

Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

This week Jodhpur Guar seed prices remained under pressure due to heavy arrivals as compared to previous week. Overall guar likely to trade range bound with weak bias amid lower acreage and low quality seeds arrival. Weaker rupee against dollar and increase in oilrig count likely to stimulate guar exports in upcoming month.

This week guar seed arrival in Rajasthan arrival stood at 26,111 Qtl vs 2,122 Qtl previous week, In Haryana arrival stood at 9,680 Qtl vs 1,917 Qtl previous week and in Gujarat arrival stood at 806 Qtl vs 413 Qtl previous week.

In sri Ganganagar, from 1st to 30th oct'21 average arrival stood at 595 Qtl Vs 3,460 Qtl last year same period and total arrival in oct'21 till 30th oct stood at 13,100 Qtl Vs 86,500 Qtl last year same period, overall in sri ganganagar arrival is 85% less as compared to last year in October.

In Bikaner, from 1st to 30th oct'21 daily average arrival stood at 402 Qtl Vs 748 Qtl last year same period and total arrival in oct'21 till 30th oct stood at 10,050 Qtl Vs 18,700 Qtl last year same period, overall in Bikaner, arrival is 46% less as compared to last year in October.

As on 05th Nov 2021, data released by Baker Hughes, the number of oilrigs in USA increased by 6 to 450 compared to 444 previous week. Monthly oilrig count in Oct'21 stood at 438 vs 201 last year same period. Increase in oilrig count continued this week as well, 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 IMD, in September, western Rajasthan has received excess rainfall which has affected crop condition, Bikaner has received 294% above average rainfall, Badmer has received 302% above average rainfall and Jaisalmer has received 364% above average rainfall.

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.

According to the provisional data from Agricultural and Processed Food Products Export Development Authority (APEDA), the guar gum exports from India increased by 30% to 1.07 lakh tonnes during April-July (2020-2021) this fiscal vs 0.82 lakh tonnes during the corresponding period last year. In value terms, the exports witnessed a decline of 27% to Rs. 865 crores vs Rs. 683 Cr. crores same period last year.

India's guar gum exports increased in the month of September 2021 by 4.76% to 19,132 tonnes compared to 18,262 tonnes during Aug 2021 at an average FoB of US \$ 1756 per tonne in the month of Sept'2021 as compared to US \$ 1699 per tonne in the month of Aug 2021. Further, the gum shipments were up by 37.85% in Sept'2021 compared to the same period last year. Of the total exported quantity, around 7,535 tonnes is bought by US, Russia 3,261 tonnes, Germany 2,117 tonnes, china 696 tonnes, Australia 686 tonnes and Canada 547 tonnes. India's guar split exports increased in the month of Sept'2021 by 72.64% to 3,660 tonnes compared to 2,120 tonnes during Aug'2021 at an average FoB of US \$ 1370 per tonne in the month of Sept'21 compared to US \$

1101 per tonne in the month of Aug'2021. However, the guar split shipments gone up by 485 % in Sept 2021 compared to the same period last year. Of the total exported quantity, around 3,330 tonnes bought by China, US 240 tonnes and Netherland 120 tonnes.

Previous Updates:

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.

Recommendation:

Weekly Call- :Market participants are advised to sell Guar seed future December contract near 6550 levels for a target of 6450-6350 with a stop loss at 6600.

Outlook-:

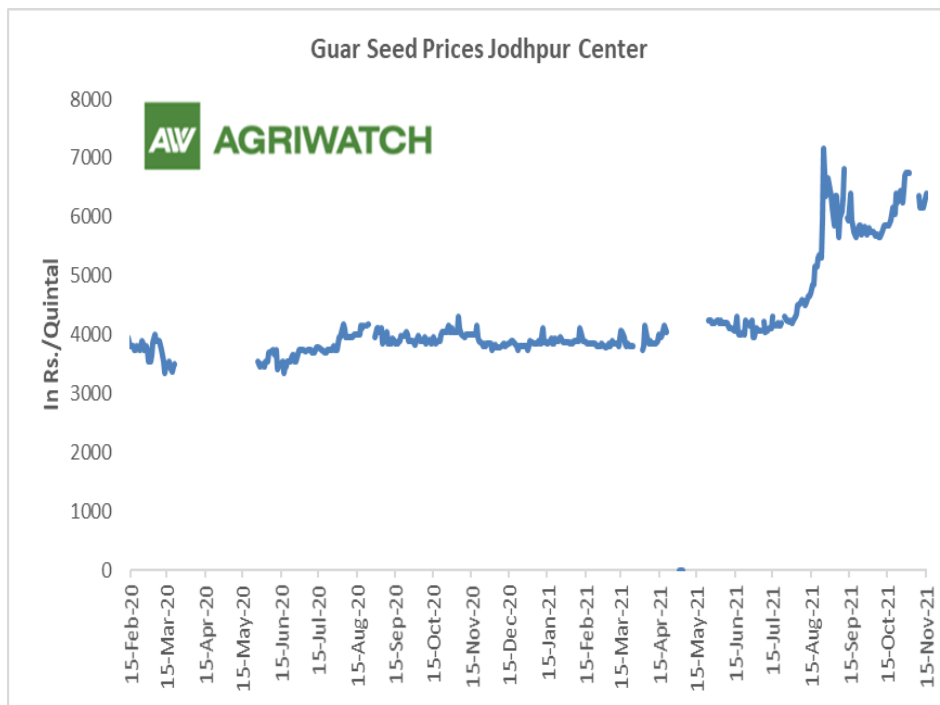
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Domestic Front

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

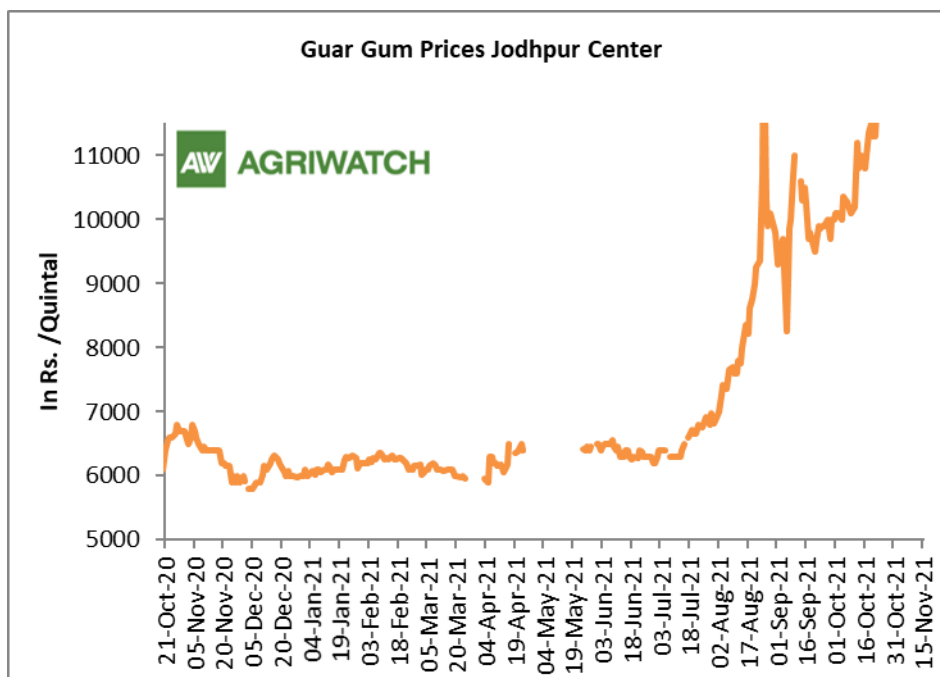
As on 30th October, jodhpur guar seed paid prices witnessed increase to Rs 6,600/Qtl in Oct'21 and made high of Rs 6,600/Qtl, monthly low at Rs 5,500/Qtl compared to previous month at Rs 5,933/ Qtl. Prices remained elevated to to tight supply in the market as compared to previous year.

In Jodhpur, weekly average Guar seed loose price decreased to Rs. 6,040/ qtl. in this week against Rs.6,600/qtl in previous week mainly due to heavy arrival as compared to last week.



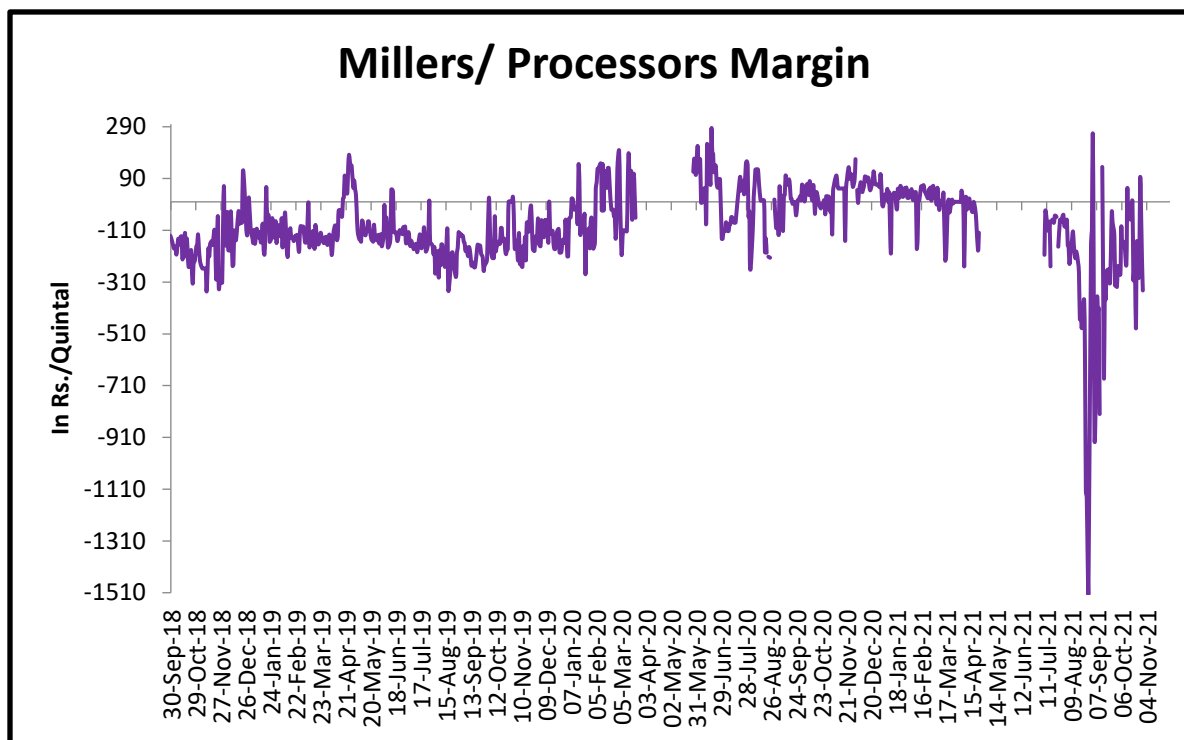
In Jodhpur, weekly average guar gum price decreased to Rs 12,560 /Qtl in this week against Rs.13,100 /Qtl in previous week followed by weakness in guar seed prices.

Additionally, In October, jodhpur guar gum prices witnessed gains , and made high of Rs 13,450/Qtl, monthly low at Rs10,000/Qtl and closed at 13,200/Qtl.



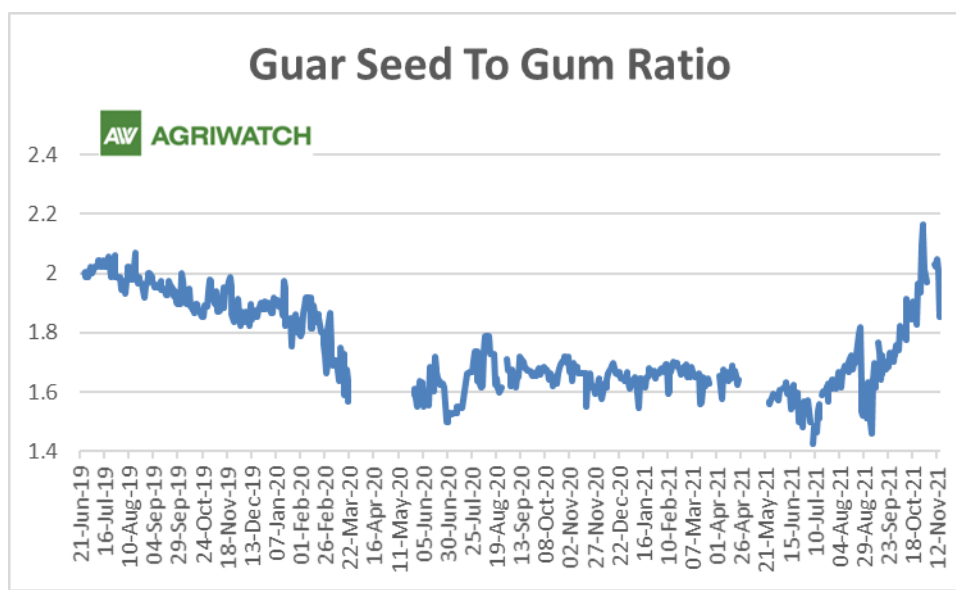
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have increased in October'21 as compared to Sept'21, the average crush margin increased to Rs. -173/quintal in Oct'21 compared to Rs. -308/quintal in Sept'21.



Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 2.00 as compared to last week 2.04. 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 September-2021	5511	1644
9-15 September-2021	3948	1979
16-22 September-2021	4926	1667
23-30 September-2021	4747	1732
Total	19132	1756

Source: Trade



Technical Analysis (Guar Seed)

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Commodity: Guar Seed
Contract: December

Exchange: NCDEX
Expiry: December 20, 2021

Guar Seed (October, Daily Chart)



Technical Commentary:

- This week, Guar seed traded lower on short buildup.
- 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 weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	December	6300	6200	6505	6700	7000
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	December	Sell	6550	6450	6350	6600



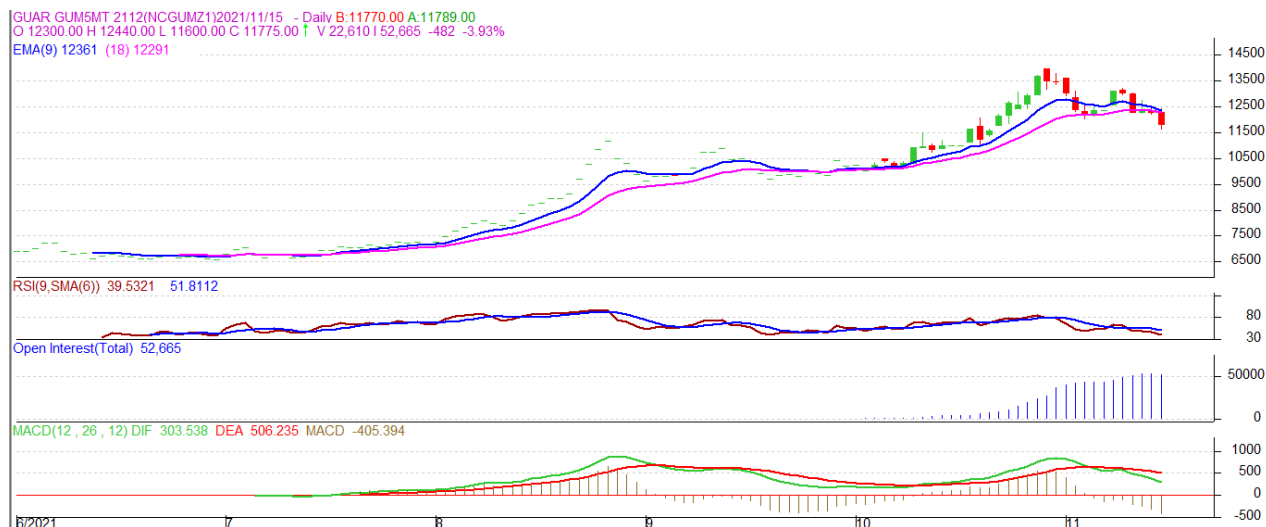
Technical Analysis (Guar Gum)

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Commodity: Guar Gum
Contract: December

Exchange: NCDEX
Expiry: December 20, 2021

Guar Gum (Oct, Daily Chart)



Technical Commentary:

- Guar gum posted loss on profit booking.
- 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 weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	December	11622	11500	12257	13093	13595
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	December	Sell	12250	11700	11500	11900

Guar by – Products Weekly Average Prices:				
Commodity	Centre	8th Nov to 13th Nov 2021	30th Oct to 6th Nov 2021	Change
Churi	Jodhpur	2343	2322	21
Korma	Jodhpur	3722	3659	63
Churi	Sri-Ganganagar	-	-	-
Korma	Sri-Ganganagar	-	-	-
Prices in Rs/75 kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	8th Nov to 13th Nov 2021	30th Oct to 6th Nov 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 Nov to 13th Nov 2021	30th Oct to 6th Nov 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	6040	6600	-560
		Jodhpur(Delivery)	6342	6930	-588
	Sri-Ganganagar	Sri-Ganganagar(Loose)	6585	6850	-265
		Sri-Ganganagar (Delivery)	6710	7000	-290
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	-	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	6467	6683	-217
		Bikaner (Delivery)	6790	7018	-228
		Nokha(Loose)	6400	6650	-250
		Nokha (Delivery)	6720	6983	-263
		Khajuwala (Loose)	6383	6650	-267
		Khajuwala (Delivery)	6703	6983	-280
		Lunkaransar (Loose)	6350	6650	-300
	Hanumangarh	Hanumangarh (Loose)	6600	7200	-600
		Hanumangarh (Delivery)	6930	7560	-630
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	-	-	-

	Churu	Churu (Delivery)	-	-	-
	Alwar	Alwar (Loose)	-	-	-
Haryana	Hisar	Adampur (Loose)	6400	6633	-233
		Adampur (Delivery)	6720	6965	-245
	Bhiwani	Bhiwani (Delivery)	6625	7000	-375
		Siwani (Loose)	6408	6613	-204
	Sirsa	Sirsa (Loose)	5950	6200	-250
		Dhabwali (Loose)	-	-	-
		Dhabwali (Delivery)	-	-	-
		Ellanabad (Loose)	-	-	-
	Fatehabad	Fatehabad (Loose)	6700	6733	-33
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	6077	6105	-28
	Rajkot	Rajkot (Loose)	6068	6575	-507
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	12560	13100	-540
	Alwar	Alwar	-		-
	Hanumangarh	Nohar	-		-
Haryana	Bhiwani	Bhiwani	12075	12933	-858
	Sirsa	Sirsa	12350	12933	-583
		Dhabwali	-		-
		Ellanabad	-		-
	Fatehabad	Fatehabad	12650	13067	-417

Guar Cumulative Arrivals in Key Centers:

Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			8th Nov to 13th Nov 2021	30th Oct to 6th Nov 2021	
Rajasthan	Jodhpur	Jodhpur	3440	-	-
	Sri-Ganganagar	Sri-Ganganagar	1500	400	1100
		Rawla	620	-	-
		Gharsana	250	-	-
		Raisinghnagar	250	-	-
	Bikaner	Bikaner	6400	467	5933
		Nokha	6800	633	6167
		Khajuwala	1350	167	1183
		Lunkaransar	3400	400	3000
	Hanumangarh	Hanumangarh	450	55	395
		Nohar	780	-	-
		Pilibanga	45	-	-
	Nagaur	Nagaur	500	-	-

	Churu	Churu	-	-	-
	Alwar	Alwar	326	-	-
Haryana	Hisar	Adampur	5750	967	4783
	Bhiwani	Bhiwani	1850	300	1550
		Siwani	-	-	-
	Sirsa	Sirsa	1900	600	1300
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	180	50	130
Gujarat	Banaskantha	Deesa	128	-	-
	Patan	Patan	128	13	115
	Rajkot	Rajkot	550	400	150
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			36597	4451	32146

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