



Guar Weekly Research Report

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Executive Summary

Domestic Guar Seed Market Summary

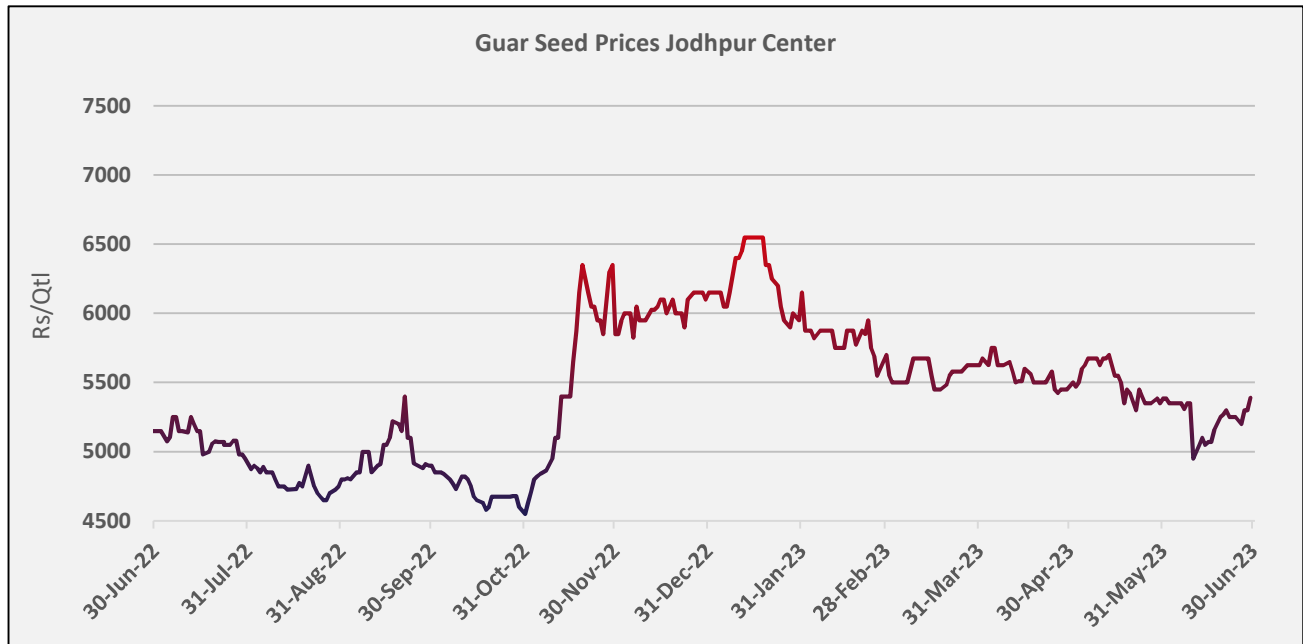
- Area under guar is expected to fall in year 2023 in wake of significant rise in area under bajra and moong in Rajasthan amid the good rainfall in the region. Sowing activities is yet to pick up but overall area is likely to be down due to lower realization on guar that will lead to shift in area of guar to other profitable crops.
- During the week, the guar prices extended the previous week's gain amid the expectations of acreage shift to other more profitable crops as guar remained bearish in the past few months.
- The weekly Jodhpur delivery Guarseed price went up by 1.2% and the gum price by 0.8%.
- The total arrivals during the week was up by 2% as compared to the previous week.
- As on 30th June '2023, The Baker Hughes rig count declined for the 9th week in a row amid the weaker crude oil prices and lower demand.

Outlook – Guar seed (Spot, Jodhpur basis):

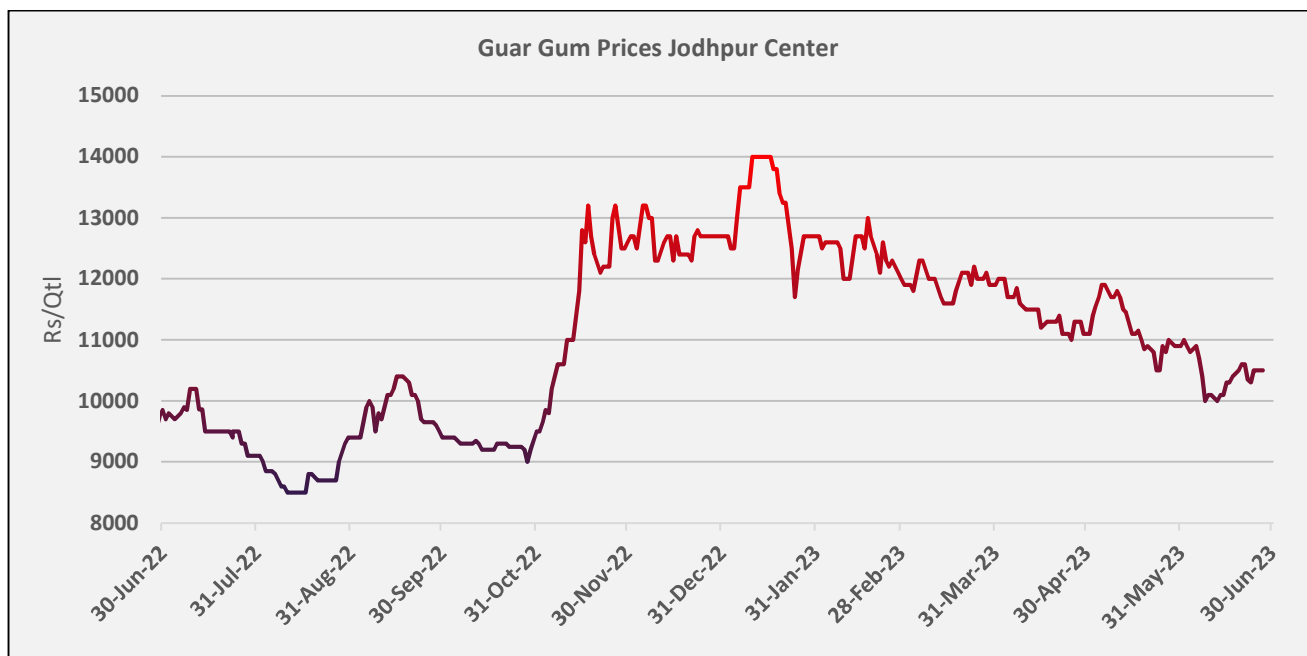
- Guar seed is expected to show a little uptrend in the market. The Jodhpur Guar seed delivery prices are likely to stay in the range between INR 4,900–5,400/Qtl. in the short-run. Guar gum is expected to trade in the range of 10,000-10,800/qtl in near term.

Domestic Market Fundamentals

During the reviewed week, the market exhibited a bullish trend, continuing the previous week's gains. The average weekly prices for Guar seed Jodhpur delivery experienced a 1.2% increase, reaching INR 5,282 per quintal compared to the previous week's INR 5,217 per quintal. This surge can be attributed to the the delayed sowing process this season in western Rajasthan, the primary region for guar cultivation. The region has witnessed ample rainfall, causing the delay as farmers have opted for more profitable crops. Consequently, the guar cultivation area is expected to move to moong and bajra crops.



During the week under review, weekly average prices of guar gum went marginally up by 0.8% at INR 10,458/qtl. as compared to INR 10,367/qtl. the previous week in tandem with guar seed prices.



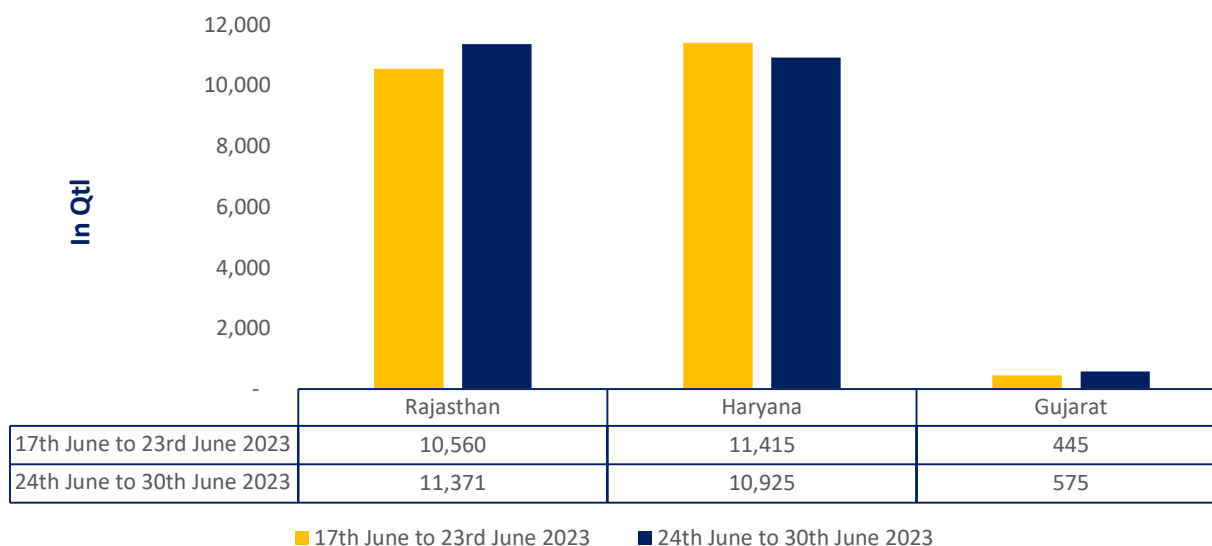
Weather and Sowing Updates:

- In western Rajasthan, in the period between 1st June to 29th June '2023, cumulative rainfall is 298%. Due to good rainfall conditions in Rajasthan, the farmers are shifting to crops like moong, moth and bajra. Although the sowing has just started, the weather scenarios in the coming months will decide the sowing area of guar.
- 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.

Western Rajasthan Districts	Cumulative Rainfall Departure (%) 1st June to 29th Jun '23 In Western Rajasthan Districts
Ganganagar	147%
Bikaner	24%
Jaisalmer	109%
Barmer	629%
Jodhpur	332%
Churu	16%
Nagaur	216%
Jalor	1068%
Hanumangarh	38%
Pali	785%
West Rajasthan	298%
Rajasthan	188%

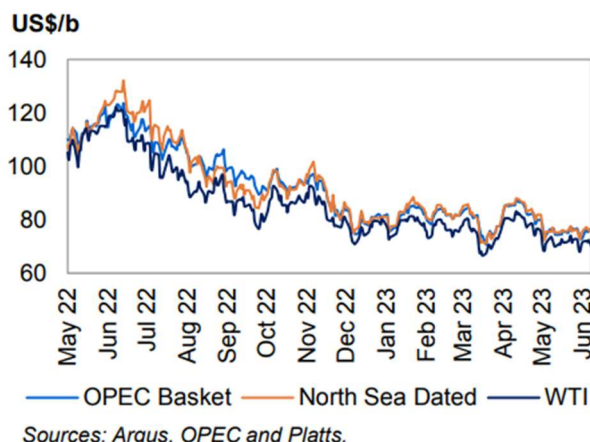
Guar seed arrivals: During the week under review, the overall guar seed arrivals went up by 2% at 22,871 qtl. as compared to the last week at 22,420 qtl. In Rajasthan, the arrivals went up by 7.6% while in Haryana it went down by 4% during this week. As of now, 50-55% of the estimated production has arrived in the market.

Guar Seed Arrival This Week Vs Previous week



Crude Oil- Spot Price

Crude spot prices experienced a significant decline, completely wiping out the gains made in the previous month. The decline can be attributed to selloffs in futures markets, abundant crude oil supply in Northwest Europe, an uncertain demand outlook, and mixed refining margins. Furthermore, soft buying interest from multiple Asian buyers, caused by refinery turnarounds, added downward pressure on spot prices. Diesel margins also experienced weeks of continuous decline, particularly in Asia, further contributing to the weakening of oil prices. Despite the overall bearish sentiment, certain factors provided some support to spot prices. A significant reduction in US crude oil stocks during the week of May 16 provided some relief to the market.

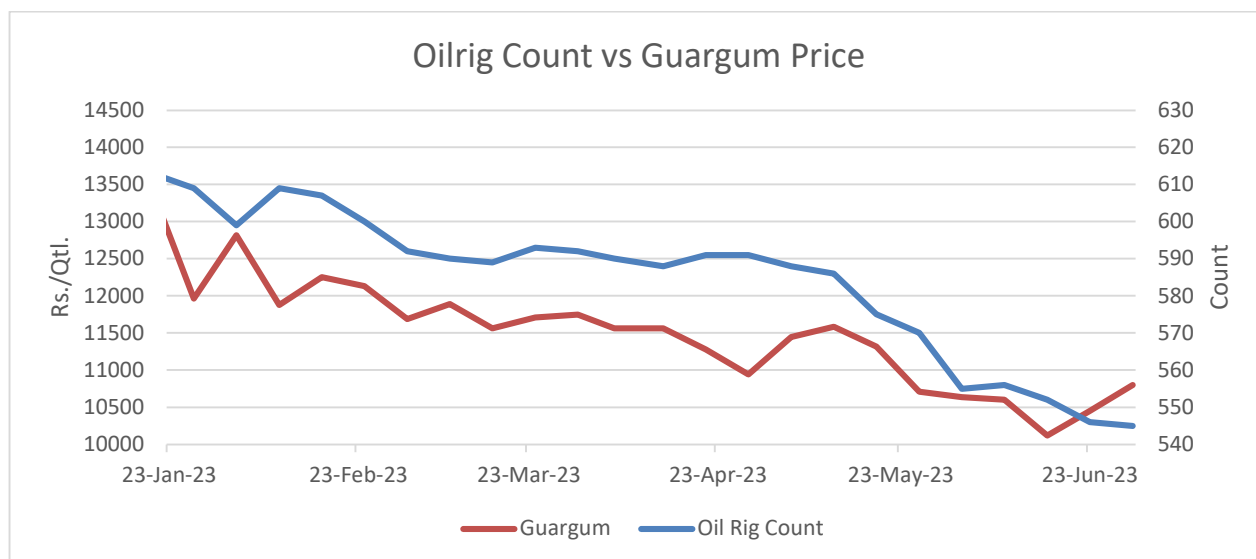


WTI Crude Oil

WTI Crude oil 30th June '23		% Change
30th June '23		-0.40%
1 Week		0.90%
Month till date		2.56%

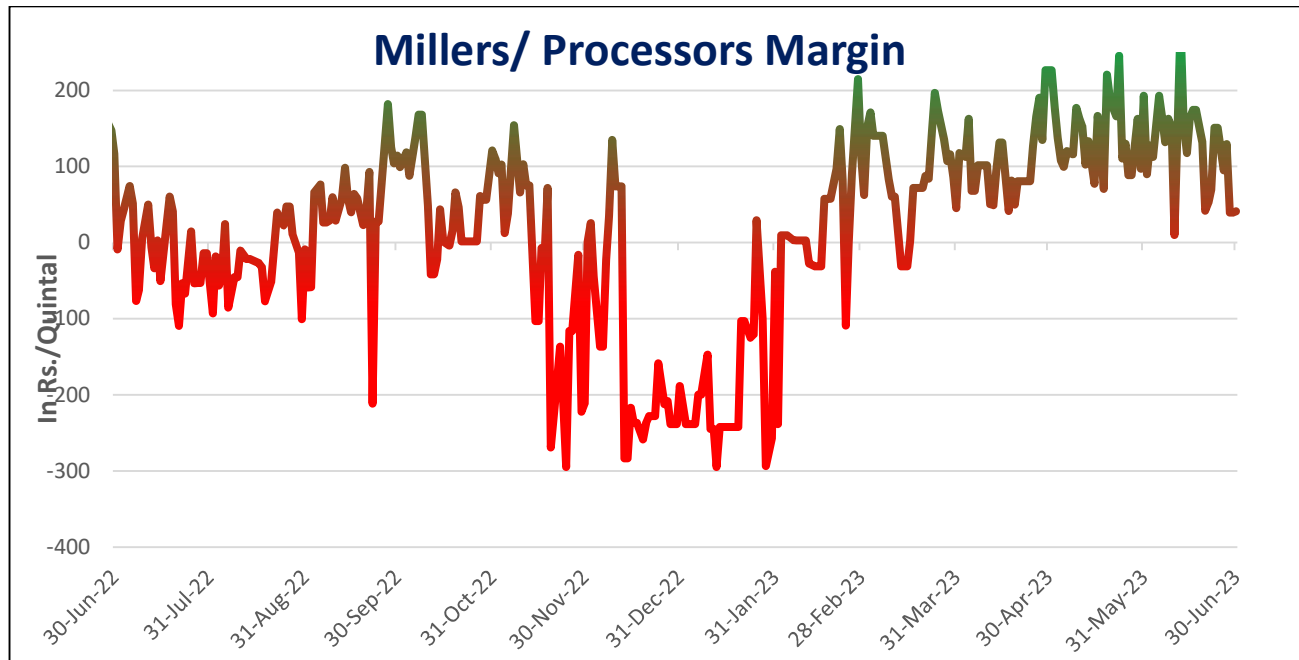
Oil Rig Count (Baker Hughes)

As per the data released by Baker Hughes, as on 30th June '2023, the U.S. oil rigs fell by 1 to 545 this week as compared to 546 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 amid the expectations of acreage shift.



Millers/Processors Margin

During the week under review, weekly average net crush margin of Guar seed went down at INR 82.5/qtl. as compared to the previous week at INR 104/qtl. amid weaker export demand in the market. The millers are not getting any major profit due to lower export demand due to which many mills are not operating in districts like Jodhpur, Bikaner and Siwani where most of the mills are situated. The churi and korma prices have also decreased during the week amid the fall in domestic demand.





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, 18 and 50 DMA and below 100 DMA, indicating positive market sentiments.
- During the week, Guar seed went marginally down by 0.83%. The market closed at 5,382, made low at 5,242 and a high of 5,585.
- 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	5382	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 marginally down by 1.5%, market made low at 10,033, high at 10,796 and closed at 10,422.
- 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	10422	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	24th June to 30th June 2023	17th June to 23rd June 2023	Change
Churi	Jodhpur	2270	1892	378
Korma	Jodhpur	3105	2588	518
Prices in Rs/75 kg				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			24th June to 30th June 2023	17th June to 23rd June 2023	
Rajasthan	Jodhpur	Jodhpur (Loose)	5132	5096	36
		Jodhpur(Delivery)	5388	5351	37
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5150	5110	40
		Sri-Ganganagar (Delivery)	5300	5260	40
		Rawla (Loose)	5163	5064	99
		Gharsana (Loose)	5130	5064	66
		Raisinghnagar (Loose)	5067	5008	58
	Bikaner	Bikaner (Loose)	5200	5142	58
		Bikaner (Delivery)	5460	5399	61
		Nokha(Loose)	5121	5058	63
		Nokha (Delivery)	5377	5311	66
		Khajuwala (Loose)	5140	5125	15
		Khajuwala (Delivery)	5397	5381	16
		Lunkaransar (Loose)	5495	5408	88
	Hanumangarh	Hanumangarh (Loose)	5033	5025	8
		Hanumangarh (Delivery)	5285	5276	9
		Nohar (Loose)	5140	5082	58
		Pilibanga (Loose)	4842	4738	104
	Nagaur	Nagaur (Loose)	5140	4220	920
	Churu	Churu (Delivery)	5320	5158	162
	Alwar	Alwar (Loose)	5120	4833	287
Haryana	Hisar	Adampur (Loose)	5108	5063	45
		Adampur (Delivery)	5364	5317	47
	Bhiwani	Bhiwani (Delivery)	5342	5242	100
		Siwani (Loose)	5357	5290	67
	Sirsa	Sirsa (Loose)	4956	5058	-102
		Dhabwali (Loose)	5025	4963	63
		Dhabwali (Delivery)	5276	5211	66

		Ellanabad (Loose)	5042	5013	29
	Fatehabad	Fatehabad (Loose)	4983	5000	-17
	Patan	Patan (Loose)	5176	5855	-679
	Rajkot	Rajkot (Loose)	5267	5323	-56
	Jamnagar	Dhrol (Loose)	4915	5053	-138
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	10508	10420	88
	Alwar	Alwar	10580	10383	197
Haryana	Bhiwani	Bhiwani	10358	10083	275
	Sirsa	Sirsa	10400	10250	150
		Dhabwali	10500	10217	283
		Ellanabad	10498	10257	242
	Fatehabad	Fatehabad	10483	10233	250

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			24th June to 30th June 2023	17th June to 23rd June 2023	
	Sri-Ganganagar	Sri-Ganganagar	1050	1250	-200
		Rawla	135	35	100
		Gharsana	650	710	-60
		Raisinghnagar	280	355	-75
	Bikaner	Bikaner	2900	2700	200
		Nokha	2700	2450	250
		Khajuwala	670	770	-100
		Lunkaransar	2500	1500	1000
	Hanumangarh	Hanumangarh	185	300	-115
		Nohar	106	365	-259
		Pilibanga	45	55	-10
	Nagaur	Nagaur	150	30	120
	Churu	Churu	0	40	-40
Haryana	Hisar	Adampur	2500	3600	-1100
	Bhiwani	Bhiwani	370	550	-180
		Siwani	3900	3800	100
	Sirsa	Sirsa	3550	2700	850
		Dhabwali	330	350	-20
		Ellanabad	275	415	-140
	Patan	Patan	46	7	39
	Rajkot	Rajkot	490	390	100
	Jamnagar	Dhrol	39	48	-9



Total Arrivals/Above Markets	22871	22420	451
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