



# Guar Weekly Research Report

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## *Executive Summary*

### *Domestic Guar Seed Market Summary*

Guar seed weekly average prices at Jodhpur (delivery prices) went up by 2.3% to INR. 5,021/Qtl Vs. INR 4,906/Qtl last week and Guar gum prices went up by 4.1% at INR. 9,760/Qtl Vs. INR 9,380/Qtl the previous week amid new crop arrivals.

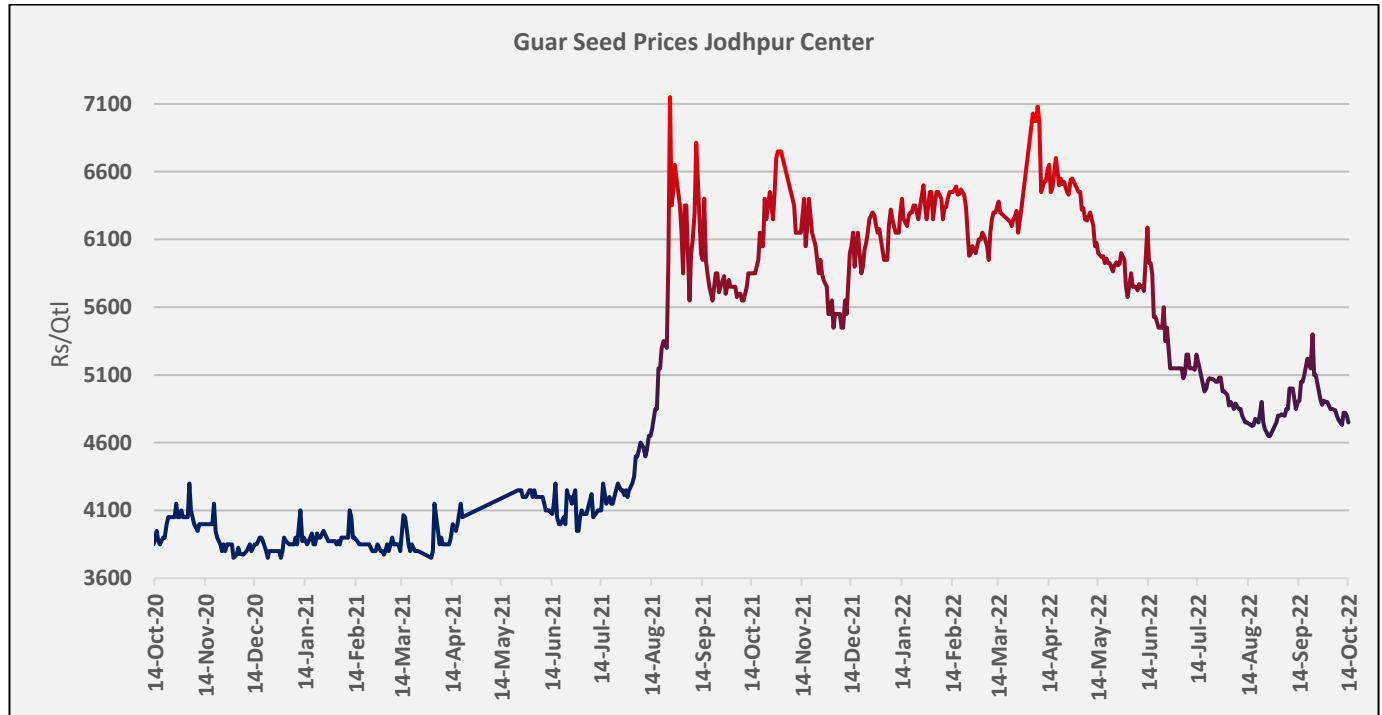
As on 14<sup>th</sup> Oct '2022, as per data released by Baker Hughes, the number of oilrigs in USA increased by 8 from 602 in the previous week to 610 this week.

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

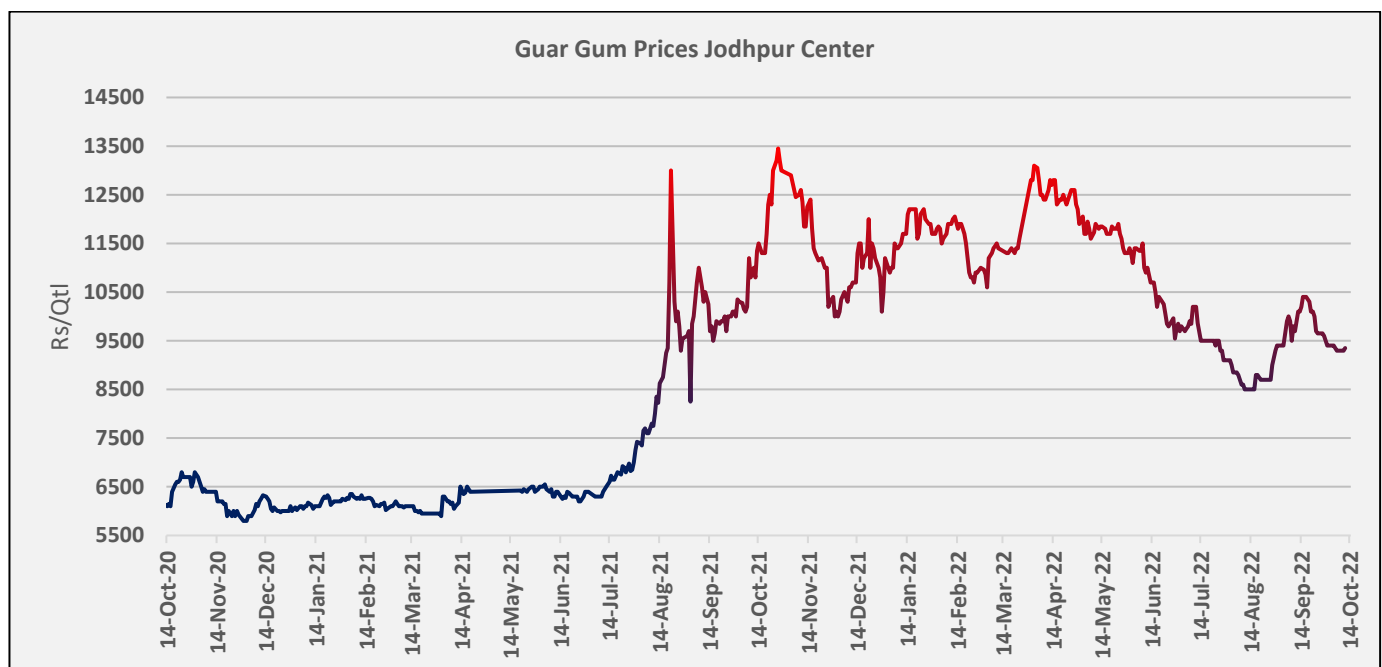
Guar seed - prices are expected to remain weak as market arrival is anticipated to increase. The Jodhpur Guar seed delivery prices are likely to trade in the range between INR 4,800 –5,200/Qtl. in the short-run. And Guar gum is expected to trade in the range of 8,800-9,500/qtl in near term.

## Domestic Market Fundamentals

Guar seed Jodhpur delivery weekly average prices witnessed gains and went up by 2.3% to INR 5,021/qtl as compared to previous week's at INR 4,906/qtl amid new crop arrivals.



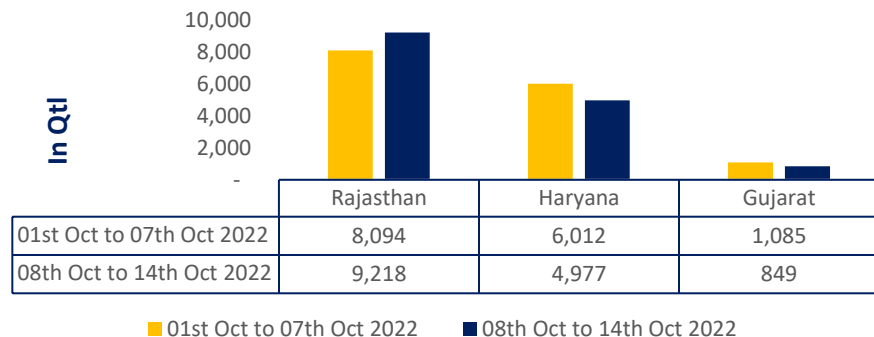
During the week under review weekly average prices of guar gum extended previous week loss and went up by 4.1% at INR 9,760/qtl. vs previous week at INR 9,380/qtl. in tandem with guar seed prices.



## Guar seed arrivals

Overall Guar seed arrivals went down by 0.97% during the week under review as compared to previous week. Arrivals went up in Rajasthan by 13.89%, while in Haryana arrivals went down by 17.22% as compared to previous week.

### Guar Seed Arrival This Week Vs Previous week

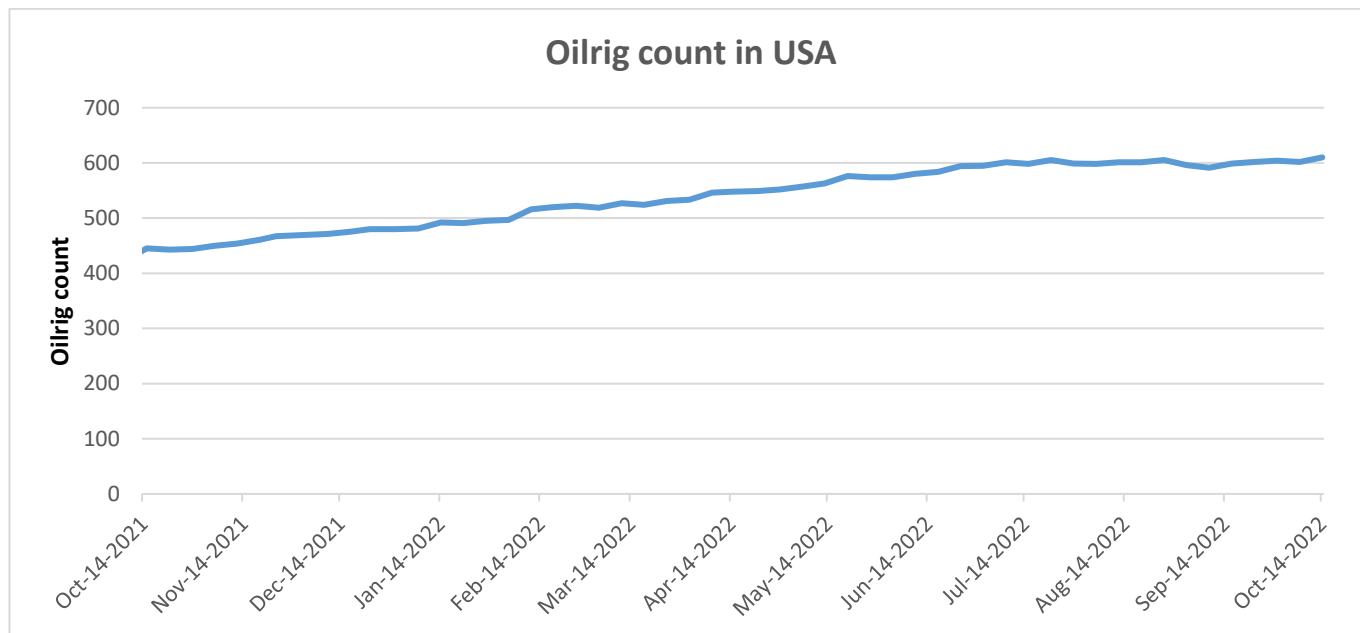


## Sowing Updates

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 Corrospounding 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	

**Oil Rig count :** As on 14<sup>th</sup> Oct '2022, as per data released by Baker Hughes, the number of oilrigs in USA increased by 8 from 602 in the previous week to 610 this week.



**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%
Grand Total	5882.4	100.00%

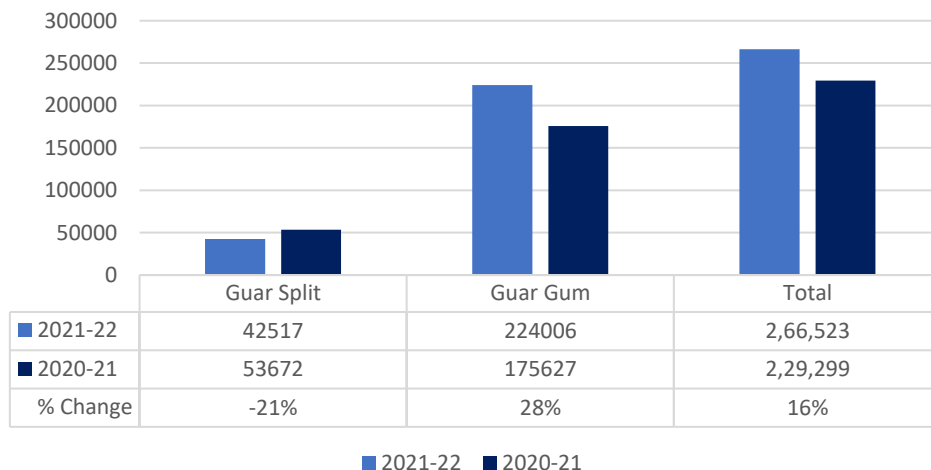
**Guar Gum Exports:** India's Guar gum exports decreased in the month of July 2022 by 23% to 22,501 MT compared to 29,236 MT during previous month. However, the gum shipments were up by 36.12% in July 2022 compared to the same period last year. Out of the total exported quantity, around 5737 MT (25.50%) 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%
Total	22501	100%

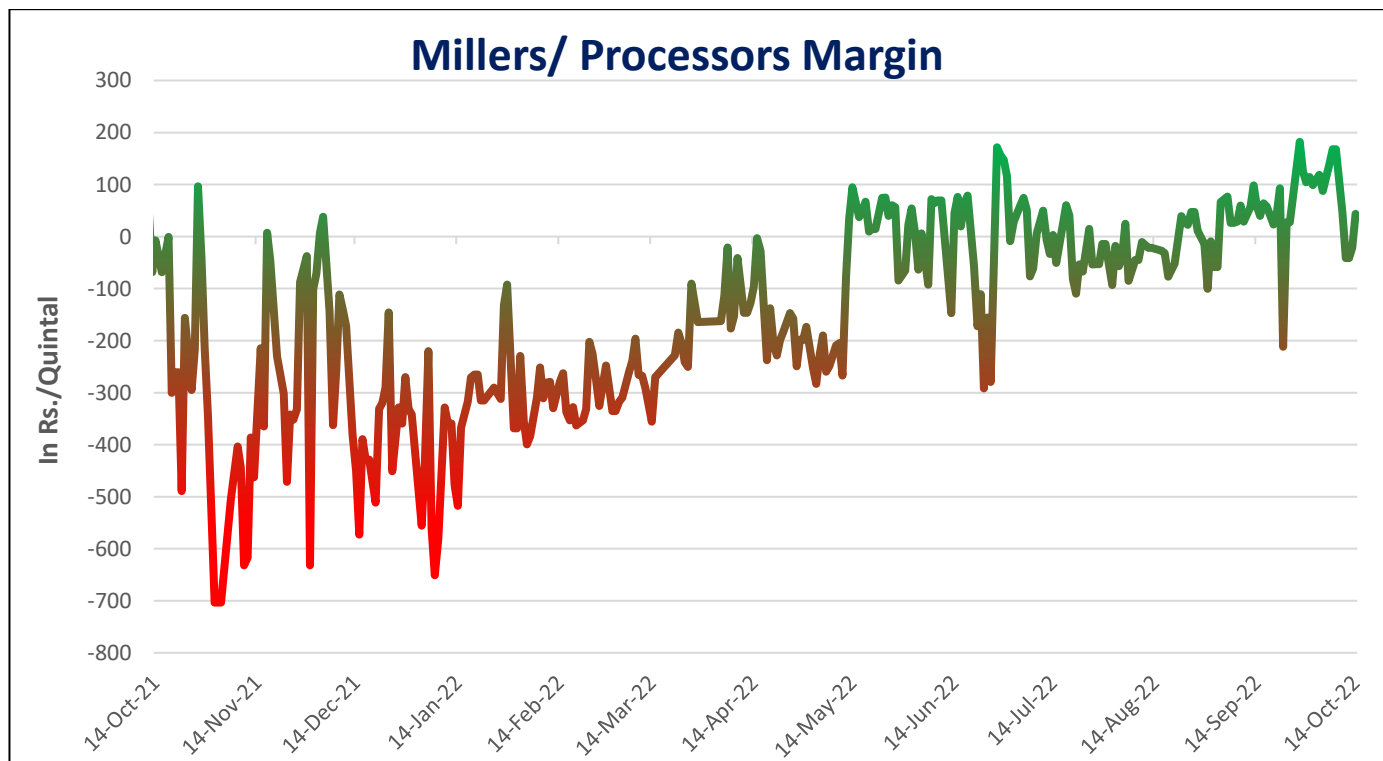
## Total Cumulative Guar exports:

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)



**Millers/Processors Margin-** During the week under review, weekly average net crush margin of Guar seed decreased to INR. 25/qtl as compared to INR. 122/qtl previous week, amid weak churi korma prices. In upcoming week, guar crush margin is likely to be in disparity due to weak churi korma prices.



### Technical Analysis (Guar seed)

Commodity: Guar seed  
 Contract: Nov

Exchange: NCDEX  
 Expiry: Nov 20, 2022

#### Guar seed (Nov, Weekly Chart)



Violet histogram Indicates WTI crude oil Weekly price movement.

#### Technical Commentary:

- As seen in above chart during the week under review, market corrected down and prices are below 9 and 18 DMA indicating bearish trend.
- During the week, Guar seed went marginally down by 1.73% and closed at 4721, made low at 4710 and a high of 4850.
- MACD cross over and DIF indicating weak momentum.
- RSI is below 35, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Nov	4500	4300	4721	5000	5500
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	Nov	Sell	4730	4600	4500	4800



## Technical Analysis (Guar gum)

Commodity: Guar gum  
Contract: Nov

Exchange: NCDEX  
Expiry: Nov 20, 2022

### Guar gum (Nov, Weekly Chart)



Voilet histogram Indicates WTI crude oil weekly price movement.

### Technical Commentary:

- As seen in above chart market is currently in down trend and making lower lows and trading below 9,18, and 50 DMA indicating weak sentiments and 100 DMA can be characterized as support.
- During the week Guar gum went down by 0.44%, market made low at 9,110, high at 9,482 and closed at 9218.
- MACD and DIF indicating a weak momentum.
- RSI is below 40 indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	Nov	9000	8800	9218	9500	10000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Nov	<b>Sell</b>	9300	9200	9000	9350



Guar by – Products Weekly Average Prices:				
Commodity	Centre	08th Oct to 14th Oct 2022	01st Oct to 07th Oct 2022	Change
Churi	Jodhpur	1900	1900	Unch
Korma	Jodhpur	3187	3180	7
Prices in Rs/75 kg				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			08th Oct to 14th Oct 2022	01st Oct to 07th Oct 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	4782	4672	110
		Jodhpur(Delivery)	5021	4906	116
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4520	4390	130
		Sri-Ganganagar (Delivery)	4670	4540	130
		Rawla (Loose)	-	4451	-
		Gharsana (Loose)	4665	4544	121
		Raisinghnagar (Loose)	4628	4498	130
	Bikaner	Bikaner (Loose)	4740	4610	130
		Bikaner (Delivery)	4977	4841	137
		Nokha(Loose)	4750	4595	155
		Nokha (Delivery)	4988	4825	163
		Khajuwala (Loose)	4670	4575	95
		Khajuwala (Delivery)	4904	4809	95
		Lunkaransar (Loose)	4760	4610	150
	Hanumangarh	Hanumangarh (Loose)	4500	4414	86
		Hanumangarh (Delivery)	4725	4635	90
		Nohar (Loose)	-	-	-
		Pilibanga (Loose)	-	-	-
	Nagaur	Nagaur (Loose)	4730	4629	101
	Churu	Churu (Delivery)	4990	4880	110
	Alwar	Alwar (Loose)	4660	4640	20
Haryana	Hisar	Adampur (Loose)	4670	4642	28
		Adampur (Delivery)	4904	4874	29
	Bhiwani	Bhiwani (Delivery)	4930	4800	130
		Siwani (Loose)	5014	4837	177
	Sirsa	Sirsa (Loose)	4720	4485	235
		Dhabwali (Loose)	4795	4460	335

		Dhabwali (Delivery)	5035	4460	575
		Ellanabad (Loose)	4408	4423	-15
	Fatehabad	Fatehabad (Loose)	-	-	-
	Banaskantha	Deesa (Loose)	-	-	-
	Patan	Patan (Loose)	-	-	-
Gujarat	Rajkot	Rajkot (Loose)	4823	4681	142
	Jamnagar	Dhrol (Loose)	4447	4420	28
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	9760	9380	380
	Alwar	Alwar	9860	9500	360
	Hanumangarh	Nohar	-	-	Unch
Haryana	Bhiwani	Bhiwani	9786	9400	386
	Sirsa	Sirsa	9800	9380	420
		Dhabwali	-	-	Unch
		Ellanabad	-	-	Unch
	Fatehabad	Fatehabad	-	-	Unch

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			08th Oct to 14th Oct 2022	01st Oct to 07th Oct 2022	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	800	650	150
		Rawla	226	113	113
		Gharsana	106	496	-390
		Raisinghnagar	462	381	81
	Bikaner	Bikaner	1350	800	550
		Nokha	550	550	Unch
		Khajuwala	650	600	50
		Lunkaransar	2300	2000	300
	Hanumangarh	Hanumangarh	125	165	-40
		Nohar	0	0	Unch
		Pilibanga	20	0	20
	Nagaur	Nagaur	429	539	-110
	Churu	Churu	2200	1800	400
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	1400	1800	-400
	Bhiwani	Bhiwani	0	0	Unch
		Siwani	2100	2100	Unch



	Sirsa	Sirsa	1125	1100	25
		Dhabwali	91	165	-74
		Ellanabad	261	847	-586
	Fatehabad	Fatehabad	0	0	Unch
Gujarat	Banaskantha	Deesa	580	720	-140
	Patan	Patan	4	1	3
	Rajkot	Rajkot	265	355	-90
	Jamnagar	Dhrol	0	9	-9
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			15044	15191	-147

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