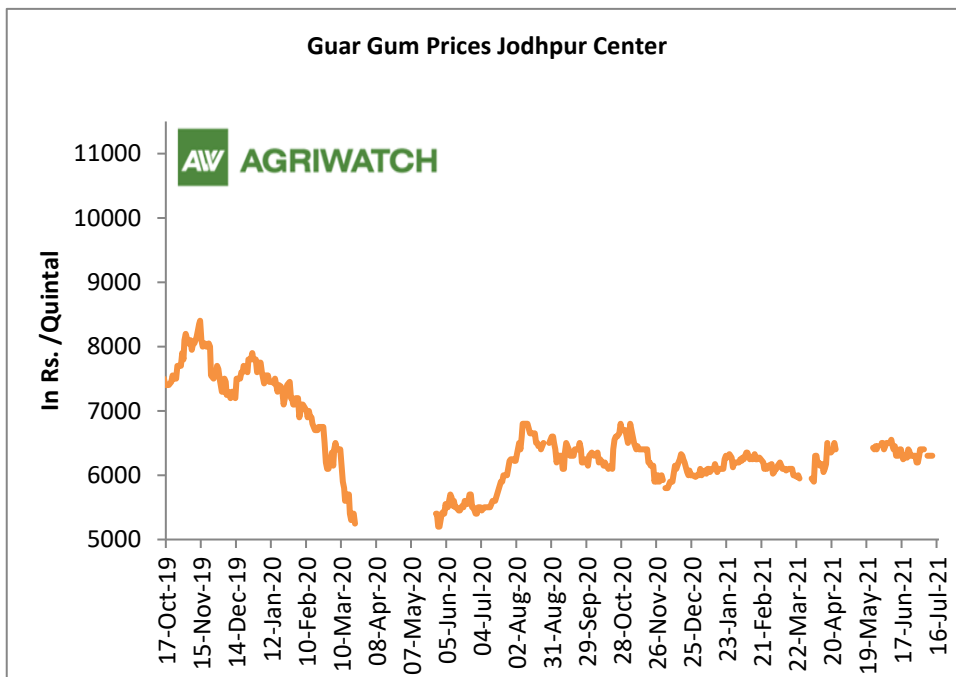
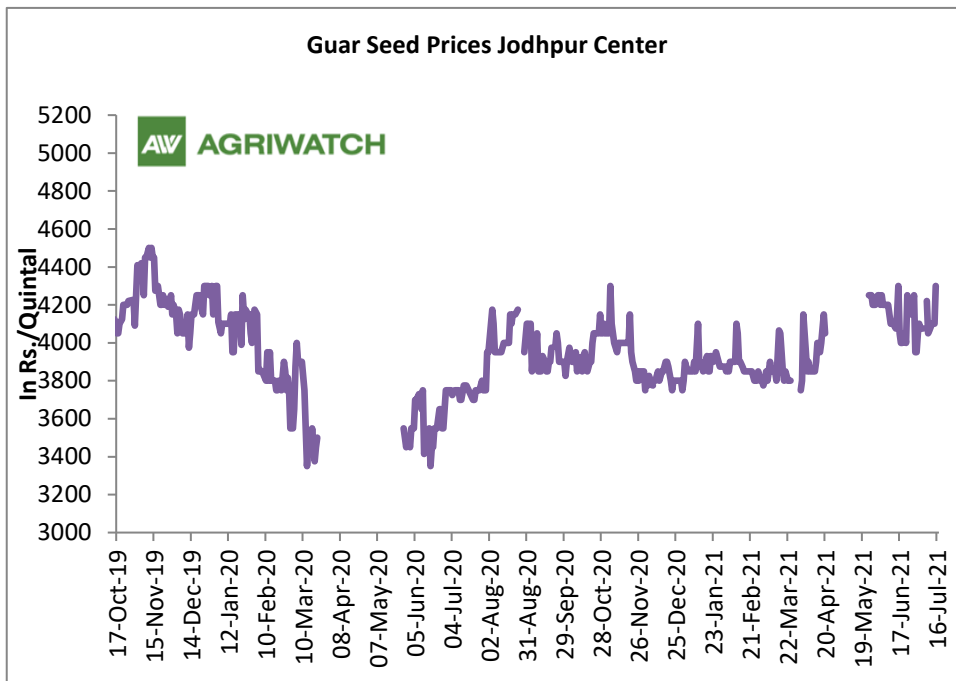
The average guar seed all paid prices in Jodhpur have decreased and was quoted at Rs. 4179 a quintal in June'21 compared to Rs. 4288 a quintal in May'21.

In Jodhpur, weekly average Guar seed loose price declined to Rs. 4119/ qtl. in this week against Rs. 4183/qtl in previous week.

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

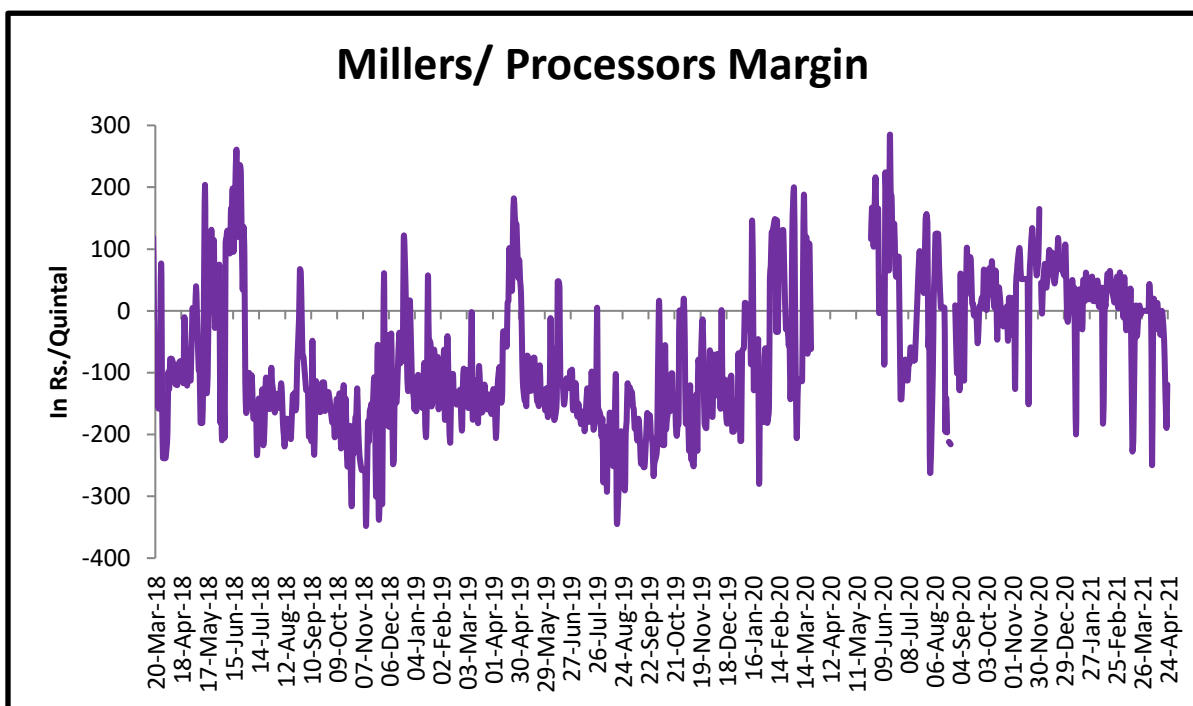
In Jodhpur, weekly average guar gum price increased to Rs 6350/Qtl in this week against Rs.6360/Qtl in previous week.

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.



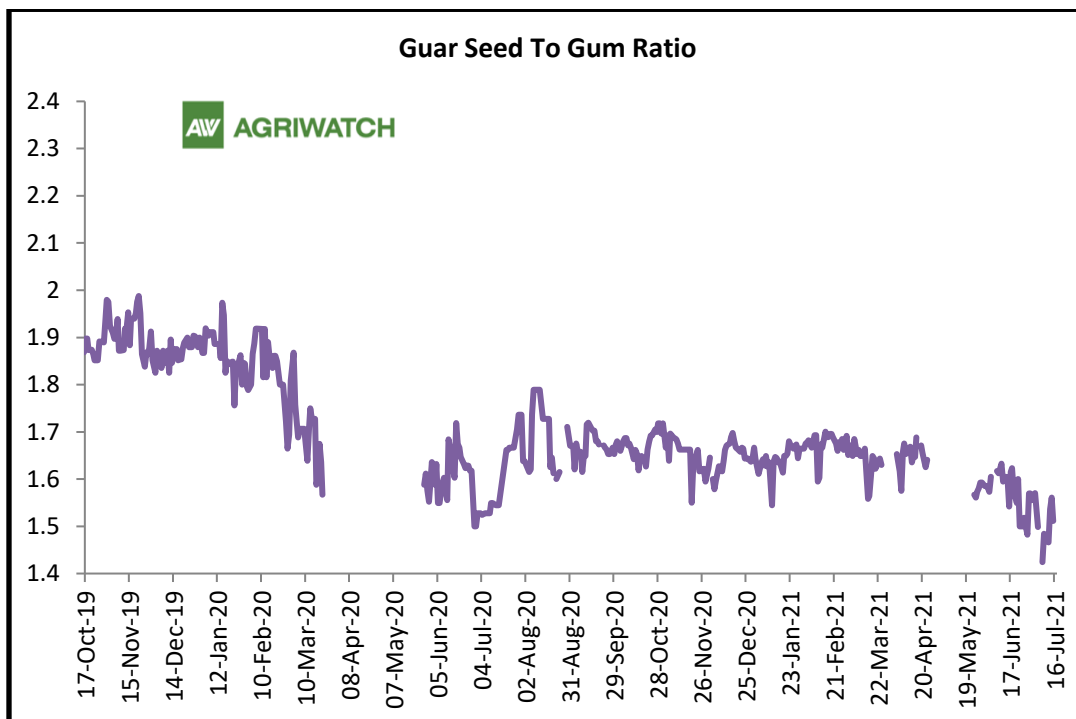
## Millers/Processors Margin

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 1.50 as compared to last week 1.52.



## Guar Gum Weekly Export

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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)

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Commodity: Guar Seed  
Contract: August

Exchange: NCDEX  
Expiry: Aug 20, 2021

### Guar Seed (June, Daily Chart)



### Technical Commentary:

- Guar seed traded higher amid fresh bets.
- Prices closed above 9-day 18-day EMA, indicating weak tone in near-term.
- MACD cross over indicating bearish tone in near term.
- RSI and stochastic are rising indicating firm buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	August	4000	4100	4234	4450	4500
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Buy	4200	4300	4400	4150



## Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: August

Exchange: NCDEX  
Expiry: Aug 20, 2021

### Guar Gum (June, Daily Chart)



### Technical Commentary:

- Guar gum posted gain on fresh bets.
- Prices closed above 9-day 18-day EMA, indicating weak tone in near-term.
- MACD cross over indicating bearish tone in near term.
- RSI and stochastic are rising indicating firm buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	July	6300	6400	6624	6510	6560
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Buy	6600	6700	6800	6500

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

Guar by – Products Weekly Average Prices:				
Commodity	Centre	9th July to 15th July 2021	1st July to 8th 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	9th July to 15th July 2021	1st July to 8th 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			9th July to 15th July 2021	1st July to 8th July 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	3969	3968	2
		Jodhpur(Delivery)	4168	4166	2
	Sri-Ganganagar	Sri-Ganganagar (Loose)	3903	3850	53
		Sri-Ganganagar (Delivery)	4028	4000	28
		Rawla (Loose)	3888	3790	98
		Gharsana (Loose)	4111	-	-
		Raisinghnagar (Loose)	3904	4086	-182
	Bikaner	Bikaner (Loose)	3918	3903	16
		Bikaner (Delivery)	4114	4108	6
		Nokha(Loose)	3964	3956	8
		Nokha (Delivery)	4162	4154	8
		Khajuwala (Loose)	3867	3875	-8
		Khajuwala (Delivery)	4060	4069	-9
		Lunkaransar (Loose)	3897	3963	-66



	Hanumangarh	Hanumangarh (Loose)	3848	3813	36
		Hanumangarh (Delivery)	4041	4003	38
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	3883	3900	-17
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	3805	4021	-216
		Adampur (Delivery)	3995	4020	-25
	Bhiwani	Bhiwani (Delivery)	4058	4075	-17
		Siwani (Loose)	4055	4039	16
	Sirsa	Sirsa (Loose)	3817	3804	13
		Dhabwali (Loose)	3913	3900	13
		Dhabwali (Delivery)	4108	4095	13
		Ellanabad (Loose)	3825	3817	8
	Fatehabad	Fatehabad (Loose)	3775	3883	-108
Gujarat	Banaskantha	Deesa (Loose)	-	5300	-
	Patan	Patan (Loose)	3058	3658	-601
	Rajkot	Rajkot (Loose)	3082	3679	-598
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6350	6375	-25
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	6358	6433	-75
	Sirsa	Sirsa	6433	6417	17
		Dhabwali	6383	6300	83
		Ellanabad	6400	6400	Unch
	Fatehabad	Fatehabad	6358	6383	-25

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			9th July to 15th July 2021	1st July to 8th July 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	2200	1800	400
		Rawla	65	-	-
		Gharsana	-	-	-
		Raisinghnagar	230	80	150
	Bikaner	Bikaner	2100	3850	-1750
		Nokha	1800	3050	-1250
		Khajuwala	1250	2800	-1550
		Lunkaransar	2250	3200	-950
	Hanumangarh	Hanumangarh	430	-	-
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	1050	-	-
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	1650	4300	-2650
	Bhiwani	Bhiwani	2500	3300	-800
		Siwani	1750	2900	-1150
	Sirsa	Sirsa	4450	9600	-5150
		Dhabwali	1800	-	-
		Ellanabad	290	-	-
	Fatehabad	Fatehabad	310	600	-290
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	118	206	-88
	Rajkot	Rajkot	111	830	-719
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			24354	36516	-12162

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			15-Jul-21	8-Jul-21	14-Jun-21	15-Jul-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4150	4070	3925	3625
		Jodhpur(Delivery)	4358	4274	4121	3806
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3950	3850	3950	NA
		Sri-Ganganagar (Delivery)	4100	4000	4100	NA
		Rawla (Loose)	-	3790	-	-
		Gharsana (Loose)	-	-	-	-
		Raisinghnagar (Loose)	3900	3900	3875	-
		Bikaner (Loose)	4000	3880	3860	3520
		Bikaner (Delivery)	4200	4074	4053	3696
	Bikaner	Nokha(Loose)	4075	3900	3950	-
		Nokha (Delivery)	4279	4095	4148	0
		Khajuwala (Loose)	4000	3800	3900	3400
		Khajuwala (Delivery)	4200	3990	4095	3570
		Lunkaransar (Loose)	3980	3850	3900	3550
	Hanumangarh	Hanumangarh (Loose)	3950	3800	-	-
		Hanumangarh (Delivery)	4148	3990	-	-
		Nohar (Loose)	-	-	-	-
		Pilibanga (Loose)	-	-	-	-
	Nagaur	Nagaur (Loose)	3950	3900	-	-
	Churu	Churu (Delivery)	-	-	-	-
	Alwar	Alwar (Loose)	-	-	-	-
Haryana	Hisar	Adampur (Loose)	3850	3750	3950	3500
		Adampur (Delivery)	4043	3938	4148	3675
	Bhiwani	Bhiwani (Delivery)	4250	4000	4100	-
		Siwani (Loose)	4100	4015	4100	3650
	Sirsa	Sirsa (Loose)	3880	3775	3900	-
		Dhabwali (Loose)	3900	3900	-	-
		Dhabwali (Delivery)	4095	4095	-	-
		Ellanabad (Loose)	NR	3800	-	-
	Fatehabad	Fatehabad (Loose)	3800	3750	3900	3425
Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	3720	3655	3715	-

	<b>Rajkot</b>	Rajkot (Loose)	3840	3650	3770	3530
	<b>Jamnagar</b>	Dhrol (Loose)	-	-	-	-
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	-	-	-	-
<b>Guar Gum</b>						
	<b>Jodhpur</b>	Jodhpur	6500	6300	6300	5600
<b>Rajasthan</b>	<b>Alwar</b>	Alwar	-	-	-	-
	<b>Hanumangarh</b>	Nohar	-	-	-	-
	<b>Bhiwani</b>	Bhiwani	6650	6250	6350	--
<b>Haryana</b>	<b>Sirsa</b>	Sirsa	6500	6400	6300	-
		Dhabwali	6450	6300	-	-
		Ellanabad	NR	6400	-	-
	<b>Fatehabad</b>	Fatehabad	6450	6400	6300	5560

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