



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

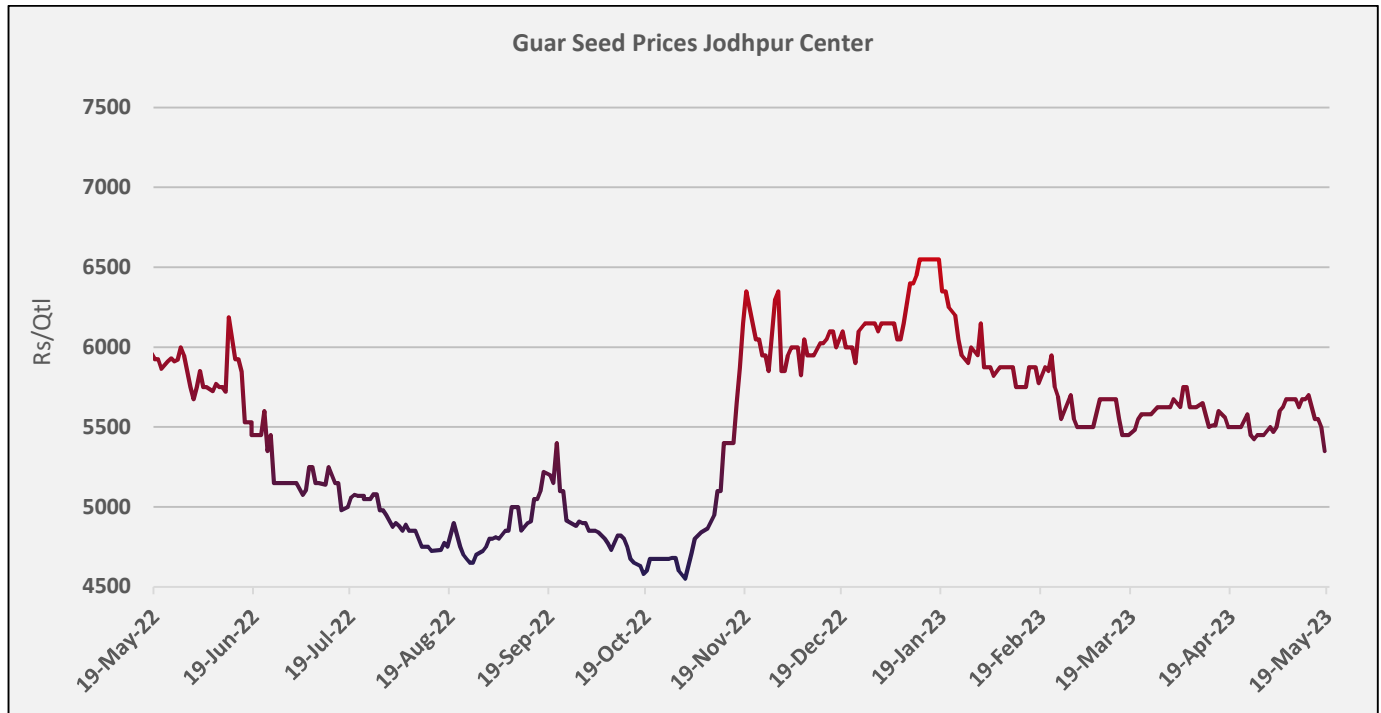
- During the week under review, Guar seed Jodhpur delivery weekly average prices went down by 1.8% to INR 5,554/qtl. as compared to previous week at INR 5,658/qtl. as the traders and farmers are offloading the older stocks, while buying remains sluggish.
- A delayed onset of monsoon and/or El Nino weather phenomenon manifesting leading to deficient rainfall will define the prices in the month of June and later.
- During the week under review, weekly average prices of guar gum went down by 2.6% at INR 11,442/qtl. vs previous week at INR 11,742/qtl. in tandem with guar seed prices.
- Overall Guar seed arrivals went up by 15% to 25,929 qtl. during the week under review as compared to 22,532 qtl. in the previous week. The arrivals went up by 24% in Rajasthan and 3.7% in Haryana as compared to the previous week.
- As on 19th May '2023, The Baker Hughes oilrig count data showed a drop of 11 to 575 as compared to 586 in the previous week, which is the lowest in a year.

Outlook – Guar seed (Spot, Jodhpur basis):

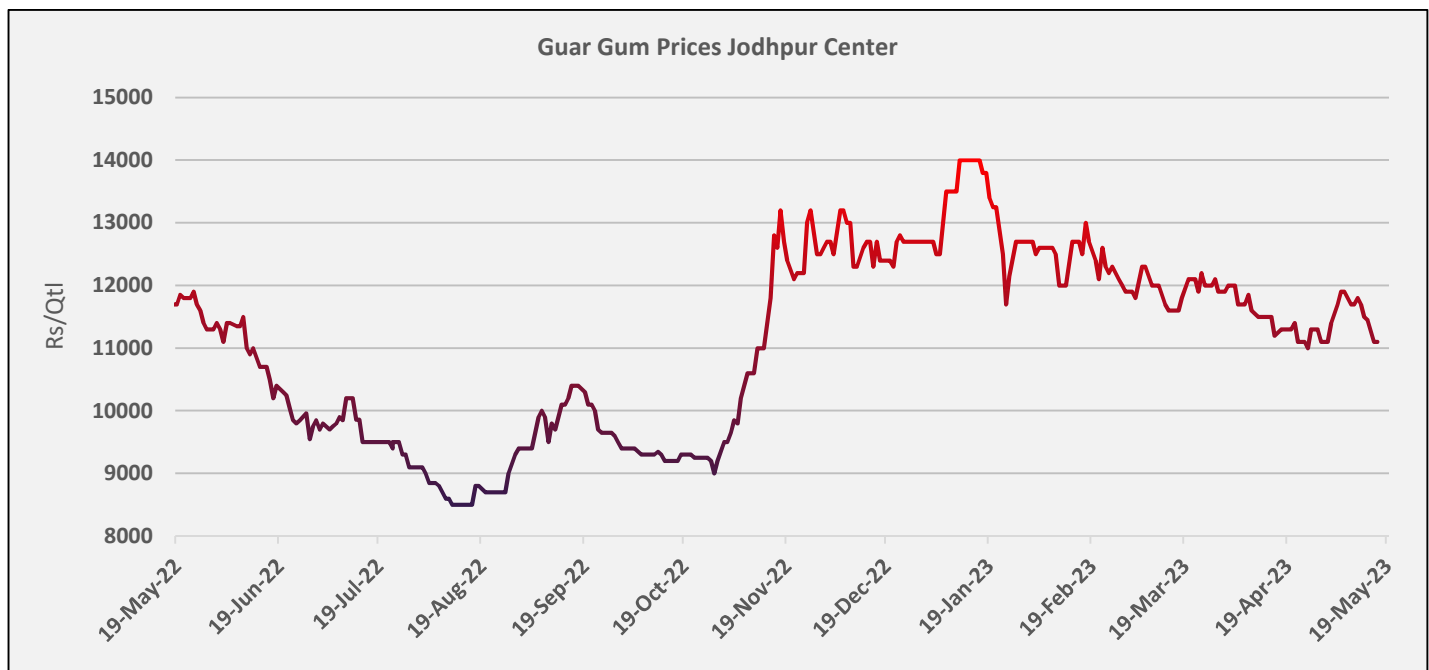
- Guar seed - prices are expected to show bearish sentiments in the market. The Jodhpur Guar seed delivery prices are likely to trade in the range between INR 5,500–5,800/Qtl. in the short-run. Guar gum is expected to trade in the range of 11,200-12,000/qtl in near term.

Domestic Market Fundamentals

During the week under review, Guar seed Jodhpur delivery weekly average prices went down by 1.8% to INR 5,554/qtl. as compared to previous week at INR 5,658/qtl. due to the good arrivals in the market, and currently the traders and farmers are offloading the older stocks, due to which the prices are bearish.

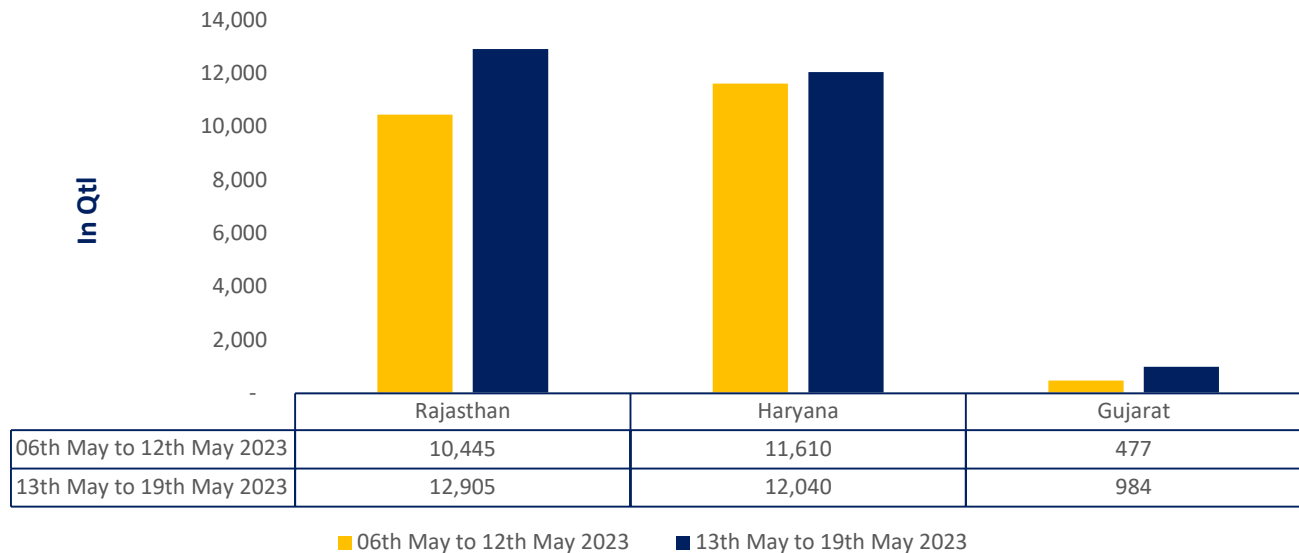


During the week under review, weekly average prices of guar gum went down by 2.6% at INR 11,442/qtl. vs previous week at INR 11,742/qtl. amid the decreasing crude oil prices and falling U.S. oil rig count.



Guar seed arrivals: Overall Guar seed arrivals went up by 15% to 25,929 qtl. during the week under review as compared to 22,532 qtl. in the previous week. The arrivals went up by 24% in Rajasthan and 3.7% in Haryana as compared to the previous week. As per the market sources, the arrivals during the week went up because the traders and farmers have started offloading the older stocks of guar seed before the sowing season commences. As of now, around 42-45% of the estimated production has arrived in the market.

Guar Seed Arrival This Week Vs Previous week



WTI (West Texas Intermediate)

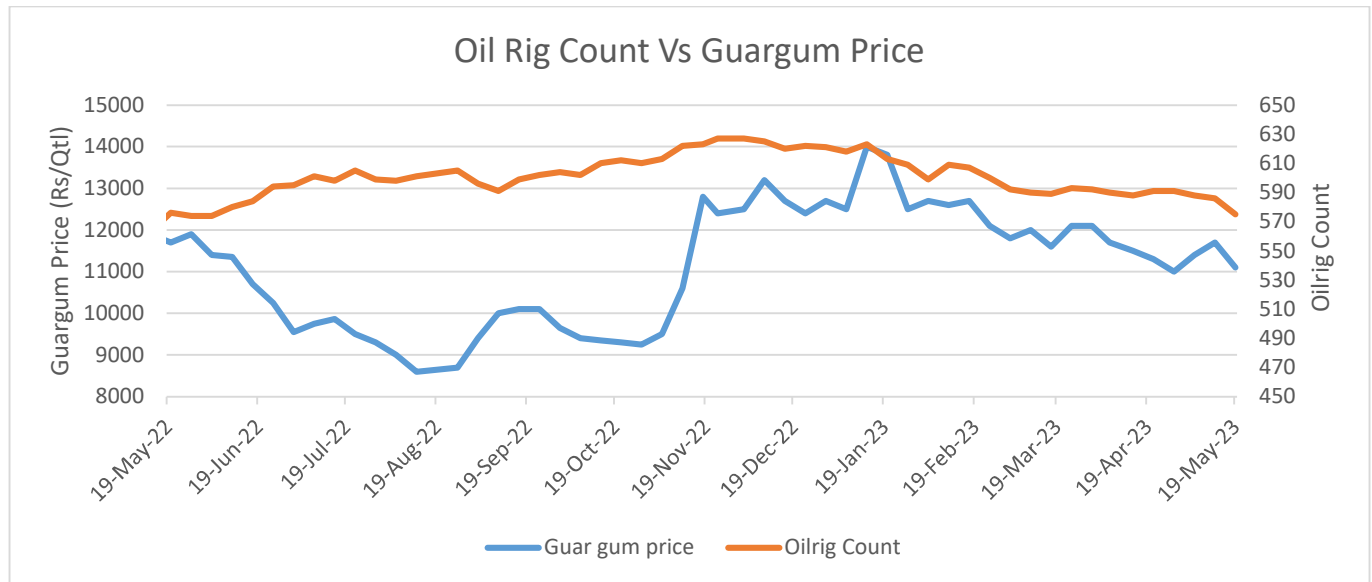
On 19th May '23, Friday, the price of crude oil, specifically West Texas Intermediate (WTI), decreased to \$71.55 per barrel, with a drop of \$0.31 per barrel. This decline in oil prices was attributed to concerns about the rising U.S. debt, and the anxiety surrounding which had a negative effect on oil prices. This was because negotiations between Republicans and the Biden administration regarding the debt ceiling were temporarily halted. Additionally, the June WTI contract is set to expire on Monday, which could also impact oil prices.

The decline in crude oil prices are expected to lower the demand of guar gum further and hence the bearish sentiments in the guar prices are likely to continue in the coming week.

WTI Crude oil 19th May '23	% Change
19th May '23	-0.43% ■
1 Week	2.16% ■
Month till date	-6.81% ■

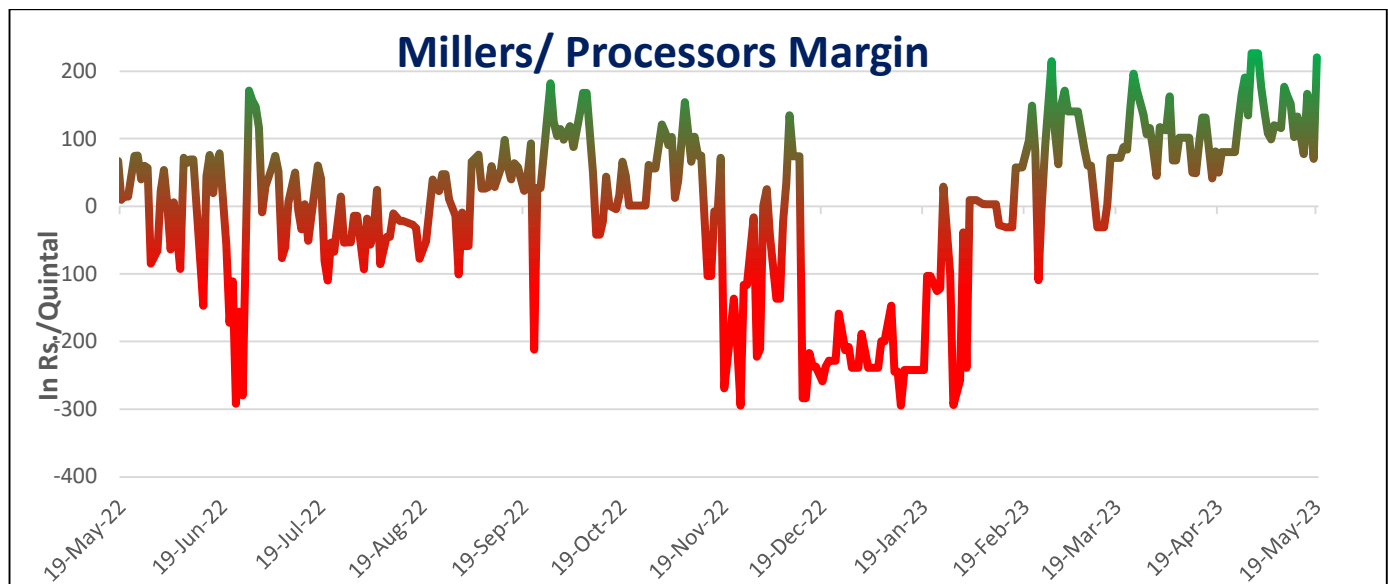
Oil Rig Count (Baker Hughes)

As on 19th May '2023, The Baker Hughes rig count data showed a drop of 11 to 575 as compared to 586 in the previous week, which is the lowest in a year. This week all of the rigs that went inactive were oil. This decrease in the count is due to the low crude oil prices, which are further expected to go down due to the U.S. debt ceiling concern. The Guar gum prices also recorded a downward movement of 5% due to fall in demand and went down at INR 11,100 as compared to INR 11,700 in the previous week.



Millers/Processors Margin

During the week under review, weekly average net crush margin of Guar seed went down to INR 133/ctl. as compared to INR 139/ctl. in the previous week amid the lower demand of churi korma in the market. Although the guar seed crushing has decreased due to lower crush margin but many millers are crushing amid expectations of improvement in guar gum export demand in the near future.



Technical Analysis (Guar seed)

Commodity: Guar seed
Contract: June

Exchange: NCDEX
Expiry: June 20, 2023

Guar seed (May, Weekly Chart)



Violet histogram Indicates WTI crude oil Weekly price movement.

Technical Commentary:

- As seen in above chart, during the week under review, the market traded above 50 DMA while below 9, 18 and 100 DMA, indicating bearish sentiments in the market.
- During the week, Guar seed went down by 3.15%. The market closed at 5,530, made low at 5,530 and a high of 5,668.
- As per weekly chart, MACD is indicating negative momentum.
- RSI is near 47, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar seed	NCDEX	June	5400	5300	5530	5800	5900
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	June	SELL	5600	5500	5450	5650

Technical Analysis (Guar gum)

Commodity: Guar gum
 Contract: June

Exchange: NCDEX
 Expiry: June 20, 2023

Guar gum (May, Weekly Chart)



Violet histogram Indicates WTI crude oil weekly price movement.

Technical Commentary:

- As seen in above chart, during the week under review, the market traded above 50 and 100 DMA, while below 9 and 18 DMA, indicating bearish sentiments in the market.
- During the week, Guar gum went down by 5.07%, market made low at 11,012, high at 11,562 and closed at 11,012.
- As per weekly chart, MACD is indicating negative momentum.
- RSI is near 45, indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar gum	NCDEX	June	10700	10500	11,012	12000	12100
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	June	SELL	11100	11900	11800	11200

Guar by – Products Weekly Average Prices:				
Commodity	Centre	13th May to 19th May 2023	06th May to 12th May 2023	Change
Churi	Jodhpur	2375	2400	-25
Korma	Jodhpur	3075	3094	-19
Prices in Rs/75 kg				

Guar Export Weekly Average Prices:				
Commodity	Variety	13th May to 19th May 2023	06th May to 12th May 2023	Change
Guargum Split		1457	1424	34
Guargum Powder	200 Mesh 5000 CPS	1700	1668	32
	200 Mesh 3500 CPS	1609	1576	33
Guargum Meal	40%	425	435	-10
	50%	510	496	14
Prices in \$/MT				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			13th May to 19th May 2023	06th May to 12th May 2023	
Rajasthan	Jodhpur	Jodhpur (Loose)	5404	5508	-104
		Jodhpur(Delivery)	5674	5784	-109
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5388	5418	-30
		Sri-Ganganagar (Delivery)	5538	5568	-30
		Rawla (Loose)	5388	5371	17
		Gharsana (Loose)	5400	5492	-92
		Raisinghnagar (Loose)	5383	5483	-100
	Bikaner	Bikaner (Loose)	5417	5538	-121
		Bikaner (Delivery)	5688	5814	-127
		Nokha(Loose)	5450	5538	-88
		Nokha (Delivery)	5723	5814	-92
		Khajuwala (Loose)	5492	5550	-58
		Khajuwala (Delivery)	5766	5838	-72
		Lunkaransar (Loose)	5661	5806	-144
	Hanumangarh	Hanumangarh (Loose)	5333	5367	-33
		Hanumangarh (Delivery)	5600	5635	-35

		Nohar (Loose)	NA	NA	-
		Pilibanga (Loose)	5392	5375	17
	Nagaur	Nagaur (Loose)	5404	5520	-116
	Churu	Churu (Delivery)	5567	5700	-133
	Alwar	Alwar (Loose)	5217	5350	-133
Haryana	Hisar	Adampur (Loose)	5422	5408	13
		Adampur (Delivery)	5693	5679	14
	Bhiwani	Bhiwani (Delivery)	5570	5650	-80
		Siwani (Loose)	5603	5700	-97
	Sirsa	Sirsa (Loose)	5325	5426	-101
		Dhabwali (Loose)	5367	5375	-8
		Dhabwali (Delivery)	5635	5644	-9
		Ellanabad (Loose)	5375	5375	Unch
	Fatehabad	Fatehabad (Loose)	5233	5350	-117
Gujarat	Banaskantha	Deesa (Loose)	5300	5600	-300
	Patan	Patan (Loose)	5125	5490	-365
	Rajkot	Rajkot (Loose)	5575	5613	-38
	Jamnagar	Dhrol (Loose)	5331	5445	-114
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	11442	11742	-300
	Alwar	Alwar	11367	11733	-367
	Hanumangarh	Nohar	NA	NA	-
Haryana	Bhiwani	Bhiwani	11150	11215	-65
	Sirsa	Sirsa	11367	11533	-167
		Dhabwali	11233	11200	33
		Ellanabad	11417	11450	-33
	Fatehabad	Fatehabad	11483	11700	-217

Guar Cumulative Arrivals in Key Centers:

Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			13th May to 19th May 2023	06th May to 12th May 2023	
Rajasthan	Jodhpur	Jodhpur	0	0	Unch
	Sri-Ganganagar	Sri-Ganganagar	825	690	135
		Rawla	0	0	Unch
		Gharsana	350	390	-40
		Raisinghnagar	60	30	30
	Bikaner	Bikaner	5200	3400	1800
		Nokha	2100	2050	50



		Khajuwala	1350	1200	150
		Lunkaransar	2500	1650	850
	Hanumangarh	Hanumangarh	130	200	-70
		Nohar	0	0	Unch
		Pilibanga	240	300	-60
	Nagaur	Nagaur	150	535	-385
	Churu	Churu	0	0	Unch
	Alwar	Alwar	0	0	Unch
Haryana	Hisar	Adampur	5300	4900	400
	Bhiwani	Bhiwani	480	650	-170
		Siwani	3450	2600	850
	Sirsa	Sirsa	2450	3100	-650
		Dhabwali	180	180	Unch
		Ellanabad	180	180	Unch
	Fatehabad	Fatehabad	0	0	Unch
Gujarat	Banaskantha	Deesa	0	0	Unch
	Patan	Patan	19	39	-20
	Rajkot	Rajkot	860	410	450
	Jamnagar	Dhrol	105	28	77
Madhya Pradesh	Gwalior	Dabra	0	0	Unch
Total Arrivals/Above Markets			25929	22532	3397

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