



## 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 3.76% to INR. 6,100/qtl. Guar gum prices also remained weak and went down by 1.13% at INR. 11,650 /Qtl during the week under review amid pre monsoon showers.

According to Skymet, the onset of monsoon over Kerala this year is likely to be on May 26, with a model error of +/- 3 days.

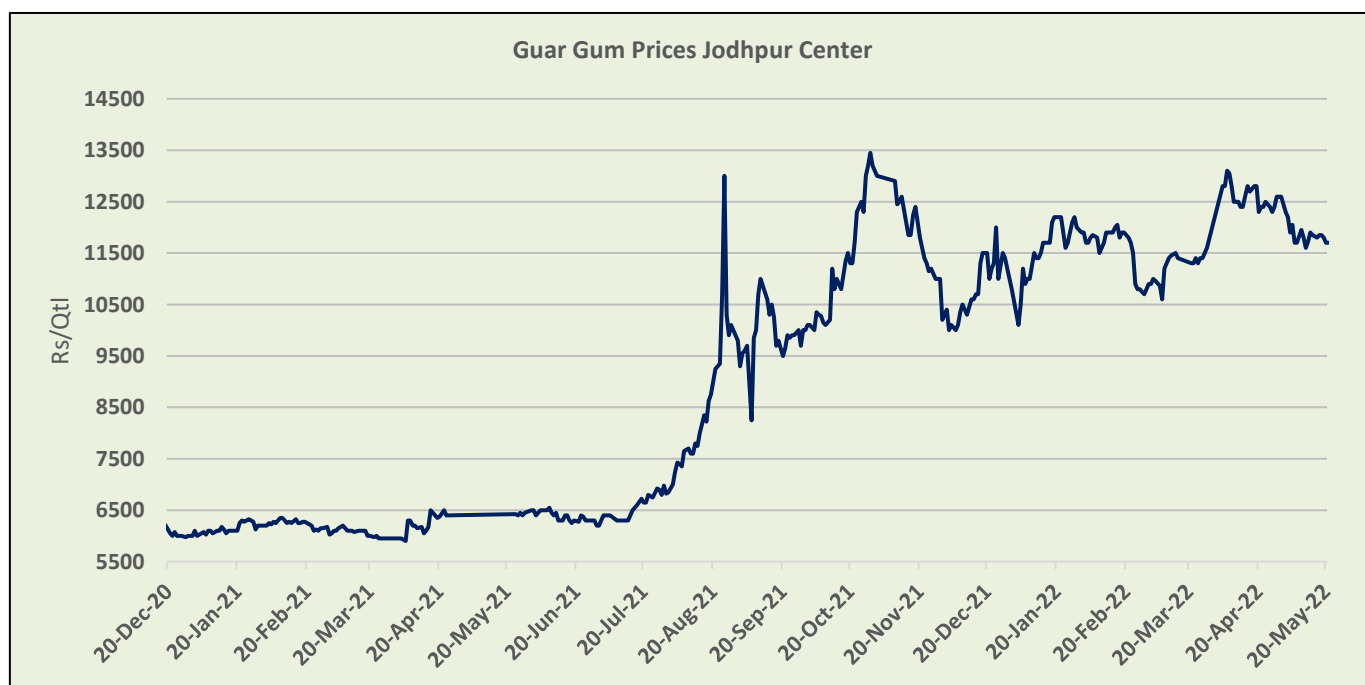
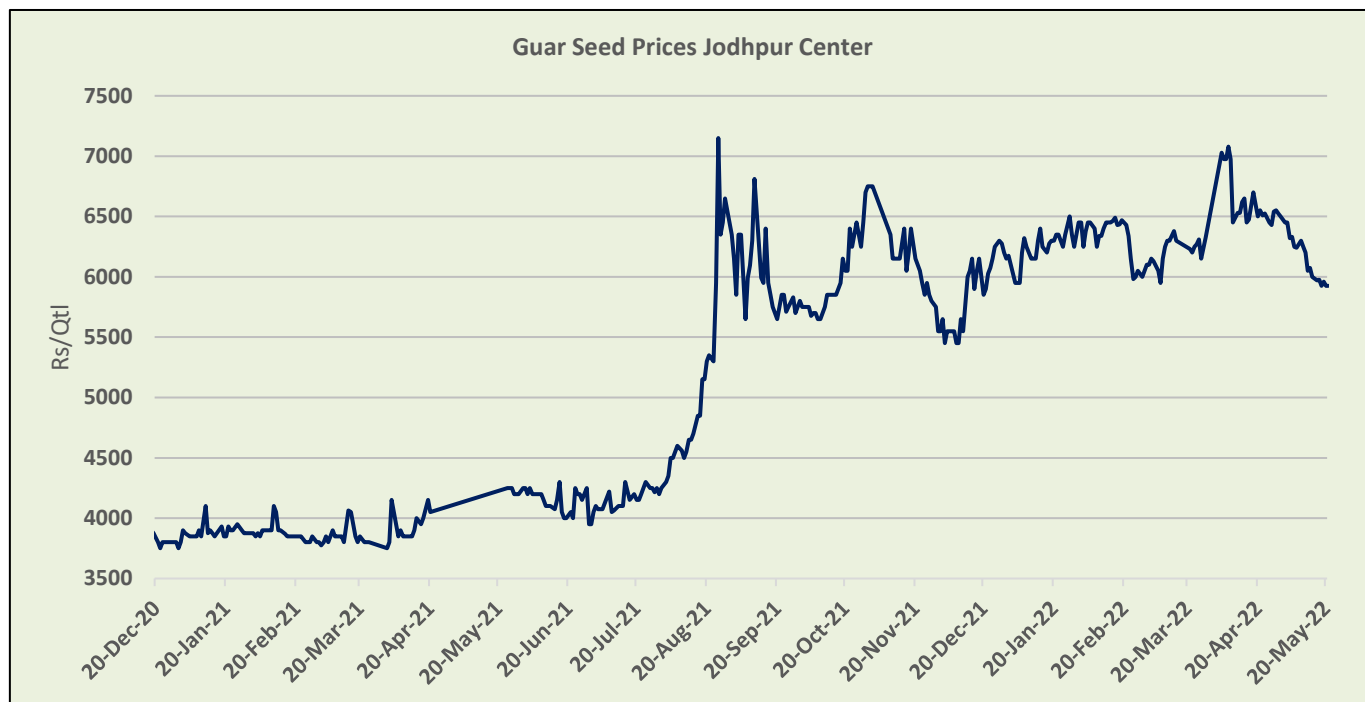
Oil rig count increased this week by 13 to 576, Crude oil prices traded with firm sentiments at \$113/ barells.

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

Guar seed - prices are expected to remain weak, However good demand at lower level may support prices. The Jodhpur Guar seed delivery prices are likely to trade in the range between INR 5,800 –6,200/Qtl. in the short-run. And Guar gum is expected to trade in the range of 11,400-12,000/qtl in near term.

### Domestic Market Fundamentals

Guar seed Jodhpur delivery weekly average prices remained weak and continued downtrend and went downside by 3.76% to INR.6,100/qrtl as compared to previous week's at INR 6,338/qrtl. There is sluggish demand in the cash market during the week at current level and currently trading at multi week low. Currently, narma sowing is progressing, driven by better prices. Normal monsoon and expectation of higher sowing area in the coming season keeping prices lower but export demand may support prices. The US oil rig count increased at 576, up by about 13 compared to previous week. Increase in oil rig count likely to support export demand.



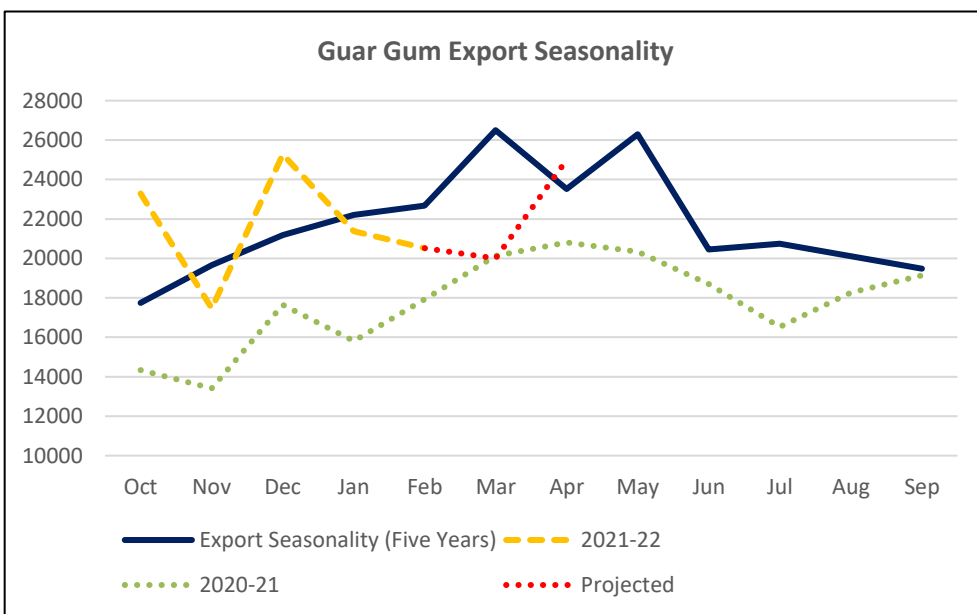
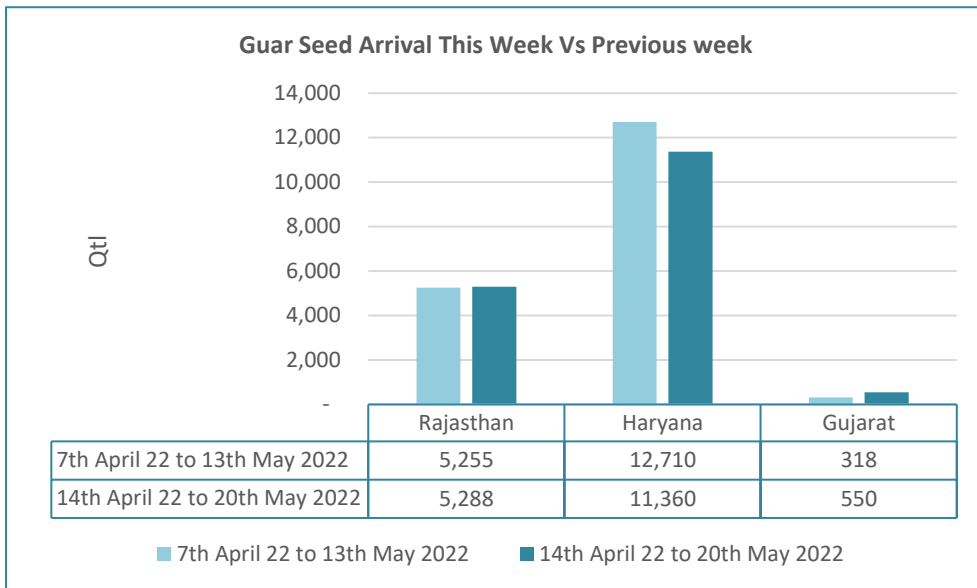
During the week under review average weekly prices of guar gum at Jodhpur too remained weak and went down by 1.13% at INR 11,650/qtl. However, WTI crude oil prices remained volatile during the week, made low at \$ 105/ barells, high at \$115/ barells and closed up by 2.48% and closed at \$113/ barells. Processing plants are still running in disparity on weak churi korma prices.

Overall Guar seed arrivals recorded low during the week under review by 6% as compared to previous week. Arrivals remained steady in Rajasthan, while in Haryana arrivals went down by 10% and up by 72% in Gujarat as compared to previous week.

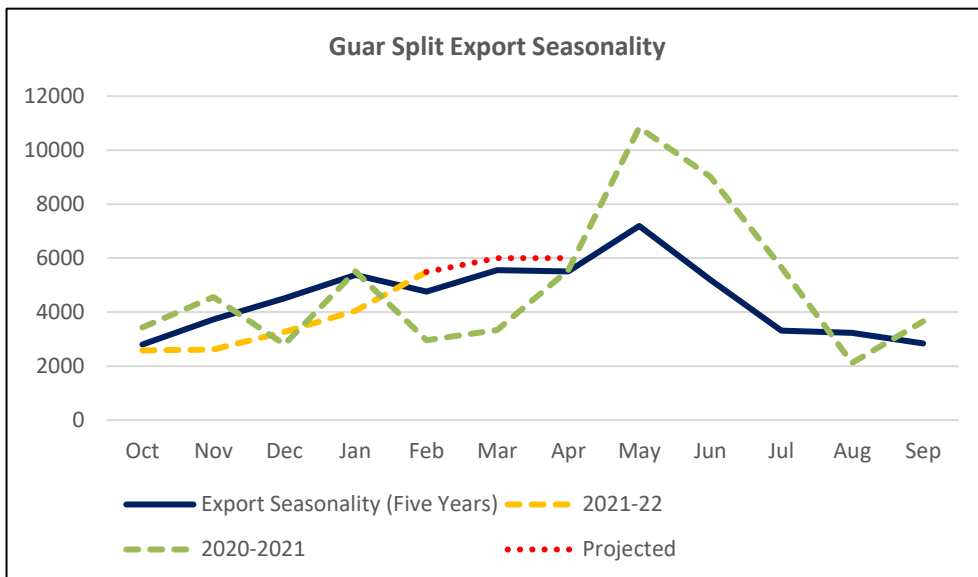
Overall, India's guar export in Oct'21-Feb'22 is up by 28% to 1,25,921 MT as compared to 98,379 MT same period last year. Increase in oilrig count and weak Indian currency supported export demand.

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

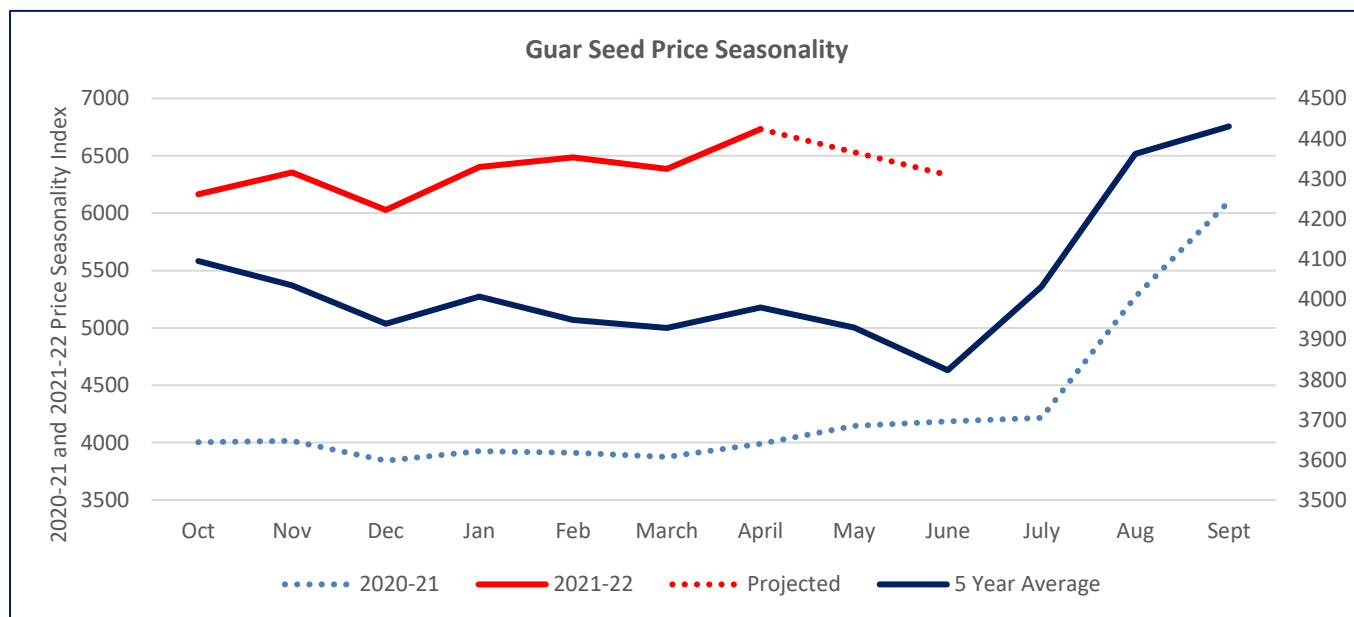
exported quantity, around 6,406 MT (31.22%) bought by US, Russia bought 3,579 MT (17.44%), Germany 2,356 MT (11.48%), China 1,230 MT (5.99%), and Canada 897 MT (4.37%) respectively.

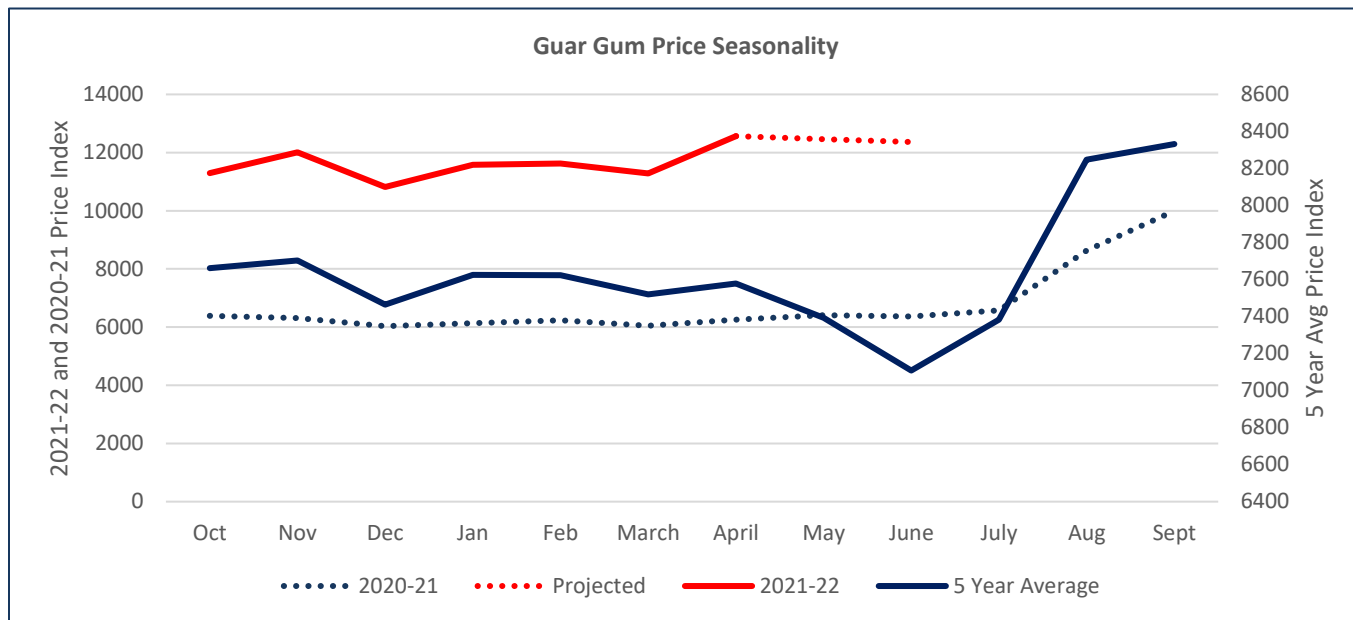


Additionally, India's Guar split exports increased in the month of Feb'2022 by 35.60% to 5,485 MT as compared to 4,045 MT previous month at an average FoB of US \$1,815 per MT compared to US \$1,780 per MT last month. However, the guar split shipments went up by 85.03 % to 5,485 MT in Feb'22 compared 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.

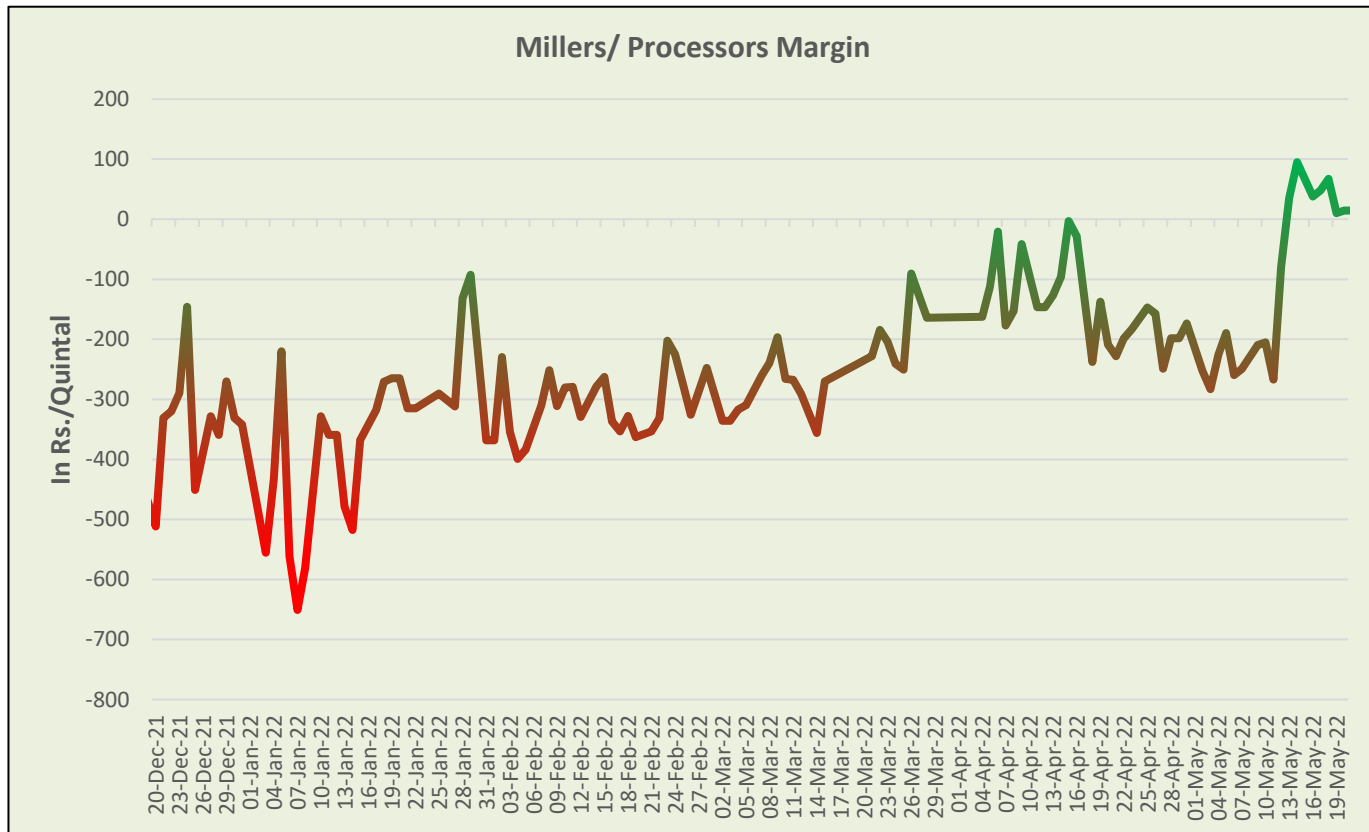


## Price Seasonality-





**Millers/Processors Margin-** Crush margin improved on decrease in Guar seed prices. During the week under review, the average net crush margin of Guar seed has increased to INR. 45/qtl as compared to INR. -162/qtl. previous week.



### Weather Updates-

According to Skymet, the onset of monsoon over Kerala this year is likely to be on May 26, with a model error of +/- 3 days. Heavy to very heavy rainfall with extremely heavy rainfall at isolated places very likely over meghalaya. Heavy to very heavy rainfall at isolated places over subhimalayan west bengal-sikkim, Arunachal pradesh, Assam kerala-Mahe and Tamilnadu- Pudducherry-karaikal.

### 5 Day Rainfall Forecast (MID-DAY) 23-May-2022

Met-Sub-Division	23-May Today	24May Tue	25May Wed	26May Thu	27May Fri
1. Andaman & Nicobar Islands	FWS	FWS	FWS	SCT	SCT
2. Arunachal Pradesh	SCT	ISOL	ISOL	SCT	FWS
3. Assam & Meghalaya	SCT	SCT	SCT	FWS	FWS
4. N. M. M. & T.	FWS	FWS	FWS	FWS	FWS
5. S.H. West Bengal & Sikkim	SCT	SCT	SCT	FWS	FWS
6. Gangetic West Bengal	SCT	SCT	SCT	ISOL	ISOL
7. Odisha	SCT	FWS	ISOL	ISOL	ISOL
8. Jharkhand	SCT	FWS	ISOL	ISOL	ISOL
9. Bihar	SCT	SCT	ISOL	ISOL	ISOL
10. East Uttar Pradesh	WS	SCT	ISOL	DRY	ISOL
11. West Uttar Pradesh	WS	SCT	ISOL	DRY	ISOL
12. Uttarakhand	WS	FWS	ISOL	ISOL	ISOL
13. Haryana, Chd & Delhi	WS	SCT	DRY	DRY	DRY
14. Punjab	WS	SCT	DRY	DRY	DRY
15. Himachal Pradesh	WS	FWS	ISOL	ISOL	ISOL
16. J & K and Ladakh	WS	FWS	ISOL	ISOL	ISOL
17. West Rajsthan	ISOL	ISOL	DRY	DRY	ISOL
18. East Rajsthan	SCT	ISOL	ISOL	DRY	ISOL
19. West Madhya Pradesh	SCT	ISOL	ISOL	ISOL	DRY
20. East Madhya Pradesh	SCT	SCT	ISOL	ISOL	ISOL
21. Gujarat Region	DRY	DRY	DRY	DRY	DRY
22. Saurashtra & Kutch	DRY	DRY	DRY	DRY	DRY
23. Konkan & Goa	ISOL	ISOL	ISOL	ISOL	ISOL
24. Madhya Maharashtra	DRY	DRY	DRY	DRY	ISOL
25. Marathwada	DRY	DRY	DRY	DRY	DRY
26. Vidharbha	DRY	ISOL	ISOL	ISOL	ISOL
27. Chhattisgarh	ISOL	ISOL	ISOL	ISOL	ISOL
28. Coastal A. P. & Yanam	ISOL	ISOL	ISOL	ISOL	ISOL
29. Telangana	DRY	DRY	ISOL	ISOL	ISOL
30. Rayalaseema	ISOL	ISOL	ISOL	ISOL	ISOL
31. T.N., Puducherry & Karaikal	ISOL	ISOL	SCT	SCT	ISOL
32. Coastal Karnataka	FWS	FWS	SCT	SCT	SCT
33. North Interior Karnataka	ISOL	ISOL	ISOL	ISOL	ISOL
34. South Interior Karnataka	ISOL	ISOL	SCT	SCT	SCT
35. Kerala & Mahe	FWS	FWS	WS	WS	WS
36. Lakshadweep	WS	WS	WS	WS	WS

### % Station Reporting Rainfall

% Stations	Category	% Stations	Category
76-100	Widespread (WS/ Most Places)	26-50	Scattered (SCT/ A Few Places)
51-75	Fairly Widespread (FWS/ Many Places)	1-25	Isolated (ISOL)

### 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, market has taken support of 5900 and currently trading below 9 DMA, 18, 50 and 100 DMA indicating weak sentiments.
- During the week, Guar seed went down by 2.89% and closed at 5974 and made low of 5935 and a high of 6148.
- MACD and DIF has improved but still indicating weak momentum.
- RSI has declined to 47, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	June	5700	5600	5974	6100	6200
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	June	Sell	Near 6000	5900	5800	6050





## 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, market is has taken support from 11300 and trading above 9 DMA. However still trading below 18, 50 and 100 DMA indicating weak sentiments.
- Guar gum went marginally down by 1.49% and closed at 11,625 during the week market made low of 11480 and a high of 11848.
- MACD cross over indicating weak momentum in near term.
- RSI at 52 indicating steady buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	June	11400	11200	11625	11900	12000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	June	Sell	11700	11600	11500	11750

## Guar by – Products Weekly Average Prices:

Commodity	Centre	14th April 22 to 20th May 2022	07th April 22 to 13th May 2022	Change
Churi	Jodhpur	2450	2492	-42
Korma	Jodhpur	3547	3569	-22
Churi	Sri-Ganganagar	-	2619	-
Korma	Sri-Ganganagar	-	3663	-

Prices in Rs/75 kg

## Guar Export Weekly Average Prices:

Commodity	Variety	14th April 22 to 20th May 2022	07th April 22 to 13th May 2022	Change
Guargum Split		1520	-	-
Guargum Powder	200 Mesh 5000 CPS	1739	-	-
	200 Mesh 3500 CPS	1675	-	-
Guargum Meal	40%	451	-	-
	50%	618	-	-

Prices in \$/MT

## Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			14th April 22 to 20th May 2022	07th April 22 to 13th May 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	5809	6036	-227
		Jodhpur(Delivery)	6100	6338	-238
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5842	-	-
		Sri-Ganganagar (Delivery)	5992	-	-
		Rawla (Loose)	5760	-	-
		Gharsana (Loose)	5780	5788	-8
		Raisinghnagar (Loose)	5678	-	-
	Bikaner	Bikaner (Loose)	5833	5850	-17
		Bikaner (Delivery)	6125	6143	-18
		Nokha(Loose)	5863	5858	4
		Nokha (Delivery)	6156	6151	4
		Khajuwala (Loose)	5720	-	-

		Khajuwala (Delivery)	6006	-	-
		Lunkaransar (Loose)	-	-	-
	Hanumangarh	Hanumangarh (Loose)	-	-	-
		Hanumangarh (Delivery)	-	-	-
		Nohar (Loose)	5839	5925	-86
		Pilibanga (Loose)	-	5677	-
	Nagaur	Nagaur (Loose)	5750	5775	-25
	Churu	Churu (Delivery)	6117	6050	67
	Alwar	Alwar (Loose)	5723	5650	73
Haryana	Hisar	Adampur (Loose)	5796	5835	-39
		Adampur (Delivery)	6086	6127	-41
	Bhiwani	Bhiwani (Delivery)	-	-	-
		Siwani (Loose)	5941	5992	-51
	Sirsa	Sirsa (Loose)	5732	5815	-83
		Dhabwali (Loose)	5779	5856	-77
		Dhabwali (Delivery)	6068	6149	-81
		Ellanabad (Loose)	-	5575	-
	Fatehabad	Fatehabad (Loose)	5500	5480	20
Gujarat	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	-	-	-
	Rajkot	Rajkot (Loose)	5695	5633	62
	Jamnagar	Dhrol (Loose)	5467	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11650	11783	-133
	Alwar	Alwar	11717	11650	67
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	-	-	-
	Sirsa	Sirsa	11650	11550	100
		Dhabwali	11758	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11770	11760	10

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			14th April 22 to 20th May 2022	07th April 22 to 13th May 2022	
Rajasthan	Jodhpur	Jodhpur	127	290	-163
	Sri-Ganganagar	Sri-Ganganagar	0	0	Unch
		Rawla	0	0	Unch
		Gharsana	405	430	-25
		Raisinghnagar	101	0	101
	Bikaner	Bikaner	1400	1550	-150
		Nokha	1500	1850	-350
		Khajuwala	340	100	240
		Lunkaransar	400	0	400
	Hanumangarh	Hanumangarh	110	0	110
		Nohar	790	280	510
		Pilibanga	0	375	-375
	Nagaur	Nagaur	115	380	-265
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	3400	2900	500
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	2100	2000	100
	Sirsa	Sirsa	5860	6300	-440
		Dhabwali	0	1130	-1130
		Ellanabad	0	380	-380
	Fatehabad	Fatehabad	0	0	Unch
Gujarat	Banaskantha	Deesa	0	50	-50
	Patan	Patan	33	108	-75
	Rajkot	Rajkot	489	160	329
	Jamnagar	Dhrol	28	0	28
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			17198	18283	-1085



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