



Guar Weekly Research Report

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Executive Summary

Guar seed Jodhpur prices have surged this week 2% at Rs 4350/Qtl as compared to Rs 4253/Qtl despite heavy arrival in the market, Prices are expected to remain elevated, however profitbooking at higher level may limit gains in near term.

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.

Domestic Guar Seed Market Summary

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 4675 levels for a target of 4700 with a stop loss at 4500.

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.

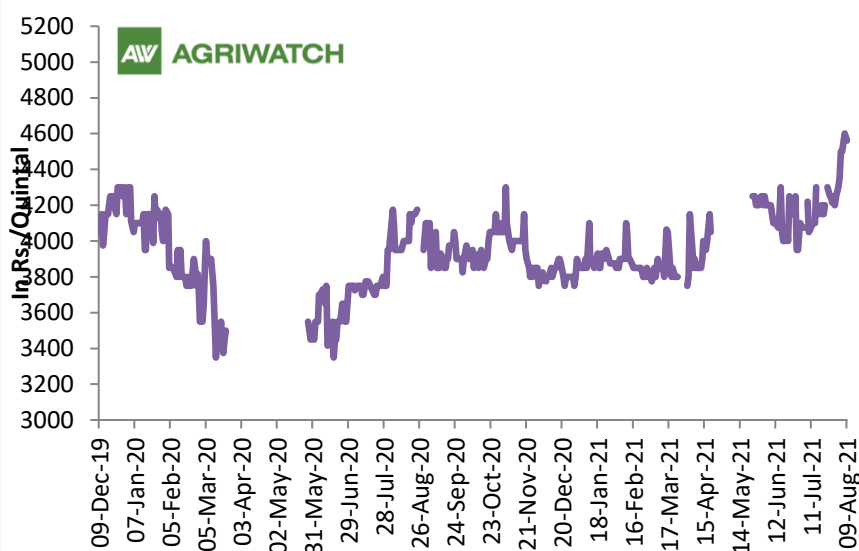
In Jodhpur, weekly average Guar seed loose price inclined to Rs. 4350/ qtl. in this week against Rs. 4253/qtl in previous week.

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

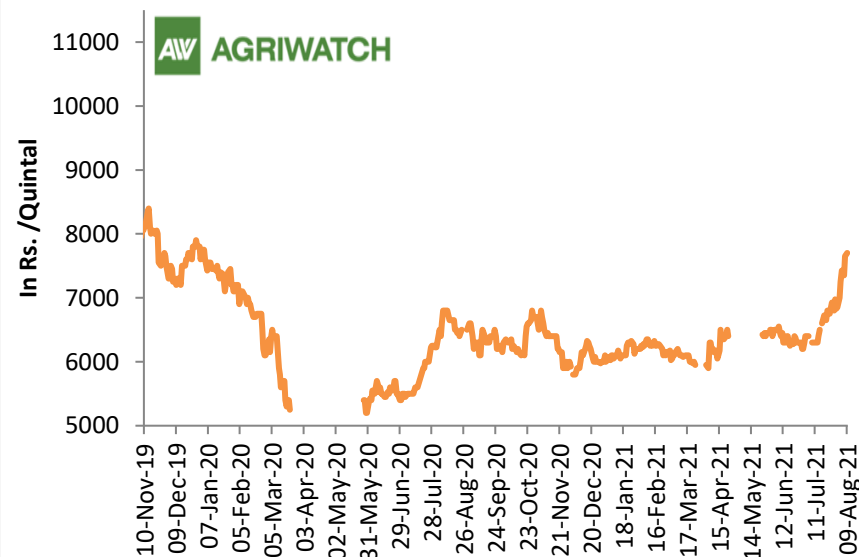
In Jodhpur, weekly average guar gum price inclined to Rs 7125/Qtl in this week against Rs.6870/Qtl in previous week.

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.

Guar Seed Prices Jodhpur Center

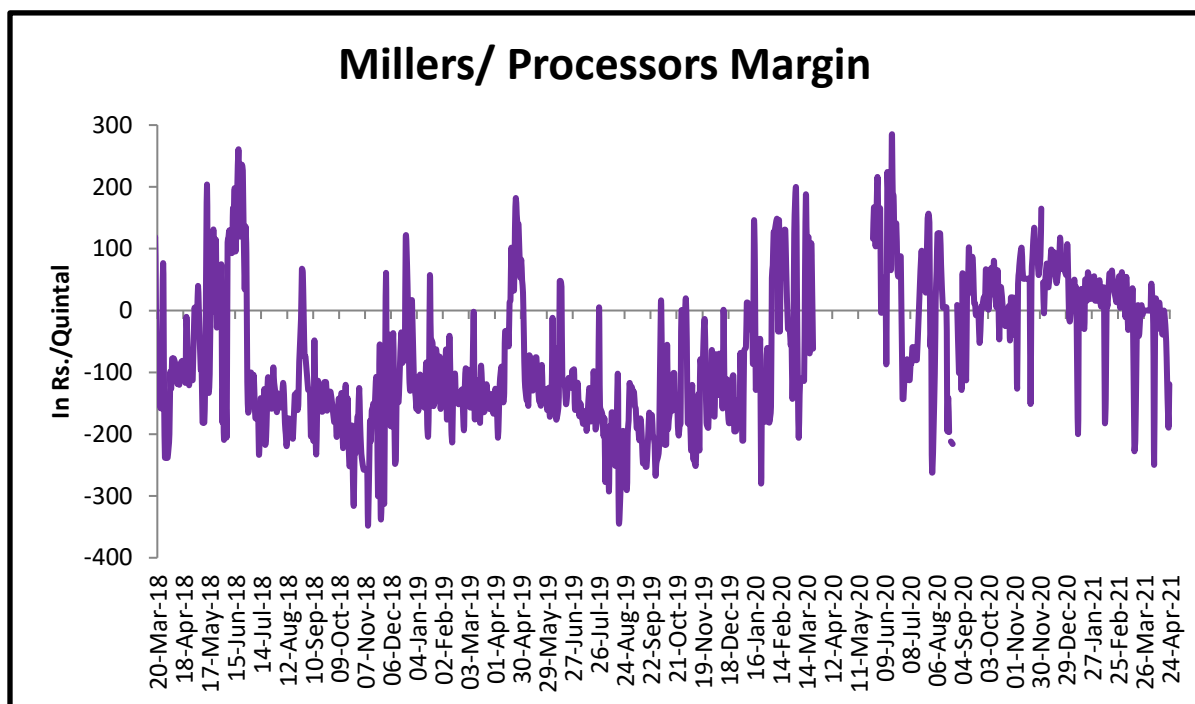


Guar Gum Prices Jodhpur Center



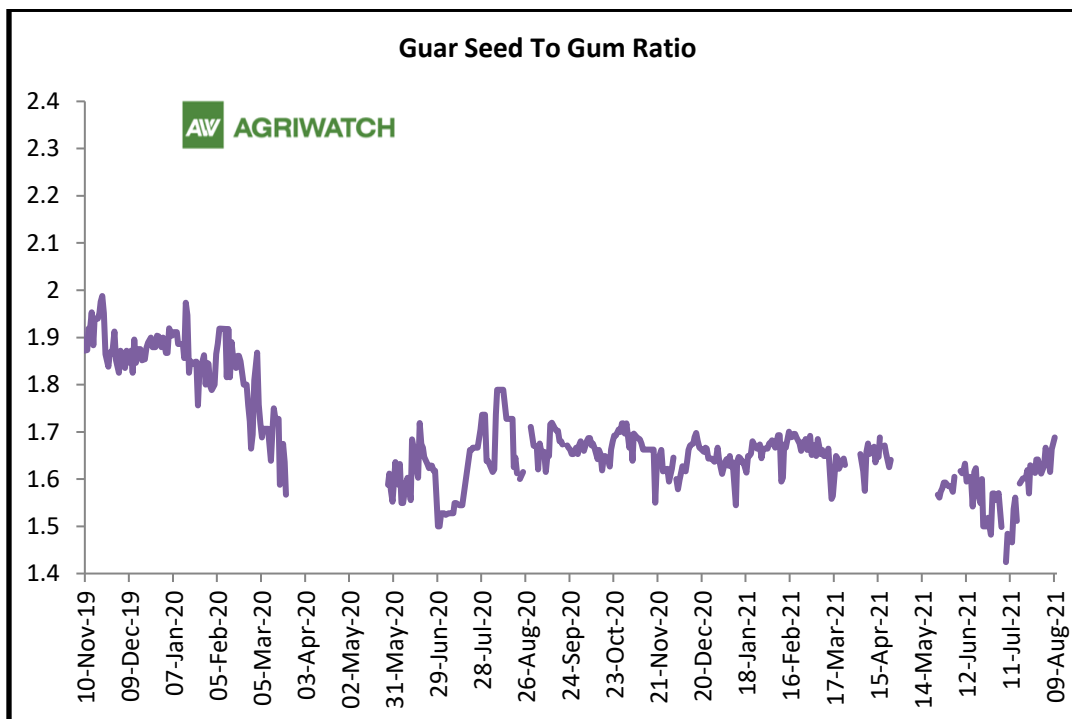
Millers/Processors Margin

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 1.63 as compared to last week 1.61.



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 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 Seed	NCDEX	August	4200	4500	4675	4900	5000
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	August	Buy	4650	4700	4800	4500



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	7000	7200	7468	7000	7200
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	July	Buy	7540	7600	7800	7300

Guar Seed & Gum Prices at Key Spot Markets

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Guar by – Products Weekly Average Prices:				
Commodity	Centre	30th July to 5th Aug 2021	23rd July to 29th July 2021	Change
Churi	Jodhpur	2733	2733	Unch
Korma	Jodhpur	4200	4200	Unch
Churi	Sri-Ganganagar	3450	3450	Unch
Korma	Sri-Ganganagar	3925	3925	Unch
Prices in Rs/Qtl				

Guar Export Weekly Average Prices:				
Commodity	Variety	30th July to 5th Aug 2021	23rd July to 29th 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			30th July to 5th Aug 2021	23rd July to 29th July 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	4200	4103	97
		Jodhpur(Delivery)	4410	4308	102
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4180	4072	108
		Sri-Ganganagar (Delivery)	4305	4197	108
		Rawla (Loose)	4305	4358	-53
		Gharsana (Loose)	4305	4358	-53
		Raisinghnagar (Loose)	4274	4174	101
	Bikaner	Bikaner (Loose)	4353	4174	179
		Bikaner (Delivery)	4571	4383	188
		Nokha(Loose)	4254	4171	83
		Nokha (Delivery)	4467	4379	88

		Khajuwala (Loose)	4270	4162	108
		Khajuwala (Delivery)	4484	4370	113
		Lunkaransar (Loose)	4288	4129	158
	Hanumangarh	Hanumangarh (Loose)	4150	4060	90
		Hanumangarh (Delivery)	4358	4263	95
		Nohar (Loose)			Unch
		Pilibanga (Loose)			Unch
	Nagaur	Nagaur (Loose)	4233	4067	167
	Churu	Churu (Delivery)			Unch
	Alwar	Alwar (Loose)			Unch
Haryana	Hisar	Adampur (Loose)	4203	4053	150
		Adampur (Delivery)	4413	4256	157
	Bhiwani	Bhiwani (Delivery)	4410	4292	118
		Siwani (Loose)	4371	4229	142
	Sirsa	Sirsa (Loose)	4144	3982	162
		Dhabwali (Loose)	4192	3995	197
		Dhabwali (Delivery)	4401	4195	207
		Ellanabad (Loose)		-	-
	Fatehabad	Fatehabad (Loose)	4117	4192	-75
Gujarat	Banaskantha	Deesa (Loose)		-	-
	Patan	Patan (Loose)	4065	3859	206
	Rajkot	Rajkot (Loose)	4180	4061	119
	Jamnagar	Dhrol (Loose)	3775	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)		-	-
Guar Gum			-	-	-
Rajasthan	Jodhpur	Jodhpur	7125	6870	255
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	7183	7163	19
	Sirsa	Sirsa	7108	6860	248
		Dhabwali	7158	6858	300
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	6800	6800	Unch

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			30th July to 5th Aug 2021	23rd July to 29th July 2021	

Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	2000	1250	750
		Rawla	-	-	-
		Gharsana	-	-	-
		Raisinghnagar	251	460	-209
	Bikaner	Bikaner	3950	3100	850
		Nokha	3600	2850	750
		Khajuwala	1050	1150	-100
		Lunkaransar	2500	1650	850
	Hanumangarh	Hanumangarh	190	132	58
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	860	1250	-390
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	1500	1500	Unch
	Bhiwani	Bhiwani	3200	3900	-700
		Siwani	2800	2800	Unch
	Sirsa	Sirsa	4000	3550	450
		Dhabwali	550	1400	-850
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	100	-	-
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	235	46	189
	Rajkot	Rajkot	590	500	90
	Jamnagar	Dhrol	6	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			27382	25538	1844

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			9-Aug-21	2-Aug-21	9-Jul-21	10-Aug-20
Rajasthan	Jodhpur	Jodhpur (Loose)	4411	4150	3900	3800
		Jodhpur(Delivery)	4632	4358	4095	3990
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4450	4200	3850	3825
		Sri-Ganganagar (Delivery)	4600	4350	4000	3975
		Rawla (Loose)	NA	-	3825	-
		Gharsana (Loose)	NA	-	-	-
		Raisinghnagar (Loose)	4450	4100	3865	-
	Bikaner	Bikaner (Loose)	4490	4330	3870	3900
		Bikaner (Delivery)	4715	4547	4064	4095
		Nokha(Loose)	4450	4225	3925	-
		Nokha (Delivery)	4673	4436	4121	-
		Khajuwala (Loose)	4450	4250	3800	3750
		Khajuwala (Delivery)	4673	4463	3990	3938
		Lunkaransar (Loose)	4425	4300	3850	3900
	Hanumangarh	Hanumangarh (Loose)	4450	4100	3800	-
		Hanumangarh (Delivery)	4673	4305	3990	-
		Nohar (Loose)	NR	-	-	3850
		Pilibanga (Loose)	NR	-	-	0
	Nagaur	Nagaur (Loose)	4350	4200	3900	3700
	Churu	Churu (Delivery)	NR	-	-	-
	Alwar	Alwar (Loose)	NR	-	-	-
Haryana	Hisar	Adampur (Loose)	4410	4130	3750	3870
		Adampur (Delivery)	4631	4337	3938	4064
	Bhiwani	Bhiwani (Delivery)	4450	4450	4000	4160
		Siwani (Loose)	4550	4350	4010	4040
	Sirsa	Sirsa (Loose)	4315	4150	3750	3850
		Dhabwali (Loose)	4350	4200	3925	3800
		Dhabwali (Delivery)	4568	4410	4121	3990
		Ellanabad (Loose)	NR	0	3800	-
	Fatehabad	Fatehabad (Loose)	4400	4150	3750	3850
Gujarat	Banaskantha	Deesa (Loose)	NA	-	-	-
	Patan	Patan (Loose)	4335	3970	3645	-



	Rajkot	Rajkot (Loose)	4375	4150	3600	Closed
	Jamnagar	Dhrol (Loose)	NA	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	-	-	-
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	7700	7000	6300	6800
	Alwar	Alwar	NR	-	-	-
	Hanumangarh	Nohar	NR	-	-	6700
Haryana	Bhiwani	Bhiwani	7050	7100	6250	6800
	Sirsa	Sirsa	7600	7000	6400	6600
		Dhabwali	7650	7200	6300	6500
		Ellanabad	NR	-	6400	-
	Fatehabad	Fatehabad	7600	6900	6300	6800



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