



# Guar Weekly Research Report

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## *Executive Summary*

### *Domestic Guar Seed Market Summary*

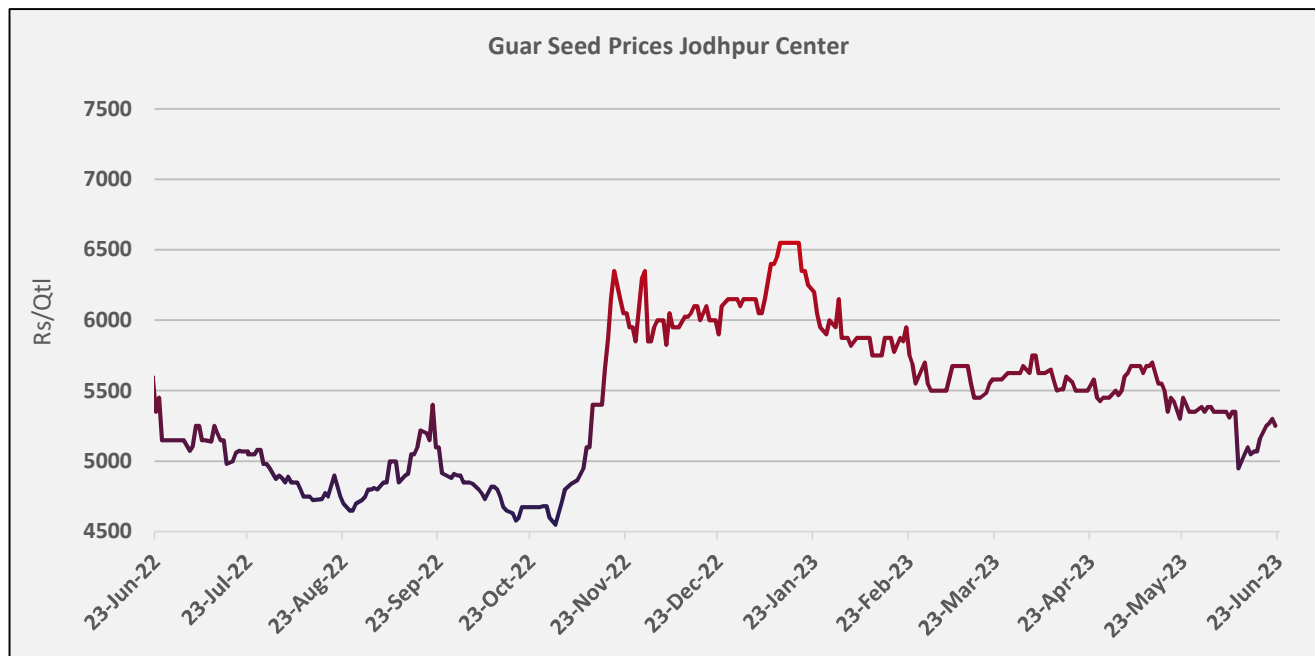
- During the week, the guar prices showed bullish sentiments due to delayed monsoon and deficient rainfall in the north west part of Rajasthan, that is the major guar producing region of the country.
- The weekly Jodhpur delivery Guarseed price went up by 2.4% and the gum price by 2.5%.
- The total arrivals during the week was down by 7% as compared to the previous week.
- As on 23<sup>rd</sup> June '2023, The Baker Hughes rig count declined for the 8<sup>th</sup> week in a row amid the weaker crude oil prices and lower demand.
- Guar sowing has started in some parts of North western Rajasthan and Gujarat. But the expectation of drier monsoon this year may lead to lower sowing this season.
- The guar seed prices went up during the week amid the potential for a drier monsoon in 2023 due to El Nino. The lack of sufficient rainfall would directly affect the sowing progress and yield of guar seeds in 2023. However, there is abundant availability of guar seeds in the market, which is likely to limit excessive price gains. Additionally, the export demand for gum is expected to remain weak due to the decline in crude oil prices.

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

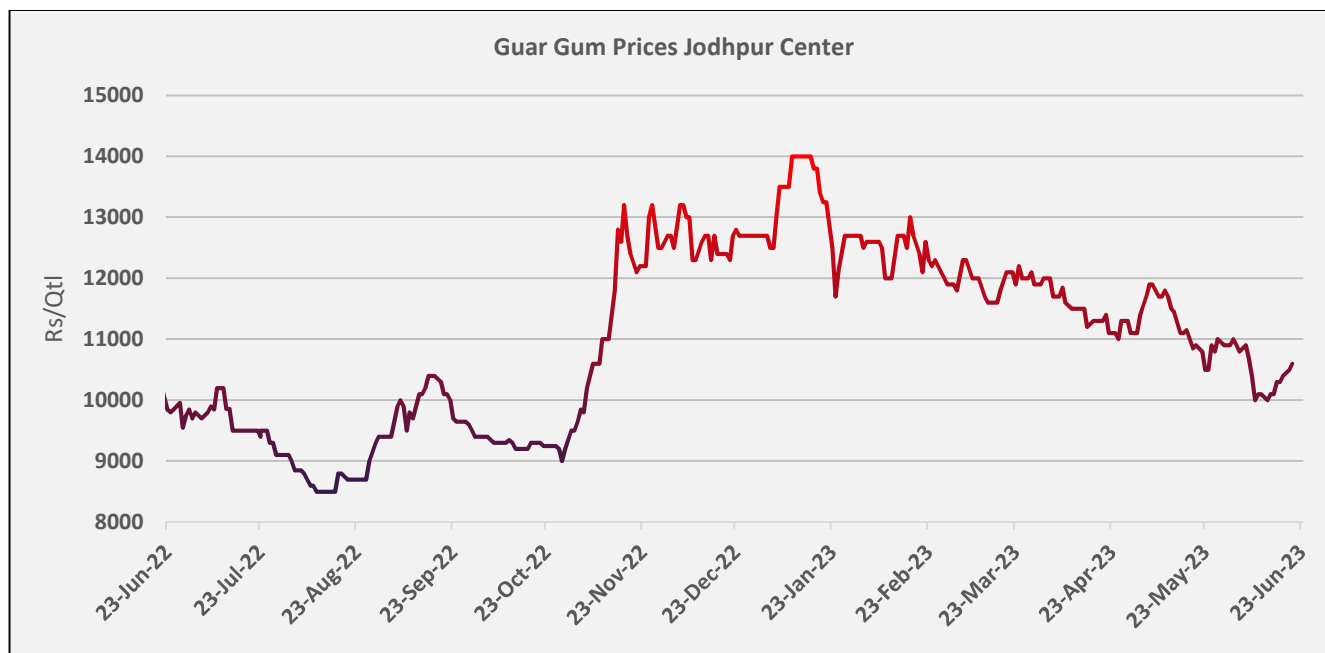
- Guar seed is expected to show bullish sentiments in the market. The Jodhpur Guar seed delivery prices are likely to stay in the range between INR 4,900–5,400/Qtl. in the short-run. Guar gum is expected to trade in the range of 10,000-10,800/qtl in near term.

### Domestic Market Fundamentals

During the week under review, the market was bullish and Guar seed Jodhpur delivery weekly average prices went up by 2.4% to INR 5,217/qtl. as compared to previous week at INR 5,095/qtl. due to delayed monsoon and deficient rainfall in the major guar producing region of Rajasthan, due to which there is expectation of lesser guar production this season.



During the week under review, weekly average prices of guar gum went up by 2.5% at INR 10,367/qtl. as compared to INR 10,117/qtl. the previous week in tandem with guar seed prices.

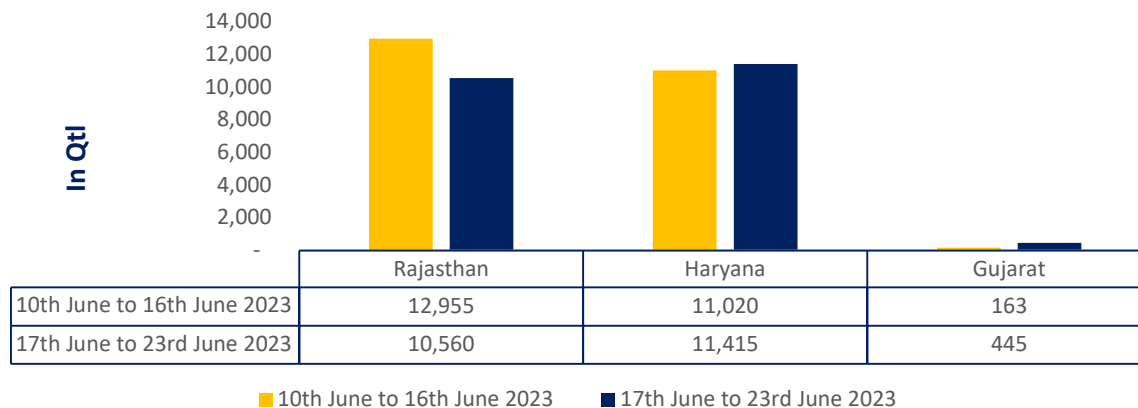


## Weather and Sowing Updates:

- The Guar sowing has started in some parts of North-western parts of Rajasthan like Sri Ganganagar and Hanumangarh and Gujarat. As per the latest data released by the Gujarat Agriculture Department, the Guar seed crop has been sown in 2,964 Ha of area as compared to last three-year average in 3,830 Ha.
- In Anupgarh district of Rajasthan, the damage in newly sown guar crop is being reported amid the high temperature and absence of rainfall in the area.
- In Hanumangarh district the guar sowing has almost concluded and as per the sources, the guar sowing area has declined by 20-30% this time due to the continued bearish prices and lower yield of the crop for last 2-3 seasons.
- As per the market sources, the guar sowing area in the Bikaner (Khajuwala) region is very likely to decline by 15-20% due to the continued bearish price trend during the current season and that area is more likely to be shifted to Moong crop.
- The expectation of drier Monsoon this year is likely to lower the guar production and acreage as it is a rainfed crop and requires 3-4 spells of rain for better germination and growth.

**Guar seed arrivals:** During the week under review, the overall guar seed arrivals went down by 7% at 22,420 qtl. as compared to the last week at 24,138 qtl. In Rajasthan, the arrivals went down by 18.5% while in Haryana it went up by 3.6% during this week. As of now, 50-55% of the estimated production has arrived in the market.

## Guar Seed Arrival This Week Vs Previous week

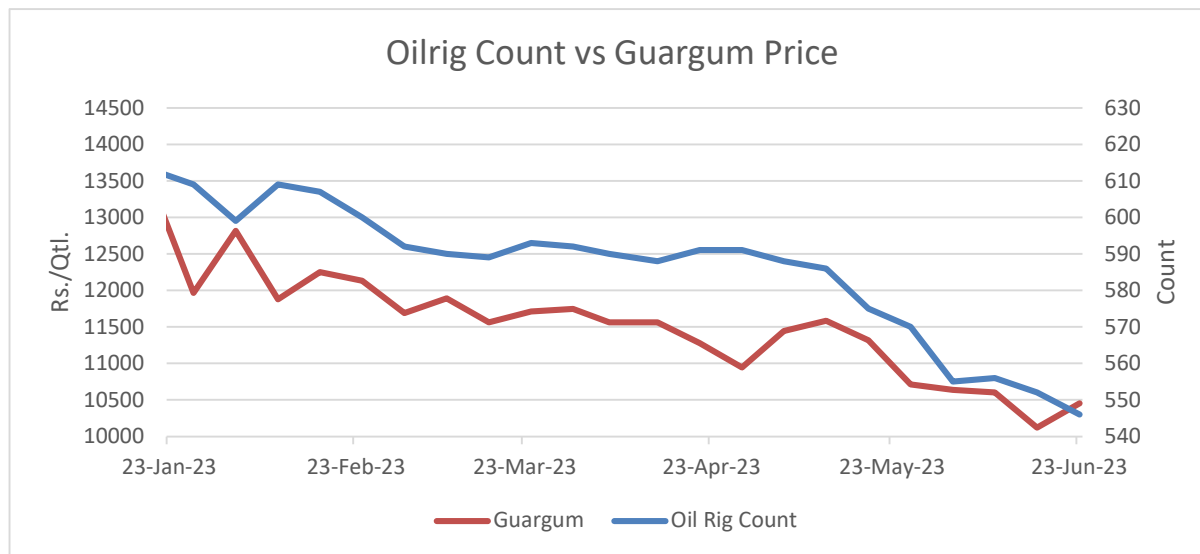


## Crude Oil

WTI Crude oil 23rd June '23	% Change
23rd June '23	-0.50%
1 Week	-3.65%
Month till date	1.57%

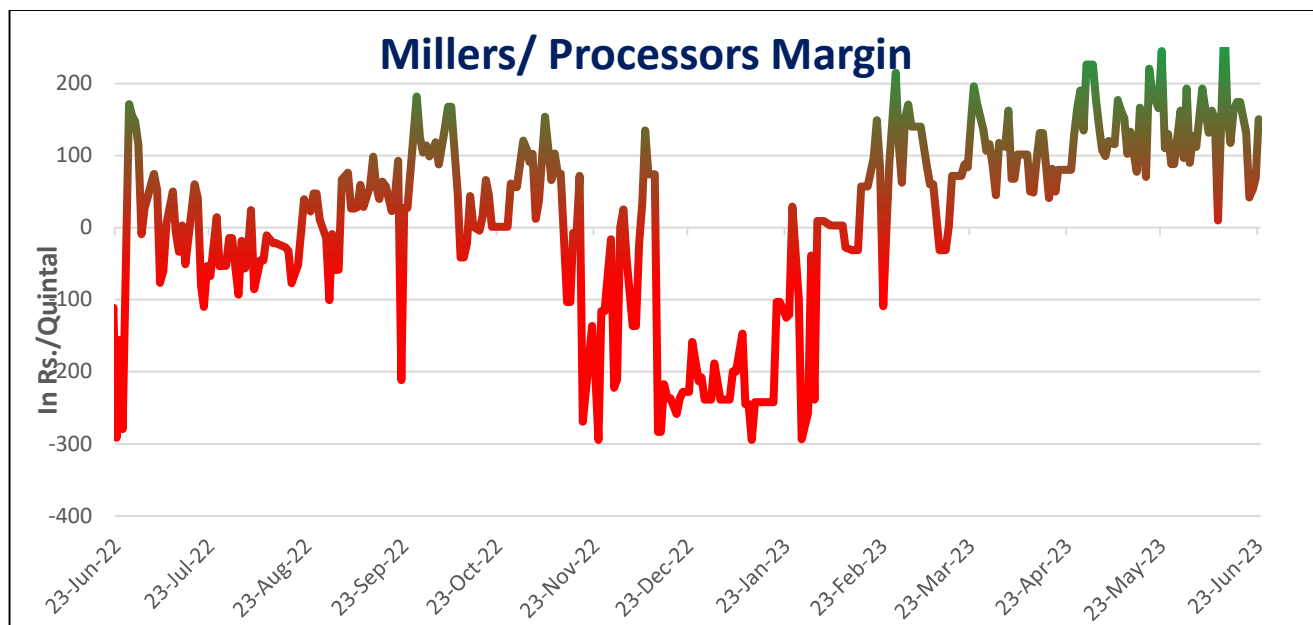
### Oil Rig Count (Baker Hughes)

As per the data released by Baker Hughes, as on 23<sup>rd</sup> June '2023, the U.S. oil rigs fell by 6 to 546 this week as compared to 552 in the previous week, lowest since April' 22 amid the low crude oil price. If we look at this year's oilrig count, it is continuously declining due to lesser demand of crude oil. Although the guar gum prices went up during the week amid the improvement in guar seed prices due to delayed monsoon.



### Millers/Processors Margin

During the week under review, weekly average net crush margin of Guar seed went down at INR 104/qtl. as compared to the previous week at INR 151/qtl. amid weaker demand in the market. The churi and korma prices have also decreased during the week.



### Technical Analysis (Guar seed)

**Commodity: Guar seed**  
**Contract: July**

**Exchange: NCDEX**  
**Expiry: July 20, 2023**

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



#### Technical Commentary:

- As seen in above chart, during the week under review, the market traded above 9 and 18 DMA and below 50 and 100 DMA, indicating good market sentiments.
- During the week, Guar seed went up by 4.8%. The market closed at 5,393, made low at 5,200 and a high of 5,490.
- As per weekly chart, MACD is indicating positive momentum.
- RSI is near 45, indicating good buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar seed	NCDEX	July	5100	5200	5393	5600	5800
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	July	BUY	5300	5500	5550	5250



## Technical Analysis (Guar gum)

Commodity: Guar gum  
Contract: July

Exchange: NCDEX  
Expiry: July 20, 2023

### Guar gum ( July, Weekly Chart)



### Technical Commentary:

- As seen in above chart, during the week under review, the market traded above 9 and 18 while below 50 and 100 DMA, indicating positive sentiments in the market.
- During the week, Guar gum went up by 5.6%, market made low at 9,899, high at 10,750 and closed at 10,452.
- As per weekly chart, MACD is indicating positive momentum.
- RSI is near 42, indicating good buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar gum	NCDEX	July	9800	9900	10452	10900	11000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	July	BUY	10400	10800	10850	10350

Guar by – Products Weekly Average Prices:				
Commodity	Centre	17th June to 23rd June 2023	10th June to 16th June 2023	Change
Churi	Jodhpur	1892	2267	-375
Korma	Jodhpur	2588	3119	-531
Prices in Rs/75 kg				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change
Guar Seed			17th June to 23rd June 2023	10th June to 16th June 2023	
Rajasthan	Jodhpur	Jodhpur (Loose)	5096	4945	151
		Jodhpur(Delivery)	5351	5192	159
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5110	4959	151
		Sri-Ganganagar (Delivery)	5260	5109	151
		Rawla (Loose)	5064	4997	68
		Gharsana (Loose)	5064	4947	118
		Raisinghnagar (Loose)	5008	4963	45
	Bikaner	Bikaner (Loose)	5142	4963	179
		Bikaner (Delivery)	5399	5211	188
		Nokha(Loose)	5058	4958	100
		Nokha (Delivery)	5311	5206	105
		Khajuwala (Loose)	5125	4980	145
		Khajuwala (Delivery)	5381	5229	152
		Lunkaransar (Loose)	5408	5206	201
	Hanumangarh	Hanumangarh (Loose)	5025	4975	50
		Hanumangarh (Delivery)	5276	5224	53
		Nohar (Loose)	5082	NA	-
		Pilibanga (Loose)	4738	4733	4
	Nagaur	Nagaur (Loose)	NA	4929	-
	Churu	Churu (Delivery)	5158	4967	192
	Alwar	Alwar (Loose)	4833	4700	133
Haryana	Hisar	Adampur (Loose)	5063	4986	78
		Adampur (Delivery)	5317	5235	81
	Bhiwani	Bhiwani (Delivery)	5242	5058	183
		Siwani (Loose)	5290	5170	120
	Sirsa	Sirsa (Loose)	5058	4925	133
		Dhabwali (Loose)	4963	4950	13
		Dhabwali (Delivery)	5211	5198	13



		Ellanabad (Loose)	5013	4950	63
	<b>Fatehabad</b>	Fatehabad (Loose)	5000	4867	133
<b>Gujarat</b>	<b>Banaskantha</b>	Deesa (Loose)	NA	NA	-
	<b>Patan</b>	Patan (Loose)	5855	5110	745
	<b>Rajkot</b>	Rajkot (Loose)	5323	5105	218
	<b>Jamnagar</b>	Dhrol (Loose)	5053	5050	3
<b>Madhya Pradesh</b>	<b>Gwalior</b>	Dabra (Loose)	NA	NA	-
<b>Guar Gum</b>					
<b>Rajasthan</b>	<b>Jodhpur</b>	Jodhpur	10420	10117	303
	<b>Alwar</b>	Alwar	10383	10125	258
	<b>Hanumangarh</b>	Nohar	NA	NA	Unch
<b>Haryana</b>	<b>Bhiwani</b>	Bhiwani	10083	10083	Unch
	<b>Sirsa</b>	Sirsa	10250	9933	317
		Dhabwali	10217	10000	217
		Ellanabad	10257	10000	257
	<b>Fatehabad</b>	Fatehabad	10233	10067	167

**Guar Cumulative Arrivals in Key Centers:**

Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
			17th June to 23rd June 2023	10th June to 16th June 2023	
<b>Guar Seed</b>	<b>Sri-Ganganagar</b>	Sri-Ganganagar	1250	1450	-200
		Rawla	35	0	35
		Gharsana	710	690	20
		Raisinghnagar	355	150	205
	<b>Bikaner</b>	Bikaner	2700	2800	-100
		Nokha	2450	2500	-50
		Khajuwala	770	1250	-480
		Lunkaransar	1500	3950	-2450
	<b>Hanumangarh</b>	Hanumangarh	300	150	150
		Nohar	365	0	365
		Pilibanga	55	0	55
	<b>Nagaur</b>	Nagaur	30	15	15
	<b>Churu</b>	Churu	40	0	40
<b>Haryana</b>	<b>Hisar</b>	Adampur	3600	3300	300
	<b>Bhiwani</b>	Bhiwani	550	800	-250
		Siwani	3800	3700	100
	<b>Sirsa</b>	Sirsa	2700	2500	200
		Dhabwali	350	360	-10
		Ellanabad	415	360	55



	Patan	Patan	7	4	3
	Rajkot	Rajkot	390	150	240
	Jamnagar	Dhrol	48	9	39
Total Arrivals/Above Markets			22420	24138	-1718

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