



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 and low arrivals due to low prices. Guar gum prices too went down. Russia Ukraine conflict continue to push guar prices lower as Russia is second largest guar importer after USA, economic sanctions by USA, EU and UK on Russia and supply chain disruptions may affect guar export in near term. However, higher Crude Prices will push more oil rigs to start functioning in other places and raise demand again.

Outlook – Guar seed (Spot, Jodhpur basis):

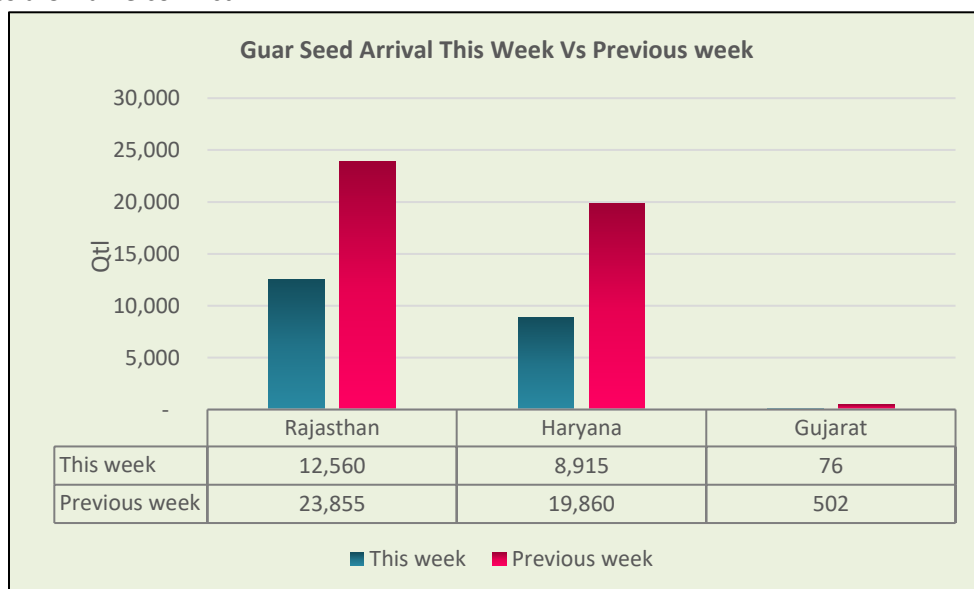
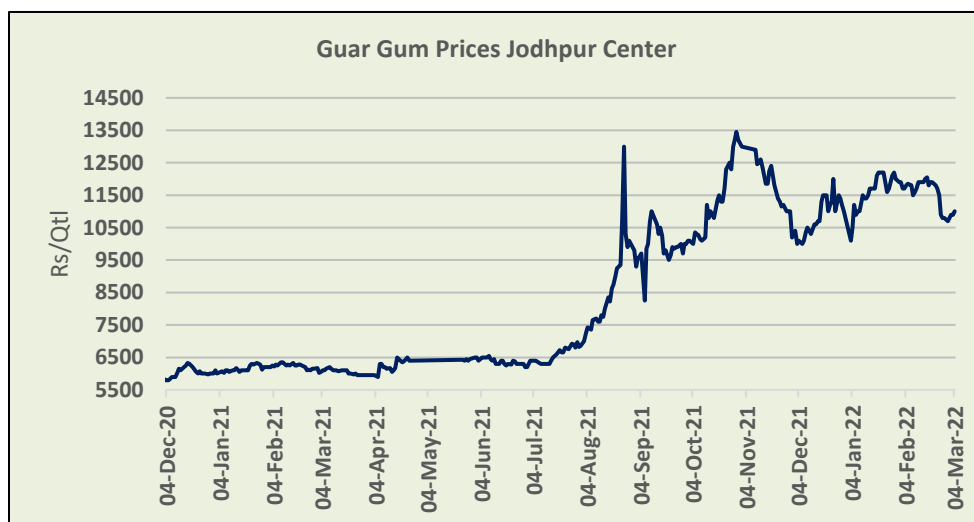
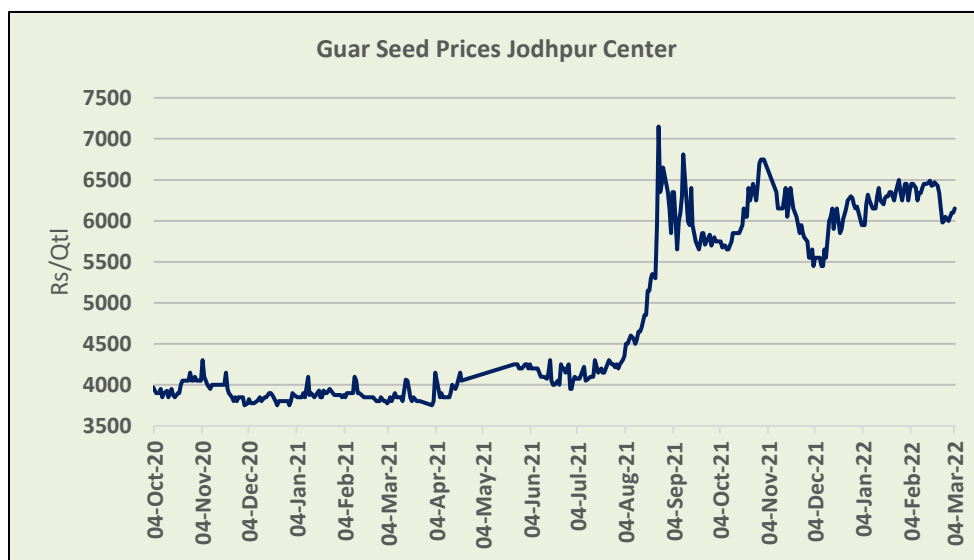
Guar seed delivery prices are expected to trade range bound with weak bias amid Russia Ukraine conflict and export demand concern. The Jodhpur Guar seed delivery prices are likely to trade in the range between 6,000 – 6,500/Qtl. in the short-run.

Domestic Market Fundamentals

The average weekly price of Jodhpur Guar seed delivery continued downward movement this week too and went down by 3.67% to Rs. 6,227 a quintal, compared to Rs.6,464 a week ago. The market made a low of 6,143 and high of 6,300 during the week. Prices went down amid uncertainty on guar export to Russia. As Russia is second largest guar importer from India.

The average weekly prices of Jodhpur Guar gum too went down and decreased by 6.65% to Rs. 10,860 a quintal, compared to Rs.11,633 a week ago. The market made a low of 10,700 and high of 11,000 during the week. Crude oil remained volatile this week amid and hovered at record high at \$115/ barrel amid Russia Ukraine conflict.

Week ended 04th of March, Overall Guar seed arrivals went down on low prices as compared to previous week and arrivals went down by 47.35 % in Rajasthan, in Haryana down by 55% and in Gujarat arrivals went down by 84% as compared to previous week.



As on 04th Mar'2022, as per data released by Baker Hughes, the number of oilrigs in USA went up by 3 to 519 as compared to previous week at 522.

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.

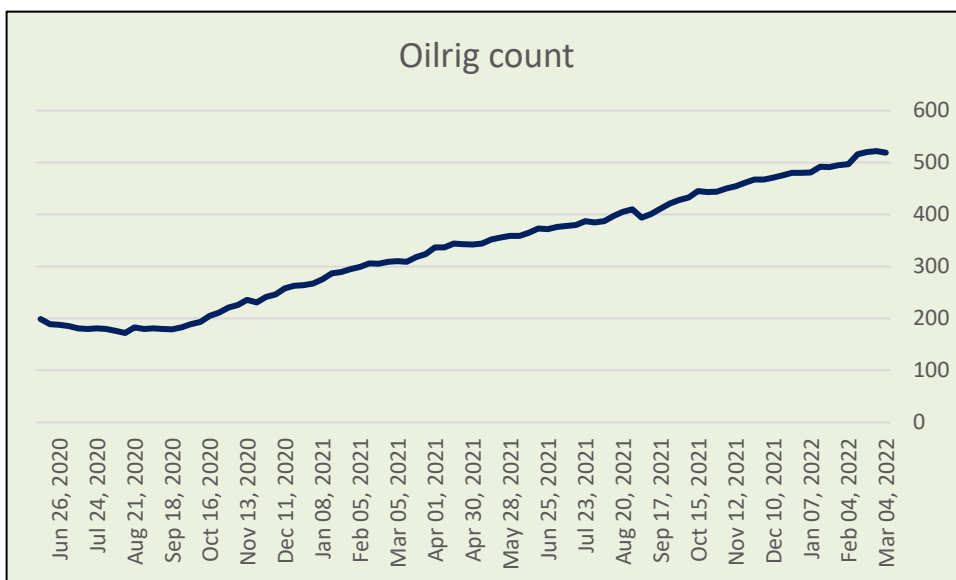
Additionally, India's guar split exports increased in the month of Jan'2022 by 23.78% to 4,045 tonne compared to 3,268 tonne previous month at an average FoB of US \$ 1,780 per tonne compared to US \$ 1,639 per tonne previous month. However, the guar split shipments gone down by 26.61 % in Jan'22 compared 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.

Previous months exports:

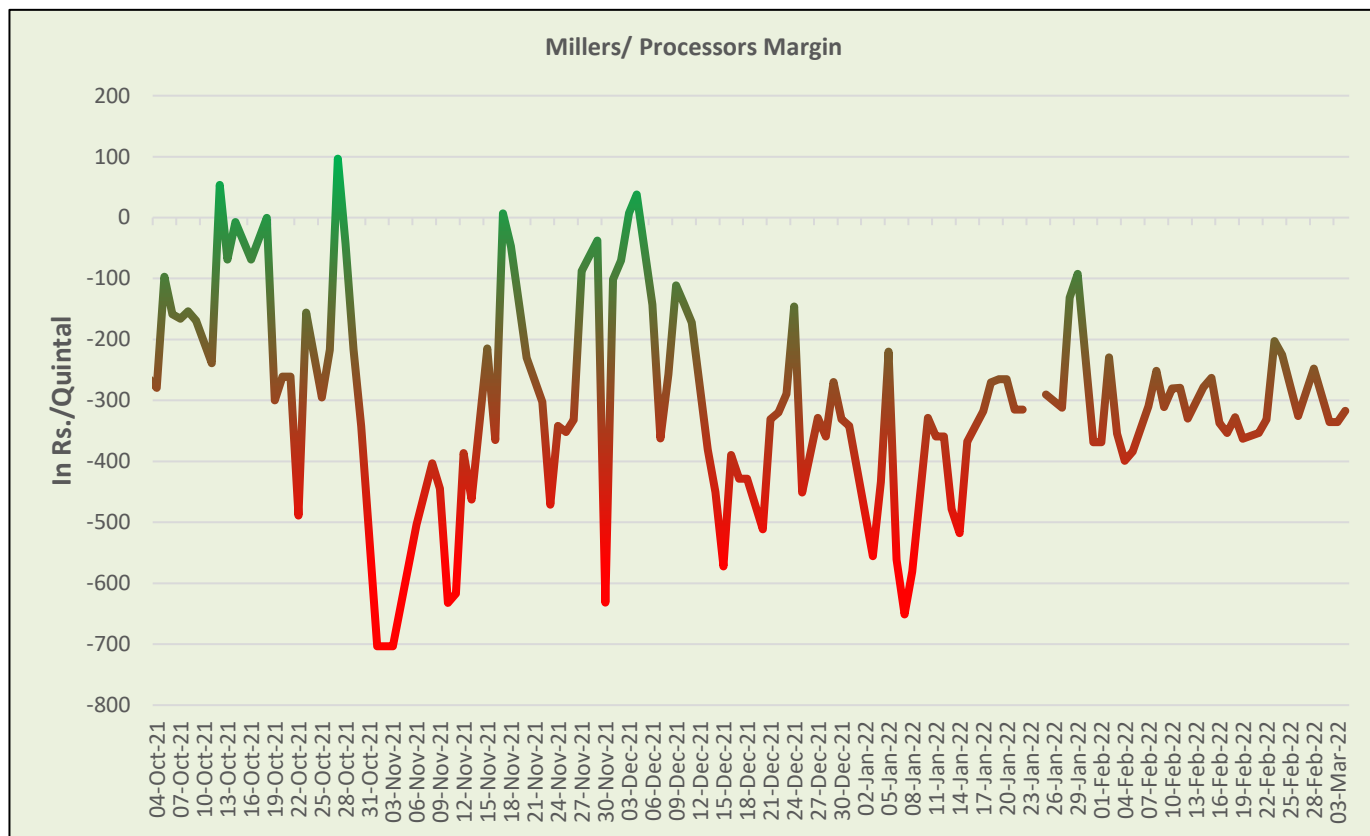
India's Guar gum exports Increased in the month of December 2021 by 44.70% to 25,274 tonnes compared to 17,466 tonnes during previous month at an average FoB of US \$ 2466 per tonne in the month of Dec'2021 as compared to US \$ 2169 per tonne previous month. Further, the gum shipments were up by 43.24% 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.



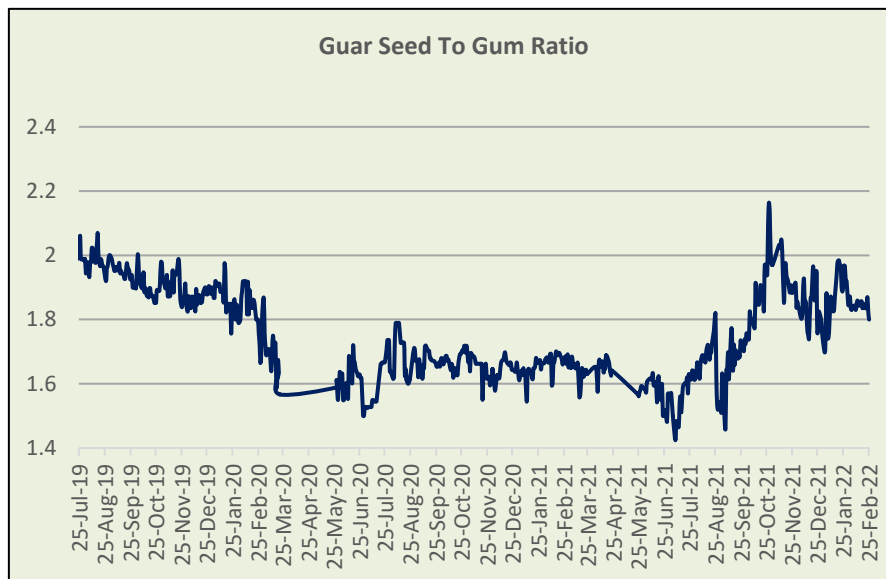
Millers/Processors Margin

This week, the average crush margin of Guar seed has decreased to -312/qtl as compared to previous week at -291/qtl. In Feb'22 too average crush margin remained low at -307/ qtl. Lower 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 1.79 as compared to last week 1.84. Overall, weak demand of gum from markets has pushed ratio on lower side. 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 European countries.



Guar gum Weekly Export

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 Janyary-2022	5169	2166
9-15 Janyary-2022	4819	2214
16-22 Janyary-2022	5849	2092
23-31 Janyary-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 rebounded from support level but went barely up by 0.52% , and closed at 5,980, during the week Guar seed made low of 5757 and a high of 6044.
- Prices closed below 9, 18 and 100 DMA, indicating weak tone in near-term,
- MACD cross over indicating bearish tone in near term.
- RSI at near 40, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Mar	5800	5700	5980	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 0.87% and closed at 10852, during the week market made low of 10478 and a high of 11062.
- Prices closed below 9 and 18 DMA, indicating weak tone in near-term.
- MACD cross over indicating weak tone in near term.
- RSI at near 4 indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	Mar	10750	10500	10582	11200	11300
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Mar	Sell	Near 11000	10800	10700	11100

Guar by – Products Weekly Average Prices:

Commodity	Centre	26th Feb 22 to 4th Mar 2022	19th Feb 22 to 25th Feb 2022	Change
Churi	Jodhpur	2606	2630	-24
Korma	Jodhpur	3468	3497	-29
Churi	Sri-Ganganagar	2638	2613	25
Korma	Sri-Ganganagar	3595	3573	22

Prices in Rs/75 kg

Guar Export Weekly Average Prices:

Commodity	Variety	26th Feb 22 to 4th Mar 2022	19th Feb 22 to 25th Feb 2022	Change
Guargum Split		1483	1620	-137
Guargum Powder	200 Mesh 5000 CPS	1734	1847	-114
	200 Mesh 3500 CPS	1668	1781	-113
Guargum Meal	40%	529	509	21
	50%	622	629	-7

Prices in \$/MT

Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			26th Feb 22 to 4th Mar 2022	19th Feb 22 to 25th Feb 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	5930	6156	-226
		Jodhpur(Delivery)	6227	6464	-237
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5825	5960	-135
		Sri-Ganganagar (Delivery)	5975	6110	-135
		Rawla (Loose)	5559	5816	-257
		Gharsana (Loose)	5644	5921	-277
		Raisinghnagar (Loose)	5563	5933	-370
	Bikaner	Bikaner (Loose)	5730	5904	-174
		Bikaner (Delivery)	6017	6199	-183
		Nokha(Loose)	5710	5992	-282
		Nokha (Delivery)	5996	6291	-296
		Khajuwala (Loose)	5683	5867	-183
		Khajuwala (Delivery)	5968	6160	-193
		Lunkaransar (Loose)	5733	5925	-192

	Hanumangarh	Hanumangarh (Loose)	5570	5733	-163
		Hanumangarh (Delivery)	5849	6020	-172
		Nohar (Loose)	5761	5945	-184
		Pilibanga (Loose)	5330	5743	-413
	Nagaur	Nagaur (Loose)	5730	5938	-208
	Churu	Churu (Delivery)	5550	5692	-142
	Alwar	Alwar (Loose)	5291	5542	-251
Haryana	Hisar	Adampur (Loose)	5660	5800	-140
		Adampur (Delivery)	5943	6090	-147
	Bhiwani	Bhiwani (Delivery)	5613	5983	-371
		Siwani (Loose)	5740	5950	-210
	Sirsa	Sirsa (Loose)	5465	5658	-193
		Dhabwali (Loose)	5548	5842	-294
		Dhabwali (Delivery)	5825	6134	-308
		Ellanabad (Loose)	5371	5862	-491
	Fatehabad	Fatehabad (Loose)	5340	5592	-252
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	5500	5691	-191
	Rajkot	Rajkot (Loose)	5665	5930	-265
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	10860	11633	-773
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	10588	11617	-1029
	Sirsa	Sirsa	10820	11500	-680
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	10840	11633	-793

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			26th Feb 22 to 4th Mar 2022	19th Feb 22 to 25th Feb 2022	
Rajasthan	Jodhpur	Jodhpur	430	775	-345
	Sri-Ganganagar	Sri-Ganganagar	2800	3500	-700
		Rawla	270	290	-20

		Gharsana	230	415	-185
		Raisinghnagar	615	735	-120
	Bikaner	Bikaner	1600	3100	-1500
		Nokha	1150	3300	-2150
		Khajuwala	310	1100	-790
		Lunkaransar	1050	4200	-3150
	Hanumangarh	Hanumangarh	570	915	-345
		Nohar	685	2140	-1455
		Pilibanga	340	1260	-920
	Nagaur	Nagaur	630	915	-285
	Churu	Churu	1450	515	935
	Alwar	Alwar	430	695	-265
Haryana	Hisar	Adampur	1900	2700	-800
	Bhiwani	Bhiwani	420	1150	-730
		Siwani	1750	2000	-250
	Sirsa	Sirsa	3000	9400	-6400
		Dhabwali	840	1575	-735
		Ellanabad	405	735	-330
	Fatehabad	Fatehabad	600	2300	-1700
Gujarat	Banaskantha	Deesa	-	120	-
	Patan	Patan	36	132	-96
	Rajkot	Rajkot	40	250	-210
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	30	-
Total Arrivals/Above Markets			21551	44247	-22696

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