

Guar Weekly Research Report

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Executive Summary**Domestic Guar Seed Market Summary**

This week Jodhpur Guar seed witnessed firm tone as compared to previous week amid firm domestic demand and firm supply. Overall guar likely to trade rangebound with firm bias amid lower acreage. Weaker rupee against dollar and increase in oilrig count likely to stimulate guar exports in upcoming month.

As per data released by Baker Hughes, the number of oilrigs in USA increased by 5 to 433 as on 8th Oct 2021 compared to 428 previous week. Monthly oilrig count in Sept'21 stood at 406 vs 180 last year same period. Increase in oilrig count in US likely to boost export demand which is major importer of guar. Additionally, Currently rupee against US dollar is near one month low, likely to stimulate guar exports.

According to Rajasthan govt 2021-22 first advance estimates, Guar seed production estimate pegged at 13.73 lakh tonnes vs 11.36 lakh tonne last year, Additionally, 2021-22 acreage stood at 21.13 lakh hectare as compared to 24.84 lakh hectare last year. Yield pegged higher at 650 kg/Ha vs 458 kg/Ha last year.

According to Gujarat govt 2021-22 first advance estimates, Guar Seed production estimate pegged at 1.01 lakh tonne Vs 0.85 Lakh tonnes last year, Additionally, 2021-22 acreage stood at 1.21 lakh ha Vs 1.22 lakh ha. Yield pegged higher at 873 kg/ha Vs 699 Kg/ Ha last year.

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 June 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 November contract near 6000 levels for a target of 6150-6270 with a stop loss at 5900.

Outlook:-

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Domestic Front

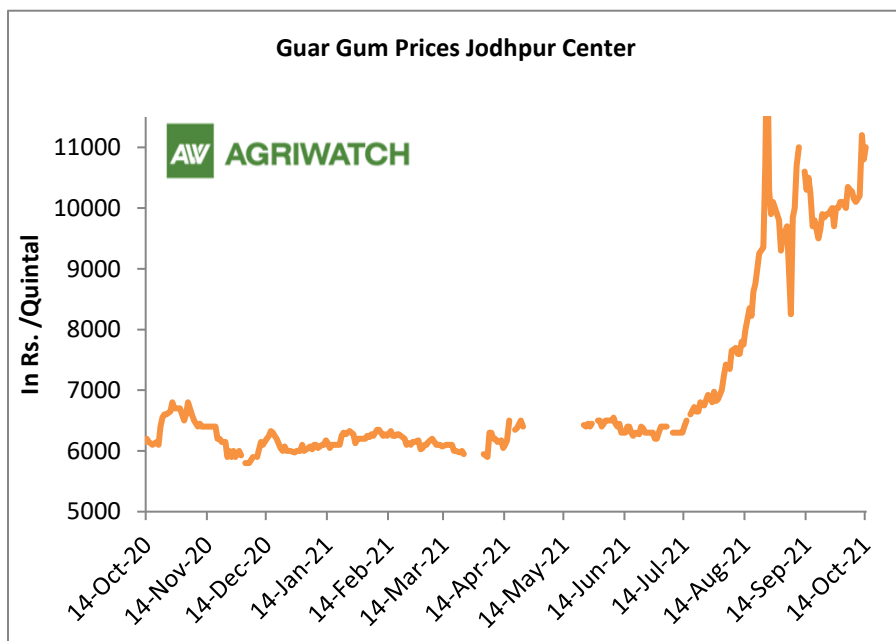
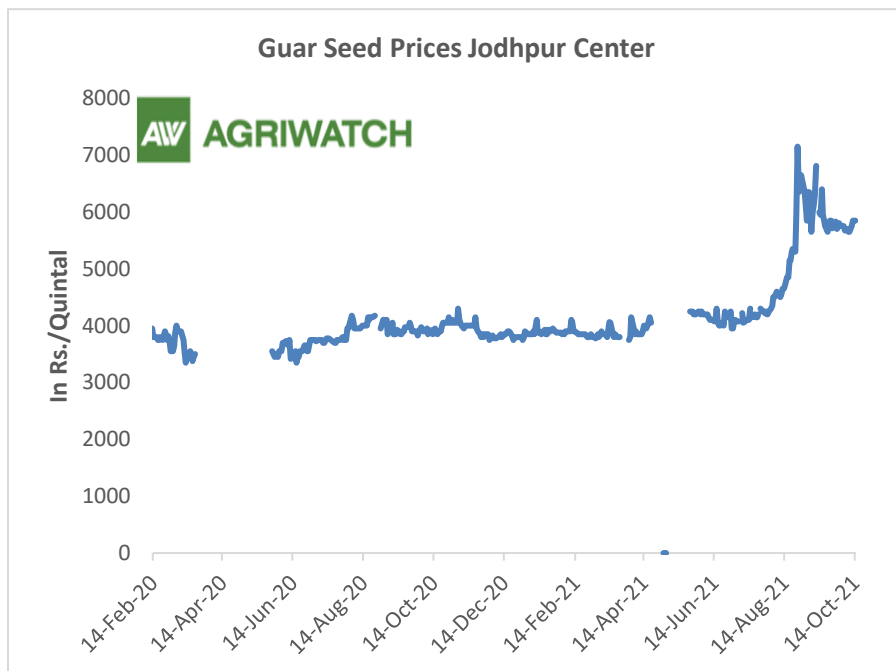
The local guar seed paid prices witnessed gain in September'21 compared to previous month. Fresh buying activities of seed witnessed in local markets amid lower acreage.

The average guar seed all paid prices in Jodhpur have increased and was quoted at Rs. 6,073 a quintal in September'21 compared to Rs. 5,170 a quintal in Aug'21.

In Jodhpur, weekly average Guar seed loose price increased to Rs. 5,617/ qtl. in this week against Rs. 5,571/qtl in previous week.

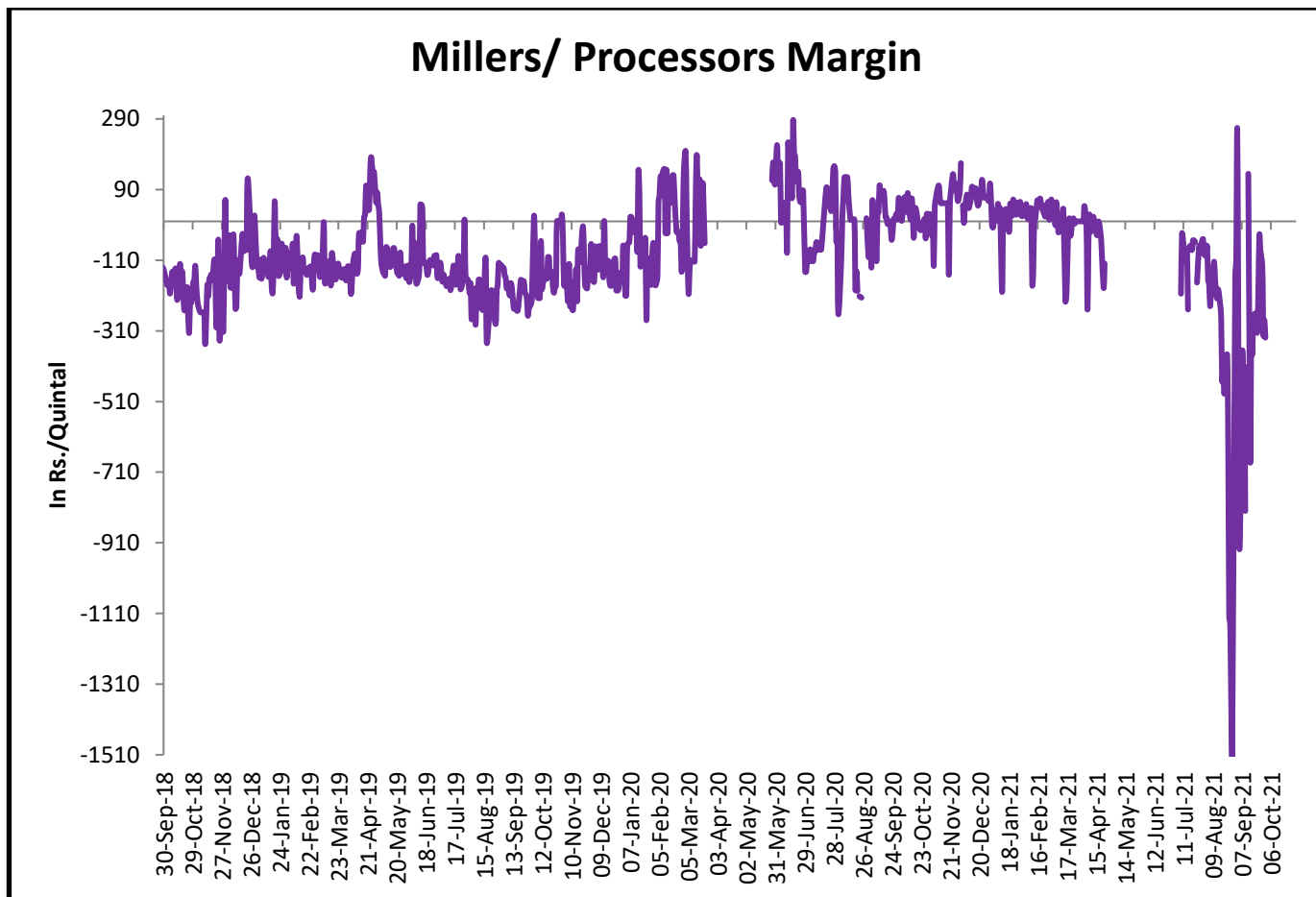
In Jodhpur, weekly average guar gum price increased to Rs 10,575 /Qtl in this week against Rs.10,188/Qtl in previous week.

In addition, the average guar gum prices improved to around Rs. 9,954 a quintal in September'21 compared to Rs. 8,635 per quintal in Aug'21.



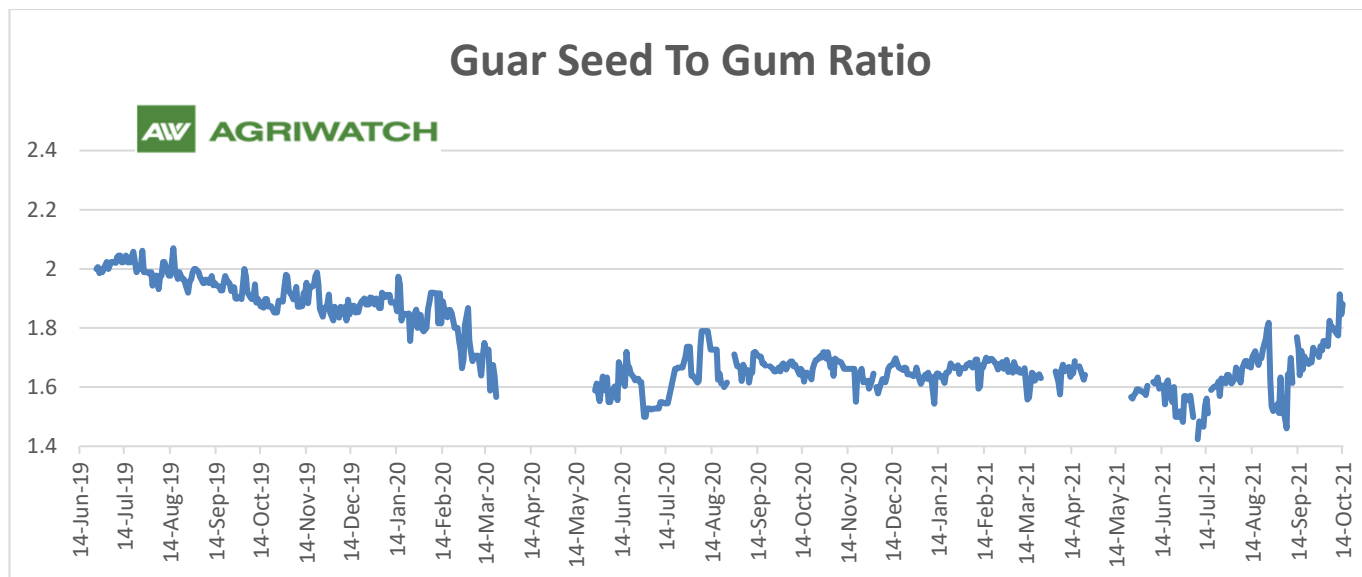
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have increased in September'21 as compared to Aug'21, the average crush margin increased to Rs. -308/quintal in September'21 compared to Rs. -423/quintal in Aug'21.



Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.83 as compared to last week 1.78. Overall, firm demand of gum from domestic markets has kept the overall ratio upper side.



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
Total	18262	1699

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: November

Exchange: NCDEX
Expiry: November 20, 2021

Guar Seed (October, Daily Chart)



Technical Commentary:

- This week, Guar seed traded higher on buyers interest.
- Prices closed above 9-day 18-day EMA, indicating firm tone in near-term.
- MACD cross over indicating steady tone in near term.
- RSI and stochastic are rising indicating weak buying strength.
- Open interest has increased with increase in prices which indicates long build-up.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	November	5800	5700	6097	6300	6500
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	November	BUY	6000	6150	6270	5900

Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: November

Exchange: NCDEX
Expiry: November 20, 2021

Guar Gum (Oct, Daily Chart)



Technical Commentary:

- Guar gum posted gain on buyer's interest.
 - Prices closed above 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.
- Open interest has increased with increase in prices which indicates long build-up.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	November	10500	10000	10781	10950	11000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	November	Buy	10700	10850	10900	10600

Guar by – Products Weekly Average Prices:

Commodity	Centre	8th Sept to 14th Sept 2021	1st Sept to 07th Sept 2021	Change
Churi	Jodhpur	2309	2263	46
Korma	Jodhpur	3849	3827	22
Churi	Sri-Ganganagar	-	-	-
Korma	Sri-Ganganagar	-	-	-

Prices in Rs/75 kg

Guar Export Weekly Average Prices:

Commodity	Variety	8th Sept to 14th Sept 2021	1st Sept to 07th Sept 2021	Change
Guargum Split		-	-	-
Guargum Powder	200 Mesh 5000 CPS	-	-	-
	200 Mesh 3500 CPS	-	-	-
Guargum Meal	40%	-	-	-
	50%	-	-	-

Prices in \$/MT

Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			8th Sept to 14th Sept 2021	1st Sept to 07th Sept 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	5617	5571	46
		Jodhpur(Delivery)	5898	5849	49
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5696	5622	74
		Sri-Ganganagar (Delivery)	5821	5747	74
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	5742	5650	92
		Bikaner (Delivery)	6029	5933	96
		Nokha(Loose)	5733	5667	66
		Nokha (Delivery)	6020	5950	70
		Khajuwala (Loose)	5780	5763	17
		Khajuwala (Delivery)	6069	6051	18

		Lunkaransar (Loose)	5775	5700	75
	Hanumangarh	Hanumangarh (Loose)	-	-	-
		Hanumangarh (Delivery)	-	-	-
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	-	-	-
	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	5883	5825	58
		Adampur (Delivery)	6178	6116	62
	Bhiwani	Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	-	-	-
	Sirsa	Sirsa (Loose)	5450	5420	30
		Dhabwali (Loose)	-	-	-
		Dhabwali (Delivery)	-	-	-
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	-	-	-
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	-	-	-
	Rajkot	Rajkot (Loose)	-	-	-
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	10575	10188	387
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	10367	10040	327
	Sirsa	Sirsa	10450	10030	420
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	10417	10000	417

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			8th Sept to 14th Sept 2021	1st Sept to 07th Sept 2021	
Rajasthan	Jodhpur	Jodhpur	-	-	-
	Sri-Ganganagar	Sri-Ganganagar	2800	1700	1100
		Rawla	-	-	-

		Gharsana	-	-	-
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	2250	1100	1150
		Nokha	2850	1600	1250
		Khajuwala	460	300	160
		Lunkaransar	1360	1600	-240
	Hanumangarh	Hanumangarh	2430	1450	980
		Nohar	-	-	-
		Pilibanga	-	-	-
	Nagaur	Nagaur	-	-	-
	Churu	Churu	-	-	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	2900	1300	1600
	Bhiwani	Bhiwani	80	320	-240
		Siwani	-	-	-
	Sirsa	Sirsa	10150	4600	5550
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	-	-	-
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	136	31	105
	Rajkot	Rajkot	975	300	675
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			26391	14301	12090



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