

Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

Jodhpur Guar seed prices remained weak this week, market witnessed overall firm arrival as compared to previous week. Guarseed likely to trade range bound with weak bias in near term.

Week ending 25th Dec, guar seed arrival in Rajasthan arrival stood at 37,005 Qtl vs 29,809 Qtl previous week, In Haryana arrival stood at 19,225 Qtl vs 13,760 Qtl previous week and in Gujarat arrival stood at 972 Qtl vs 1,040 Qtl previous week.

As on 23rd Dec 2021, data released by Baker Hughes, the number of oilrigs in USA went up by 5 to 480 compared to 475 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 support export demand which is major importer of guar. Additionally, Currently rupee against US dollar remained weak, likely to underpin guar exports.

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.

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 Noveber'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 Noveber'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. 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 Sell Guar seed future January contract near 6120 levels for a target of 6050-5800 with a stop loss at 6150.

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

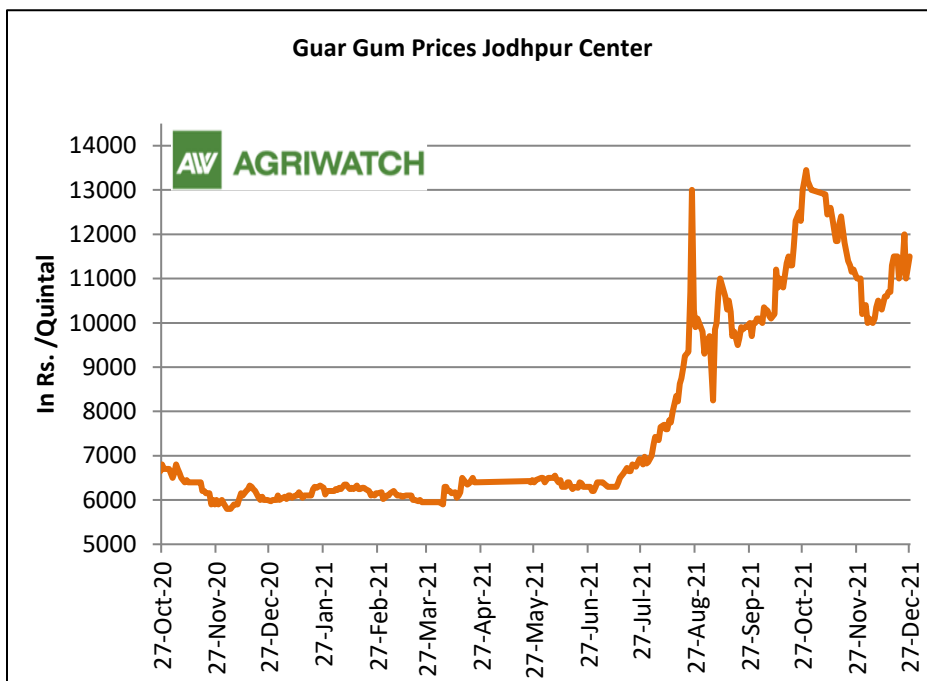
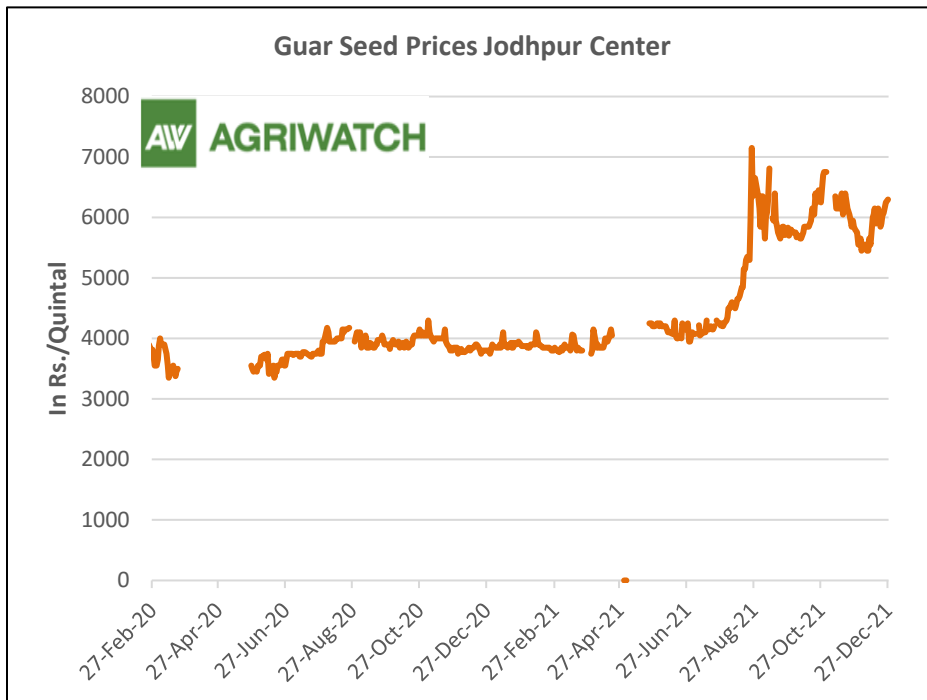
The local guar seed paid prices witnessed loss in November'21 compared to previous month. Firm arrival kept prices under pressure.

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 decreased to Rs. 5,892/ qtl. in this week against Rs.5,900/qtl firm arrival in the market kept prices under pressure.

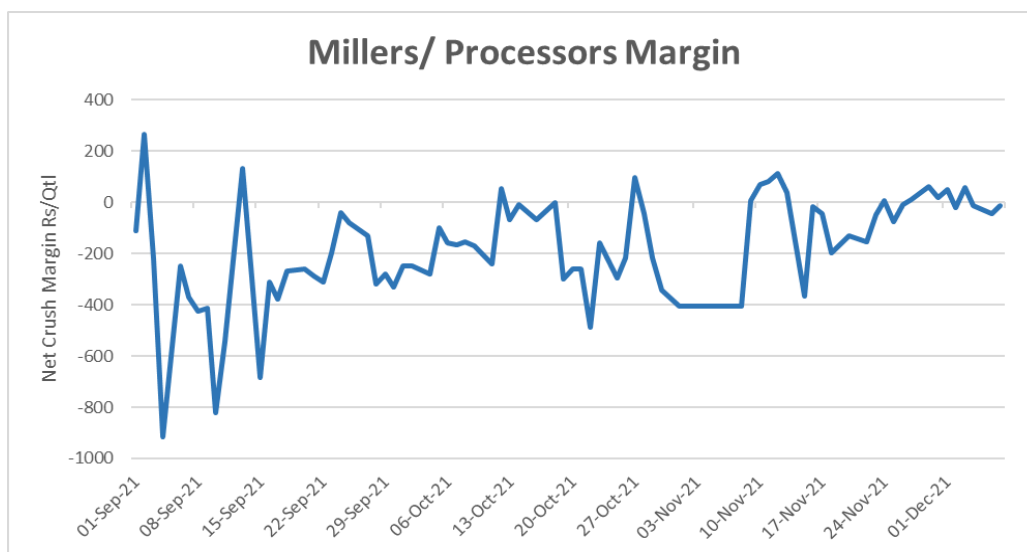
In Jodhpur, weekly average guar gum price increased to Rs 11,233 /Qtl as compared to Rs.11,050 /Qtl in previous week.

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



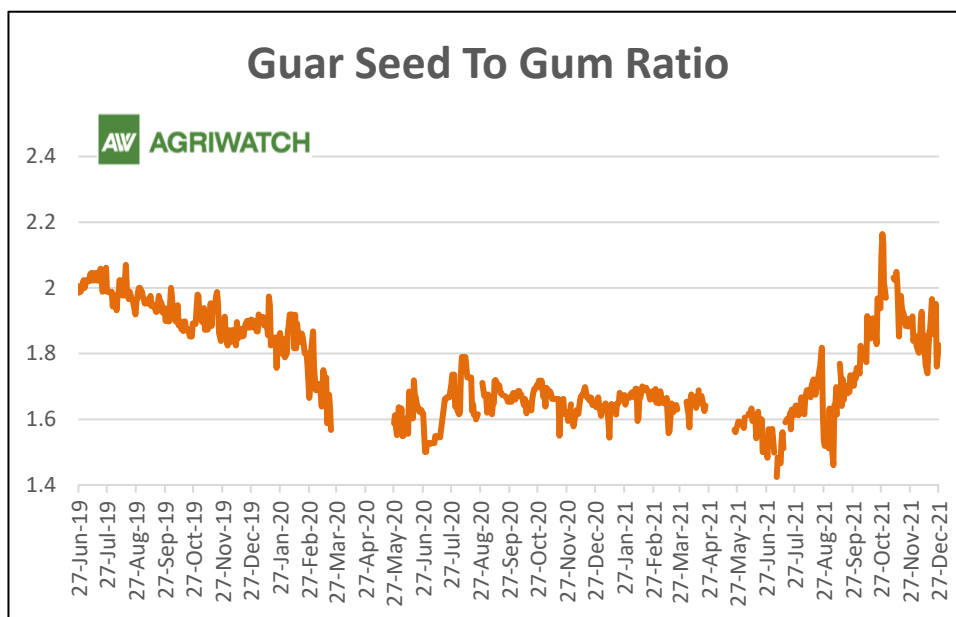
Millers/Processors Margin

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 1.85 as compared to last week 1.80. 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
Total	17466	2169

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 minor gains and remained below resistance level.
- 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 indicating firm buying strength, improved in last few trading session.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jan	6000	5800	6111	6250	6500
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Jan	Sell	6120	6050	5800	6160



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 minor loss and remained below resistance level.
- 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 indicating firm buying strength, improved in last few trading session.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jan	10500	10300	11268	11500	12000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	Sell	11300	11000	10500	11500

Guar by – Products Weekly Average Prices:				
Commodity	Centre	20th Dec to 25th Dec 2021	13th Dec to 18th Dec 2021	Change
Churi	Jodhpur	2300	2307	-7
Korma	Jodhpur	3500	3511	-11
Churi	Sri-Ganganagar	2469	-	-
Korma	Sri-Ganganagar	3681	-	-
Prices in Rs/75 kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	20th Dec to 25th Dec 2021	13th Dec to 18th 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			20th Dec to 25th Dec 2021	13th Dec to 18th Dec 2021	
Rajasthan	Jodhpur	Jodhpur (Loose)	5892	5900	-8
		Jodhpur(Delivery)	6186	6195	-9
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5932	5983	-52
		Sri-Ganganagar (Delivery)	6082	6133	-52
		Rawla (Loose)	5817	5791	26
		Gharsana (Loose)	6054	6055	-1
		Raisinghnagar (Loose)	5922	6115	-193
	Bikaner	Bikaner (Loose)	5905	5825	80
		Bikaner (Delivery)	6200	6116	84
		Nokha(Loose)	5817	5775	42
		Nokha (Delivery)	6108	6064	44
		Khajuwala (Loose)	5900	5842	58
		Khajuwala (Delivery)	6195	6134	61
		Lunkaransar (Loose)	5867	5825	42

	Hanumangarh	Hanumangarh (Loose)	5808	5833	-25
		Hanumangarh (Delivery)	6099	6125	-26
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	5725	5856	-131
	Nagaur	Nagaur (Loose)	5805	5767	38
	Churu	Churu (Delivery)	5604	5488	116
	Alwar	Alwar (Loose)	4875	4817	58
Haryana	Hisar	Adampur (Loose)	5700	5704	-4
		Adampur (Delivery)	5985	5989	-4
	Bhiwani	Bhiwani (Delivery)	-	5938	-
		Siwani (Loose)	5913	5833	79
	Sirsa	Sirsa (Loose)	5723	5696	27
		Dhabwali (Loose)	5780	-	-
		Dhabwali (Delivery)	6069	-	-
		Ellanabad (Loose)	5800	5650	150
	Fatehabad	Fatehabad (Loose)	5267	5483	-217
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5488	5540	-52
	Rajkot	Rajkot (Loose)	5688	5688	1
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11233	11050	183
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	10475	10600	-125
	Sirsa	Sirsa	11158	10960	198
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11150	10550	600

Guar Cumulative Arrivals in Key Centers:

Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
			20th Dec to 25th Dec 2021	13th Dec to 18th Dec 2021	
Guar Seed	Jodhpur	Jodhpur	275	403	-128
	Sri-Ganganagar	Sri-Ganganagar	3600	3600	Unch
		Rawla	505	440	65

		Gharsana	620	616	4
		Raisinghnagar	650	600	50
	Bikaner	Bikaner	9000	7700	1300
		Nokha	4600	4100	500
		Khajuwala	1950	2300	-350
		Lunkaransar	8600	7000	1600
	Hanumangarh	Hanumangarh	655	615	40
		Nohar	-	-	-
		Pilibanga	680	705	-25
	Nagaur	Nagaur	5100	1200	3900
	Churu	Churu	480	320	160
	Alwar	Alwar	290	210	80
Haryana	Hisar	Adampur	5300	3650	1650
	Bhiwani	Bhiwani	1800	1500	300
		Siwani	1300	1500	-200
	Sirsa	Sirsa	9600	6600	3000
		Dhabwali	300	-	300
		Ellanabad	275	-	275
	Fatehabad	Fatehabad	650	510	140
Gujarat	Banaskantha	Deesa	-	220	-220
	Patan	Patan	222	150	72
	Rajkot	Rajkot	750	670	80
	Jamnagar	Dhrol	-	-	Unch
Madhya Pradesh	Gwalior	Dabra	-	-	Unch
Total Arrivals/Above Markets			57202	44609	12593

Week on Week Price: Scenario of Guarseed and Guargum:						
Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
Guar Seed			25-Dec-21	18-Dec-21	26-Nov-21	26-Dec-20
Rajasthan	Jodhpur	Jodhpur (Loose)	6100	6000	5700	3650
		Jodhpur(Delivery)	6405	6300	5985	3833
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5970	6100	6025	3650
		Sri-Ganganagar (Delivery)	6120	6250	6175	3800
		Rawla (Loose)	5850	5850	-	-

		Gharsana (Loose)	6100	6100	-	3650
		Raisinghnagar (Loose)	5950	6200	-	3650
	Bikaner	Bikaner (Loose)	6000	5875	5850	3770
		Bikaner (Delivery)	6300	6169	6143	3959
		Nokha (Loose)	5800	5900	5750	3750
		Nokha (Delivery)	6090	6195	6038	3938
		Khajuwala (Loose)	5900	6000	5600	Closed
		Khajuwala (Delivery)	6195	6300	5880	Closed
		Lunkaransar (Loose)	6000	6000	5900	3650
	Hanumangarh	Hanumangarh (Loose)	5750	6000	6000	3650
		Hanumangarh (Delivery)	6038	6300	6300	3833
		Nohar (Loose)	NR	-	-	-
		Pilibanga (Loose)	5600	5850	-	-
	Nagaur	Nagaur (Loose)	5875	5900	-	3700
	Churu	Churu (Delivery)	6000	5520	-	-
	Alwar	Alwar (Loose)	5600	4750	-	-
Haryana	Hisar	Adampur (Loose)	5700	5850	5750	3725
		Adampur (Delivery)	5985	6143	6038	3911
	Bhiwani	Bhiwani (Delivery)	5680	-	6050	3825
		Siwani (Loose)	5925	5900	5900	3860
	Sirsa	Sirsa (Loose)	5700	5700	5750	3660
		Dhabwali (Loose)	5780	-	-	3650
		Dhabwali (Delivery)	6069	-	-	3833
		Ellanabad (Loose)	5800	-	-	-
	Fatehabad	Fatehabad (Loose)	5300	5300	5450	3550
Gujarat	Banaskantha	Deesa (Loose)	-	-	-	-
	Patan	Patan (Loose)	Closed	5650	5655	3700
	Rajkot	Rajkot (Loose)	5700	5825	5625	-
	Jamnagar	Dhrol (Loose)	-	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-	-
Guar Gum						
Rajasthan	Jodhpur	Jodhpur	11000	11500	11100	6000
	Alwar	Alwar	NR	-	-	-
	Hanumangarh	Nohar	NR	-	-	-
Haryana	Bhiwani	Bhiwani	10550	-	12300	5950
	Sirsa	Sirsa	11200	11500	10600	6000



		Dhabwali	-	-	-	6050
		Ellanabad	-	-	-	-
	Fatehabad	Fatehabad	11300	10700	10600	6000

Disclaimer

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