



## Guar Weekly Research Report

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## *Executive Summary*

## *Domestic Guar Seed Market Summary*

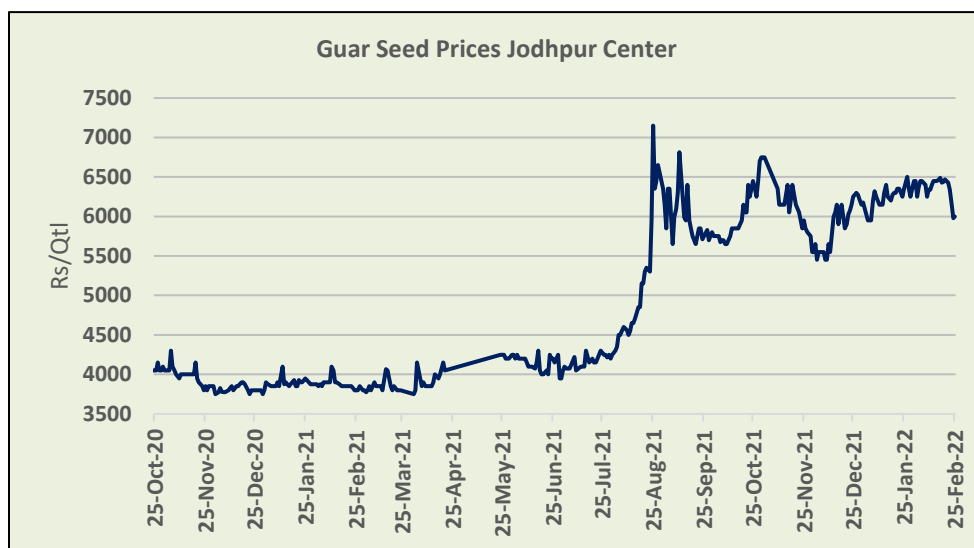
This week Guar seed prices at Jodhpur went down and witnessed loss amid steady to firm arrivals. Guar gum prices too went down. The Russia-Ukraine conflict and the following economic sanctions are likely to lower export demand and hence guar prices lower as Russia is the second largest guar importer after USA.

### **Outlook – Guar seed (Spot, Jodhpur basis):**

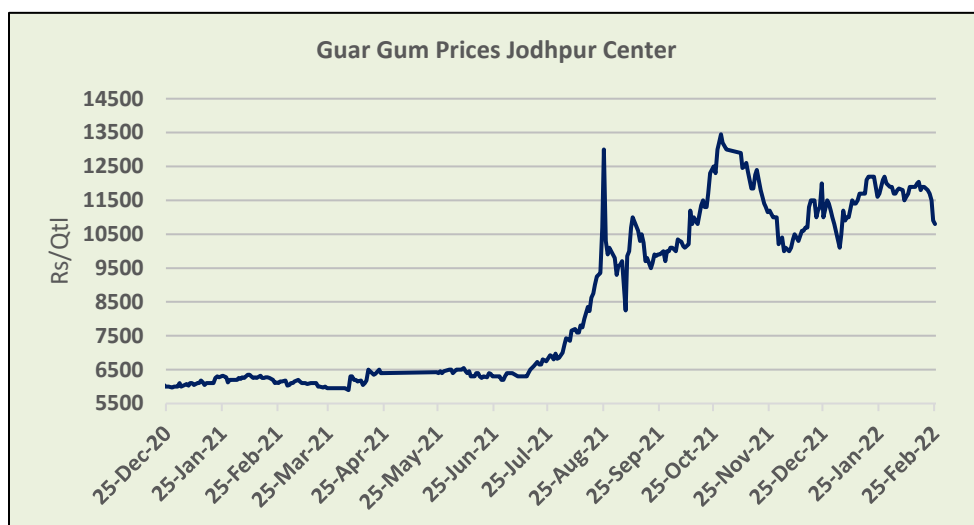
Guar seed delivery prices are expected to trade range bound with weak bias amid Russia Ukraine conflict and export demand concerns. The Jodhpur Guar seed delivery prices are likely to trade in the range between 6,000 – 6,500/Qtl. in the short-run.

## Domestic Market Fundamentals

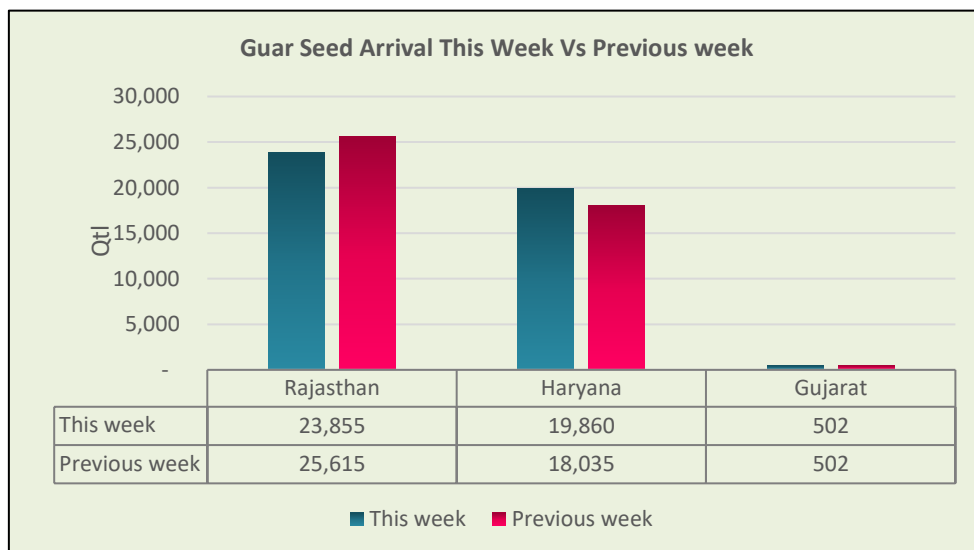
The average weekly price of Jodhpur Guar seed delivery went down and witnessed loss by 2.34% to Rs. 6,464 a quintal, compared to Rs.6,619 a week ago. The market made a low of 6,122 and high of 6,636 during the week. Prices went down following the Russian entry into Ukraine. As Russia is second largest guar importer from India.



The average weekly prices of Jodhpur Guar gum too went down and decreased by 2.45% to Rs. 11,633 a quintal, compared to Rs.11,925 a week ago. The market made a low of 10,800 and high of 11,900 during the week. Crude oil remained volatile this week amid the Russia-Ukraine conflict.



Week ended 25th of February, overall Guar seed arrivals remained steady to firm as compared to previous week and arrivals went down by 6.87% in Rajasthan, in Haryana down by 10.12% and in Gujarat arrivals remained steady as compared to previous week.



As on 25th Feb'2022, as per data released by Baker Hughes, the number of

oilrigs in USA went up by 2 to 522 as compared to previous week at 520 and 309 previous year same period.

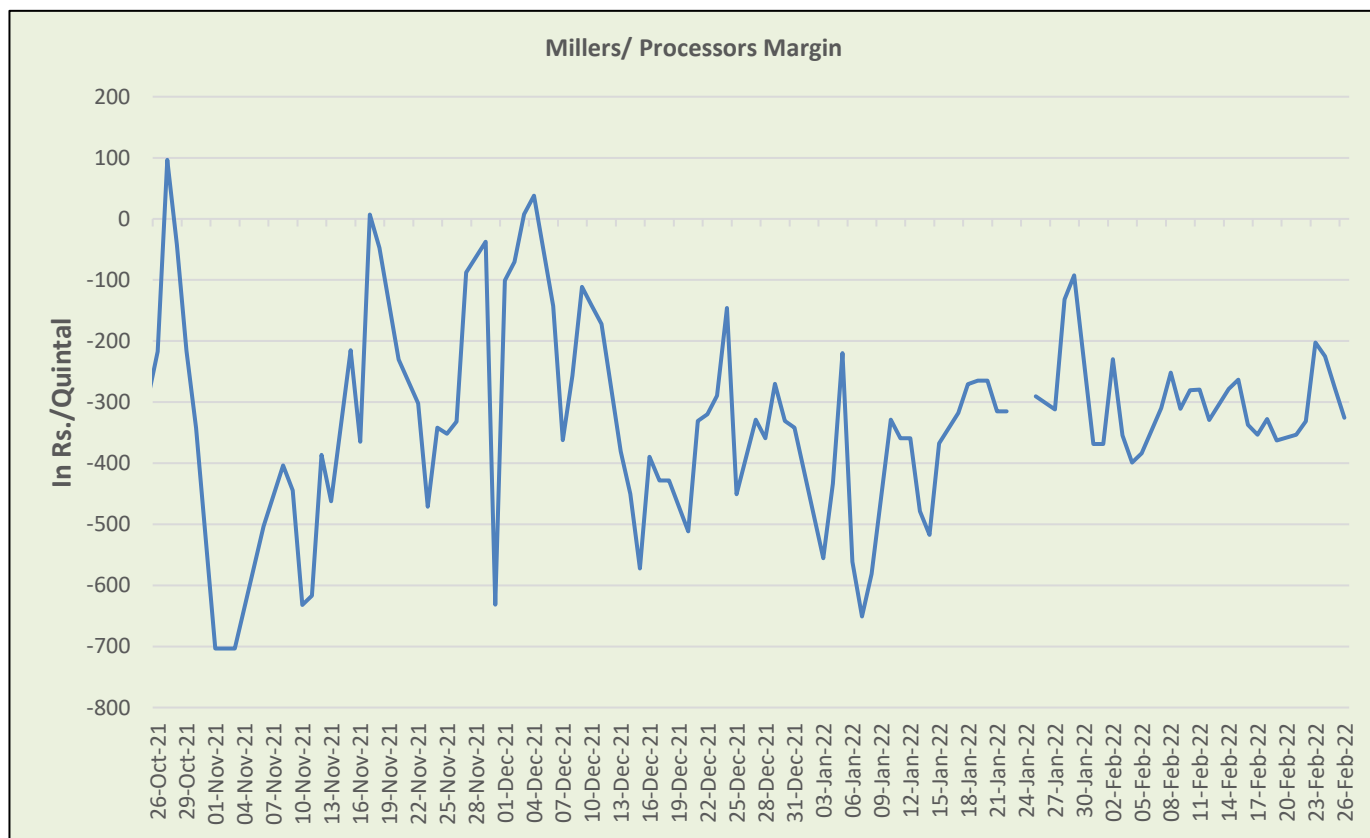
India's guar gum exports decreased in the month of January 2022 by 15.43% to 21,373 tonne compared to 25,274 tonne during previous month at an average FoB of US \$2,171 per tonne as compared to US \$2,466 per tonne previous month. However, the gum shipments were up by 35.18% in Jan'2022 compared to the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

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 tonne bought by China, US bought 500 tonne, and Mexico bought 78 tonne.

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

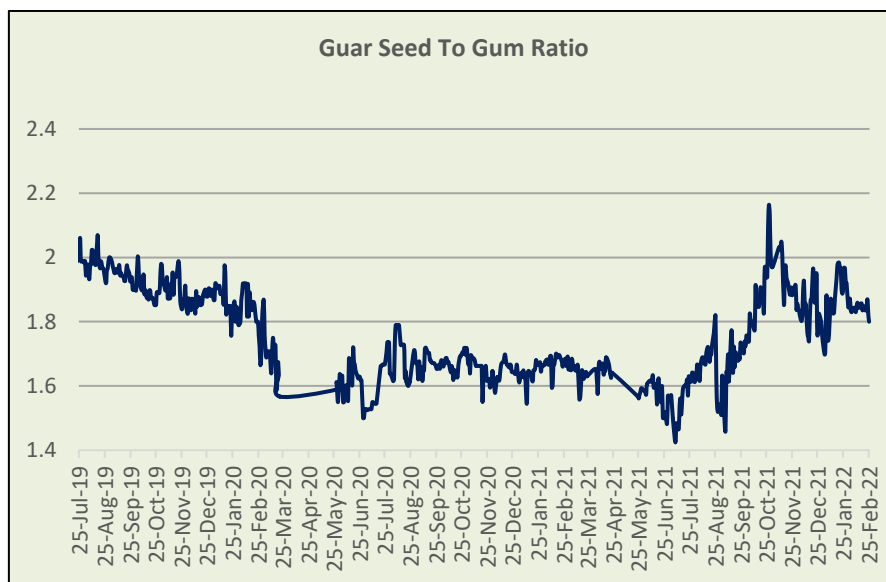
### Millers/Processors Margin

As seen in the chart, the average crush margin of Guar seed remained negative this week and increased to -285/qtl as compared to -320/qtl previous week. Lower guar product prices like churi and korma have kept down the processors' margin. In Feb'22, average crush margin is below -300/ qtl.



## Guar seed to Gum Ratio

The average weekly Ratio of Guar seed to gum stood at 1.84 as compared to last week 1.85. Overall, firm demand of gum from domestic markets has kept overall ratio on higher side. However, Russia Ukraine conflict may limit export demand from Russia in near term due to supply chain disruption and economic sanction on Russia by USA and other countries.



## Guar gum Weekly Export

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

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 went down by 6.14% , and closed at 5,949, during the week Guar seed made low of 5670 and a high of 6348.
- Prices closed below 9 and 18 DMA, indicating weak tone in near-term, 100 DMA is breached.
- MACD cross over indicating bearish tone in near term.
- RSI at 39, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Mar	5800	5700	5949	6200	6500
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	Mar	Sell	Above 6000	5900	5850	6100



## Technical Analysis (Guar gum)

Commodity: Guar gum  
Contract: March

Exchange: NCDEX  
Expiry: March 17, 2022

### Guar gum (Mar, Daily Chart)



### Technical Commentary:

- Guar gum went down by 7.77% and closed at 10947, during the week market made low of 10555 and a high of 11945
- Prices closed below 9 and 18 DMA, indicating weak tone in near-term.
- MACD cross over indicating weak tone in near term.
- RSI at 39 indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	Mar	10750	10500	10947	11300	11500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Mar	Sell	Near 11000	10900	10800	11100

## Guar by – Products Weekly Average Prices:

Commodity	Centre	19th Feb 22 to 25th Feb 2022	12th Feb 22 to 18th Feb 2022	Change
Churi	Jodhpur	2630	2667	-37
Korma	Jodhpur	3497	3532	-35
Churi	Sri-Ganganagar	2613	2646	-33
Korma	Sri-Ganganagar	3573	3586	-13
Prices in Rs/75 kg				

## Guar Export Weekly Average Prices:

Commodity	Variety	19th Feb 22 to 25th Feb 2022	12th Feb 22 to 18th Feb 2022	Change
Guargum Split		1620	-	-
Guargum Powder	200 Mesh 5000 CPS	1847	-	-
	200 Mesh 3500 CPS	1781	-	-
Guargum Meal	40%	509	-	-
	50%	629	-	-
Prices in \$/MT				

## Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			19th Feb 22 to 25th Feb 2022	12th Feb 22 to 18th Feb 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	6156	6303	-148
		Jodhpur(Delivery)	6464	6619	-155
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5960	5975	-15
		Sri-Ganganagar (Delivery)	6110	6125	-15
		Rawla (Loose)	5816	5928	-112
		Gharsana (Loose)	5921	6083	-163
		Raisinghnagar (Loose)	5933	6197	-263
	Bikaner	Bikaner (Loose)	5904	6062	-158
		Bikaner (Delivery)	6199	6365	-165



		Nokha(Loose)	5992	6133	-142
		Nokha (Delivery)	6291	6440	-149
		Khajuwala (Loose)	5867	6071	-204
		Khajuwala (Delivery)	6160	6374	-214
		Lunkaransar (Loose)	5925	6050	-125
	Hanumangarh	Hanumangarh (Loose)	5733	5908	-175
		Hanumangarh (Delivery)	6020	6204	-184
		Nohar (Loose)	5945	6050	-105
		Pilibanga (Loose)	5743	5904	-161
	Nagaur	Nagaur (Loose)	5938	6058	-121
	Churu	Churu (Delivery)	5692	5730	-38
	Alwar	Alwar (Loose)	5542	5446	96
Haryana	Hisar	Adampur (Loose)	5800	5875	-75
		Adampur (Delivery)	6090	6169	-79
	Bhiwani	Bhiwani (Delivery)	5983	6033	-50
		Siwani (Loose)	5950	6113	-163
	Sirsa	Sirsa (Loose)	5658	5858	-200
		Dhabwali (Loose)	5842	5938	-96
		Dhabwali (Delivery)	6134	6235	-101
		Ellanabad (Loose)	5862	5955	-93
	Fatehabad	Fatehabad (Loose)	5592	5715	-123
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5691	5661	30
	Rajkot	Rajkot (Loose)	5930	6015	-85
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11633	11925	-292
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	11617	11867	-250
	Sirsa	Sirsa	11500	11917	-417
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11633	11990	-357

**Guar Cumulative Arrivals in Key Centers:**

Commodity	District	Centre	Weekly Arrivals (Quintals)	Change
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Guar Seed			19th Feb 22 to 25th Feb 2022	12th Feb 22 to 18th Feb 2022	
Rajasthan	Jodhpur	Jodhpur	775	660	115
	Sri-Ganganagar	Sri-Ganganagar	3500	5300	-1800
		Rawla	290	290	Unch
		Gharsana	415	600	-185
		Raisinghnagar	735	970	-235
	Bikaner	Bikaner	3100	3700	-600
		Nokha	3300	3150	150
		Khajuwala	1100	850	250
		Lunkaransar	4200	4700	-500
	Hanumangarh	Hanumangarh	915	825	90
		Nohar	2140	1905	235
		Pilibanga	1260	465	795
	Nagaur	Nagaur	915	1265	-350
	Churu	Churu	515	400	115
	Alwar	Alwar	695	535	160
Haryana	Hisar	Adampur	2700	2700	Unch
	Bhiwani	Bhiwani	1150	1100	50
		Siwani	2000	1350	650
	Sirsa	Sirsa	9400	9650	-250
		Dhabwali	1575	1500	75
		Ellanabad	735	1140	-405
	Fatehabad	Fatehabad	2300	595	1705
Gujarat	Banaskantha	Deesa	120	0	120
	Patan	Patan	132	132	Unch
	Rajkot	Rajkot	250	370	-120
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	30	-	30
Total Arrivals/Above Markets			44247	44152	95

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