



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

This week Guar seed prices at Jodhpur remained sideways and witnessed gains amid firm arrivals. Guar gum prices too remained sideways and witnessed gains. It is likely to remain firm on good rally in crude oil prices due to supply concerns and good export demand.

WTI crude oil prices remained elevated and hovered above \$90/ barrel.

Outlook – Guar seed (Spot, Jodhpur basis):

Guar seed delivery prices are expected to trade range bound with firm bias supported by good export demand and firm crude oil prices. The Jodhpur Guar seed delivery prices are likely to trade in the range between 6,400 – 6,700/Qtl. in the short-run.

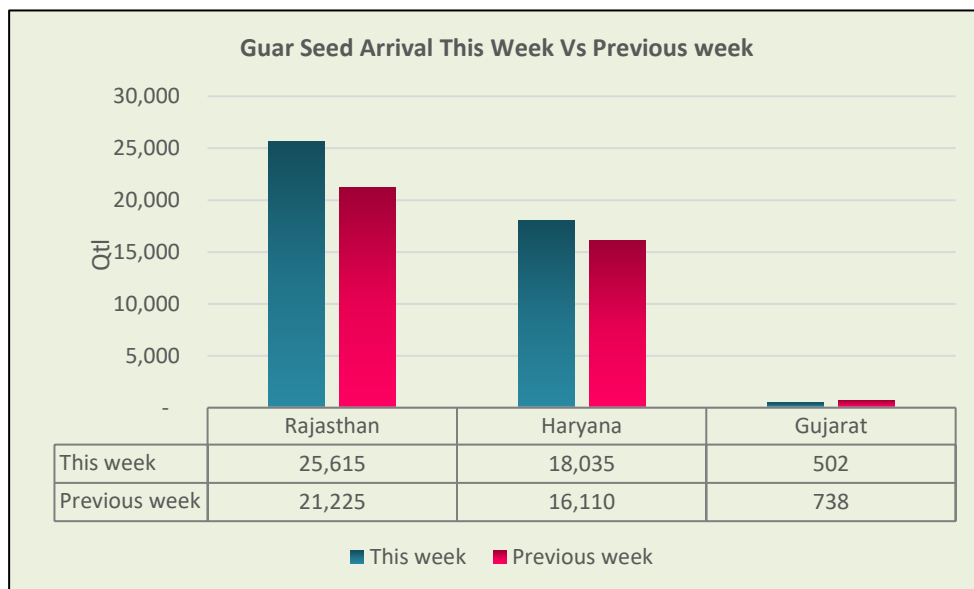
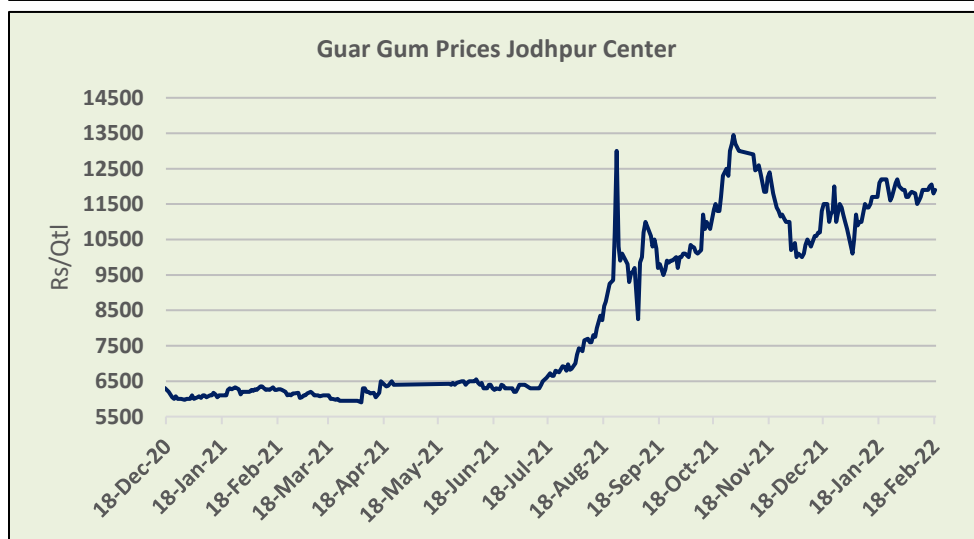
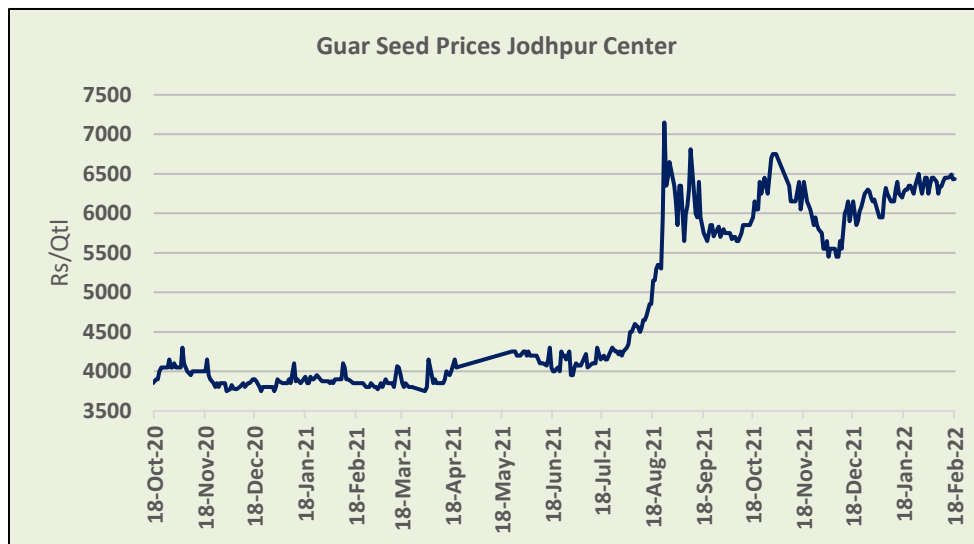
Domestic Market Fundamentals

Overall arrivals went up this week in Rajasthan and Haryana this week.

The average weekly price of Jodhpur Guar seed delivery stayed sideways and gained by 1.45% to reach Rs. 6,619 a quintal, compared to Rs.6,524 a week ago. The market made a low of 6,594 and high of 6,657 during the week. Prices remained rangebound with firm bias amid bullish WTI crude oil prices which remained above \$90/ barrel and is trading near a seven year high, on supply concerns and geo- political risks.

The average weekly prices of Jodhpur Guar gum too remained sideways and increased by 1.71% to Rs. 11,925 a quintal, compared to Rs.11,725 a week ago. The market made a low of 11,800 and high of 12,050 during the week. Guar gum prices remained elevated above 11,500 levels on firmness in crude prices.

Week ended 18th of February, Overall Guar seed arrivals went down by 16% as compared to previous week and arrivals went up by 20.68% in Rajasthan, in Haryana up by 11.95% and in Gujarat down by 32% as compared to previous week.



As on 18th Feb'2022, as per data released by Baker Hughes, the number of oilrigs in USA went up by 4 to 520 the 516 in the previous week.

India's guar gum exports decreased in the month of January 2022 by 15.43% to 21,373 tonne compared to 25,274 tonne during previous month at an average FoB of US \$2,171 per tonne as compared to US \$2,466 per tonne previous month. However, the gum shipments were up by 35.18% in Jan'2022 compared to the same period last year. Of the total exported quantity, around 6,473 tonne bought by US, Russia bought 3,519 tonnes, Germany bought 2,640 tonnes, China bought 1,282 tonnes, and Canada bought 696 tonnes.

Additionally, India's guar split exports increased in the month of Jan'2022 by 23.78% to 4,045 tonne compared to 3,268 tonne previous month at an average FoB of US \$ 1,780 per tonne compared to US \$ 1,639 per tonne previous month. However, the guar split shipments gone down by 26.61 % in Jan'22 compared to the same period last year. Of the total exported quantity, around 3,460 tonnes bought by China, US bought 500 tonnes, and Mexico bought 78 tonnes.

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

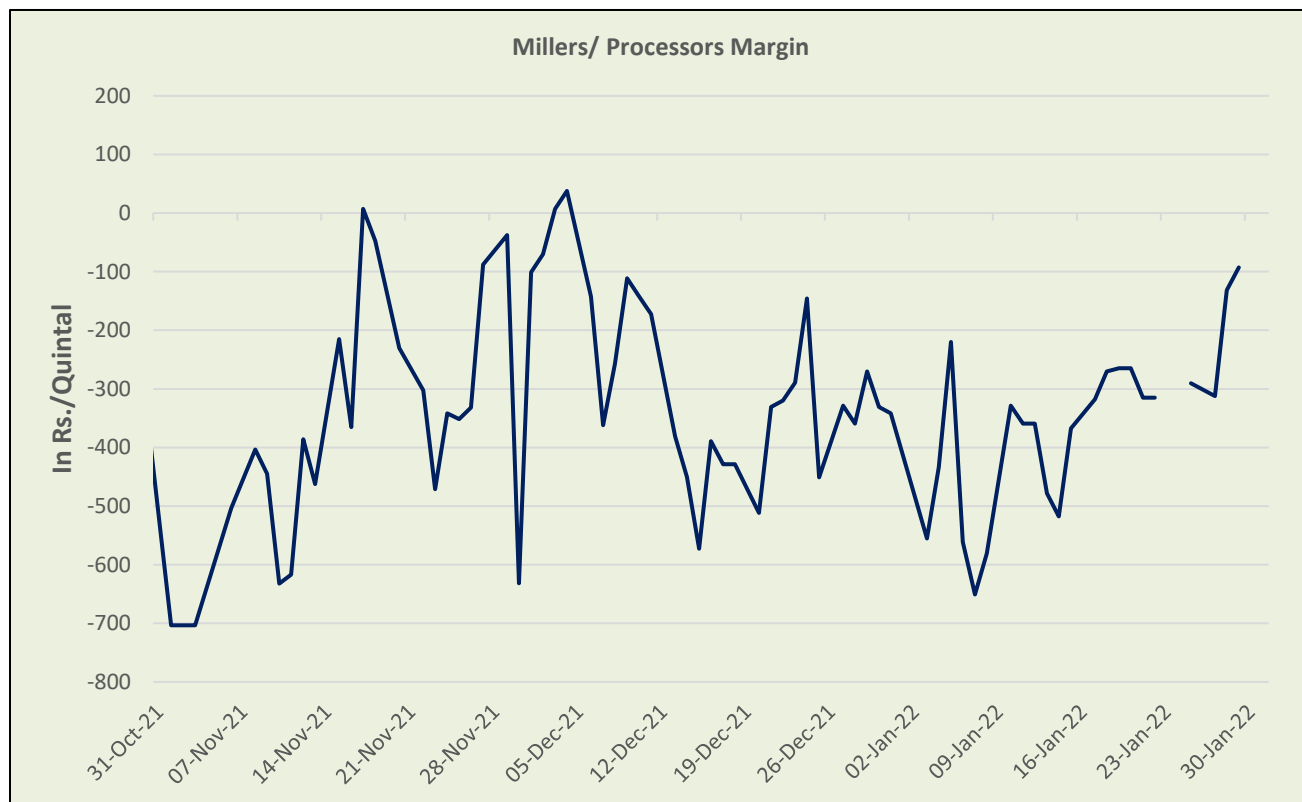
Previous Updates:

India's Guar gum exports Increased in the month of December 2021 by 44.70% to 25,274 tonnes compared to 17,466 tonnes during previous month at an average FoB of US \$ 2466 per tonne in the month of Dec'2021 as compared to US \$ 2169 per tonne previous month. Further, the gum shipments were up by 43.24% in Dec'2021 compared to the same period last year. Of the total exported quantity, around 7,671 tonnes bought by US, Russia bought 6,964 tonnes, Germany 3,092 tonnes, China 1,036 tonnes, Australia 835 tonnes and Canada 687 tonnes. YoY good export demand has underpinned the guar prices triggered by good rally in crude oil prices and weak USD/INR. In upcoming months too Guar gum exports likely to remain good.

Additionally, India's guar split exports too increased in the month of Dec'2021 by 24.73% to 3,268 tonnes compared to 2,620 tonnes previous month at an average FoB of US \$ 1,639 per tonne in the month of Dec'21 compared to US \$ 1,557 per tonne previous month. However, the guar split shipments gone up by 16.71 % in Dec'21 2021 compared to the same period last year. Of the total exported quantity, around 1,360 tonnes bought by China, US 960 tonnes, Mexico 528 tonnes and Switzerland 240 tonnes.

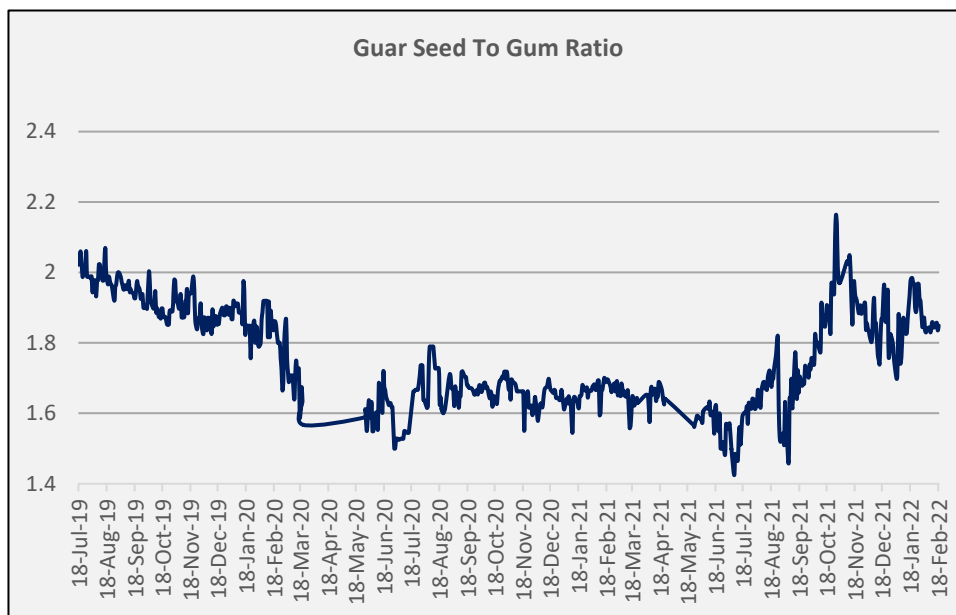
Millers/Processors Margin

As seen in the chart, the average crush margin of Guar seed had decreased in January'22 as compared to December'21, the average crush margin decreased to Rs. -363quintal in Jan'22 compared to Rs. -283/quintal in Dec'21. Lower guar product prices like churi and korma have pushed down the processors' margin. And In Feb, till 21st feb average crush margin stood at Rs -318/qtl.



Guar seed to Gum Ratio

The average weekly Ratio of Guar seed to gum stood at 1.85 as compared to last week 1.85. Overall, firm demand of gum from domestic markets has kept overall ratio on higher side.



Guar gum Weekly Export

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 January-2022	5169	2166
9-15 January-2022	4819	2214
16-22 January-2022	5849	2092
23-31 January-2022	5536	2212
Total	21373	2171

Source:Trade



Technical Analysis (Guar seed)

Commodity: Guar seed
Contract: March

Exchange: NCDEX
Expiry: March 17, 2022

Guar seed (Mar, Daily Chart)



Technical Commentary:

- This week, Guar seed remained sideways and went barely up by 0.14% , and closed at 6338, during the week Guar seed made low of 6252 and a high of 6488.
- Prices closed above 9 and 18 DMA, indicating firm tone in near-term, 100 DMA emerged as good support.
- MACD cross over indicating firm tone in near term.
- RSI above 50, indicating firm buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Mar	6100	6000	6338	6600	6700
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	Mar	BUY	Above 6300	6400	6500	6200

Technical Analysis (Guar gum)

Commodity: Guar gum
Contract: March

Exchange: NCDEX
Expiry: March 17, 2022

Guar gum (Mar, Daily Chart)



Technical Commentary:

- Guar gum remained sideways and went barely down by 0.25% and closed at 11869, during the week market made low of 11660 and a high of 12300
- Prices closed above 9 and 18 DMA, indicating firm tone in near-term.
- MACD cross over indicating firm tone in near term.
- RSI above 50 indicating good buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	Mar	11450	11300	11869	12200	12500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Mar	BUY	Near 11700	11900	12000	11500

Guar by – Products Weekly Average Prices:				
Commodity	Centre	12th Feb 22 to 18th Feb 2022	05th Feb 22 to 11th Feb 2022	Change
Churi	Jodhpur	2667	2608	58
Korma	Jodhpur	3532	3563	-31
Churi	Sri-Ganganagar	2646	2632	15
Korma	Sri-Ganganagar	3586	3584	2
Prices in Rs/75 kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	12th Feb 22 to 18th Feb 2022	05th Feb 22 to 11th Feb 2022	Change
Guargum Split		-	1597	-
Guargum Powder	200 Mesh 5000 CPS	-	1797	-
	200 Mesh 3500 CPS	-	1730	-
Guargum Meal	40%	-	532	-
	50%	-	666	-
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			12th Feb 22 to 18th Feb 2022	05th Feb 22 to 11th Feb 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	6303	6213	90
		Jodhpur(Delivery)	6619	6524	95
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5975	5967	8
		Sri-Ganganagar (Delivery)	6125	6117	8
		Rawla (Loose)	5928	5878	51
		Gharsana (Loose)	6083	5883	200
		Raisinghnagar (Loose)	6197	6058	138
	Bikaner	Bikaner (Loose)	6062	5981	81
		Bikaner (Delivery)	6365	6280	85
		Nokha(Loose)	6133	5996	138
		Nokha (Delivery)	6440	6296	144
		Khajuwala (Loose)	6071	5925	146
		Khajuwala (Delivery)	6374	6221	153
		Lunkaransar (Loose)	6050	5967	83

	Hanumangarh	Hanumangarh (Loose)	5908	5825	83
		Hanumangarh (Delivery)	6204	6116	88
		Nohar (Loose)	6050	6094	-44
		Pilibanga (Loose)	5904	5834	70
	Nagaur	Nagaur (Loose)	6058	6005	53
	Churu	Churu (Delivery)	5730	5567	163
	Alwar	Alwar (Loose)	5446	5342	104
Haryana	Hisar	Adampur (Loose)	5875	5783	92
		Adampur (Delivery)	6169	6073	96
	Bhiwani	Bhiwani (Delivery)	6033	-	-
		Siwani (Loose)	6113	6030	83
	Sirsa	Sirsa (Loose)	5858	5848	10
		Dhabwali (Loose)	5938	5818	121
		Dhabwali (Delivery)	6235	6108	127
		Ellanabad (Loose)	5955	5850	105
	Fatehabad	Fatehabad (Loose)	5715	5478	237
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5661	5743	-82
	Rajkot	Rajkot (Loose)	6015	6005	10
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11925	11725	200
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	11867	-	-
	Sirsa	Sirsa	11917	11733	183
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11990	11733	257

Guar Cumulative Arrivals in Key Centers:

Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
			12th Feb 22 to 18th Feb 2022	05th Feb 22 to 11th Feb 2022	
Guar Seed	Jodhpur	Jodhpur	660	520	140
	Sri-Ganganagar	Sri-Ganganagar	5300	5600	-300
		Rawla	290	200	90

		Gharsana	600	500	100
		Raisinghnagar	970	720	250
	Bikaner	Bikaner	3700	2700	1000
		Nokha	3150	2350	800
		Khajuwala	850	1100	-250
		Lunkaransar	4700	1300	3400
	Hanumangarh	Hanumangarh	825	660	165
		Nohar	1905	2340	-435
		Pilibanga	465	495	-30
	Nagaur	Nagaur	1265	1550	-285
	Churu	Churu	400	420	-20
	Alwar	Alwar	535	770	-235
Haryana	Hisar	Adampur	2700	3600	-900
	Bhiwani	Bhiwani	1100	200	900
		Siwani	1350	1800	-450
	Sirsa	Sirsa	9650	7400	2250
		Dhabwali	1500	1405	95
		Ellanabad	1140	1245	-105
	Fatehabad	Fatehabad	595	460	135
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	132	310	-178
	Rajkot	Rajkot	370	428	-58
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			44152	38073	6079

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