

# Guar Weekly Research Report

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## Executive Summary

## Domestic Guar Seed Market Summary

Jodhpur Guar seed prices went up this week, market witnessed overall tight arrival as compared to previous week. Guarseed likely to trade range bound with firm bias in near term. Weaker Indian currency likely to support guar exports in upcoming months.

India's guar gum exports decreased in the month of November 2021 by 25.01% to 17,466 tonnes compared to 23,292 tonnes during previous month at an average FoB of US \$ 2169 per tonne in the month of Nov'2021 as compared to US \$ 1849 per tonne previous month. Further, the gum shipments were up by 30.21% in Nov'2021 compared to the same period last year. Of the total exported quantity, around 4,645 tonnes bought by US, Russia 4,000 tonnes, Germany 1,322 tonnes, China 1,070 tonnes, Australia 1,041 tonnes and Canada 862 tonnes.

India's guar split exports increased in the month of Nov'2021 by 1.55% to 2,620 tonnes compared to 2,580 tonnes previous month at an average FoB of US \$ 1,557 per tonne in the month of Nov'21 compared to US \$ 1,325 per tonne previous month. However, the guar split shipments gone down by 42.51% in Nov'21 2021 compared to the same period last year. Of the total exported quantity, around 1,900 tonnes bought by China, US 660 tonnes and Switzerland 60 tonnes.

Week ending 18<sup>th</sup> Dec, guar seed arrival in Rajasthan arrival stood at 29,809 Qtl vs 26,918 Qtl previous week, In Haryana arrival stood at 13,760 Qtl vs 18,020 Qtl previous week and in Gujarat arrival stood at 1,040 Qtl vs 540 Qtl previous week.

In Sri Ganganagar, Oct-Nov'21 arrival stood 74% lower at 27,450 Qtl vs 104,900 Qtl in same period last year. Whereas, in Oct'21 arrival stood 85% lower at 13,400 Qtl vs 88,000 Qtl and in November'21 arrival stood 17% lower at 14,050 Qtl vs 16,900 Qtl last year same period.

In Bikaner (Bikaner, Nokha, Khajuwala and Lunkaransar), Oct-Nov'21 arrival stood 1% lower at 98,880 Qtl vs 100,180 Qtl in same period last year. Whereas, in Oct'21 arrival stood 25% lower at 31,080 Qtl vs 41,230 Qtl and in November'21 arrival stood 15% higher at 67,800 Qtl vs 58,950 Qtl last year same period.

In November'21, Jodhpur guar seed prices declined by 20-22% on firm arrival of new season crop and prices closed to one month low. Jodhpur guar gum corrected by 25-29% in November followed by weakness in guar seed prices. However, guar seed prices are still more than 45% higher YoY on lower production expectation.

As on 10th Dec 2021, data released by Baker Hughes, the number of oilrigs in USA went up by 4 to 471 compared to 467 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 remained weak, likely to support 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.

According to the provisional data from Agricultural and Processed Food Products Export Development Authority (APEDA), the guar gum exports from India increased by 49% to 2.34 lakh tonnes during April-Sept (2021-2022) this fiscal vs 1.58 lakh tonnes during the corresponding period last year. In value terms, the exports witnessed a increase of 48% to Rs. 1,949 crores vs Rs. 1,316 Cr. crores same period last year.

***Previous Updates:***

India's guar gum exports increased in the month of October 2021 by 21.74% to 23,292 tonnes compared to 19,132 tonnes during previous month at an average FoB of US \$ 1849 per tonne in the month of Oct'2021 as compared to US \$ 1756 per tonne previous month. Further, the gum shipments were up by 62.53% in Oct'2021 compared to the same period last year. Of the total exported quantity, around 10,083 tonnes bought by US, Russia 3,327 tonnes, Germany 2,711 tonnes, china 789 tonnes, Australia 466 tonnes and Canada 911 tonnes.

India's guar split exports decreased in the month of Oct'2021 by 29.51% to 2,580 tonnes compared to 3,660 tonnes previous month at an average FoB of US \$ 1325 per tonne in the month of Oct'21 compared to US \$ 1,370 per tonne previous month. However, the guar split shipments gone down by 24.78 % in Oct 2021 compared to the same period last year. Of the total exported quantity, around 1,900 tonnes bought by China, US 500 tonnes and Netherland 120 tonnes.

**Recommendation:**

Weekly Call- :Market participants are advised to BUY Guar seed future January contract near 5800 levels for a target of 6200-6350 with a stop loss at 5750.

Outlook:-[\(Back to Table of Contents\)](#)Domestic Front

The local guar seed paid prices witnessed loss in November'21 compared to previous month. Firm arrival kept prices under pressure.

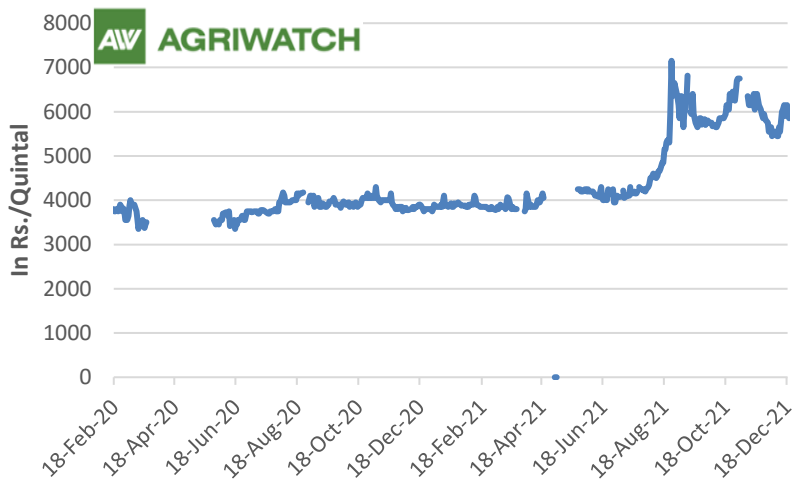
As on 30th November, jodhpur guar seed paid prices witnessed loss to Rs 5,400/Qtl compared to previous month at Rs 6,600/ Qtl. during the month, market made high of Rs 6,600/Qtl, monthly low at Rs 5,400/Qtl Prices went down due to firm supply during the month.

In Jodhpur, weekly average Guar seed loose price increased to Rs. 5,900/ qtl. in this week against Rs.5,383/qtl in previous week, steady to tight arrival supported price gains.

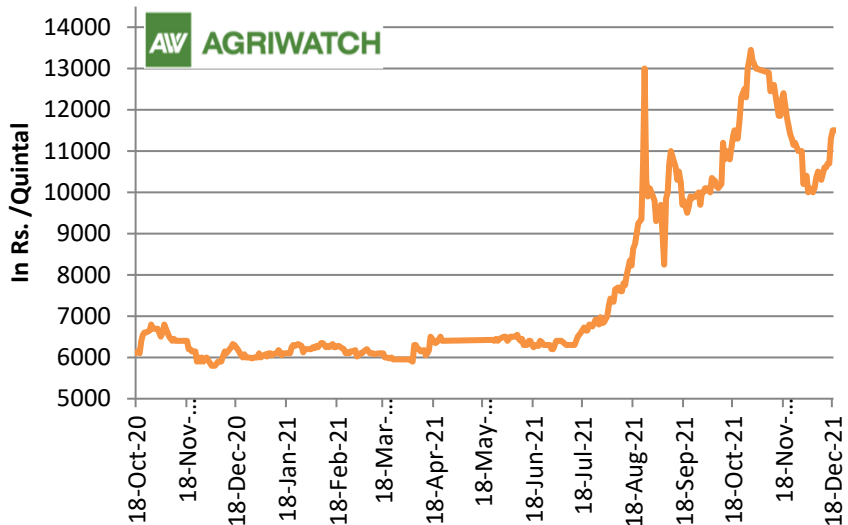
In Jodhpur, weekly average guar gum price increased to Rs 11,050 /Qtl as compared to Rs.10,275 /Qtl in previous week amid strength in guar seed prices.

Additionally, As on 30th November, jodhpur guar gum prices witnessed loss to Rs 10,200/Qtl compared to previous month at Rs 13,200/ Qtl. during the month, market made high of Rs 13,000/Qtl, monthly low at Rs 10,200/Qtl

Guar Seed Prices Jodhpur Center

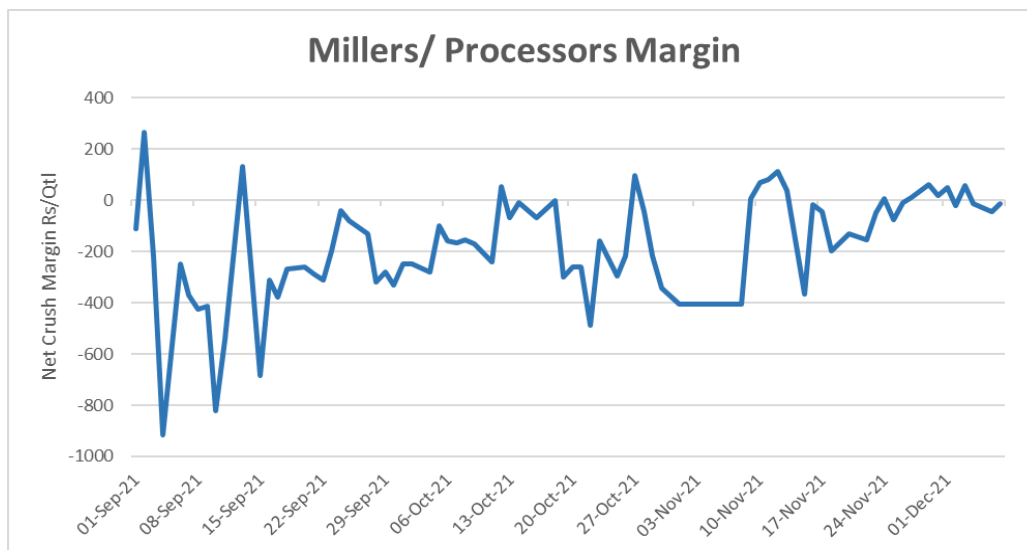


Guar Gum Prices Jodhpur Center



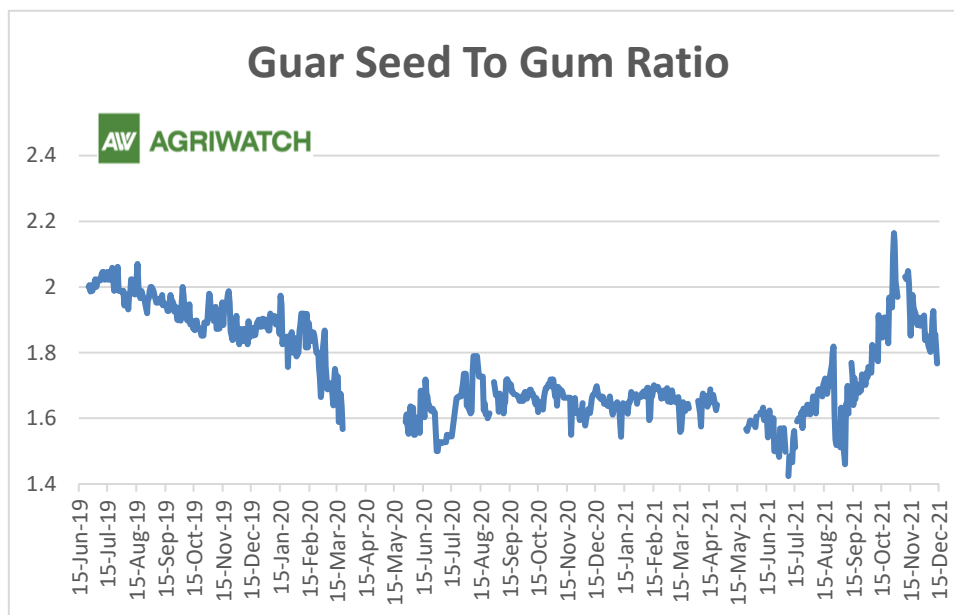
## Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have increased in November'21 as compared to Oct'21, the average crush margin increased to Rs. -114/quintal in Nov'21 compared to Rs. -173/quintal in Oct'21.



## Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.8 as compared to last week 1.9. Overall, firm demand of gum from domestic markets has kept the overall ratio upper side. However it has declined in last few weeks.



## Guar Gum Weekly Export

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Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 November-2021	2242	1962
9-15 November-2021	5289	1967
16-22 November-2021	4970	2374
23-30 November-2021	4965	2371
<b>Total</b>	<b>17466</b>	<b>2169</b>

Source: Trade



## Technical Analysis (Guar Seed)

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Commodity: Guar Seed

Contract: January

Exchange: NCDEX

Expiry: January 20, 2021

### Guar Seed (Jan, Daily Chart)



### Technical Commentary:

- This week, Guar seed posted gain on weekly time frame.
- 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 indicating firm buying strength, improved in last few trading session.

### Weekly Supports & Resistances

			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jan	5700	5500	6105	6500	6700
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jan	BUY	5800	6200	6350	5750

## Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: January

Exchange: NCDEX  
Expiry: January 20, 2021

### Guar Gum (Jan, Daily Chart)



### Technical Commentary:

- Guar gum posted gain on weekly basis.
- 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 indicating firm buying strength, improved in last few trading session.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jan	10800	10500	11073	11500	12000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	BUY	11000	11300	11450	10800



## Guar by – Products Weekly Average Prices:

Commodity	Centre	13th Dec to 18th Dec 2021	06th Dec to 11th Dec 2021	Change
Churi	Jodhpur	2307	2355	-48
Korma	Jodhpur	3511	3601	-89
Churi	Sri-Ganganagar			
Korma	Sri-Ganganagar			

Prices in Rs/75 kg

## Guar Export Weekly Average Prices:

Commodity	Variety	13th Dec to 18th Dec 2021	06th Dec to 11th Dec 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			13th Dec to 18th Dec 2021	06th Dec to 11th Dec 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	5900	5383	517
		Jodhpur(Delivery)	6195	5653	543
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5983	5545	438
		Sri-Ganganagar (Delivery)	6133	5670	463
		Rawla (Loose)	5791	-	-
		Gharsana (Loose)	6055	-	-
		Raisinghnagar (Loose)	6115	-	-
	Bikaner	Bikaner (Loose)	5825	5600	225
		Bikaner (Delivery)	6116	5880	236
		Nokha(Loose)	5775	5542	233
		Nokha (Delivery)	6064	5819	245
		Khajuwala (Loose)	5842	5533	308
		Khajuwala (Delivery)	6134	5810	324
		Lunkaransar (Loose)	5825	5475	350

	Hanumangarh	Hanumangarh (Loose)	5833	5550	283
		Hanumangarh (Delivery)	6125	5828	298
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	5856	-	-
	Nagaur	Nagaur (Loose)	5767	-	-
	Churu	Churu (Delivery)	5488	-	-
	Alwar	Alwar (Loose)	4817	-	-
Haryana	Hisar	Adampur (Loose)	5704	5400	304
		Adampur (Delivery)	5989	5670	319
	Bhiwani	Bhiwani (Delivery)	5938	5803	134
		Siwani (Loose)	5833	5608	225
	Sirsa	Sirsa (Loose)	5696	5448	248
		Dhabwali (Loose)	-	-	-
		Dhabwali (Delivery)	-	-	-
		Ellanabad (Loose)	5650	-	-
	Fatehabad	Fatehabad (Loose)	5483	5488	-5
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5540	5179	361
	Rajkot	Rajkot (Loose)	5688	5604	83
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11050	10275	775
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	10600	10033	567
	Sirsa	Sirsa	10960	10483	477
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	10550	10317	233

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			13th Dec to 18th Dec 2021	06th Dec to 11th Dec 2021	
Rajasthan	Jodhpur	Jodhpur	403	300	103
	Sri-Ganganagar	Sri-Ganganagar	3600	4250	-650
		Rawla	440	268	172

		Gharsana	616	50	566
		Raisinghnagar	600	290	310
	Bikaner	Bikaner	7700	7100	600
		Nokha	4100	4900	-800
		Khajuwala	2300	1650	650
		Lunkaransar	7000	5800	1200
	Hanumangarh	Hanumangarh	615	800	-185
		Nohar	0	-	-
		Pilibanga	705	-	-
	Nagaur	Nagaur	1200	1463	-263
	Churu	Churu	320	-	-
	Alwar	Alwar	210	47	163
Haryana	Hisar	Adampur	3650	5100	-1450
	Bhiwani	Bhiwani	1500	3400	-1900
		Siwani	1500	2400	-900
	Sirsa	Sirsa	6600	6800	-200
		Dhabwali	0	-	-
		Ellanabad	0	-	-
	Fatehabad	Fatehabad	510	320	190
Gujarat	Banaskantha	Deesa	220	-	-
	Patan	Patan	150	160	-10
	Rajkot	Rajkot	670	380	290
	Jamnagar	Dhrol	0	-	-
Madhya Pradesh	Gwalior	Dabra	0	-	-
Total Arrivals/Above Markets			44609	45478	-869

## Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			17-Dec-21	11-Dec-21	18-Nov-21	18-Dec-20
Rajasthan	Jodhpur	Jodhpur (Loose)	5900	5400	6250	3750
		Jodhpur(Delivery)	6195	5670	6563	3938
	Sri-Ganganagar	Sri-Ganganagar(Loose)	6100	5500	6100	3750
		Sri-Ganganagar (Delivery)	6250	5650	6250	3900
		Rawla (Loose)	5850	5500	6070	-

		Gharsana (Loose)	6100	-	6125	3700
		Raisinghnagar (Loose)	6200	6030	0	3720
	<b>Bikaner</b>	Bikaner (Loose)	5850	5700	6250	3780
		Bikaner (Delivery)	6143	5985	6563	3969
		Nokha(Loose)	5850	5550	6100	3800
		Nokha (Delivery)	6143	5828	6405	3990
		Khajuwala (Loose)	6000	5600	6000	3750
		Khajuwala (Delivery)	6300	5880	6300	3938
		Lunkaransar (Loose)	6000	5600	6200	3750
	<b>Hanumangarh</b>	Hanumangarh (Loose)	6000	5600	6300	3750
		Hanumangarh (Delivery)	6300	5880	6615	3938
		Nohar (Loose)	-	-	-	-
		Pilibanga (Loose)	5860	-	6400	-
	<b>Nagaur</b>	Nagaur (Loose)	5850	5800	6200	3725
	<b>Churu</b>	Churu (Delivery)	5520	-	-	-
	<b>Alwar</b>	Alwar (Loose)	4750	4900	-	-
<b>Haryana</b>	<b>Hisar</b>	Adampur (Loose)	5825	5300	6200	3700
		Adampur (Delivery)	6116	5565	6510	3885
	<b>Bhiwani</b>	Bhiwani (Delivery)	NR	5750	6100	3900
		Siwani (Loose)	5900	5600	6420	3925
	<b>Sirsa</b>	Sirsa (Loose)	5680	5600	6000	3720
		Dhabwali (Loose)	NR	-	-	3750
		Dhabwali (Delivery)	NR	-	-	3938
		Ellanabad (Loose)	NR	-	-	-
	<b>Fatehabad</b>	Fatehabad (Loose)	5250	5580	6325	3525
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	NA	0	0	0
	<b>Patan</b>	Patan (Loose)	5890	5250	5850	NA
	<b>Rajkot</b>	Rajkot (Loose)	5825	5575	6000	-
	<b>Jamnagar</b>	Dhrol (Loose)	NA	-	-	-
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	-	-	-	-
<b>Guar Gum</b>						
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	11500	10300	12400	6250
	<b>Alwar</b>	Alwar	-	-	-	-
	<b>Hanumangarh</b>	Nohar	-	-	-	-
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	NR	10200	12300	6250
	<b>Sirsa</b>	Sirsa	11400	10500	12300	6250



		Dhabwali	NR	-	-	6300
		Ellanabad	NR	-	-	-
	<b>Fatehabad</b>	Fatehabad	10700	10600	12700	6150

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