



# Guar Weekly Research Report

## Table of Contents

- ❖ **Executive Summary**
- ❖ **Outlook**
- ❖ **Domestic Market Fundamentals**
- ❖ **Processing Margins**
- ❖ **Guar Gum Weekly Exports**
- ❖ **Technical Analysis (Guar Seed)**
- ❖ **Technical Analysis (Guar Gum)**
- ❖ **Guar Seed & Gum Prices at Key Spot Markets**
- ❖ **Guar Seed Arrivals at Key Centers**



## ***Executive Summary***

### ***Domestic Guar Seed Market Summary***

Guar seed weekly average prices at Jodhpur (delivery prices) went up by 0.95% to INR. 4,754/Qtl Vs. INR 4,709/Qtl last week and Guar gum prices went up by 0.18% at INR. 9,233/Qtl Vs. INR 9,325/Qtl the previous week amid new crop arrivals. Arrivals recorded low as most of the mandis remained closed.

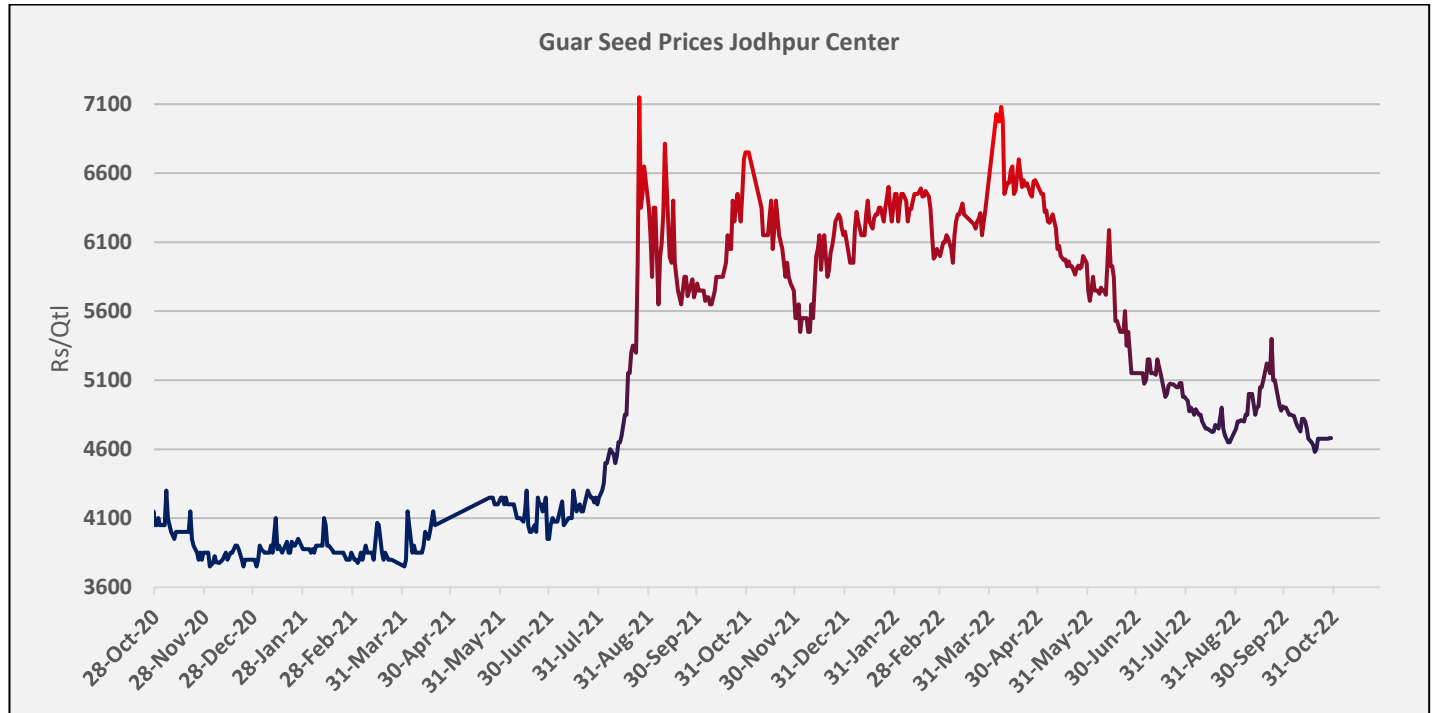
As on 28<sup>st</sup> Oct '2022, as per data released by Baker Hughes, the number of oilrigs in USA decreased by 2 from 612 in the previous week to 610 this week.

### **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 4,600 –4,800/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 gain and went up marginally by 0.93% to INR 4,678/qlt as compared to previous week's at INR 4,635/qlt amid new crop arrivals.



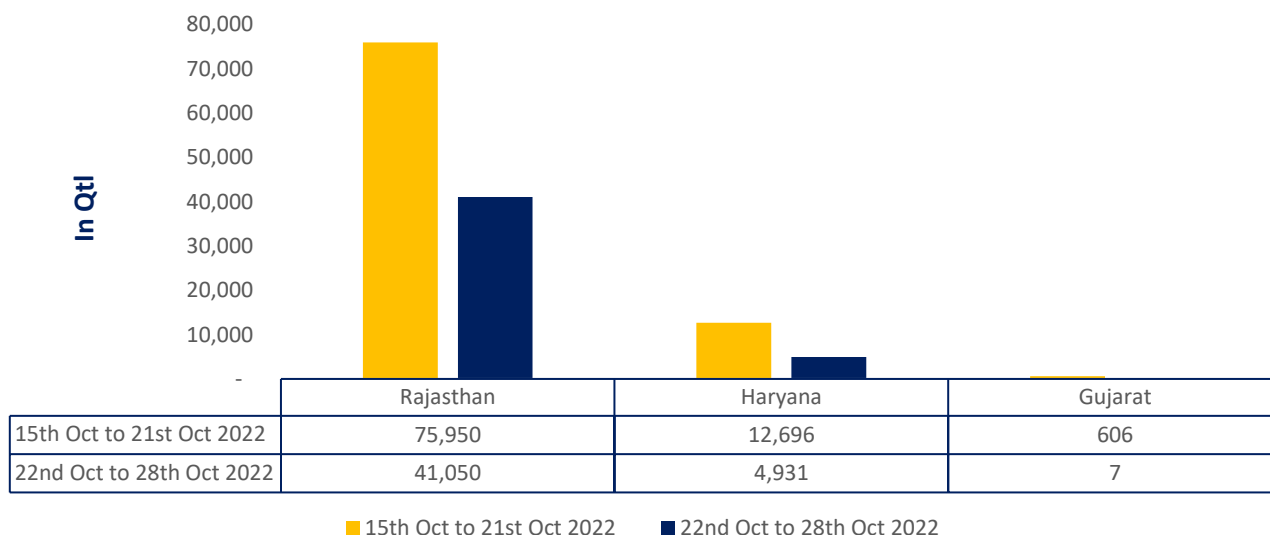
During the week under review weekly average prices of guar gum went up marginally by 0.45% at INR 9,275/qlt. vs previous week at INR 9,233/qlt. in tandem with guar seed prices.



## Guar seed arrivals

Overall Guar seed arrivals went down by 48% during the week under review as compared to previous week. Arrivals went down in Rajasthan by 45%, while in Haryana arrivals went down by 61% as compared to previous week. Arrivals recorded low amid festivals, as most of the mandis remained closed.

### Guar Seed Arrival This Week Vs Previous week

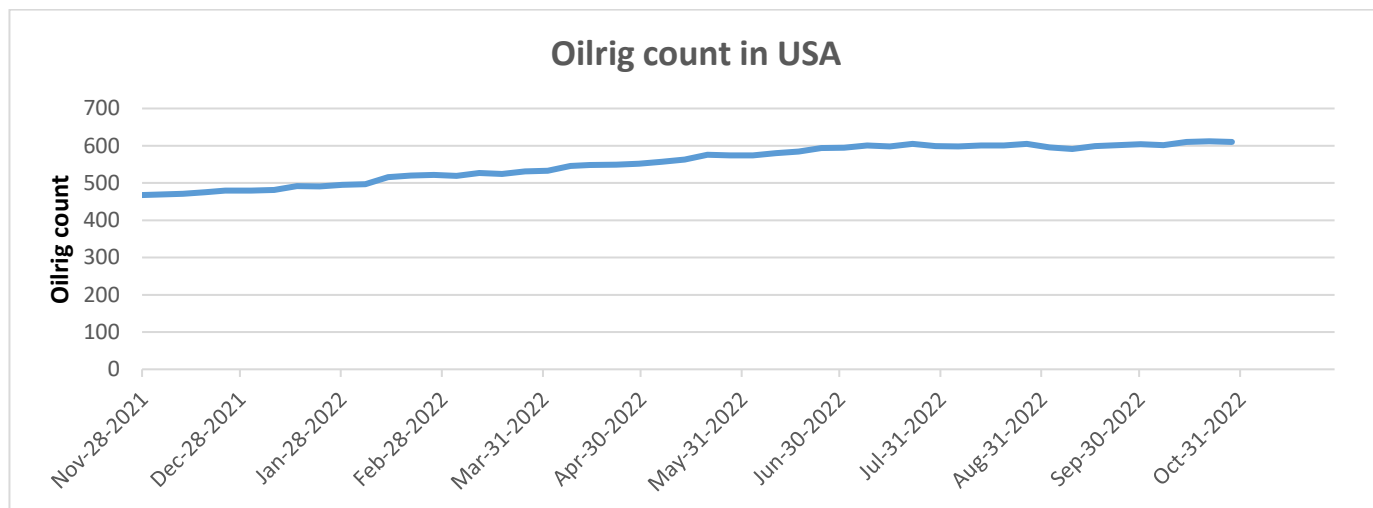


## Sowing Updates

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 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	

**Oil Rig count :** As on 28<sup>th</sup> Oct '2022, as per data released by Baker Hughes, the number of oilrigs in USA decreased by 2 from 612 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%

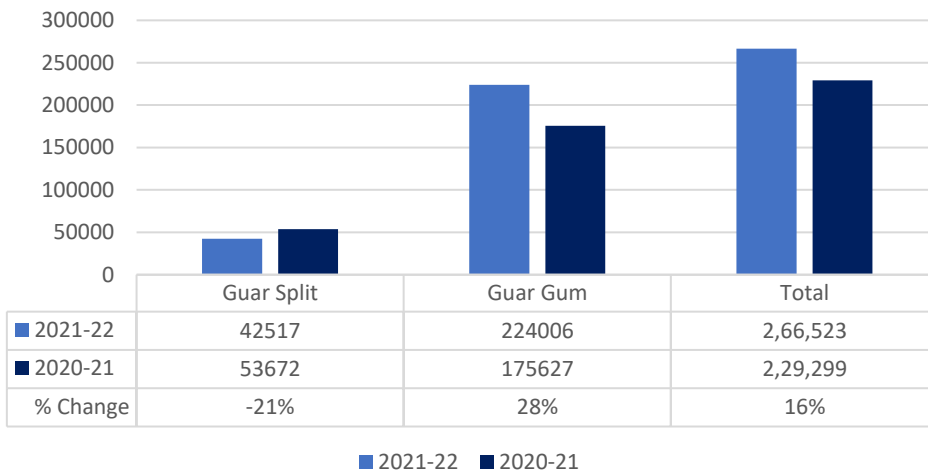
**Guar Gum Exports:** India's Guar gum exports decreased in the month of July 2022 by 23% to 22,501 MT compared to 29,236 MT during previous month. However, the gum shipments were up by 36.12% in July 2022 compared to the same period last year. Out of the total exported quantity, around 5737 MT (25.50%)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

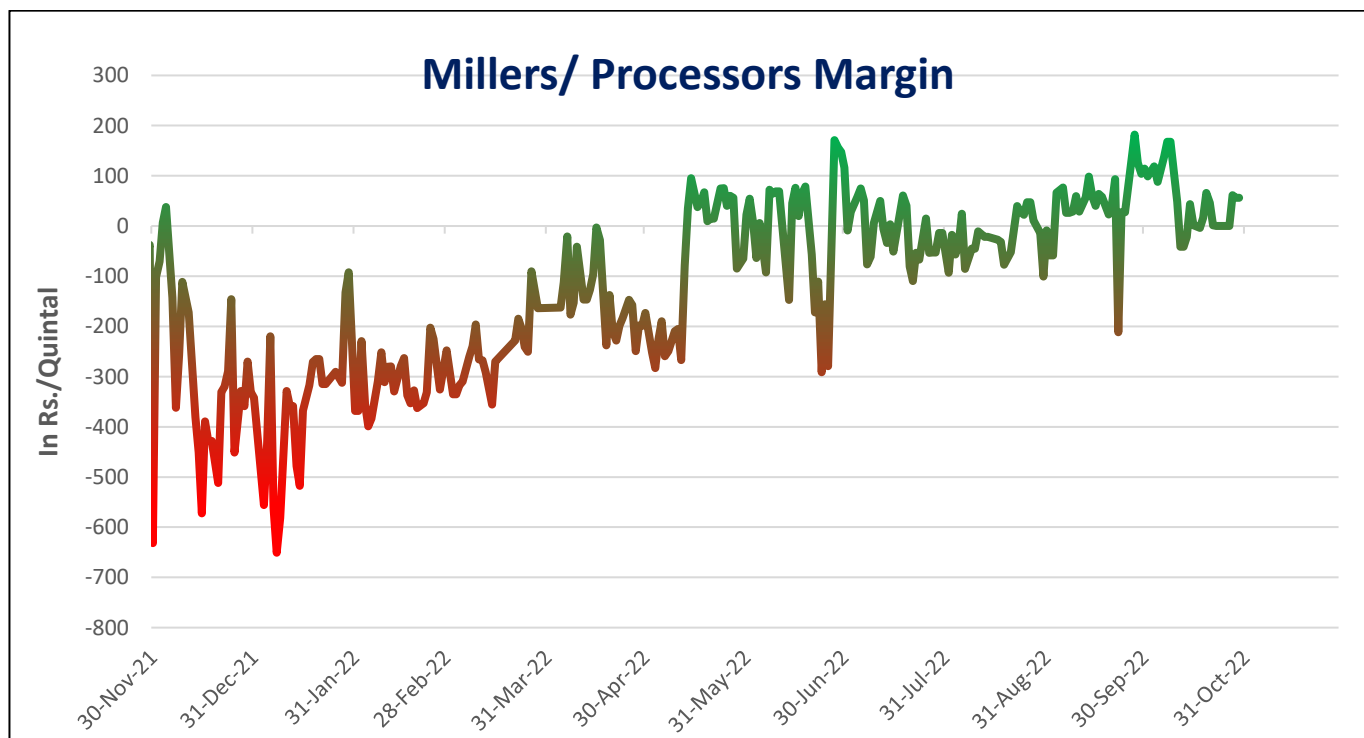
## Total Cumulative Guar exports:

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 went up to INR. 58/qrtl as compared to INR. 21/qrtl previous week, due to increase in guar gum 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 is in downtrend and has corrected for the seven consecutive weeks and prices are below 9, 18, 50 and 100 DMA indicating bearish trend.
- During the week, Guar seed went marginally down by 1.11% and closed at 4,653, made low at 4,640 and a high of 4,712.
- MACD converging with DIF indicating trend reversal.
- RSI is below 32, indicating weak buying strength.

### Weekly Supports & Resistances

			S1	S2	PCP	R1	R2
Guar seed	NCDEX	Nov	4200	4000	4700	5400	5700
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	Nov	Sell	4640	4600	4400	4660

### Technical Analysis (Guar gum)

Commodity: Guar gum  
 Contract: Nov

Exchange: NCDEX  
 Expiry: Nov 20, 2022

#### Guar gum (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 is continuing the downtrend and prices are below 9, 18, 50 and 100 DMA indicating bearish trend.
- During the week Guar gum went down by 1.75%, market made low at 9,000, high at 9,165 and closed at 9,027.
- 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	8800	8600	9200	9540	9780
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	Nov	<b>Sell</b>	9030	8860	8700	9030

Guar by – Products Weekly Average Prices:				
Commodity	Centre	22nd Oct to 28th Oct 2022	15th Oct to 21st Oct 2022	Change
Churi	Jodhpur	1900	1800	100
Korma	Jodhpur	2925	2850	75
Prices in Rs/75 kg				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			22nd Oct to 28th Oct 2022	15th Oct to 21st Oct 2022	
Rajasthan	Jodhpur	Jodhpur (Loose)	4528	4485	43
		Jodhpur(Delivery)	4754	4709	45
	Sri-Ganganagar	Sri-Ganganagar(Loose)	4533	4492	42
		Sri-Ganganagar (Delivery)	4683	4642	42
		Rawla (Loose)	4449	4491	-42
		Gharsana (Loose)	4463	4512	-49
		Raisinghnagar (Loose)	4448	4438	10
	Bikaner	Bikaner (Loose)	4458	4490	-32
		Bikaner (Delivery)	4681	4715	-33
		Nokha(Loose)	4458	4483	-25
		Nokha (Delivery)	4681	4708	-26
		Khajuwala (Loose)	4500	4475	25
		Khajuwala (Delivery)	4725	4699	26
		Lunkaransar (Loose)	4467	4484	-18
	Hanumangarh	Hanumangarh (Loose)	4425	4458	-33
		Hanumangarh (Delivery)	4646	4681	-35
	Nagaur	Nagaur (Loose)	4475	4455	20
	Churu	Churu (Delivery)	4667	4617	50
	Alwar	Alwar (Loose)	4267	4233	33
Haryana	Hisar	Adampur (Loose)	4483	4471	13
		Adampur (Delivery)	4708	4694	13
	Bhiwani	Bhiwani (Delivery)	4638	4650	-13
		Siwani (Loose)	4631	4685	-54
	Sirsa	Sirsa (Loose)	4300	4358	-58
		Dhabwali (Loose)	-	4408	-
		Dhabwali (Delivery)	-	4629	-
		Ellanabad (Loose)	-	4567	-

	Fatehabad	Fatehabad (Loose)	-	4350	-
	Patan	Patan (Loose)	-	4258	-
	Rajkot	Rajkot (Loose)	4375	4513	-138
	Jamnagar	Dhrol (Loose)	-	4365	-
<b>Guar Gum</b>					
<b>Rajasthan</b>	Jodhpur	Jodhpur	9250	9233	17
	Alwar	Alwar	9367	9250	117
<b>Haryana</b>	Bhiwani	Bhiwani	9288	9283	4
	Sirsa	Sirsa	9300	9267	33
		Dhabwali	-	9267	-
		Ellanabad	-	9290	-
	Fatehabad	Fatehabad	-	9275	-

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			22nd Oct to 28th Oct 2022	15th Oct to 21st Oct 2022	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	3000	8300	-5300
		Rawla	3300	2400	900
		Gharsana	7100	2800	4300
		Raisinghnagar	2700	8200	-5500
	Bikaner	Bikaner	3000	15500	-12500
		Nokha	4000	10400	-6400
		Khajuwala	1350	2200	-850
		Lunkaransar	5200	6100	-900
	Hanumangarh	Hanumangarh	400	1600	-1200
		Nohar	0	0	Unch
		Pilibanga	0	0	Unch
	Nagaur	Nagaur	6000	12950	-6950
	Churu	Churu	5000	5500	-500
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	2100	4900	-2800
	Bhiwani	Bhiwani	250	0	250
		Siwani	1500	2800	-1300
	Sirsa	Sirsa	450	1550	-1100
		Dhabwali	0	0	Unch
		Ellanabad	631	3346	-2715
	Fatehabad	Fatehabad	0	100	-100
Gujarat	Banaskantha	Deesa	0	0	Unch



	Patan	Patan	0	22	-22
	Rajkot	Rajkot	7	571	-564
	Jamnagar	Dhrol	0	13	-13
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			45988	89252	-43264

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2022 Indian Agribusiness Systems Limited