



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

This week Guar seed prices at Jodhpur remained firm tracking the good rally in crude oil prices and arrivals also recovered as compared to previous week. Previous week arrivals remained low due to bad weather conditions. Guar gum prices too remained firm on good demand and good rally in crude oil prices due to supply concern.

Increase in Oil Rig count continued this week too and are likely to stimulate guar gum exports

Outlook – Guar seed (Spot, Jodhpur basis):

Guar seed prices are expected to continue rally supported by good demand and firm crude oil prices. The seed prices are likely to trade in the range between 6,100 –6,300/Qtl. in the short-run.

Domestic Market Fundamentals

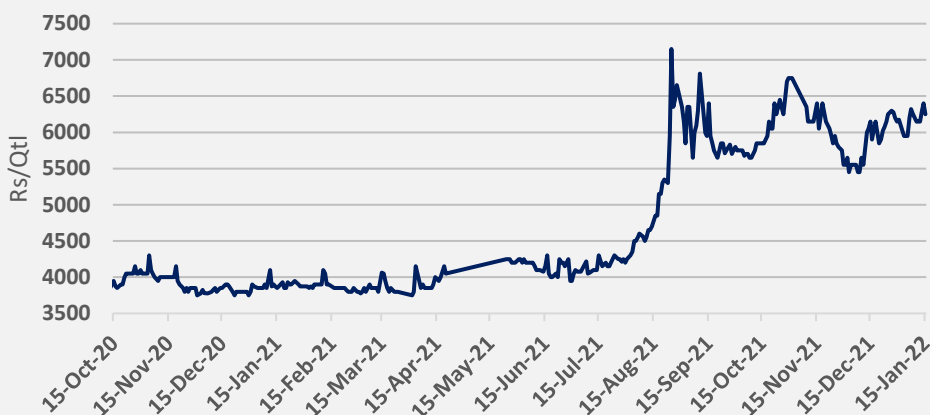
Despite recovery in arrivals, Jodhpur Guar seed delivery weekly average price remained firm this week on the back of strong rally in crude oil prices. Overall arrivals went up in Rajasthan whereas arrivals remained tight in Haryana and Gujarat.

The average weekly price of Jodhpur Guar seed delivery continued to rally and increased by 2.2% to Rs. 6,388 a quintal, compared to Rs.6,251 a week ago. The market made a low of 6,300 and high of 6,563 during the week. Prices went up on tracking good rally in crude oil prices this week which was up by 7.03%. Crude oil currently hovering above \$84/ barrel and trading near three months high on supply concerns.

The average weekly prices of Jodhpur Guar gum too continued rally and increased by 7% to Rs. 11,533 a quintal, compared to Rs.10,783 a week ago. The market made a low of 11,400 and high of 11,700 during the week.

Week ended 15th of January, Overall Guar seed arrivals went up by 55% as compared to previous week after recovery in weather condition. And arrivals went up by 18% in Rajasthan, while arrivals remained lower in Haryana and Gujarat as compared to previous week.

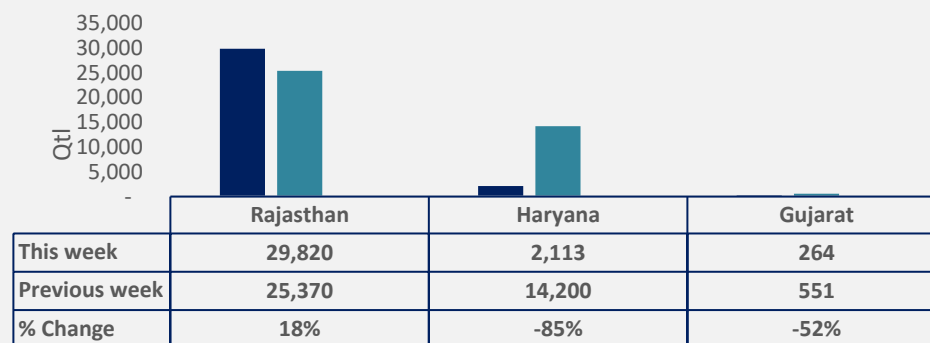
Guar Seed Prices Jodhpur Center



Guar Gum Prices Jodhpur Center



Guar Seed Arrival week ended 15th Jan Vs Previous week



■ This week ■ Previous week ■ % Change

As on 14th Jan'2021, as per data released by Baker Hughes, the number of oilrigs in USA went up by 11 to 492 compared to 481 previous week. Monthly oilrig count in Dec'21 stood at 474 vs 259 last year same period. Increase in oilrig count continued this week as well, increase in oilrig count in US likely to support export demand from there, which is India's major importer of guar products.

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. However, 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 was imported by US, Russia 4,000 tonnes, Germany 1,322 tonnes, China 1,070 tonnes, Australia 1,041 tonnes and Canada 862 tonnes. YoY good export demand has underpinned the guar prices triggered by good rally in crude oil prices and weak USD/INR.

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 went 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.

According to Rajasthan govt's 2021-22 first advance estimates, Guar seed production is pegged at 13.73 lakh tonnes vs 11.36 lakh tonne last year based on acreage at 21.13 lakh hectare as compared to 24.84 lakh hectare last year And higher yield at 650 kg/Ha vs 458 kg/Ha last year.

According to Agriwatch estimates, 2021 Guar seed production is estimated at 4.5 lakh tonnes lower than previous year at 5.83 lakh tonnes.

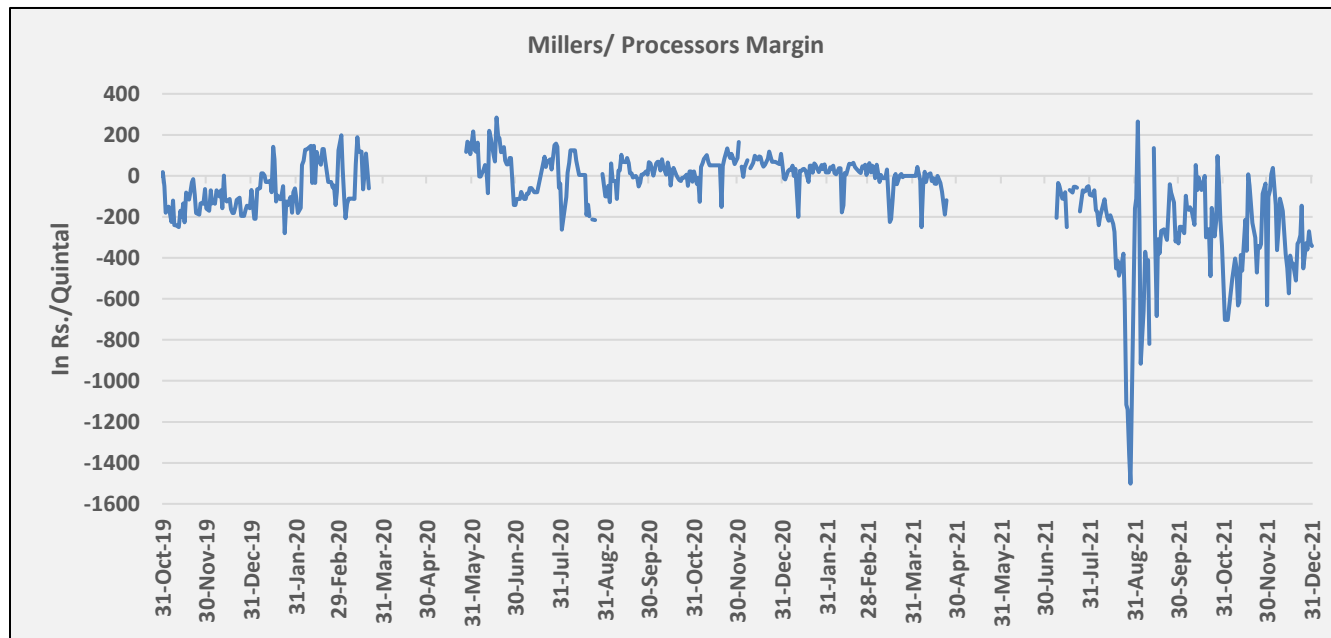
Previous Updates:

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.

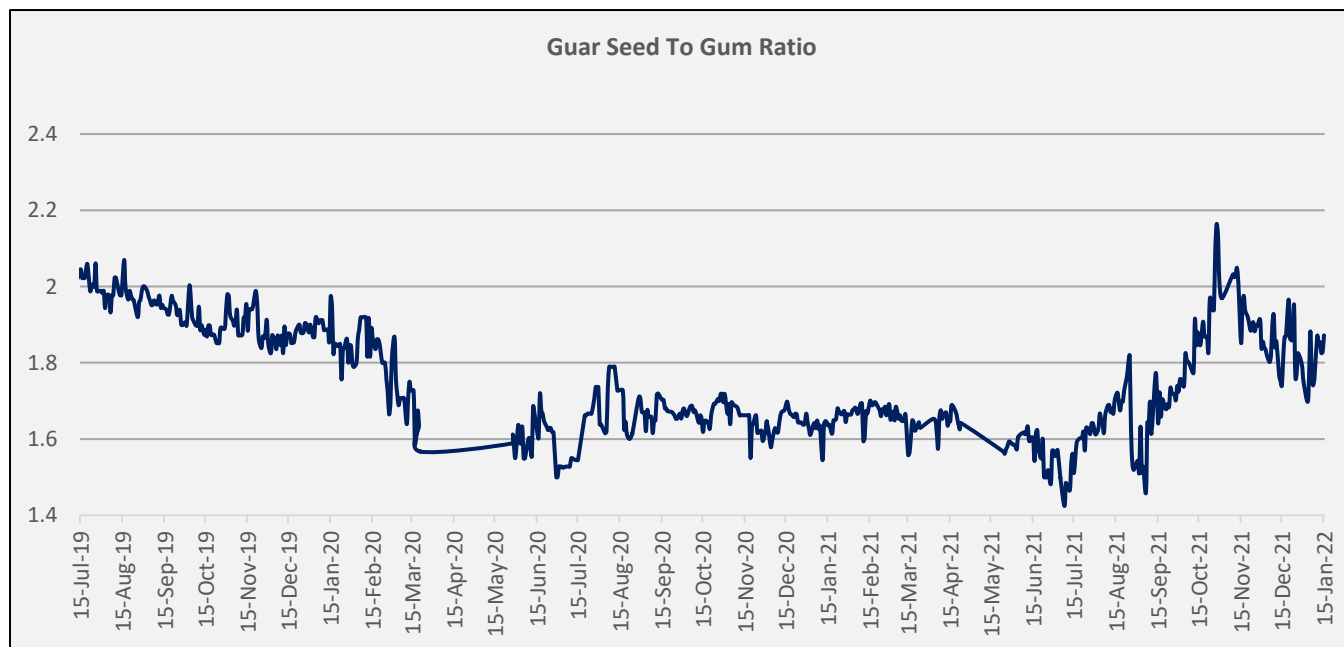
Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed has decreased in December'21 as compared to November'21, the average crush margin decreased to Rs. -283/quintal in Dec'21 compared to Rs. -114/quintal in Nov'21. Decrease in the guar product prices like churi and korma have pushed down the processors' margin.



Guar Seed to Gum Ratio

The average weekly Ratio of guar seed to gum stood at 1.85 as compared to last week 1.77. Overall, good demand of gum from domestic markets has pushed overall ratio on higher side this week.





Guar Gum Weekly Export

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)

Commodity: Guar Seed
Contract: February

Exchange: NCDEX
Expiry: February 20, 2021

Guar Seed (Feb, Daily Chart)



Technical Commentary:

- This week, Guar seed posted 1.03% loss on profit booking on Friday, closed at 6360.
- Prices closed above 9 and 18 DMA, indicating firm tone in near-term.
- MACD cross over indicating firm tone in near term.
- RSI is 57, indicating good buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Feb	6100	6000	6360	6700	6900
			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	Feb	BUY	6250	6400	6500	6150

Technical Analysis (Guar Gum)

Commodity: Guar Gum
Contract: February

Exchange: NCDEX
Expiry: February 20, 2021

Guar Gum (Feb, Daily Chart)



Technical Commentary:

- Guar gum posted 1.65% loss on profit booking and closed at 11675.
- Prices closed above 9 and 18 DMA, indicating firm tone in near-term.
- MACD cross over indicating firm tone in near term.
- RSI at 57 indicating good buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Feb	11400	11000	11675	12000	12500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Feb	BUY	11600	11700	11900	11500

Guar by – Products Weekly Average Prices:				
Commodity	Centre	10th Jan to 15th Jan 2022	1st Jan to 8th Jan 2022	Change
Churi	Jodhpur	2300	2300	Unch
Korma	Jodhpur	3500	3500	Unch
Churi	Sri-Ganganagar	2475	2475	Unch
Korma	Sri-Ganganagar	3600	3600	Unch
Prices in Rs/75 kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	10th Jan to 15th Jan 2022	1st Jan to 8th Jan 2022	Change
Guargum Split		824	820	4
Guargum Powder	200 Mesh 5000 CPS	1013	1008	5
	200 Mesh 3500 CPS	972	968	5
Guargum Meal	40%	378	376	2
	50%	554	551	3
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			10th Jan to 15th Jan 2022	1st Jan to 8th Jan 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	6083	5953	130
		Jodhpur(Delivery)	6388	6251	137
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5960	5892	68
		Sri-Ganganagar (Delivery)	6110	6042	68
		Rawla (Loose)	6131	5988	144
		Gharsana (Loose)	6120	5969	151
		Raisinghnagar (Loose)	6220	6125	95
	Bikaner	Bikaner (Loose)	6173	5931	242
		Bikaner (Delivery)	6482	6228	254
		Nokha(Loose)	6113	5838	275
		Nokha (Delivery)	6418	6129	289
		Khajuwala (Loose)	6220	5925	295
		Khajuwala (Delivery)	6531	6221	310
		Lunkaransar (Loose)	6092	5925	167
	Hanumangarh	Hanumangarh (Loose)	5880	5800	80

		Hanumangarh (Delivery)	6174	6090	84
		Nohar (Loose)	6053	5918	134
		Pilibanga (Loose)	5946	5769	177
	Nagaur	Nagaur (Loose)	5990	5950	40
	Churu	Churu (Delivery)	5980	5967	13
	Alwar	Alwar (Loose)	5520	5317	203
Haryana	Hisar	Adampur (Loose)	5958	5775	183
		Adampur (Delivery)	6256	6064	193
	Bhiwani	Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	6200	5996	204
	Sirsa	Sirsa (Loose)	5905	5718	187
		Dhabwali (Loose)	5910	5675	235
		Dhabwali (Delivery)	6206	5959	247
		Ellanabad (Loose)	5952	5875	77
	Fatehabad	Fatehabad (Loose)	5550	5375	175
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5714	5636	78
	Rajkot	Rajkot (Loose)	5842	5678	164
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11533	10783	750
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	-	-	-
	Sirsa	Sirsa	11717	11230	487
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11675	10830	845

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			10th Jan to 15th Jan 2022	1st Jan to 8th Jan 2022	
Rajasthan	Jodhpur	Jodhpur	420	350	70
	Sri-Ganganagar	Sri-Ganganagar	4300	3900	400
		Rawla	400	455	-55
		Gharsana	480	327	153
		Raisinghnagar	440	200	240

	Bikaner	Bikaner	6600	2900	3700
		Nokha	3600	1650	1950
		Khajuwala	1100	700	400
		Lunkaransar	6000	3500	2500
	Hanumangarh	Hanumangarh	350	250	100
		Nohar	2565	1408	1157
		Pilibanga	330	370	-40
	Nagaur	Nagaur	2550	1200	1350
	Churu	Churu	550	470	80
	Alwar	Alwar	135	690	-555
Haryana	Hisar	Adampur	3600	3100	500
	Bhiwani	Bhiwani	-	-	-
		Siwani	1050	700	350
	Sirsa	Sirsa	6200	3700	2500
		Dhabwali	660	358	302
		Ellanabad	715	820	-105
	Fatehabad	Fatehabad	450	320	130
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	117	118	-1
	Rajkot	Rajkot	410	310	100
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			43022	27796	15226

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