



# Guar Weekly Research Report

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## *Executive Summary*

## *Domestic Guar Seed Market Summary*

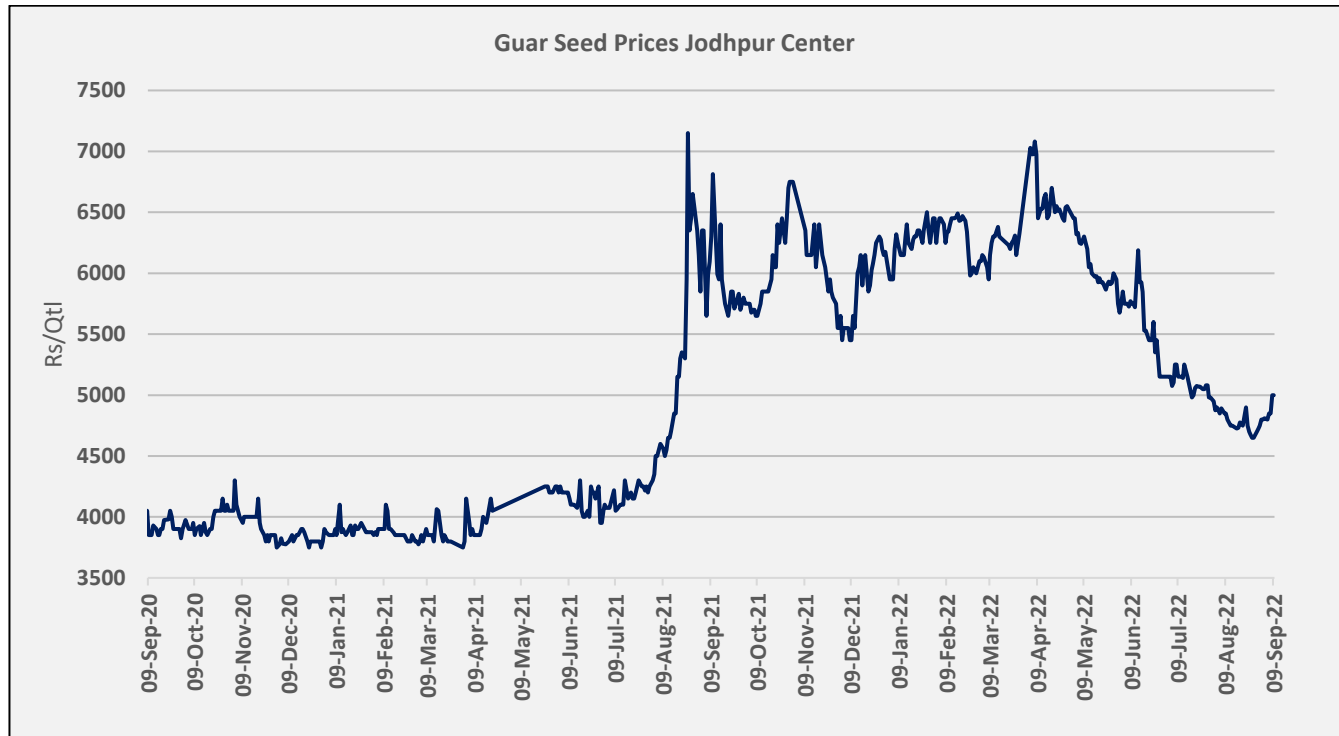
Guar seed weekly average prices at Jodhpur (delivery prices) extended previous week loss and went down by 3% to INR. 4,885/qtl. And Guar gum prices went up by 7% at INR. 9,583/Qtl amid crop loss in key growing states in Rajasthan and Haryana.

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

Guar seed - prices are expected to rebound from lower level amid crop loss. The Jodhpur Guar seed delivery prices are likely to trade in the range between INR 4,800 –5,200/Qtl. in the short-run. And Guar gum is expected to trade in the range of 9,500-10,000/qtl in near term.

### Domestic Market Fundamentals

Guar seed Jodhpur delivery weekly average prices during the week under review witnessed gain and went up by 3% at INR 4,885/qtl as compared to previous weeks at INR 4,737/qtl. amid crop loss in key growing districts of Rajasthan and Haryana coupled with rebound in crude oil prices.

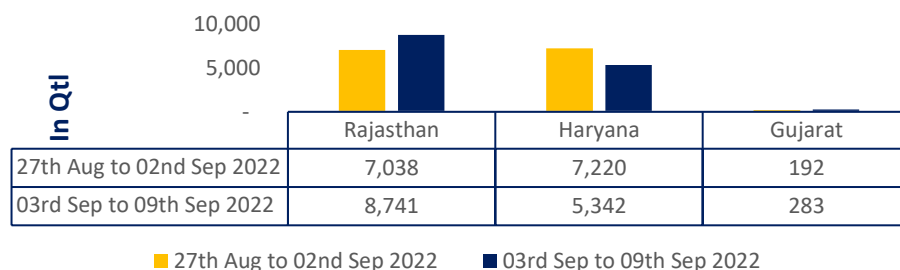


During the week under review weekly average prices of guar gum witnessed gains and went up by 7% at INR 9,583 /qtl. vs previous week at INR 8,967/qtl. in tandem with guar seed prices.



Overall Guar seed arrivals recorded up by 123% during the week under review as compared to previous week. Arrivals recorded up in Rajasthan by 24%, in Haryana arrivals went down by 26% while in Gujarat it went up by 47% as compared to previous week.

### Guar Seed Arrival This Week Vs Previous week



### Weather and sowing Updates

As of 24th Aug '22, According to the Department of Agriculture, Rajasthan, Guar sowing is up by 50% at 30.79 Lakh hectare as compared to 20.48 Lakh hectare previous year same period. This season sowing area is high due to early rains and better returns.

Guar seed sowing progress 2022-23			
State	Area of Kharif-2021 During Corresponding Period	Progressive Area of Kharif 2022	% change over previous year
Rajasthan (As on 24 Aug'22)	20.48	30.79	50%
Gujarat (As on 29 Aug'22)	1.08	1.02	-6%
Source: State government		Area in Lakh Ha	

In western Rajasthan, from 1<sup>st</sup> June to 08<sup>th</sup> Sep'2022 Cumulative rainfall recorded up by 63%. Higher acreage amid good rainfall kept Guar seed and gum prices under pressure. The prices have corrected by more than 30% since April due to forecast of normal rains and improved area under Guar seed.

Western Rajasthan Districts	Cumulative Rainfall Departure (%) 1st June to 8th Sep'22 In Western Rajasthan Districts
Ganganagar	105%
Bikaner	86%
Jaisalmer	108%
Barmer	75%
Jodhpur	65%
Churu	47%
Nagaur	43%
Jalor	55%
Hanumangarh	29%
Pali	9%
West Rajasthan	63%
Rajasthan	36%

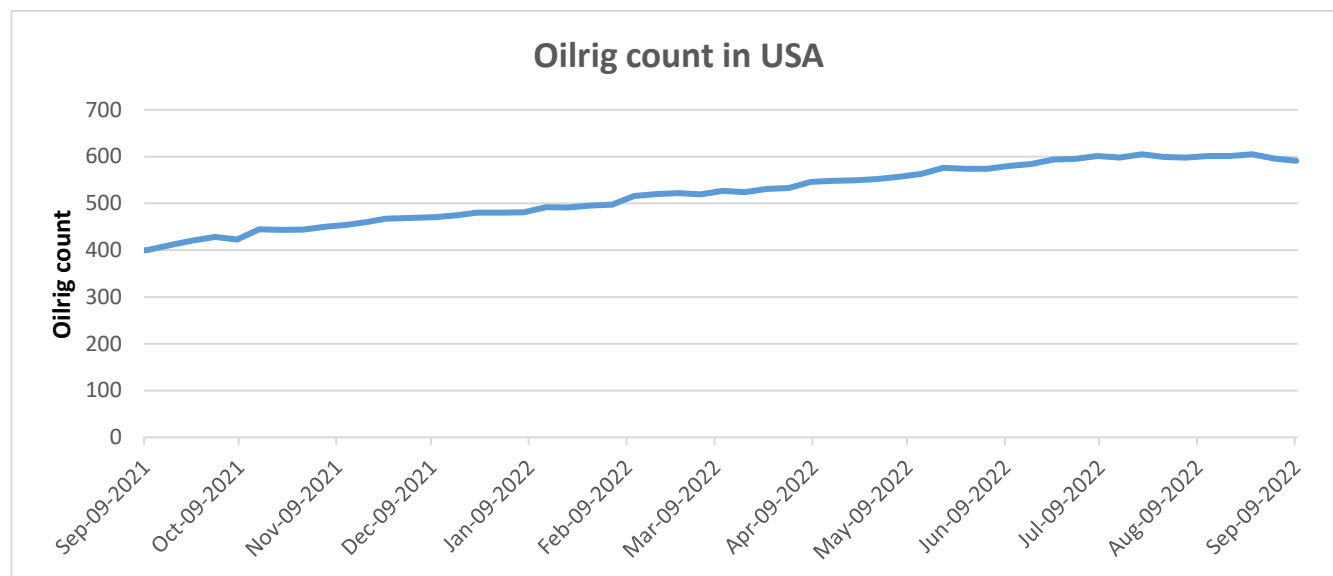
As per the sources, there has been significant yield loss in Guar crop in the key districts of Haryana. The major factor behind yield loss is said to be anomalies in the temperature and sudden heat ahead of harvesting period.

Haryana Districts	Cumulative Rainfall Departure (%) 1st June to 8th Sep'22 In Haryana Districts	
Bhiwani		-23%
Hisar		13%
Sirsa		37%
Haryana		-14%

There is low rainfall condition in the western regions of Rajasthan, if this situation persists till first fortnight of September, then a damage of 15-20% in the crop may occur, and a significant yield loss may take place which is likely to underpin guar prices.

## Oil Rig count

As on 09<sup>th</sup> Sep'2022, as per data released by Baker Hughes, the number of oilrigs in USA decreased by 5 from 596 in the previous week to 591 this week.



## WTI Crude Oil

WTI Crude oil 1st Sep'22	% Change
1 Week	-0.09%
Month till date	-4.24%

## Guar Split Exports

India's Guar split exports decreased in the month of July'2022 by 32% to 5,882 MT as compared to 8,620 MT previous month. However, the Guar split shipments up by 3.92% in July'22 compared to the same period last year. Out of the total exports, around 4,220 MT (71.74%) bought by China, 302 MT (9.98%) bought by USA.

Country	Qty in MT	% Share
CHINA	4220	71.74%
USA	960	16.32%
MEXICO	302.4	5.14%
RUSSIA	200	3.40%
SWITZERLAND	120	2.04%
NETHERLANDS	80	1.36%
<b>Grand Total</b>	<b>5882.4</b>	<b>100.00%</b>

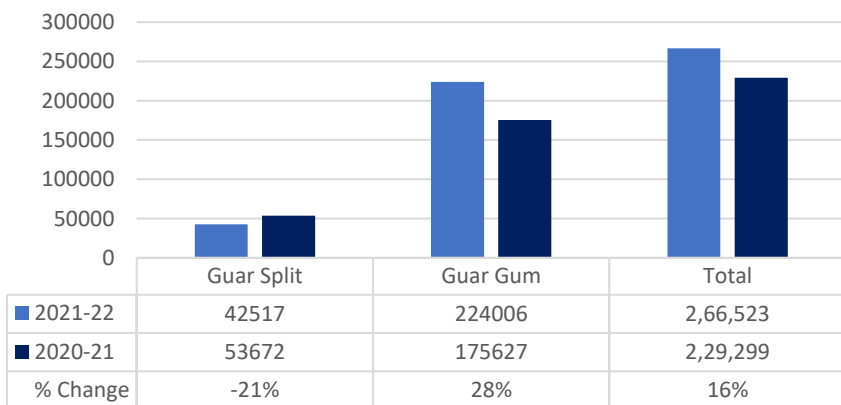
**Guar Gum Exports:** India's Guar gum exports decreased in the month of July 2022 by 23% to 22,501 MT compared to 29,236 MT during previous month. However, the gum shipments were up by 36.12% in July 2022 compared to the same period last year. Out of the total exported quantity, around 5737 MT (25.50%) was bought by the US, Russia bought 4077 MT (18.12%), China 1,884 MT (8.37%), Germany 2,270 MT (10.09%). Export demand declined amid correction in crude oil prices. We expect Guar gum export in Aug'22 around 22,000-25,000 tonnes, as WTI crude oil corrected by 9.72% in Aug'22.

Country	Quantity in (MT)	% Share
USA	5737	25.50%
RUSSIA	4077	18.12%
GERMANY	2270	10.09%
CHINA	1884	8.37%
BRAZIL	1055	4.69%
CANADA	906	4.03%
NETHERLANDS	746	3.32%
AUSTRALIA	618	2.74%
UAE	475	2.11%
ITALY	387	1.72%
Others	4347	19%
<b>Total</b>	<b>22501</b>	<b>100%</b>

## Total Cumulative Guar exports:

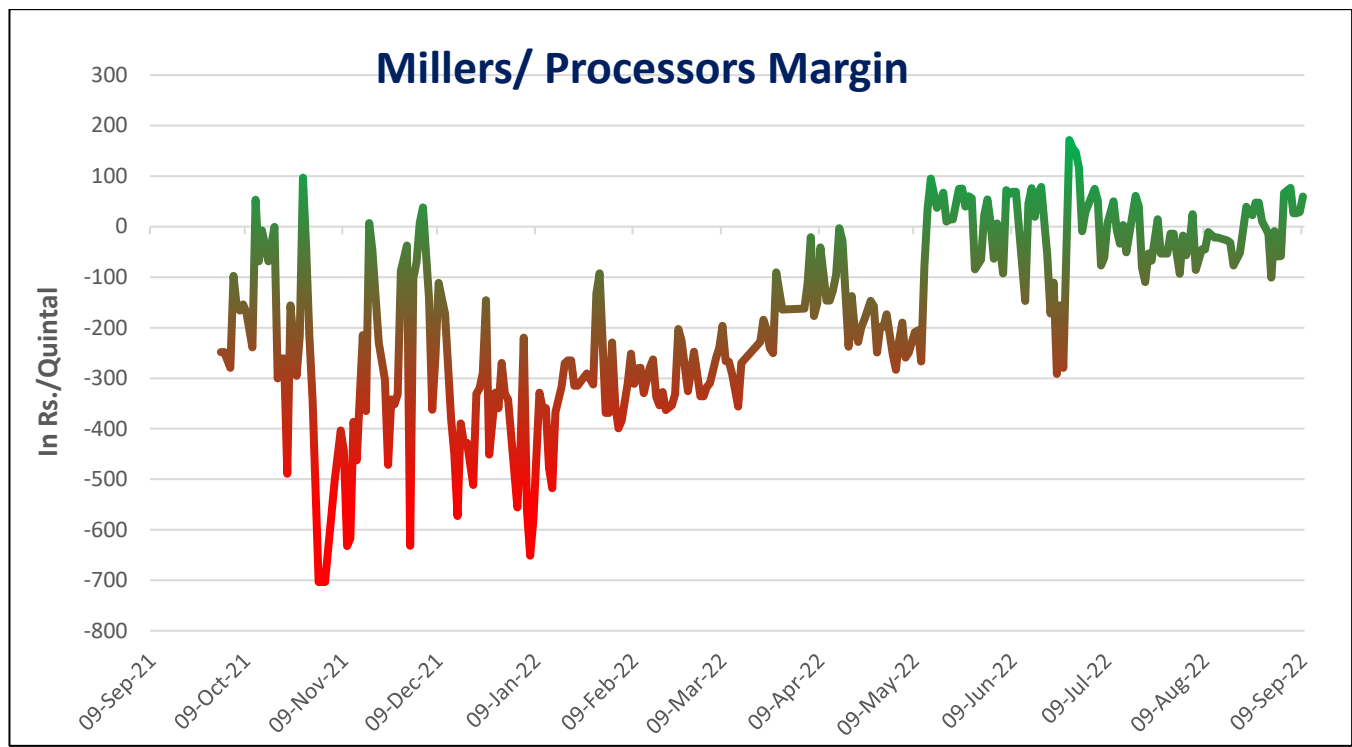
Oct-July'22 recorded up by 16% to 2.66 Lakh tonnes as compared to 2.29 Lakh tonnes previous year same period amid bullish crude oil prices and increase in oil rig count.

Cumulative guar exports 2020-21 Vs 2021-22 (Oct-July)



■ 2021-22 ■ 2020-21

**Millers/Processors Margin-** Average net crush margin increased in this week. During the week under review, the average net crush margin of Guar seed went up to INR. 47/qtl as compared to INR. -38/qtl. previous week.





### Technical Analysis (Guar seed)

Commodity: Guar seed  
 Contract: Sept

Exchange: NCDEX  
 Expiry: Sept 20, 2022

#### Guar seed (Sept, Daily Chart)



Violet histogram Indicates WTI crude oil daily price movement.

#### Technical Commentary:

- As seen in above chart during the week under review, market went above 9 and 18 DMA which might be indicative of trend reversal.
- During the week, Guar seed went up by 2.87% and closed at 5051, during the week Guar seed made low at 4808 and a high of 5140.
- MACD cross over and DIF indicating weak momentum.
- RSI is near 60, steady to firm buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Sept	4800	4750	5051	5200	5500
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	Sept	BUY	4900	5000	5200	4850



### Technical Analysis (Guar gum)

Commodity: Guar gum  
 Contract: Sept

Exchange: NCDEX  
 Expiry: Sept 20, 2022

#### Guar gum (Sept, Daily Chart)



Voilet histogram Indicates WTI crude oil daily price movement.

#### Technical Commentary:

- As seen in above chart during the week under review, market went above 9 and 18 DMA which might be indicative of trend reversal.
- During the week Guar gum went up by 4.09%, market made low at 9,355, high at 10,020 and closed at 9835.
- MACD and DIF indicating a weak momentum.
- RSI is near 60 indicating firm buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	Sept	9700	9600	9835	10200	10500
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Sept	SELL	9800	9900	10000	9850

### Guar by – Products Weekly Average Prices:

Commodity	Centre	03rd Sep to 09th Sep 2022	27th Aug to 02nd Sep 2022	Change
Churi	Jodhpur	1900	1933	-33
Korma	Jodhpur	3188	3163	25

Prices in Rs/75 kg

### Guar Seed Weekly Average Prices:

Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
			03rd Sep to 09th Sep 2022	27th Aug to 02nd Sep 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	4710	4588	123
		Jodhpur (Delivery)	4946	4817	129
	Sri-Ganganagar	Sri-Ganganagar (Loose)	4430	4300	130
		Sri-Ganganagar (Delivery)	4580	4450	130
		Rawla (Loose)	4475	4314	161
		Gharsana (Loose)	4550	4465	85
		Raisinghnagar (Loose)	4502	4276	226
	Bikaner	Bikaner (Loose)	4660	4590	70
		Bikaner (Delivery)	4893	4820	74
		Nokha (Loose)	4665	4525	140
		Nokha (Delivery)	4898	4751	147
		Khajuwala (Loose)	4610	4510	100
		Khajuwala (Delivery)	4841	4736	105
		Lunkaransar (Loose)	4650	4544	106
	Hanumangarh	Hanumangarh (Loose)	4454	4375	79
		Hanumangarh (Delivery)	4677	4594	83
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	4000	-
	Nagaur	Nagaur (Loose)	4738	4603	135
	Churu	Churu (Delivery)	4940	4800	140
	Alwar	Alwar (Loose)	4660	4600	60
Haryana	Hisar	Adampur (Loose)	4652	4612	40
		Adampur (Delivery)	4885	4842	42
	Bhiwani	Bhiwani (Delivery)	4820	4800	20
		Siwani (Loose)	4875	4742	133
	Sirsa	Sirsa (Loose)	4559	4442	117
		Dhabwali (Loose)	4493	4405	88

		Dhabwali (Delivery)	4493	4405	88
		Ellanabad (Loose)	4395	4378	17
	Fatehabad	Fatehabad (Loose)	-	-	-
	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	4275	4400	-125
Gujarat	Rajkot	Rajkot (Loose)	4718	4555	163
	Jamnagar	Dhrol (Loose)	4357.5	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9500	8967	533
	Alwar	Alwar	9600	9500	100
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	9500	-	-
	Sirsa	Sirsa	9520	9000	520
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	-	-	-

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			20th Aug to 26th Aug 2022	13th Aug to 19th Aug 2022	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	500	180	320
		Rawla	288	125	163
		Gharsana	484	159	325
		Raisinghnagar	299	365	-66
	Bikaner	Bikaner	1150	450	700
		Nokha	480	150	330
		Khajuwala	1100	300	800
		Lunkaransar	3100	1200	1900
	Hanumangarh	Hanumangarh	220	75	145
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	447	76	371
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch



Haryana	Hisar	Adampur	2550	1500	1050
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	2200	1200	1000
	Sirsa	Sirsa	1950	461	1489
		Dhabwali	200	81	119
		Ellanabad	1123	1009	114
	Fatehabad	Fatehabad	6	0	6
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	10	0	10
	Rajkot	Rajkot	255	0	255
	Jamnagar	Dhrol	22	0	22
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			16384	7331	9053

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			20th Aug to 26th Aug 2022	13th Aug to 19th Aug 2022	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	500	180	320
		Rawla	288	125	163
		Gharsana	484	159	325
		Raisinghnagar	299	365	-66
	Bikaner	Bikaner	1150	450	700
		Nokha	480	150	330
		Khajuwala	1100	300	800
		Lunkaransar	3100	1200	1900
	Hanumangarh	Hanumangarh	220	75	145
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	447	76	371
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	2550	1500	1050
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	2200	1200	1000
	Sirsa	Sirsa	1950	461	1489



		Dhabwali	200	81	119
		Ellanabad	1123	1009	114
	Fatehabad	Fatehabad	6	0	6
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	10	0	10
	Rajkot	Rajkot	255	0	255
	Jamnagar	Dhrol	22	0	22
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			16384	7331	9053

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