

# Guar Weekly Research Report

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## ***Executive Summary***

This week Guar seed and guar gum witnessed weakness on good rainfall in western Rajasthan and other key growing areas. Overall guar likely to trade rangebound with weak bias amid good rainfall in key growing areas of guar.

As on 2nd sept,21 In Rajasthan 21.13 lakh hectare sowing have been done as compared to 23.84 lakh hectare same period last year.

As on 6<sup>th</sup> sept,21 In Gujarat, Guar Seed sowing is done in 1,09,159 hectares as compared to last year 1,18,386.

As per data released by Baker Hughes, the number of oilrigs in USA increased by 10 to 411 as on 17th Sept 2021 compared to 401 previous week.

India's guar gum exports increased in the month of August 2021 by 10.48% to 18,262 tonnes compared to 16,530 tonnes during July 2021 at an average FoB of US \$ 1699 per tonne in the month of Aug'2021 as compared to US \$ 1739 per tonne in the month of July 2021. Further, the gum shipments were up by 42.38% in Aug'2021 compared to the same period last year. Of the total exported quantity, around 5,401 tonnes is bought by US, Russia (3,085 tonnes), Germany (2,535 tonnes) and china 959 tonnes.

India's guar split exports declined in the month of Aug'2021 by 62.54% to 2,120 tonnes compared to 5,660 tonnes during July'2021 at an average FoB of US \$ 1101 per tonne in the month of Aug'21 compared to US \$ 1157 per tonne in the month of July'2021. However, the guar split shipments gone up by 221 % in Aug 2021 compared to the same period last year. Of the total exported quantity, around 940 tonnes bought by China, US (760 tonnes) and Switzerland 240 tonnes.

## ***Previous Updates:***

India's guar gum exports declined in the month of July 2021 by 11.64% to 16,530 tonnes compared to 18,707 tonnes during June 2021 at an average FoB of US \$ 1739 per tonne in the month of July 2021 as compared to US \$ 1589 per tonne in the month of June 2021. Further, the gum shipments were up by 0.86% in July 2021 compared to the same period last year. Of the total exported quantity, around 2,656 tonnes is bought US, Russia (4,185 tonnes), Germany (2,749 tonnes) and china 813 tonnes.

India's guar split exports declined in the month of July 2021 by 37.22% to 5,660 tonnes compared to 9,016 tonnes during July 2021 at an average FoB of US \$ 1157 per tonne in the month of July compared to US \$ 1005 per tonne in the month of June 2021. However, the guar split shipments gone up by 424 % in June 2021 compared to the same period last year. Of the total exported quantity, around 4,500 tonnes is bought China, US (980 tonnes) and Switzerland 120 tonnes.

## **Recommendation:**

***Weekly Call- :Market participants are advised to Buy Guar seed future October contract near 5932 levels for a target of 6000-6100 with a stop loss at 5800.***

## Outlook:-

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### Domestic Front

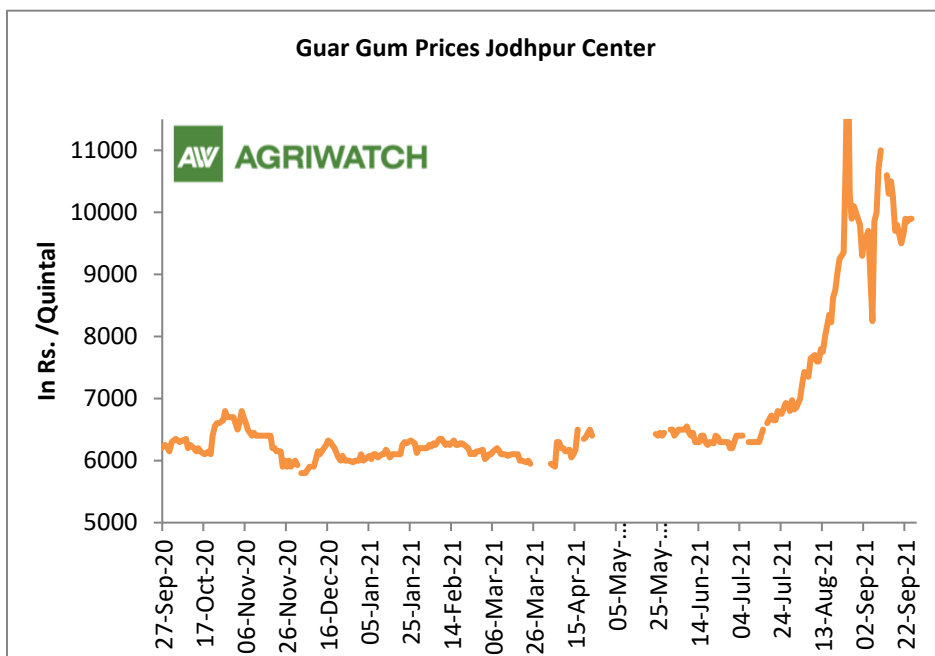
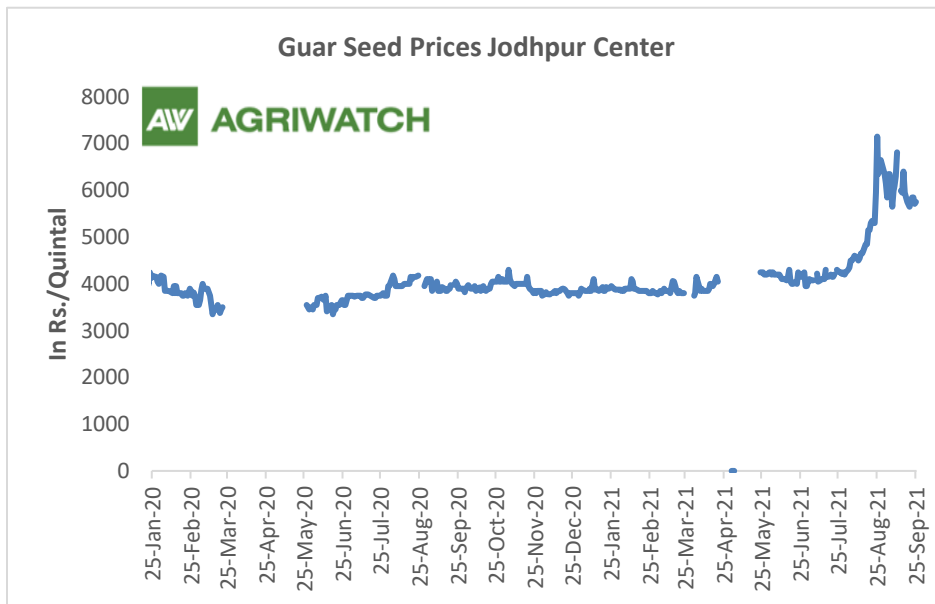
The local guar seed paid prices witnessed gain in Aug'21 compared to previous month. Fresh buying activities of seed witnessed in local markets.

The average guar seed all paid prices in Jodhpur have increased and was quoted at Rs. 5,170 a quintal in Aug'21 compared to Rs. 4,165 a quintal in July'21.

In Jodhpur, weekly average Guar seed loose price decreased to Rs. 5,633/ qtl. in this week against Rs. 6,010/qtl in previous week.

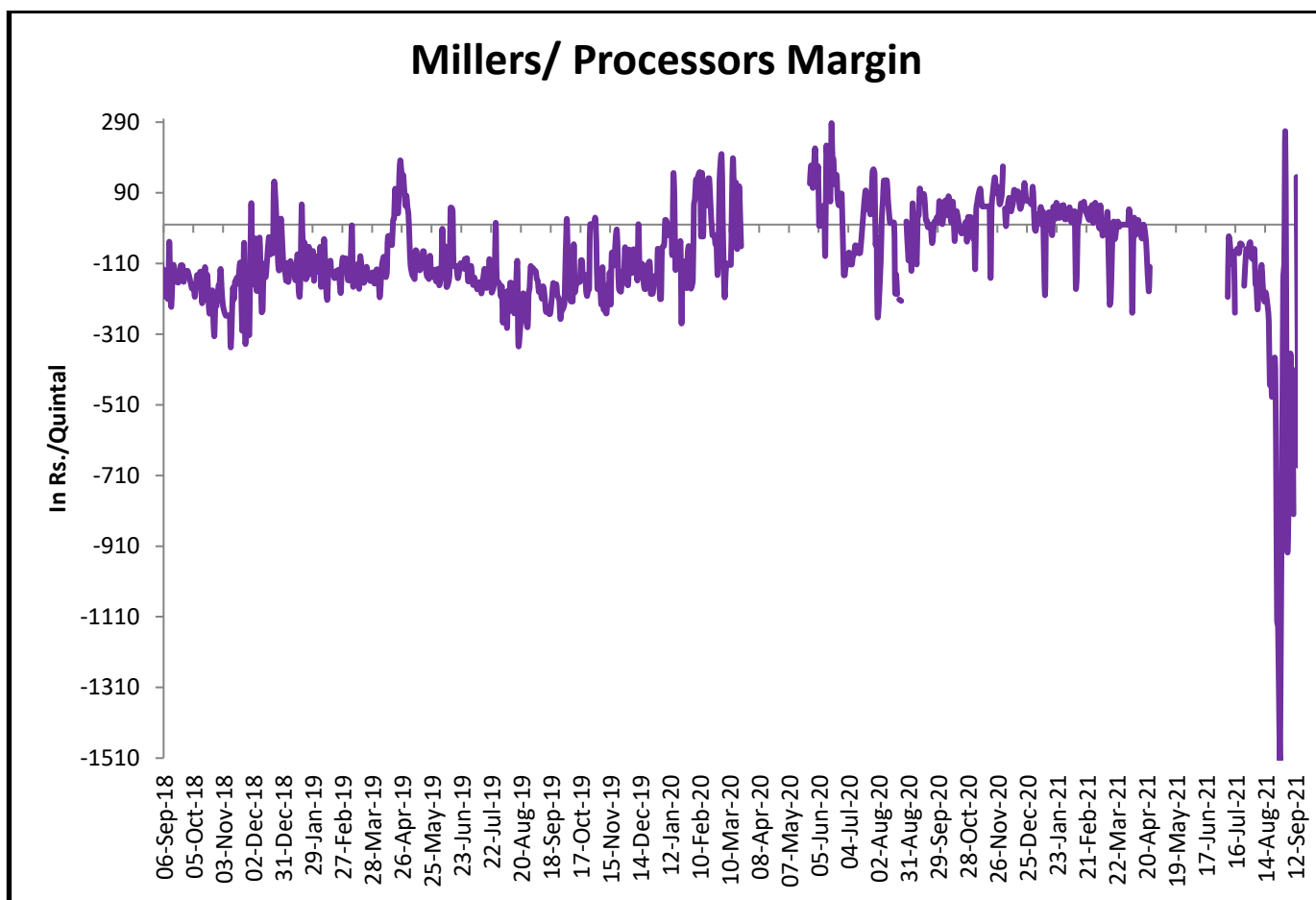
In Jodhpur, weekly average guar gum price decreased to Rs 9,733 /Qtl in this week against Rs.10,530/Qtl in previous week.

In addition, the average guar gum prices improved to around Rs. 8,635 a quintal in Aug'21 compared to Rs. 6,580 per quintal in July'21.



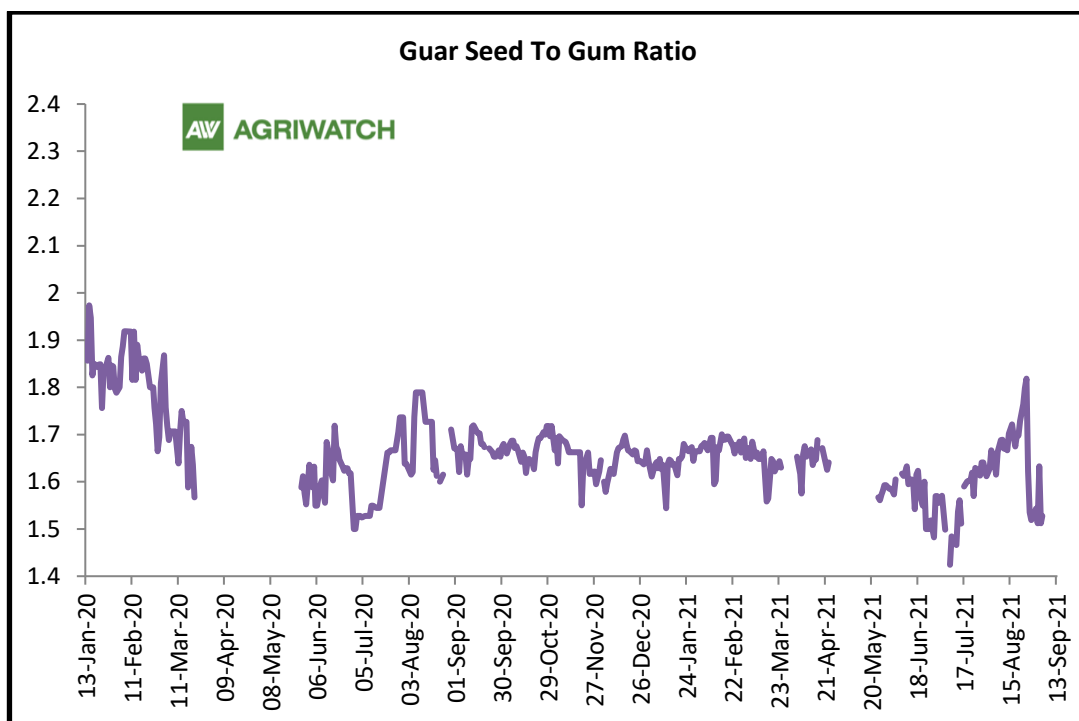
## Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have further declined in Aug'21 as compared to July'21, the average crush margin declined to Rs. -423/quintal in Aug'21 compared to Rs. -91/quintal in July'21.



## Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.69 as compared to last week 1.58



## Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 August-2021	4259	1469
9-15 August-2021	3582	1739
16-22 August-2021	4839	1838
23-31 August-2021	5582	1748
<b>Total</b>	<b>18262</b>	<b>1699</b>

Source: Trade



## Technical Analysis (Guar Seed)

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Commodity: Guar Seed

Exchange: NCDEX

Contract: October

Expiry: October 20, 2021s

### Guar Seed (October, Daily Chart)



### Technical Commentary:

- This week, Guar seed traded lower on sellers pressure.
- Prices closed below 9-day 18-day EMA, indicating weak tone in near-term.
- MACD cross over indicating weak tone in near term.
- RSI and stochastic are rising indicating firm buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	October	5800	5500	5932	6300	6500
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	October	Buy	5930	6000	6100	6100



## Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: October

Exchange: NCDEX  
Expiry: October 20, 2021

### Guar Gum (Oct, Daily Chart)



### Technical Commentary:

- Guar gum posted loss on sellers pressure.
- Prices closed near 9-day 18-day EMA, indicating firm tone in near-term.
- MACD cross over indicating firm tone in near term.
- RSI and stochastic are rising indicating firm buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	October	9600	9500	9820	10000	10500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	October	Buy	9800	9880	9950	9750

## Guar by – Products Weekly Average Prices:

Commodity	Centre	17th Sept to 23rd Sept 2021	10th Sept to 16th Sept 2021	Change
Churi	Jodhpur	2471	2627	-155
Korma	Jodhpur	3873	3823	51
Churi	Sri-Ganganagar	1800	1800	Unch
Korma	Sri-Ganganagar	2950	2950	Unch
Prices in Rs/75 kg				

## Guar Export Weekly Average Prices:

Commodity	Variety	17th Sept to 23rd Sept 2021	10th Sept to 16th Sept 2021	Change
Guargum Split		856	856	-1
Guargum Powder	200 Mesh 5000 CPS	1087	1087	-1
	200 Mesh 3500 CPS	1019	1019	-1
Guargum Meal	40%	407	408	0
	50%	584	584	0
Prices in \$/MT				

## Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
			17th Sept to 23rd Sept 2021	10th Sept to 16th Sept 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	5633	6010	-377
		Jodhpur(Delivery)	5915	6311	-396
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5730	6200	-470
		Sri-Ganganagar (Delivery)	5855	6350	-495
		Rawla (Loose)	5880	-	-
		Gharsana (Loose)	5880	-	-
		Raisinghnagar (Loose)	5880	-	-
	Bikaner	Bikaner (Loose)	5717	5992	-275
		Bikaner (Delivery)	6003	6291	-289
		Nokha(Loose)	5775	6125	-350
		Nokha (Delivery)	6064	6431	-368
		Khajuwala (Loose)	5825	6050	-225



		Khajuwala (Delivery)	6116	6353	-236
		Lunkaransar (Loose)	5675	6050	-375
	Hanumangarh	Hanumangarh (Loose)	5347	6175	-828
		Hanumangarh (Delivery)	5614	6484	-870
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	5783	6058	-275
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	6150	6356	-206
		Adampur (Delivery)	6458	6674	-216
	Bhiwani	Bhiwani (Delivery)	5983	6383	-400
		Siwani (Loose)	5683	6000	-317
	Sirsa	Sirsa (Loose)	5400	6200	-800
		Dhabwali (Loose)	-	6100	-
		Dhabwali (Delivery)	-	6405	-
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	5600	6033	-433
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5194	5988	-794
	Rajkot	Rajkot (Loose)	5590	6332	-742
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum			-	-	-
Rajasthan	Jodhpur	Jodhpur	9733	10530	-797
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	9942	10417	-475
	Sirsa	Sirsa	9660	10350	-690
		Dhabwali	-	10100	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	9917	10300	-383

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			17th Sept to 23rd Sept 2021	10th Sept to 16th Sept 2021	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	470	830	-360
		Rawla	0	0	Unch
		Gharsana	0	0	Unch
		Raisinghnagar	0	0	Unch
	Bikaner	Bikaner	675	475	200
		Nokha	1120	1350	-230
		Khajuwala	220	250	-30
		Lunkaransar	650	500	150
	Hanumangarh	Hanumangarh	363	92	271
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	0	0	Unch
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	1000	1900	-900
	Bhiwani	Bhiwani	1100	3500	-2400
		Siwani	0	0	Unch
	Sirsa	Sirsa	1950	2550	-600
		Dhabwali	0	250	-250
		Ellanabad	0	0	Unch
	Fatehabad	Fatehabad	0	0	Unch
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	40	169	-129
	Rajkot	Rajkot	475	1400	-925
	Jamnagar	Dhrol	0	0	Unch
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			8063	13266	-5203

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			23-Sep-21	16-Sep-21	23-Aug-21	24-Sep-20
Rajasthan	Jodhpur	Jodhpur (Loose)	5700	5800	5150	3850
		Jodhpur(Delivery)	5985	6090	5408	4043
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5650	6100	4950	3600
		Sri-Ganganagar (Delivery)	5800	6250	5100	3750
		Rawla (Loose)	-	-	--	--
		Gharsana (Loose)	0	0	0	--
		Raisinghnagar (Loose)	0	0	5250	0
	Bikaner	Bikaner (Loose)	5750	5850	5250	3700
		Bikaner (Delivery)	6038	6143	5513	3885
		Nokha(Loose)	5750	6100	5450	--
		Nokha (Delivery)	6038	6405	5723	--
		Khajuwala (Loose)	5700	6100	5300	3750
		Khajuwala (Delivery)	5985	6405	5565	3938
		Lunkaransar (Loose)	5650	6100	5150	3725
	Hanumangarh	Hanumangarh (Loose)	5000	5600	5200	--
		Hanumangarh (Delivery)	5250	5880	5460	0
		Nohar (Loose)	0	0	0	3800
		Pilibanga (Loose)	0	0	0	3650
	Nagaur	Nagaur (Loose)	5700	6050	5150	--
	Churu	Churu (Delivery)	0	0	0	0
	Alwar	Alwar (Loose)	0	0	0	--
Haryana	Hisar	Adampur (Loose)	NA	6400	5850	3700
		Adampur (Delivery)	NA	6720	6143	3885
	Bhiwani	Bhiwani (Delivery)	5850	6400	5500	4000
		Siwani (Loose)	5700	6000	5700	3900
	Sirsa	Sirsa (Loose)	NA	5700	5840	3650
		Dhabwali (Loose)	0	0	5800	3640
		Dhabwali (Delivery)	0	0	6090	3822
		Ellanabad (Loose)	0	0	0	--
	Fatehabad	Fatehabad (Loose)	5700	6000	5850	3750
Gujarat	Banaskantha	Deesa (Loose)	--	--	--	0

	<b>Patan</b>	Patan (Loose)	5250	5985	5375	--
	<b>Rajkot</b>	Rajkot (Loose)	0	0	5160	3600
	<b>Jamnagar</b>	Dhrol (Loose)	0	0	0	--
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	0	0	0	--
<b>Guar Gum</b>						
	<b>Jodhpur</b>	Jodhpur	9850	10250	9350	6400
<b>Rajasthan</b>	<b>Alwar</b>	Alwar	0	0	0	--
	<b>Hanumangarh</b>	Nohar	0	0	0	6500
	<b>Bhiwani</b>	Bhiwani	9800	10400	9050	6250
<b>Haryana</b>	<b>Sirsa</b>	Sirsa	NA	10100	9300	6200
		Dhabwali	0	0	9250	6200
		Ellanabad	0	0	0	--
	<b>Fatehabad</b>	Fatehabad	9900	10300	9300	6200

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