



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

Guar seed Jodhpur prices have surged this week 1% at Rs 4253/Qtl as compared to Rs 4221/Qtl despite heavy 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.

Rain over the country during the southwest monsoon season "is most likely to be normal – 95 percent to 105 percent of Long Period Average (LPA) -- with a tendency to be in the positive side of the normal", the IMD forecast stated.

IMD has forecast that rainfall will pick up gradually in August across north India, which has just witnessed a revival due to favorable meteorological conditions.

There will also be some respite in the central and eastern regions in the coming week, IMD said, with forecasts of heavy showers ranging from Maharashtra to Odisha.

In Rajasthan, Guar sowing is done in 1604.81 thousand hectares as compared to last year's 1592.3 thousand hectares i.e up by 0.8% while sowing is down by 38.28% as targeted area of sowing is 2600 thousand hectares for the current year.

In Gujarat, Guar Seed sowing is done in 67,730 hectares as compared to last three year's overage of 1,33,902 i.e down by -49.42% and also down by 22.53% from 2020.

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 4380 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.

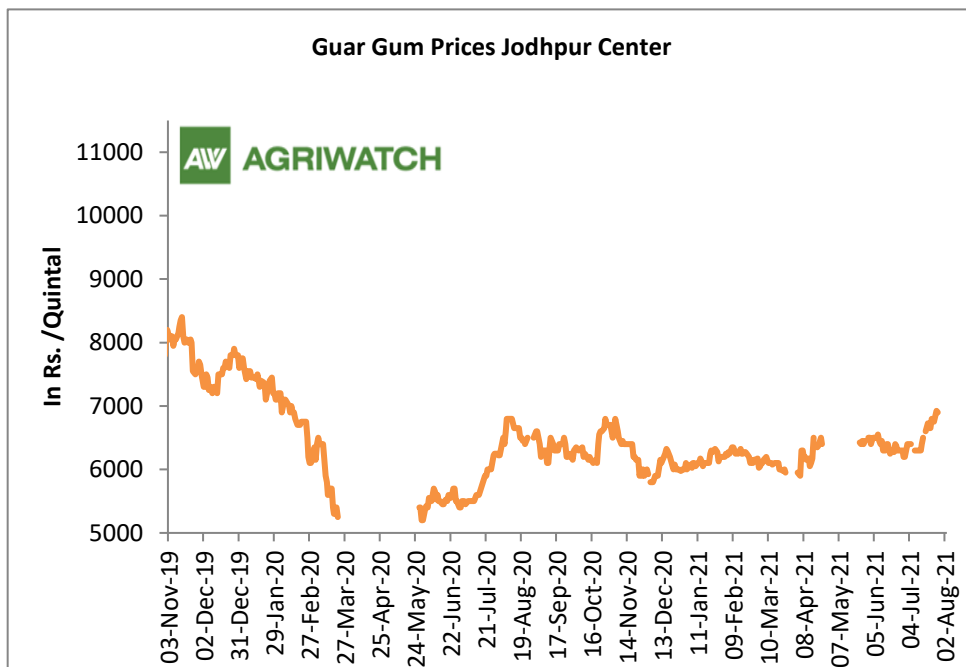
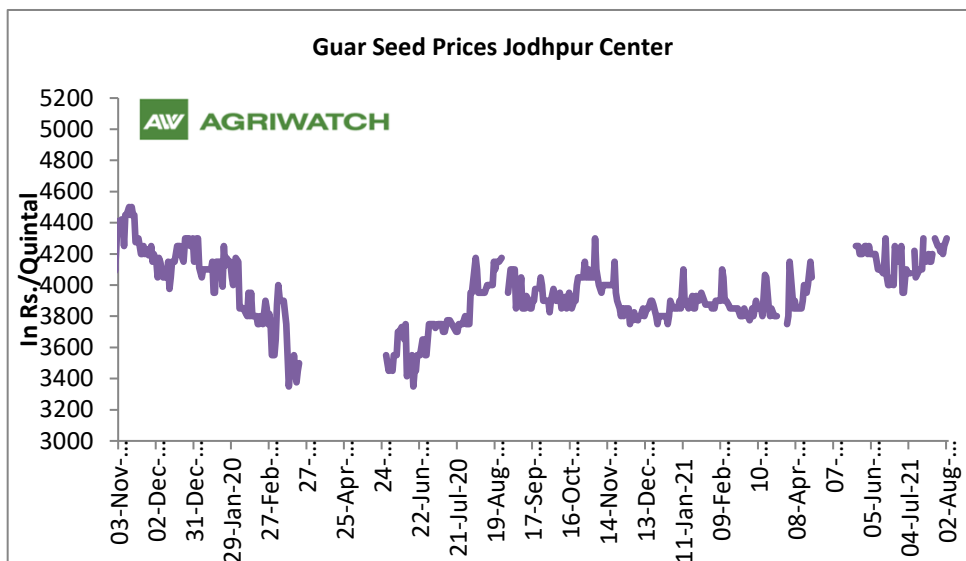
The average guar seed all paid prices in Jodhpur have decreased and was quoted at Rs. 4179 a quintal in June'21 compared to Rs. 4288 a quintal in May'21.

In Jodhpur, weekly average Guar seed loose price inclined to Rs. 4253/ qtl. in this week against Rs. 4221/qtl in previous week.

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

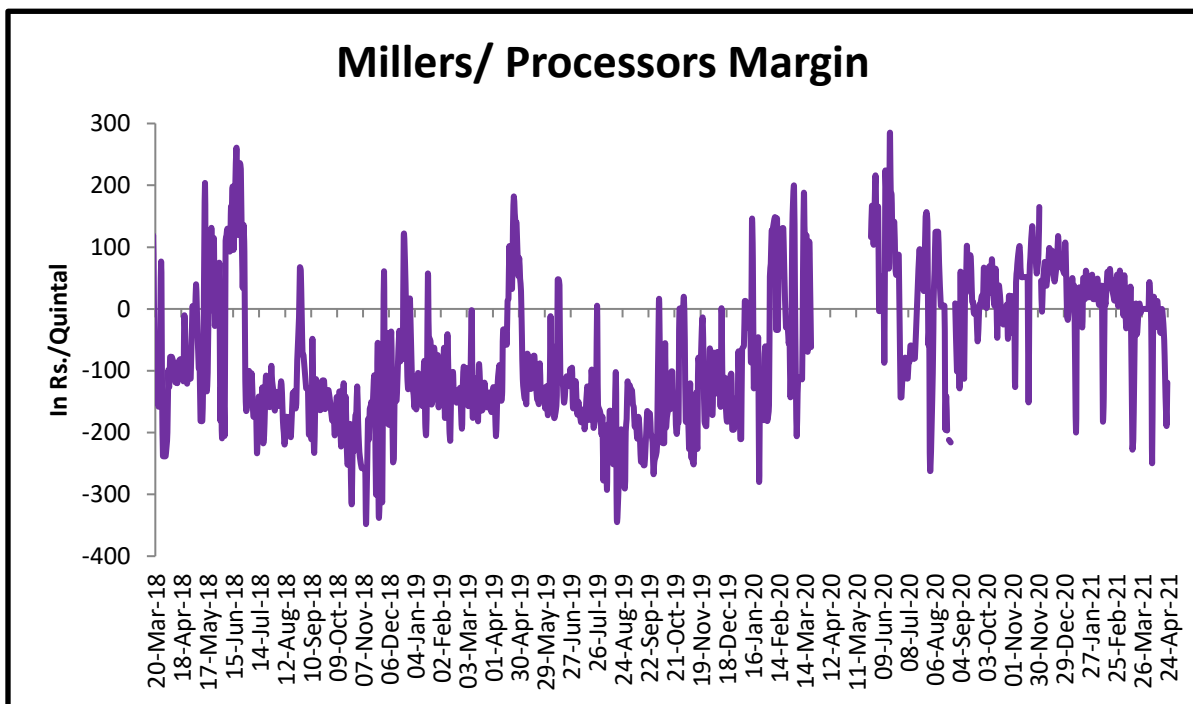
In Jodhpur, weekly average guar gum price declined to Rs 6870/Qtl in this week against Rs.6985/Qtl in previous week.

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.



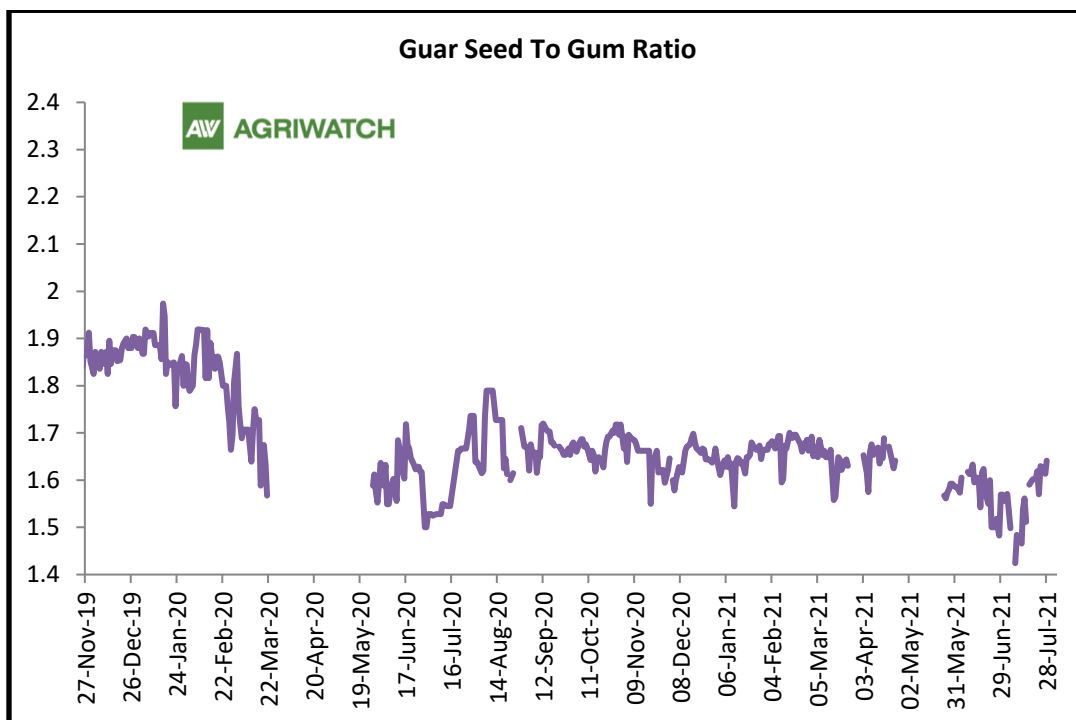
Millers/Processors Margin

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 1.61 as compared to last week 1.60.



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

Exchange: NCDEX



Contract: August

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 firm tone in near-term.
- MACD cross over indicating bullish 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 | 4389 | 4700 | 4800 |
| | | | Call | Entry | T1 | T2 | SL |
| Guar Seed | NCDEX | August | Buy | 4380 | 4500 | 4600 | 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 buyers interest.
- 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 | 6855 | 7000 | 7200 |
| Weekly Trade Call | | | Call | Entry | T1 | T2 | SL |
| Guar Gum | NCDEX | July | Buy | 6850 | 6900 | 6950 | 6500 |

Guar Seed & Gum Prices at Key Spot Markets

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| Guar by – Products Weekly Average Prices: | | | | |
|---|----------------|-----------------------------|-----------------------------|--------|
| Commodity | Centre | 23rd July to 29th July 2021 | 16th July to 22nd 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 | 23rd July to 29th July 2021 | 16th July to 22nd 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 |
|----------------|----------------|------------------------------|--------------------------------------|-----------------------------------|--------|
| | | | 23rd July to 29th July 2021 | 16th July to 22nd July 2021 | |
| Guar Seed | | | | | |
| Rajasthan | Jodhpur | Jodhpur (Loose) | 4103 | 4020 | 83 |
| | | Jodhpur(Delivery) | 4308 | 4221 | 87 |
| | Sri-Ganganagar | Sri-Ganganagar(Loose) | 4072 | 4015 | 57 |
| | | Sri-Ganganagar (Delivery) | 4197 | 4135 | 62 |
| | | Rawla (Loose) | 4358 | 4200 | 158 |
| | | Gharsana (Loose) | 4358 | 4200 | 158 |
| | | Raisinghnagar (Loose) | 4174 | 4066 | 108 |
| | | Bikaner (Loose) | 4174 | 4089 | 85 |
| | | Bikaner (Delivery) | 4383 | 4293 | 89 |
| | Bikaner | Nokha(Loose) | 4171 | 4121 | 50 |
| | | Nokha (Delivery) | 4379 | 4327 | 53 |
| | | Khajuwala (Loose) | 4162 | 4088 | 75 |
| | | Khajuwala (Delivery) | 4370 | 4292 | 78 |
| | | Lunkaransar (Loose) | 4129 | 4045 | 84 |
| | | Hanumangarh (Loose) | 4060 | 3963 | 98 |
| | | Hanumangarh (Delivery) | 4263 | 4161 | 102 |
| | Hanumangarh | Nohar (Loose) | | - | - |
| | | Pilibanga (Loose) | | - | - |
| | Nagaur | Nagaur (Loose) | 4067 | 4000 | 67 |
| | Churu | Churu (Delivery) | | - | - |
| | Alwar | Alwar (Loose) | | - | - |
| Haryana | Hisar | Adampur (Loose) | 4053 | 3938 | 115 |
| | | Adampur (Delivery) | 4256 | 4135 | 120 |
| | Bhiwani | Bhiwani (Delivery) | 4292 | 4217 | 75 |
| | | Siwani (Loose) | 4229 | 4150 | 79 |
| | Sirsa | Sirsa (Loose) | 3982 | 3893 | 89 |
| | | Dhabwali (Loose) | 3995 | 3870 | 125 |
| | | Dhabwali (Delivery) | 4195 | 4064 | 131 |
| | | Ellanabad (Loose) | - | - | - |
| | Fatehabad | Fatehabad (Loose) | 4192 | 3930 | 262 |
| | | | | | |
| Gujarat | Banaskantha | Deesa (Loose) | - | - | - |
| | Patan | Patan (Loose) | 3859 | 3758 | 101 |
| | Rajkot | Rajkot (Loose) | 4061 | 3846 | 215 |
| | Jamnagar | Dhrol (Loose) | - | - | - |
| Madhya Pradesh | Gwalior | Dabra (Loose) | - | - | - |
| Guar Gum | | | - | - | - |
| Rajasthan | Jodhpur | Jodhpur | 6870 | 6685 | 185 |
| | Alwar | Alwar | - | - | - |

| | | | | | |
|---------|-------------|-----------|------|------|-----|
| | Hanumangarh | Nohar | - | - | - |
| Haryana | Bhiwani | Bhiwani | 7163 | 6640 | 523 |
| | Sirsa | Sirsa | 6860 | 6633 | 227 |
| | | Dhabwali | 6858 | 6583 | 275 |
| | | Ellanabad | - | - | - |
| | Fatehabad | Fatehabad | 6800 | 6610 | 190 |

| Guar Cumulative Arrivals in Key Centers: | | | | | |
|--|----------------|----------------|-----------------------------|-----------------------------|--------|
| Commodity | District | Centre | Weekly Arrivals (Quintals) | | Change |
| Guar Seed | | | 23rd July to 29th July 2021 | 16th July to 22nd July 2021 | |
| Rajasthan | Jodhpur | Jodhpur | - | - | - |
| | Sri-Ganganagar | Sri-Ganganagar | 1250 | 1100 | 150 |
| | | Rawla | - | - | - |
| | | Gharsana | - | - | - |
| | | Raisinghnagar | 460 | 210 | 250 |
| | Bikaner | Bikaner | 3100 | 1850 | 1250 |
| | | Nokha | 2850 | 2300 | 550 |
| | | Khajuwala | 1150 | 800 | 350 |
| | | Lunkaransar | 1650 | 1150 | 500 |
| | Hanumangarh | Hanumangarh | 132 | 250 | -118 |
| | | Nohar | - | - | - |
| | | Pilibanga | - | - | - |
| | Nagaur | Nagaur | 1250 | 950 | 300 |
| | Churu | Churu | - | - | - |
| | Alwar | Alwar | - | - | - |
| Haryana | Hisar | Adampur | 1500 | 1600 | -100 |
| | Bhiwani | Bhiwani | 3900 | 3400 | 500 |
| | | Siwani | 2800 | 2600 | 200 |
| | Sirsa | Sirsa | 3550 | 2950 | 600 |
| | | Dhabwali | 1400 | 1900 | -500 |
| | | Ellanabad | - | - | - |
| | Fatehabad | Fatehabad | - | 200 | - |
| Gujarat | Banaskantha | Deesa | - | - | - |
| | Patan | Patan | 46 | 165 | -119 |
| | Rajkot | Rajkot | 500 | 250 | 250 |
| | Jamnagar | Dhrol | - | - | - |
| Madhya Pradesh | Gwalior | Dabra | - | - | - |
| Total Arrivals/Above Markets | | | 25538 | 21675 | 3863 |

Week on Week Price: Scenario of Guarseed and Guargum:

| Commodity | District | Centre | Today | Week Ago | Month Ago | Year Ago |
|-----------|----------------|---------------------------|-----------|-----------|-----------|-----------|
| Guar Seed | | | 29-Jul-21 | 22-Jul-21 | 28-Jun-21 | 29-Jul-20 |
| Rajasthan | Jodhpur | Jodhpur (Loose) | 4100 | 4050 | 4100 | 3600 |
| | | Jodhpur(Delivery) | 4305 | 4253 | 4305 | 3780 |
| | Sri-Ganganagar | Sri-Ganganagar(Loose) | 3950 | 4050 | 3900 | NA |
| | | Sri-Ganganagar (Delivery) | 4100 | 4200 | 4050 | NA |
| | | Rawla (Loose) | 0 | 0 | 0 | 0 |
| | | Gharsana (Loose) | 0 | 0 | 0 | 0 |
| | | Raisinghnagar (Loose) | 4150 | 4100 | 0 | 0 |
| | | | | | | |
| | Bikaner | Bikaner (Loose) | 4250 | 4135 | 3900 | 3500 |
| | | Bikaner (Delivery) | 4463 | 4342 | 4095 | 3675 |
| | | Nokha(Loose) | 4200 | 4175 | 3925 | 0 |
| | | Nokha (Delivery) | 4410 | 4384 | 4121 | 0 |
| | | Khajuwala (Loose) | 4200 | 4100 | 3800 | 3550 |
| | | Khajuwala (Delivery) | 4410 | 4305 | 3990 | 3728 |
| | | Lunkaransar (Loose) | 4200 | 4100 | 3850 | 3700 |
| | Hanumangarh | Hanumangarh (Loose) | NA | 4050 | 0 | 0 |
| | | Hanumangarh (Delivery) | NA | 4253 | 0 | 0 |
| | | Nohar (Loose) | 0 | 0 | 0 | 0 |
| | | Pilibanga (Loose) | 0 | 0 | 0 | 0 |
| | Nagaur | Nagaur (Loose) | 4100 | 4025 | 0 | 0 |
| | Churu | Churu (Delivery) | 0 | 0 | 0 | 0 |
| | Alwar | Alwar (Loose) | 0 | 0 | 0 | 0 |
| Haryana | Hisar | Adampur (Loose) | 4150 | 4000 | 3870 | 3700 |
| | | Adampur (Delivery) | 4358 | 4200 | 4064 | 3885 |
| | Bhiwani | Bhiwani (Delivery) | 4300 | 4200 | 4000 | NA |
| | | Siwani (Loose) | 4300 | 4200 | 4050 | 3800 |
| | Sirsa | Sirsa (Loose) | NA | 3900 | 3825 | 0 |
| | | Dhabwali (Loose) | 4150 | 3850 | 0 | 0 |
| | | Dhabwali (Delivery) | 4358 | 4043 | 0 | 0 |
| | | Ellanabad (Loose) | 0 | 0 | 0 | 0 |
| | Fatehabad | Fatehabad (Loose) | 4200 | 4100 | 3850 | 3450 |
| | | | | | | |
| Gujarat | Banaskantha | Deesa (Loose) | 0 | 0 | 0 | 0 |
| | Patan | Patan (Loose) | 3850 | 3830 | 3625 | 0 |

| | | | | | | |
|-----------------------|--------------------|----------------|------|------|------|------|
| | Rajkot | Rajkot (Loose) | 4075 | 3925 | 3725 | 3650 |
| | Jamnagar | Dhrol (Loose) | 0 | 0 | 0 | 0 |
| Madhya Pradesh | Gwalior | Dabra (Loose) | 0 | 0 | 0 | 0 |
| Guar Gum | | | | | | |
| | Jodhpur | Jodhpur | 6975 | 6800 | 6300 | 6250 |
| Rajasthan | Alwar | Alwar | 0 | 0 | 0 | 0 |
| | Hanumangarh | Nohar | 0 | 0 | 0 | 0 |
| | Bhiwani | Bhiwani | 7800 | 6650 | 6050 | NA |
| Haryana | Sirsa | Sirsa | NA | 6800 | 6500 | 0 |
| | | Dhabwali | 6950 | 6750 | 0 | 0 |
| | | Ellanabad | 0 | 0 | 0 | 0 |
| | Fatehabad | Fatehabad | 6900 | 6700 | 6300 | 6050 |



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