

Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

Guar seed Jodhpur prices have surged this week 2% at Rs 4221/Qtl as compared to Rs 4119/Qtl amid tight arrival in the market.

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 was 387 as on 23rd July 2021 compared to 380 previous week, 16th June 2021.

India's guar gum exports declined in the month of June 2021 by 8.03% to 18,707 tonnes compared to 20,340 tonnes during June 2021 at an average FoB of US \$ 1589 per tonne in the month of May 2021 as compared to US \$ 1676 per tonne in the month of May 2021. Further, the gum shipments were up by 30.29% in June 2021 compared to the same period last year. Of the total exported quantity, around 4,152 tonnes is bought US, Russia (6,042 tonnes), Germany (1,551 tonnes) and china 1033 tonnes.

India's guar split exports declined in the month of June 2021 by -16.81% to 9,016 tonnes compared to 10,838 tonnes during May 2021 at an average FoB of US \$ 1005 per tonne in the month of June compared to US \$ 1002 per tonne in the month of May 2021. However, the guar split shipments gone up by 302 % in June 2021 compared to the same period last year. Of the total exported quantity, around 7,700 tonnes is bought China, US (980 tonnes) and Mexico 314 tonnes.

Previous Updates:

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 April 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 April 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.

Recommendation:

Weekly Call- : Market participants are advised to buy Guar seed future August contract near 4330 levels for a target of 4500 with a stop loss at 4200.

Outlook:-

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Domestic Front

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

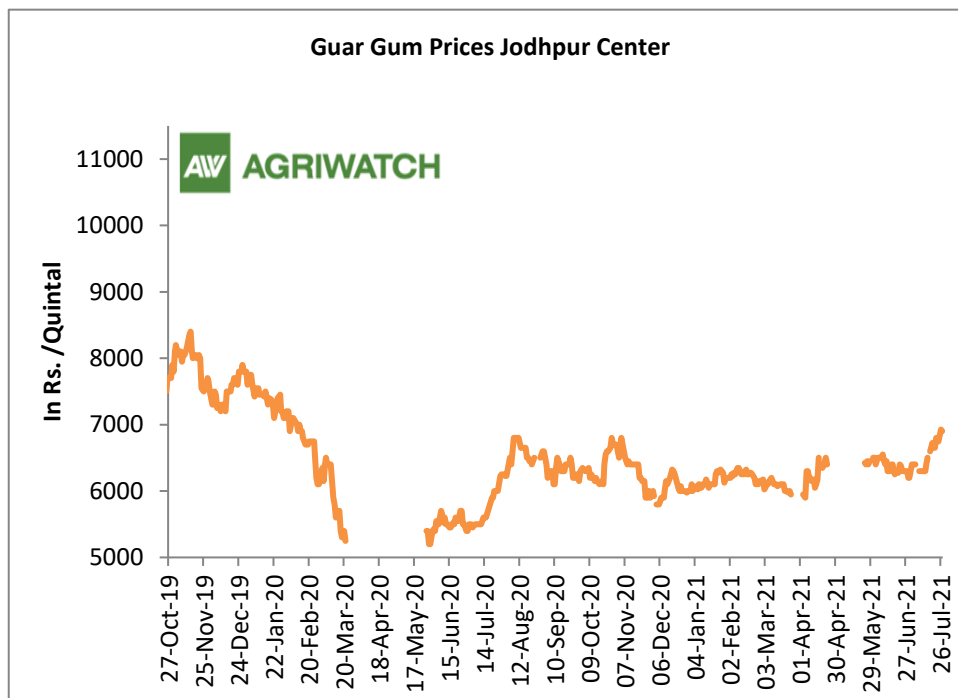
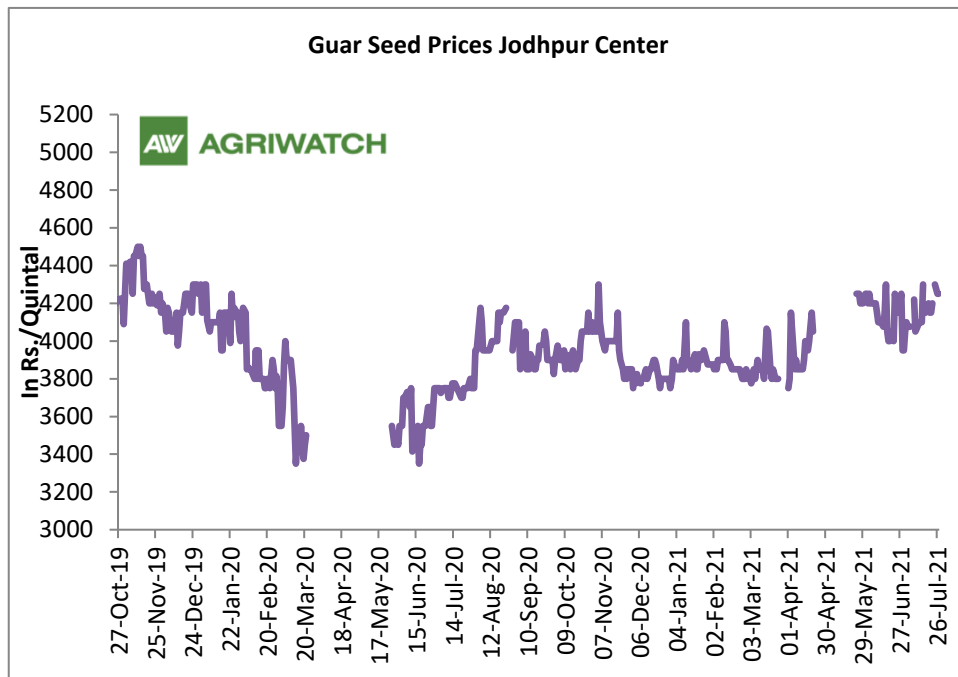
The average guar seed all paid prices in Jodhpur have decreased and was quoted at Rs. 4179 a quintal in June'21 compared to Rs. 4288 a quintal in May'21.

In Jodhpur, weekly average Guar seed loose price declined to Rs. 4221/ qtl. in this week against Rs. 4119/qtl in previous week.

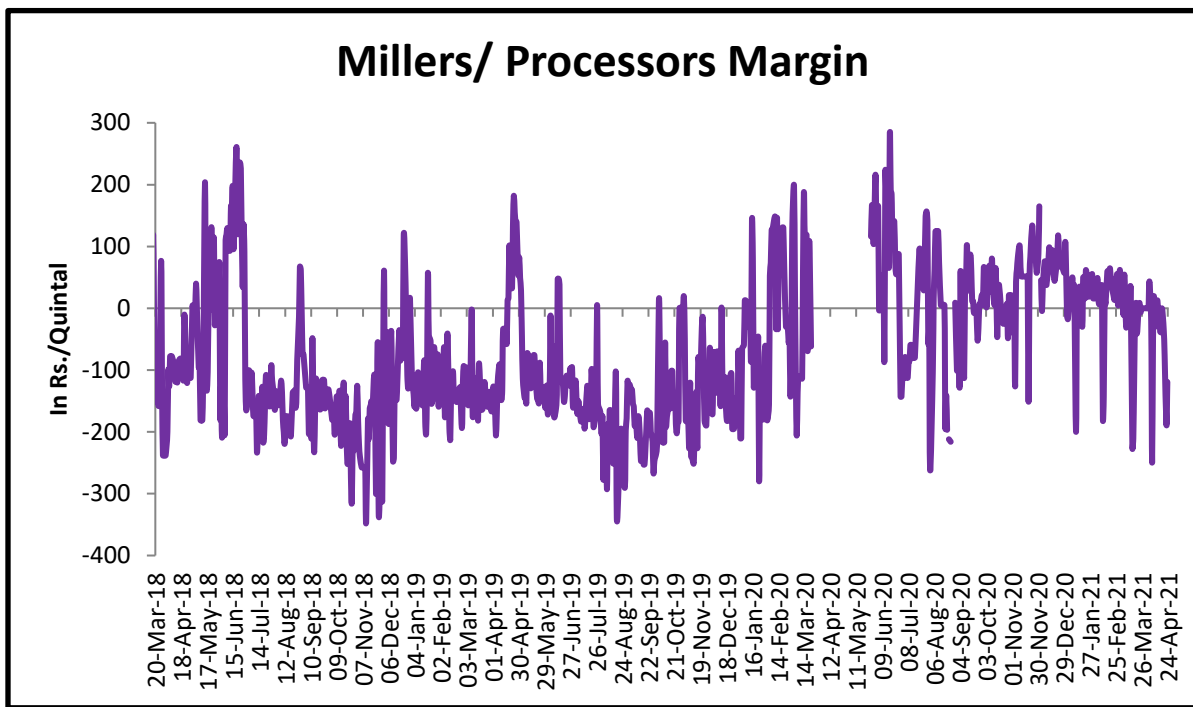
The 2020/21 guar seed output is estimate to have fallen by around 45% compared to the previous season.

In Jodhpur, weekly average guar gum price increased to Rs 6985/Qtl in this week against Rs.6350/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.

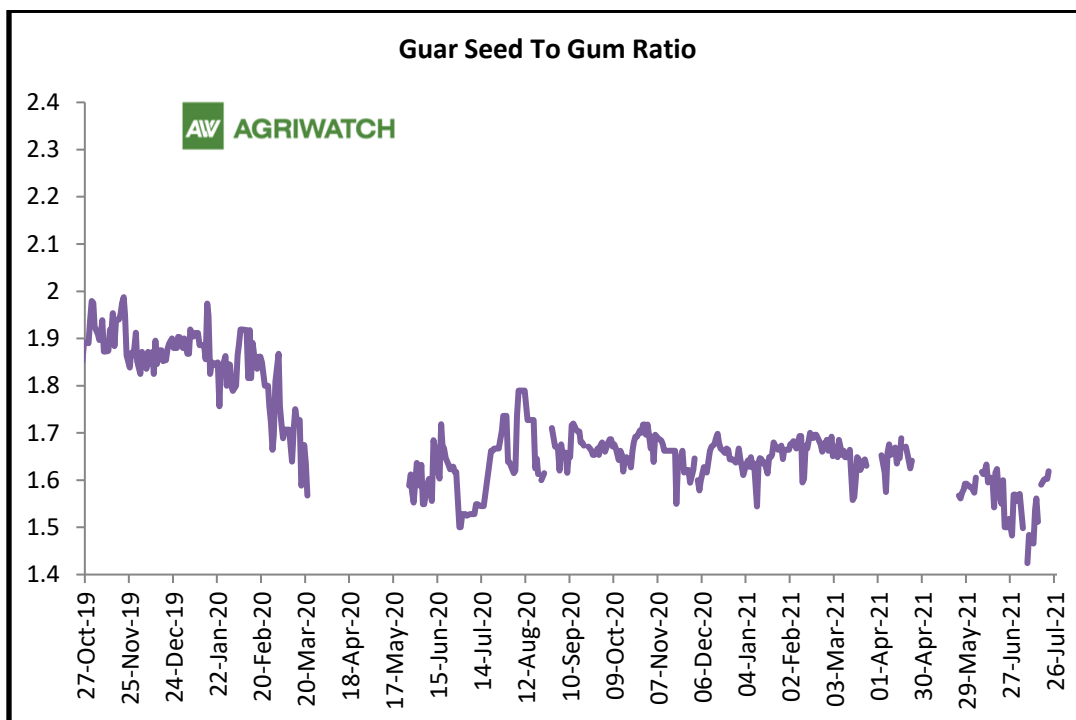


As seen in the chart, the average crush margin of guar seed have further declined in April'21 as compared to March'21, the average crush margin declined to Rs. -50/quintal in April'21 compared to Rs. -19.61/quintal in March'21.



Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.60 as compared to last week 1.50.



Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 June-2021	4681	1519
9-15 June-2021	4452	1565
16-22 June-2021	4311	1539
23-31 June-2021	5263	1732
Total	18707	1589

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 long positions.
- 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.
- Open interest analysis indicates that fresh long position is aggressive.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	August	4000	4100	4338	4600	4700
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Buy	4330	4400	4500	4200



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 long position
- Prices closed above 9-day 18-day EMA, indicating firm tone in near-term.
- MACD cross over indicating bullish 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	6500	6700	6812	7000	7200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Buy	6800	6900	6950	6500

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	16th July to 22nd July 2021	9th July to 15th 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	16th July to 22nd July 2021	9th July to 15th 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			16th July to 22nd July 2021	9th July to 15th July 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	4020	3969	51
		Jodhpur(Delivery)	4221	4168	53
	Sri-Ganganagar	Sri-Ganganagar (Loose)	4015	3903	112
		Sri-Ganganagar (Delivery)	4135	4028	107
		Rawla (Loose)	4200	3888	312
		Gharsana (Loose)	4200	4111	89
		Raisinghnagar (Loose)	4066	3904	162
	Bikaner	Bikaner (Loose)	4089	3918	171
		Bikaner (Delivery)	4293	4114	179
		Nokha(Loose)	4121	3964	157
		Nokha (Delivery)	4327	4162	165

		Khajuwala (Loose)	4088	3867	221
		Khajuwala (Delivery)	4292	4060	232
		Lunkaransar (Loose)	4045	3897	148
	Hanumangarh	Hanumangarh (Loose)	3963	3848	114
		Hanumangarh (Delivery)	4161	4041	120
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	4000	3883	117
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	3938	3805	133
		Adampur (Delivery)	4135	3995	140
	Bhiwani	Bhiwani (Delivery)	4217	4058	158
		Siwani (Loose)	4150	4055	95
	Sirsa	Sirsa (Loose)	3893	3817	77
		Dhabwali (Loose)	3870	3913	-43
		Dhabwali (Delivery)	4064	4108	-45
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	3930	3775	155
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	3758	3058	701
	Rajkot	Rajkot (Loose)	3846	3082	764
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	6685	6350	335
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	6640	6358	282
	Sirsa	Sirsa	6633	6433	200
		Dhabwali	6583	6383	200
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	6610	6358	252

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			16th July to 22nd July 2021	9th July to 15th July 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	1100	1800	-700
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	210	80	130
	Bikaner	Bikaner	1850	3850	-2000
		Nokha	2300	3050	-750
		Khajuwala	800	2800	-2000
		Lunkaransar	1150	3200	-2050
	Hanumangarh	Hanumangarh	250	-	-
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	950	-	-
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	1600	4300	-2700
	Bhiwani	Bhiwani	3400	3300	100
		Siwani	2600	2900	-300
	Sirsa	Sirsa	2950	9600	-6650
		Dhabwali	1900	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	200	600	-400
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	165	206	-41
	Rajkot	Rajkot	250	830	-580
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			24354	36516	-21675

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			23-Jul-21	16-Jul-21	22-Jun-21	23-Jul-20
Rajasthan	Jodhpur	Jodhpur (Loose)	-	-	3850	3600
		Jodhpur(Delivery)	-	-	4043	3780
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4025	Closed	3925	NA
		Sri-Ganganagar (Delivery)	4175	Closed	4075	NA
		Rawla (Loose)	-	-	-	-
		Gharsana (Loose)	-	-	-	-
		Raisinghnagar (Loose)	4074	-	3860	-
	Bikaner	Bikaner (Loose)	4060	Closed	3900	3600
		Bikaner (Delivery)	4263	Closed	4095	3780
		Nokha(Loose)	4100	4075	3975	-
		Nokha (Delivery)	4305	4279	4174	-
		Khajuwala (Loose)	4160	Closed	3900	3700
		Khajuwala (Delivery)	4368	Closed	4095	3885
		Lunkaransar (Loose)	4050	Closed	3850	3700
	Hanumangarh	Hanumangarh (Loose)	4000	Closed	-	-
		Hanumangarh (Delivery)	4200	Closed	-	-
		Nohar (Loose)	-	-	-	-
		Pilibanga (Loose)	-	-	-	-
	Nagaur	Nagaur (Loose)	4000	-	-	-
	Churu	Churu (Delivery)	-	-	-	-
	Alwar	Alwar (Loose)	-	-	-	-
Haryana	Hisar	Adampur (Loose)	3965	3850	3900	3650
		Adampur (Delivery)	4163	4043	4095	3833
	Bhiwani	Bhiwani (Delivery)	4300	4200	4115	-
		Siwani (Loose)	4200	4100	4080	3800
	Sirsa	Sirsa (Loose)	3911	3850	3950	-
		Dhabwali (Loose)	3860	3900	-	-
		Dhabwali (Delivery)	4053	4095	-	-
		Ellanabad (Loose)	-	-	-	-
	Fatehabad	Fatehabad (Loose)	4200	3900	3800	3500
Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	3800	3755	3650	-

	Rajkot	Rajkot (Loose)	4050	3875	3675	3625
	Jamnagar	Dhrol (Loose)	-	-	-	2920
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-	-
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	-	-	6400	6000
	Alwar	Alwar	-	-	-	-
	Hanumangarh	Nohar	-	-	-	-
Haryana	Bhiwani	Bhiwani	6850	6600	6400	-
	Sirsa	Sirsa	6800	6600	6500	-
		Dhabwali	6750	6550	-	-
		Ellanabad	-	-	-	-
	Fatehabad	Fatehabad	6700	6600	6250	6200

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