



Guar Weekly Research Report

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Executive Summary***Domestic Guar Seed Market Summary***

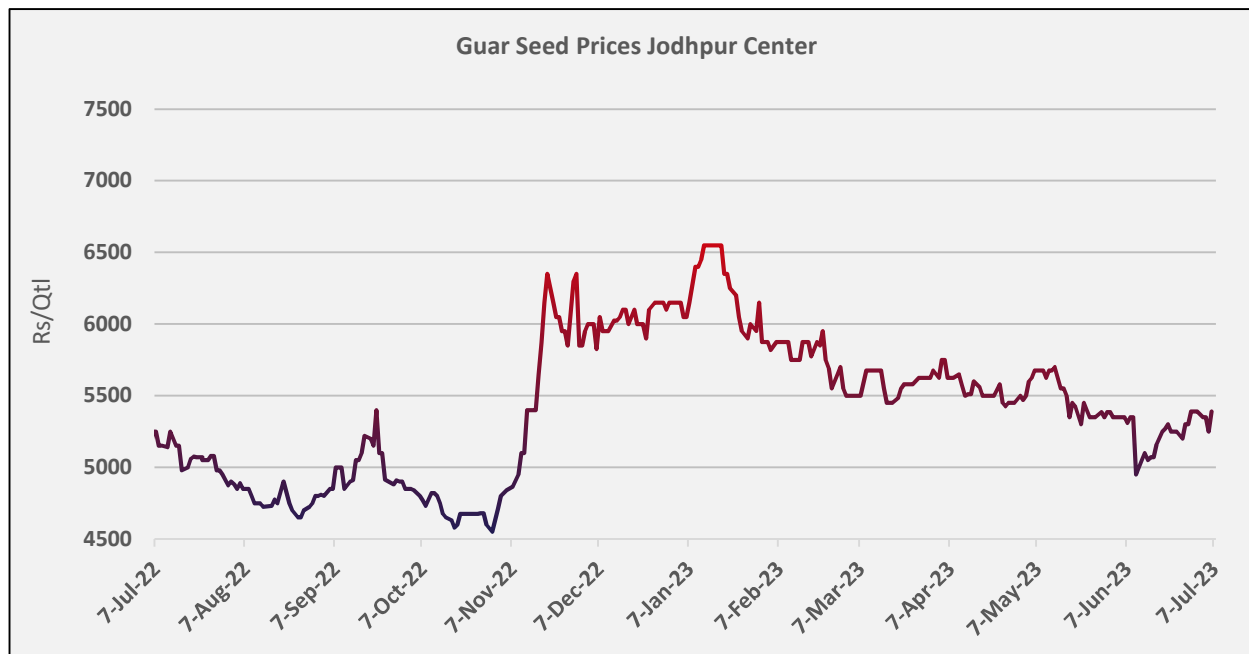
- Area under guar is expected to fall in year 2023 in wake of significant rise in area under bajra and moong in Rajasthan amid the good rainfall in the region. Sowing activities is yet to pick up but overall area is likely to be down due to lower realization on guar that will lead to shift in area of 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 1.4% and the gum price by 0.8%.
- The total arrivals during the week was up by 3% as compared to the previous week.
- As on 07th July '2023, The Baker Hughes rig count declined for the 10th week in a row amid the weaker crude oil prices and lower demand.

Outlook – Guar seed (Spot, Jodhpur basis):

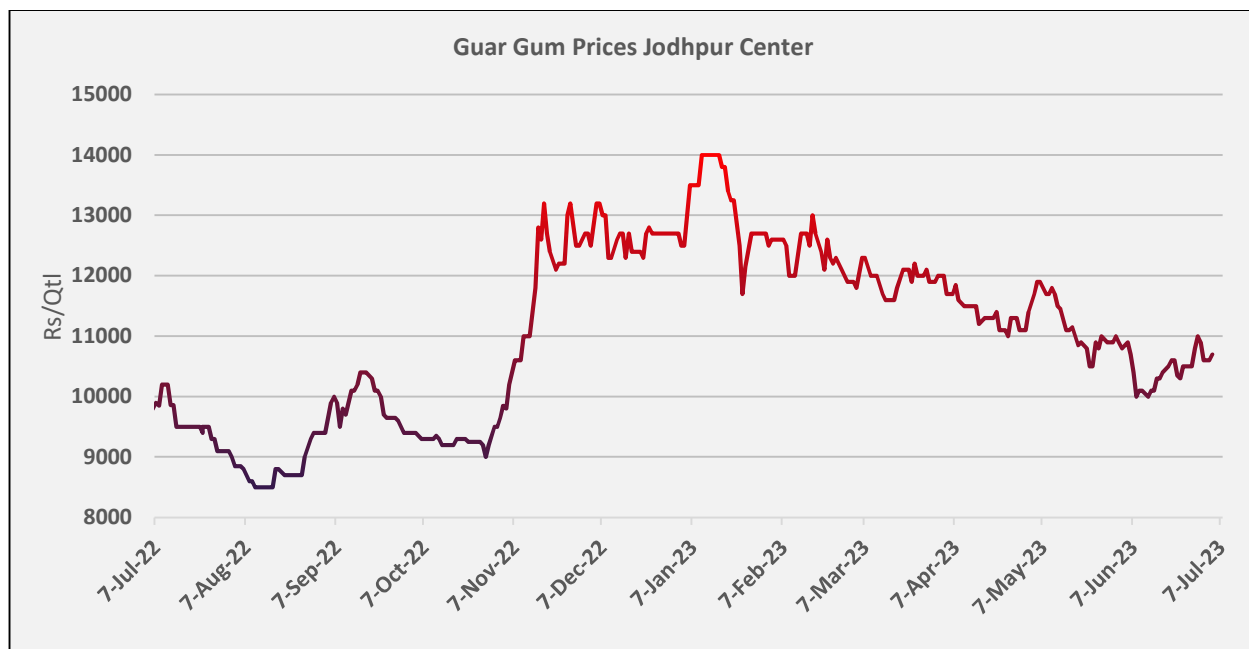
- Guar seed is expected to show a little uptrend in the market. The Jodhpur Guar seed delivery prices are likely to stay in the range between INR 5,000–5,500/Qtl. in the short-run. Guar gum is expected to trade in the range of 10,000-11,000/qtl in near term.

Domestic Market Fundamentals

During the reviewed week, the market exhibited a bullish trend, continuing the previous week's gains and prices went up for the 3rd week in a row. The average weekly prices for Guar seed Jodhpur delivery experienced a 1.4% increase, reaching INR 5,353 per quintal compared to the previous week's INR 5,282 per quintal amid the expectations of acreage shift.



During the week under review, weekly average prices of guar gum went up by 3% at INR 10,767/qtl. as compared to INR 10,458/qtl. the previous week in tandem with guar seed prices.



Weather and Guar Sowing Updates:

- With cyclone bringing abundant rain in parts of Gujarat and southern Rajasthan, sowing in the current kharif season has got a good head start. According to data released by state government, the sowing in Rajasthan and Gujarat is higher this season as compared to the corresponding week of previous kharif.

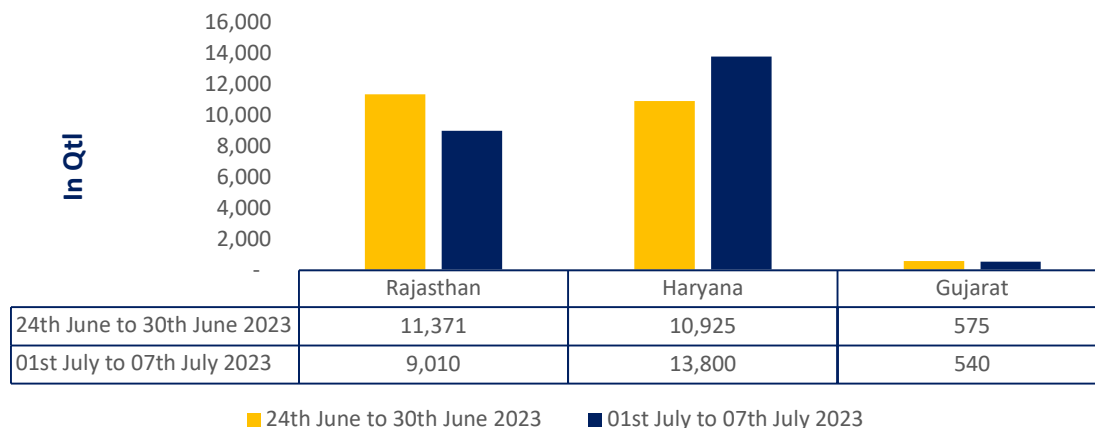
Guar seed sowing progress 2023-24			
State	Area of Kharif-2022 During Corresponding Period	Progressive Area of Kharif 2023	% change over previous year
Rajasthan (As on 03 rd Jul '23)	4.91	9.22	88%
Gujarat (As on 03 rd Jul '23)	0.001	0.11	10900%
Source: State government		Area in Lakh Ha	

- In western Rajasthan, in the period between 1st June to 8th July '2023, cumulative rainfall is 150%. As the region is receiving good rainfall, the major crops like moong and cotton are sown in the earlier weeks of June '23 and from this week guar as well as moth sowing has started. The major acreage of guar is in Jaisalmer, Barmer and Bikaner districts, in which sowing will be completed in the month of July '23.

Western Rajasthan Districts	Cumulative Rainfall Departure (%) 1st June to 08th Jul '23 In Western Rajasthan Districts
Ganganagar	95%
Bikaner	88%
Jaisalmer	166%
Barmer	487%
Jodhpur	246%
Churu	25%
Nagaur	151%
Jalor	588%
Hanumangarh	4%
Pali	438%
West Rajasthan	233%
Rajasthan	150%

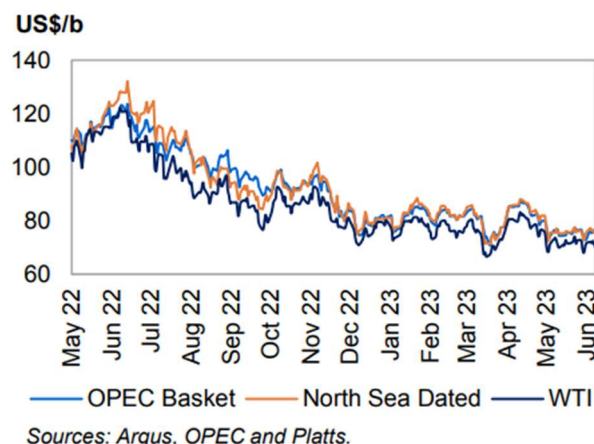
Guar seed arrivals: During the week under review, the overall guar seed arrivals went up by 2% at 23,350 qtl. as compared to the last week at 22,871 qtl. In Rajasthan, the arrivals went down by 20.7% amid the unfavourable weather conditions, while in Haryana it went up by 26% during this week. As of 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.

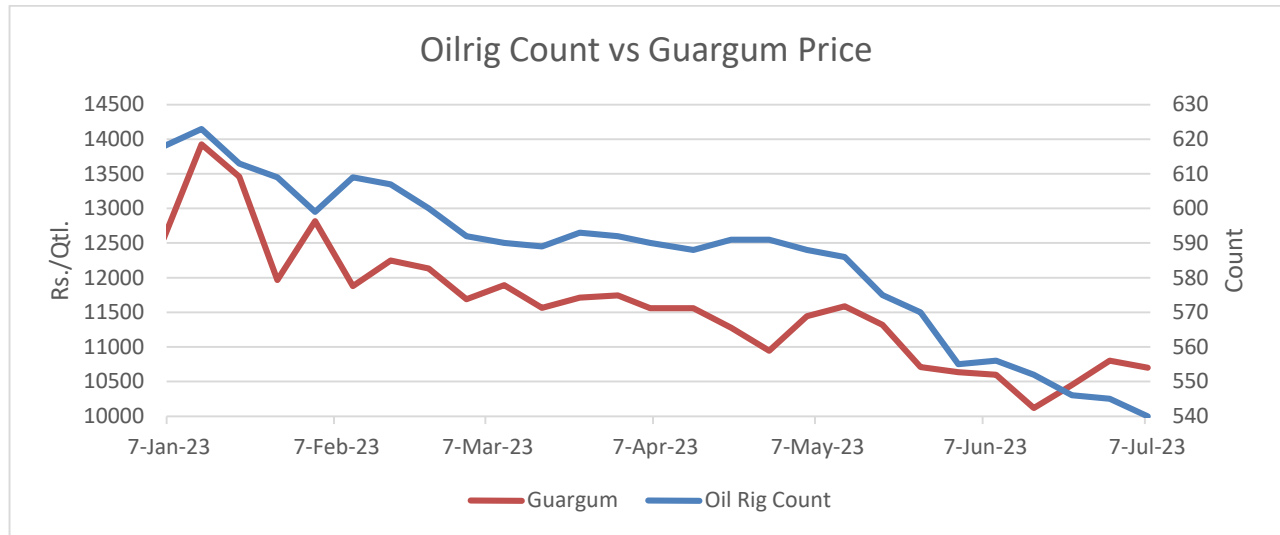


WTI Crude Oil

WTI Crude oil 06th July '23	% Change
06th July '23	0.19%
1 Week	2.00%
Month till date	1.80%

Oil Rig Count (Baker Hughes)

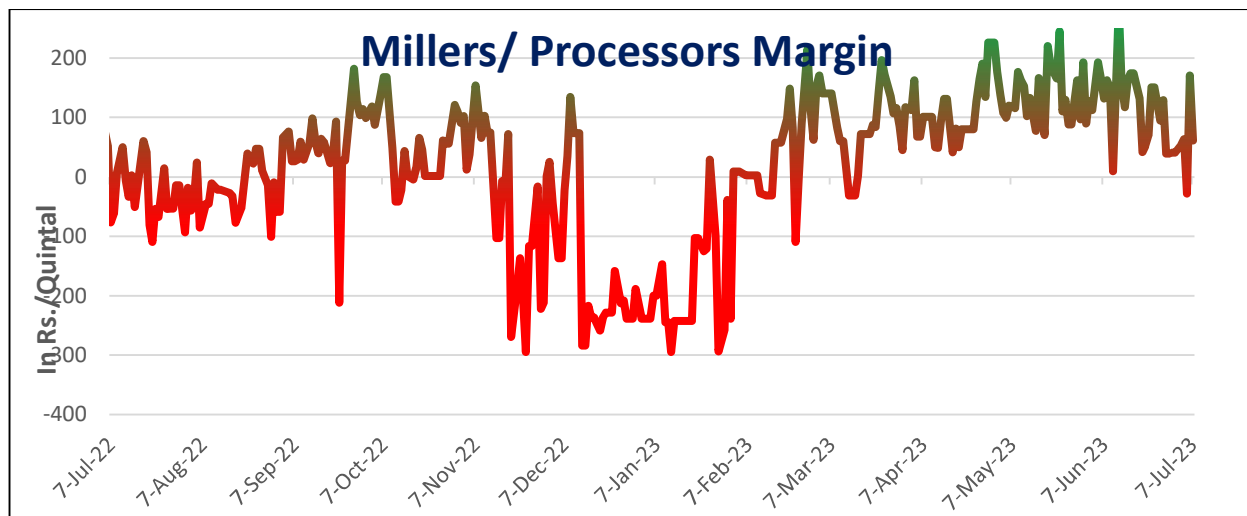
As per the data released by Baker Hughes, as on 7th July '2023, the U.S. oil rigs fell by 5 to 540 this week as compared to 545 in the previous week, lowest since April' 22 amid the low crude oil price. If we look at this year's oilrig count, it is continuously declining due to lesser demand of crude oil.



Millers/Processors Margin

During the week under review, weekly average net crush margin of Guar seed went down at INR 60/qtl. as compared to the previous week at INR 82.5/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 as other crop meals like groundnut meal is available at a cheaper price in the market.





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 below 9, 18 and 50 DMA and 100 DMA, indicating bearish market sentiments.
- During the week, Guar seed went down by 3.39%. The market closed at 5,330, made low at 5,307 and a high of 5,578.
- As per weekly chart, MACD is indicating downward momentum.
- RSI is near 44, indicating weak buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar seed	NCDEX	July	5100	5200	5330	5700	5800
			Call	Entry	T1	T2	SL
Guar seed	NCDEX	July	SELL	5350	5320	5300	5400



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 below 9, 18 and 50 DMA and 100 DMA, indicating bearish market sentiments.
- During the week, Guar gum went down by 4.17%, market made low at 10,275, high at 10,998 and closed at 10,347.
- As per weekly chart, MACD is indicating negative momentum.
- RSI is near 42, indicating weak buying strength.

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Guar gum	NCDEX	July	10000	9900	10347	10900	11000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar gum	NCDEX	July	SELL	10400	10220	10300	10350

Guar by – Products Weekly Average Prices:				
Commodity	Centre	01st July to 07th July 2023	24th June to 30th June 2023	Change
Churi	Jodhpur	2217	2270	-53
Korma	Jodhpur	3100	3105	-5
Prices in Rs/75 kg				

Guar Seed Weekly Average Prices:					
Commodity	District	Centre	Weekly Prices (Average) (Rs/Qtl)		Change
Guar Seed			01st July to 07th July 2023	24th June to 30th June 2023	
Rajasthan	Jodhpur	Jodhpur (Loose)	5203	5388	-185
		Jodhpur(Delivery)	5464	5150	314
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5199	5300	-101
		Sri-Ganganagar (Delivery)	5349	5163	186
		Rawla (Loose)	5242	5130	112
		Gharsana (Loose)	5227	5067	160
		Raisinghnagar (Loose)	5117	5200	-83
	Bikaner	Bikaner (Loose)	5133	5460	-327
		Bikaner (Delivery)	5381	5121	260
		Nokha(Loose)	5225	5377	-152
		Nokha (Delivery)	5486	5140	346
		Khajuwala (Loose)	5258	5397	-139
		Khajuwala (Delivery)	5521	5495	26
		Lunkaransar (Loose)	5486	5033	453
	Hanumangarh	Hanumangarh (Loose)	5099	5285	-186
		Hanumangarh (Delivery)	5354	5140	214
		Nohar (Loose)	NA	4842	-
		Pilibanga (Loose)	4892	5140	-248
	Nagaur	Nagaur (Loose)	5250	5320	-70
	Churu	Churu (Delivery)	5408	5120	288
	Alwar	Alwar (Loose)	5192	5108	83
Haryana	Hisar	Adampur (Loose)	5140	5364	-224
		Adampur (Delivery)	5397	5342	55
	Bhiwani	Bhiwani (Delivery)	5475	5357	118
		Siwani (Loose)	5346	4956	390
	Sirsa	Sirsa (Loose)	5087	5025	62
		Dhabwali (Loose)	5117	5276	-160
		Dhabwali (Delivery)	5373	5042	331

		Ellanabad (Loose)	5108	4983	125
	Fatehabad	Fatehabad (Loose)	5058	NA	-
Gujarat	Banaskantha	Deesa (Loose)	5250	5176	74
	Patan	Patan (Loose)	NA	5267	-
	Rajkot	Rajkot (Loose)	5359	4915	444
	Jamnagar	Dhrol (Loose)	4838	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	10767	10508	258
	Alwar	Alwar	10800	10580	220
Haryana	Bhiwani	Bhiwani	10775	10358	417
	Sirsa	Sirsa	10700	10400	300
		Dhabwali	10583	10500	83
		Ellanabad	10583	10498	85
	Fatehabad	Fatehabad	10733	10483	250

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
Guar Seed			01st July to 07th July 2023	24th June to 30th June 2023	
	Sri-Ganganagar	Sri-Ganganagar	920	1050	-130
		Rawla	0	135	-135
		Gharsana	680	650	30
		Raisinghnagar	220	280	-60
	Bikaner	Bikaner	1300	2900	-1600
		Nokha	2100	2700	-600
		Khajuwala	650	670	-20
		Lunkaransar	2450	2500	-50
	Hanumangarh	Hanumangarh	170	185	-15
		Nohar	0	106	-106
		Pilibanga	0	45	-45
	Nagaur	Nagaur	170	150	20
	Churu	Churu	350	0	350
Haryana	Hisar	Adampur	5300	2500	2800
	Bhiwani	Bhiwani	850	370	480
		Siwani	4800	3900	900
	Sirsa	Sirsa	2850	3550	-700
		Dhabwali	0	330	-330
		Ellanabad	0	275	-275
	Patan	Patan	0	46	-46
	Rajkot	Rajkot	530	490	40



	Jamnagar	Dhrol	10	39	-29
Total Arrivals/Above Markets			23350	22871	479

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