



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

Guar seed weekly average prices at Jodhpur (delivery prices) continued downtrend and went downside by 1.89% to INR. 6,545/qtl. Guar gum prices also remained weak and went down by 2.74% at INR. 12,125 /Qtl during the week under review.

Oil rig count increased this week by 5 to 557, Crude oil prices traded with firm sentiments at \$104.69/ barells.

Monsoon can arrive in Kerala India anytime after May 20, which will knock about 10 days ahead of its time this time.

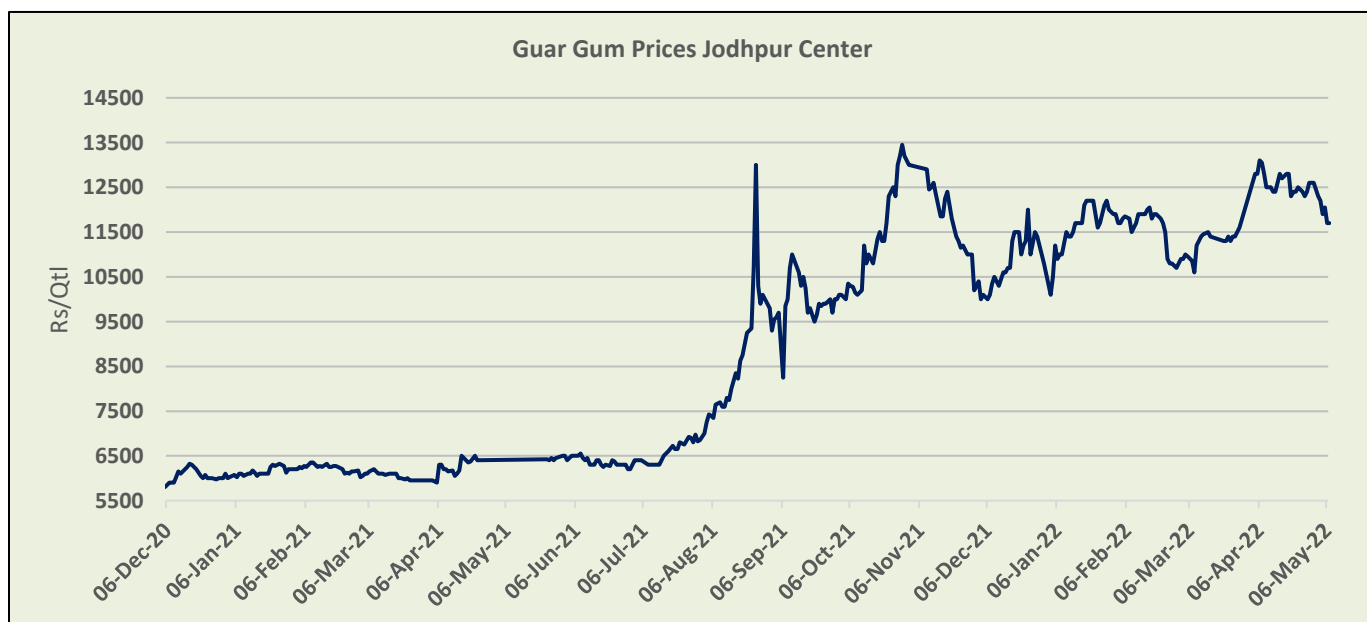
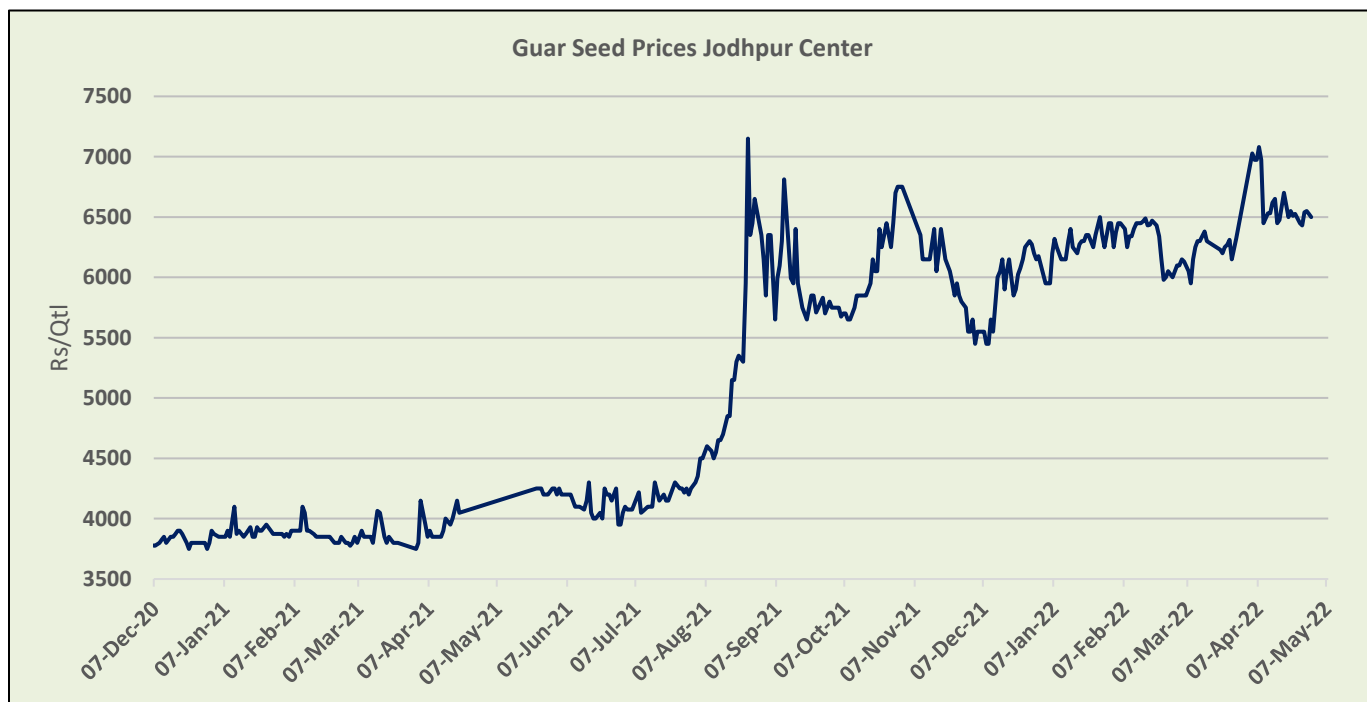
The onset of monsoon in Kerala usually occurs around June 1. IMD has indicated this effect through its latest Extended Range Forecasting (ERF) using Multi-Modal Extended Range Prediction System (MMERPS) developed at IITM (Indian Institute of Tropical Meteorology Pune), Pune.

Outlook – Guar seed (Spot, Jodhpur basis):

Guar seed - prices are expected to continue downtrend, However good demand at lower level may support prices. The Jodhpur Guar seed delivery prices are likely to trade in the range between INR 6,200 –6,500/Qtl. in the short-run. And Guar gum is expected to trade in the range of 11,500-12,000/qtl in near term.

Domestic Market Fundamentals

Guar seed Jodhpur delivery weekly average prices remained weak and continued downtrend and went downside by 1.89% to INR.6,545/qtl as compared to previous week's at INR 6,671/qtl. There is sluggish demand in the cash market during the week at current level and currently trading at multi week low. Normal monsoon forecast and expectation of higher sowing area in the coming season keeping prices lower but export demand may support prices. Currently, prices are higher by about 55% y/y due to lower production, multi-year lower stocks and good export demand. The US oil rig count is also higher at 557 up by about 5 compared to previous week.



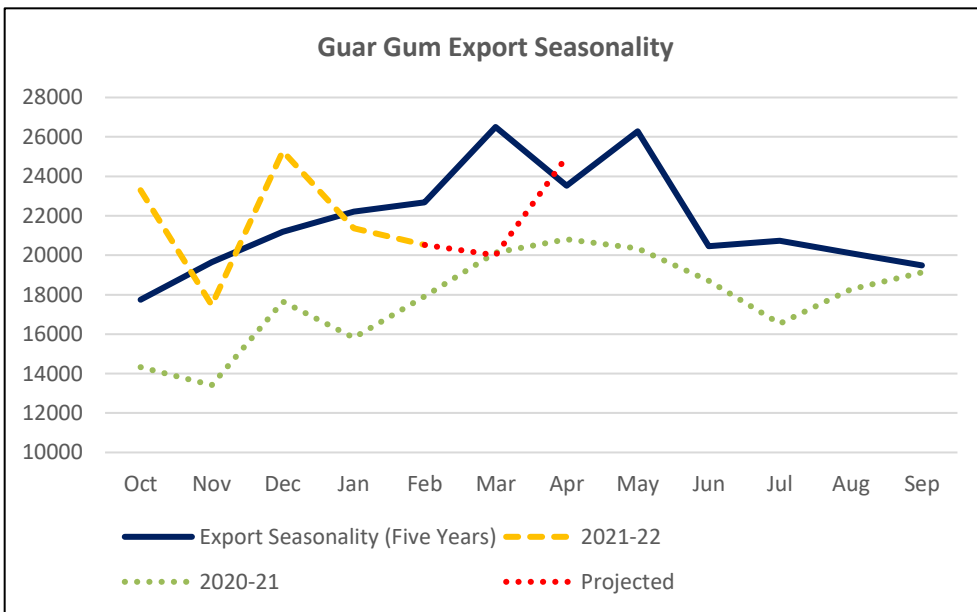
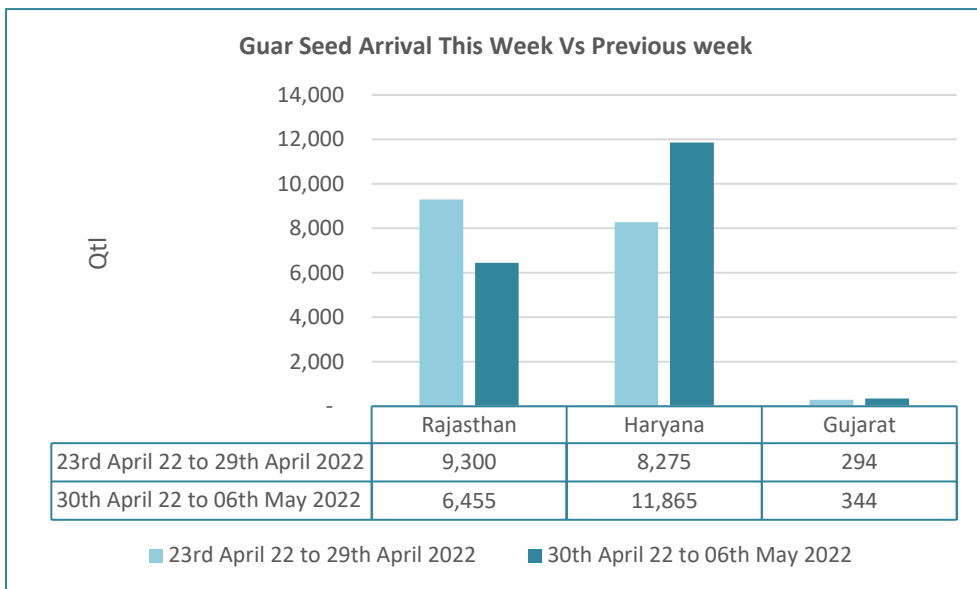
During the week under review average weekly prices of guar gum at Jodhpur too remained weak and went down by 2.74% at INR 12,125/qtl. However, WTI crude oil prices remained volatile during the week and closed up by 5.61% and closed at \$104.69/ barrels. Processing plants are still running in disparity on low churi korma prices.

Overall Guar seed arrivals recorded up during the week under review by 4.45% as compared to previous week. Arrivals went down by 30% in Rajasthan, while in Haryana and Gujarat arrivals went up by 43% and 17% respectively as compared to previous week.

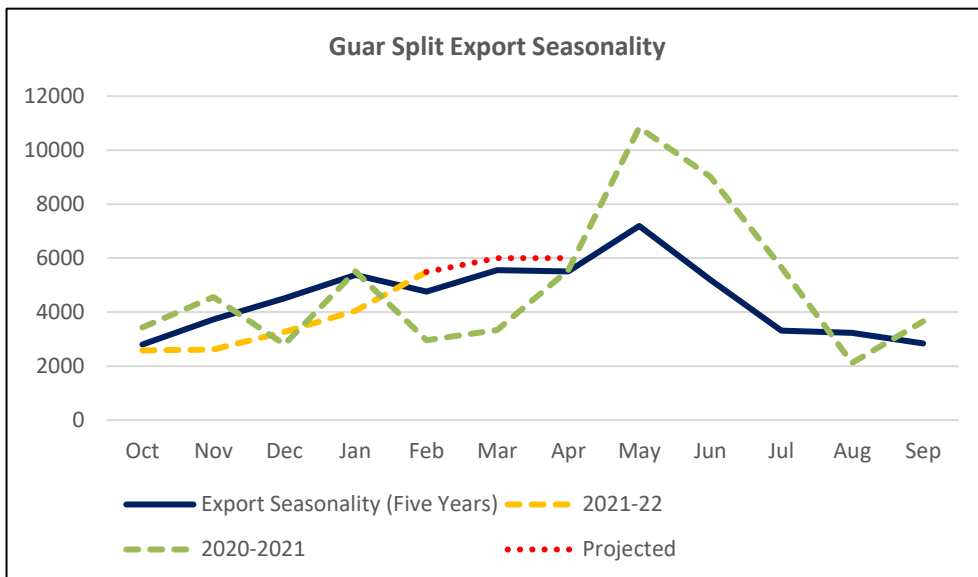
Overall, India's guar export in Oct'21-Feb'22 is up by 28% to 1,25,921 MT as compared to 98,379 MT same period last year. Increase in oilrig count and weak Indian currency supported export demand.

India's guar gum exports decreased in the month of February 2022 by 4% to 20,518 MT compared to 21,373 MT during previous month at an average FoB of US \$2,326 per MT as compared to US \$2,171 per MT previous month. However, the gum shipments were up by 14.53% in Feb'2022 compared to the same period last year. Out of the total

exported quantity, around 6,406 MT (31.22%) bought by US, Russia bought 3,579 MT (17.44%), Germany 2,356 MT (11.48%), China 1,230 MT (5.99%), and Canada 897 MT (4.37%) respectively.

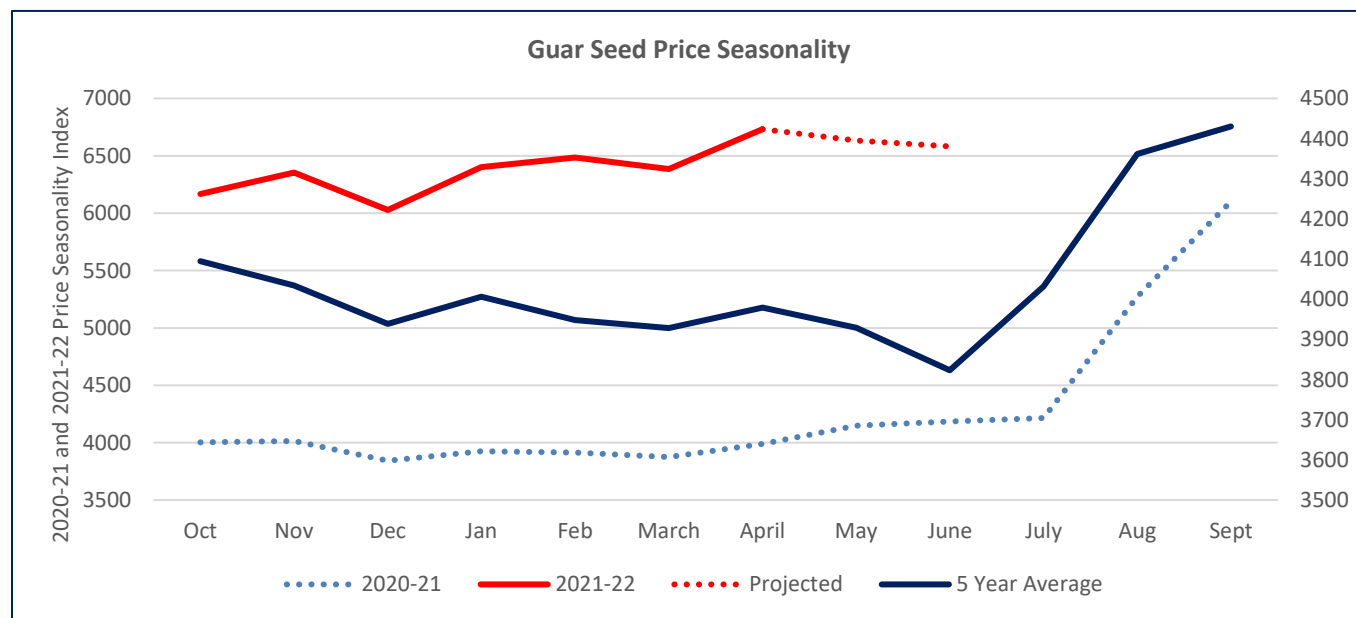


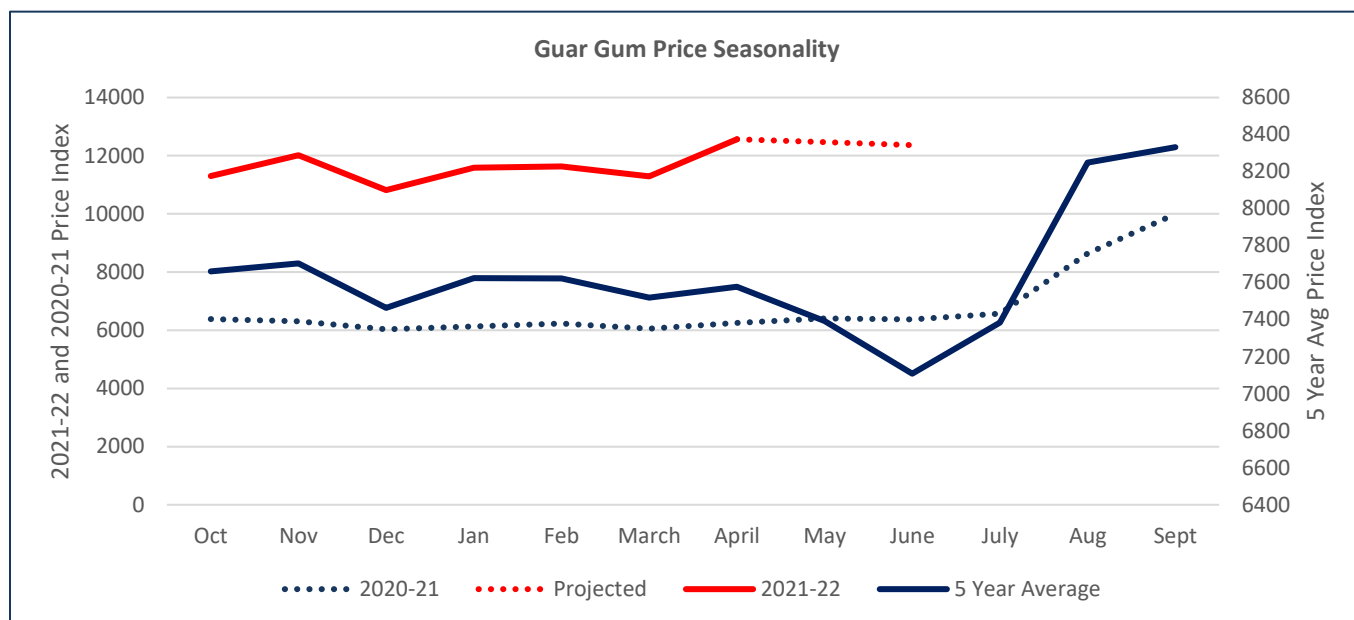
Additionally, India's Guar split exports increased in the month of Feb'2022 by 35.60% to 5,485 MT as compared to 4,045 MT previous month at an average FoB of US \$1,815 per MT compared to US \$1,780 per MT last month. However, the guar split shipments went up by 85.03 % to 5,485 MT in Feb'22 compared to the same period last year at 2,964 MT. Out of the total exports, around 3,460 MT (72.20%) bought by China, US 760 MT (13.86%), Mexico 405 MT (7.38%) and Switzerland bought 360 MT(6.56%) respectively.



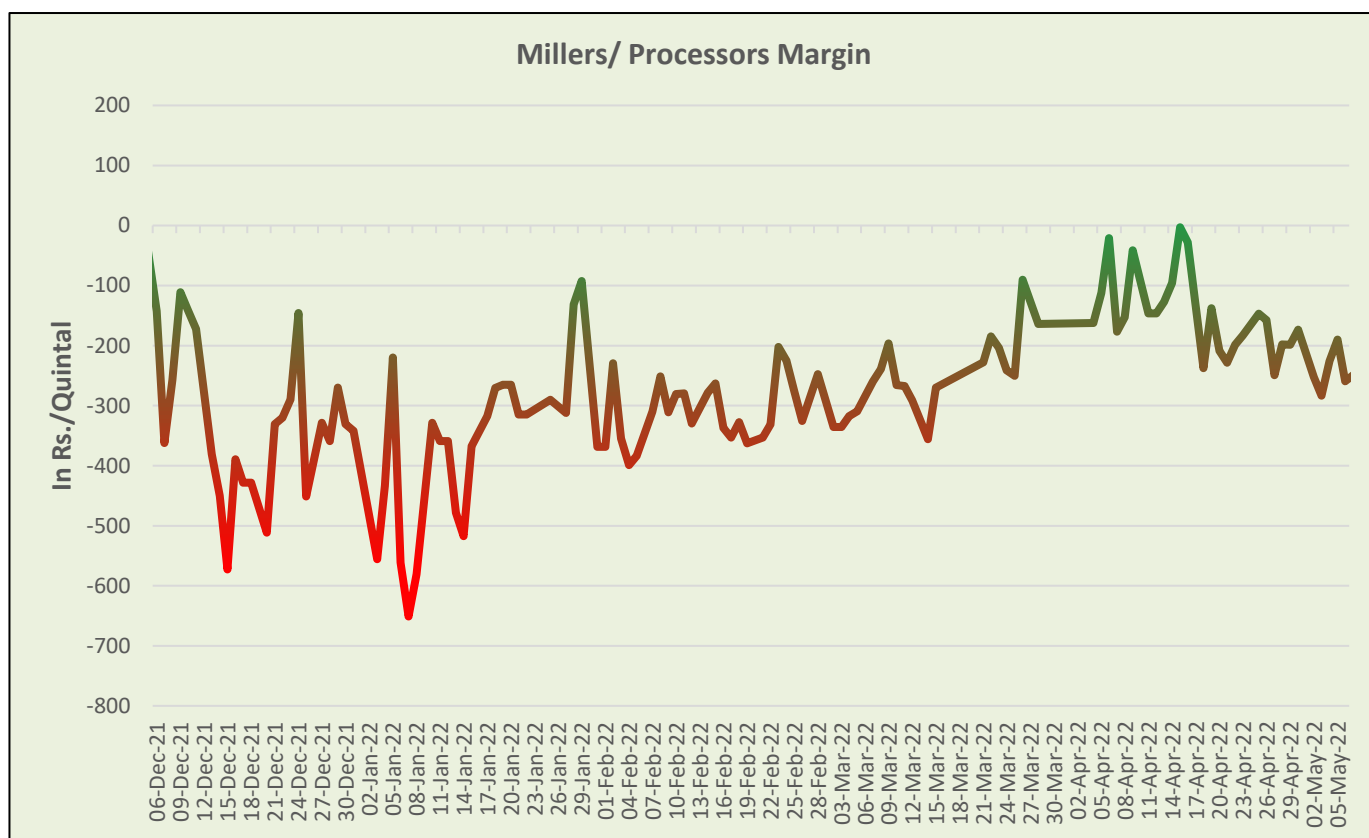
Meanwhile, according to Agriwatch estimates, 2021 Guar seed production is estimated at 4.5 lakh MT lower than previous year's 5.83 lakh MT.

Price Seasonality-





Millers/Processors Margin- Crush margin remained continued to decline and under pressure on pressure in churi korma prices. During the week under review, the average net crush margin of Guar seed has decreased to INR. - 230/qtl as comared to INR. -188/qtl. Lower guar product prices (churi and korma) have pushed down the processors margin.



Guar gum Weekly Export

Week On Week Exports	Quantity in MT	Average FoB (\$/T)
01-08 February-2022	5910	2622
9-15 February-2022	5196	2191
16-22 February-2022	5459	2307
23-28 February-2022	3952	2117
Total	20518	2326

Source:Trade

Technical Analysis (Guar seed)

Commodity: Guar seed
Contract: June

Exchange: NCDEX
Expiry: June 20, 2022

Guar seed (June, Daily Chart)



Technical Commentary:

- As seen in the above chart, prices are moving in down trend channel, upper channel can be characterized as resistance and lower channel can be characterized as support, prices are expected to remain within the channel.
- Trading below 9 and 18, 27 and 50 DMA indicating weak sentiments in the market.
- During the week, Guar seed went down by 4.34% and closed at 6056 and made low of 5860 and a high of 6321.
- MACD and DIF indicating weak momentum.
- RSI has declined to 48, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	June	5900	5800	6056	6300	6500
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	June	Sell	Near 6200	6100	6000	6250



Technical Analysis (Guar gum)

Commodity: Guar gum
Contract: June

Exchange: NCDEX
Expiry: June 20, 2022

Guar gum (June, Daily Chart)



Technical Commentary:

- As seen in the above chart, prices are moving in down trend channel and lower channel can be characterized as support, upper channel can be characterized as up trend, prices are expected to move within the channel.
- Guar gum went marginally down by 5.59% and closed at 11,796, during the week market made low of 11400 and a high of 12420.
- Trading above 9,18, 27 and 50 DMA, indicating weak sentiments.
- MACD cross over indicating weak momentum in near term.
- RSI at 49 indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	June	11500	11300	11796	12300	12500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	June	Sell	12000	11800	11600	12100

Guar by – Products Weekly Average Prices:

Commodity	Centre	30th April 22 to 06th May 2022	23rd April 22 to 29th April 2022	Change
Churi	Jodhpur	2513	2583	-71
Korma	Jodhpur	3610	3673	-63
Churi	Sri-Ganganagar	2663	2644	19
Korma	Sri-Ganganagar	3683	3681	1

Prices in Rs/75 kg

Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			30th April 22 to 06th May 2022	23rd April 22 to 29th April 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	6233	6353	-120
		Jodhpur(Delivery)	6545	6671	-126
	Sri-Ganganagar	Sri-Ganganagar(Loose)	-	6050	-
		Sri-Ganganagar (Delivery)	-	6200	-
		Rawla (Loose)	-	-	-
		Gharsana (Loose)	5900	-	-
		Raisinghnagar (Loose)	-	-	-
	Bikaner	Bikaner (Loose)	5975	6104	-129
		Bikaner (Delivery)	6274	6409	-136
		Nokha(Loose)	5983	6063	-79
		Nokha (Delivery)	6283	6366	-83
		Khajuwala (Loose)	-	-	-
		Khajuwala (Delivery)	-	-	-
		Lunkaransar (Loose)	6038	6092	-54
	Hanumangarh	Hanumangarh (Loose)	-	-	-
		Hanumangarh (Delivery)	-	-	-
		Nohar (Loose)	6270	6090	180
		Pilibanga (Loose)	5767	5737	30
	Nagaur	Nagaur (Loose)	5938	6062	-124
	Churu	Churu (Delivery)	6280	6400	-120
	Alwar	Alwar (Loose)	5880	5983	-103
Haryana	Hisar	Adampur (Loose)	5979	6092	-113

	Bhiwani	Adampur (Delivery)	6278	6396	-118
		Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	6092	6212	-120
	Sirsa	Sirsa (Loose)	5913	6037	-123
		Dhabwali (Loose)	5923	6100	-178
		Dhabwali (Delivery)	6219	6405	-186
		Ellanabad (Loose)	5790	5890	-100
	Fatehabad	Fatehabad (Loose)	5775	5900	-125
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	-	-	-
	Rajkot	Rajkot (Loose)	5750	5930	-180
	Jamnagar	Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	12125	12467	-342
	Alwar	Alwar	12260	12517	-257
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	-	-	-
	Sirsa	Sirsa	12000	12425	-425
		Dhabwali	-	12550	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	12142	12567	-425

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			30th April 22 to 06th May 2022	23rd April 22 to 29th April 2022	
Rajasthan	Jodhpur	Jodhpur	400	320	80
	Sri-Ganganagar	Sri-Ganganagar	-	120	-
		Rawla	-	-	-
		Gharsana	305	170	135
		Raisinghnagar	-	-	-
	Bikaner	Bikaner	1100	1800	-700
		Nokha	1750	1900	-150
		Khajuwala	-	-	-
		Lunkaransar	950	2000	-1050
	Hanumangarh	Hanumangarh	-	-	-
		Nohar	1240	1410	-170

		Pilibanga	130	60	70
	Nagaur	Nagaur	580	1020	-440
	Churu	Churu	-	500	-
	Alwar	Alwar	-	-	-
Haryana	Hisar	Adampur	2200	2100	100
	Bhiwani	Bhiwani	-	-	-
		Siwani	1700	2000	-300
	Sirsa	Sirsa	7000	3400	3600
		Dhabwali	195	10	185
		Ellanabad	620	625	-5
	Fatehabad	Fatehabad	150	140	10
Gujarat	Banaskantha	Deesa	-	-	-
	Patan	Patan	24	34	-10
	Rajkot	Rajkot	320	260	60
	Jamnagar	Dhrol	-	-	-
Madhya Pradesh	Gwalior	Dabra	-	-	-
Total Arrivals/Above Markets			18664	17869	795

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