

# Guar Weekly Research Report

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**Executive Summary**

Jodhpur Guar seed prices remained firm this week, market witnessed tight arrival as compared to previous week. Overall arrival went down by 30% as compared to previous week. Guarseed likely to trade range bound with firm bias in near term.

Week ending 1st Jan, guar seed arrival in Rajasthan arrival went down by 31% to 25,370 Qtl vs 37,005 Qtl previous week, In Haryana arrival went down by 26% to 14,200 Qtl vs 19,225 Qtl previous week and in Gujarat arrival went down by 43% to 551 Qtl vs 972 Qtl previous week.

As on 23rd Dec 2021, data released by Baker Hughes, the number of oilrigs in USA went up by 5 to 480 compared to 475 previous week. Monthly oilrig count in Oct'21 stood at 438 vs 201 last year same period.

Increase in oilrig count continued this week as well, increase in oilrig count in US likely to support export demand which is major importer of guar. Additionally, Currently rupee against US dollar remained weak, likely to underpin guar exports.

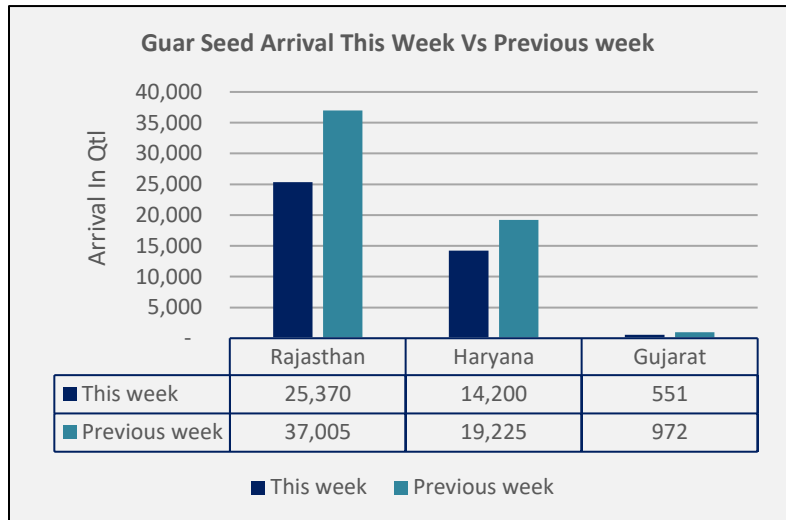
India's guar gum exports decreased in the month of November 2021 by 25.01% to 17,466 tonnes compared to 23,292 tonnes during previous month at an average FoB of US \$ 2169 per tonne in the month of Nov'2021 as compared to US \$ 1849 per tonne previous month. Further, the gum shipments were up by 30.21% in Nov'2021 compared to the same period last year. Of the total exported quantity, around 4,645 tonnes bought by US, Russia 4,000 tonnes, Germany 1,322 tonnes, china 1,070 tonnes, Australia 1,041 tonnes and Canada 862 tonnes.

India's guar split exports increased in the month of Nov'2021 by 1.55% to 2,620 tonnes compared to 2,580 tonnes previous month at an average FoB of US \$ 1,557 per tonne in the month of Nov'21 compared to US \$ 1,325 per tonne previous month. However, the guar split shipments gone down by 42.51 % in Nov'21 2021 compared to the same period last year. Of the total exported quantity, around 1,900 tonnes bought by China, US 660 tonnes and Switzerland 60 tonnes.

In sri Ganganagar, Oct-Nov'21 arrival stood 74% lower at 27,450 Qtl vs 104,900 Qtl in same period last year. Whereas, in Oct'21 arrival stood 85% lower at 13,400 Qtl vs 88,000 Qtl and in Noveber'21 arrival stood 17% lower at 14,050 Qtl vs 16,900 Qtl last year same period.

In Bikaner (Bikaner, Nokha, Khajuwala and Lunkaransar), Oct-Nov'21 arrival stood 1% lower at 98,880 Qtl vs 100,180 Qtl in same period last year. Whereas, in Oct'21 arrival stood 25% lower at 31,080 Qtl vs 41,230 Qtl and in Noveber'21 arrival stood 15% higher at 67,800 Qtl vs 58,950 Qtl last year same period.

**Domestic Guar Seed Market Summary**



In November'21, Jodhpur guar seed prices declined by 20-22% on firm arrival of new season crop and prices closed to one month low. Jodhpur guar gum corrected by 25-29% in November followed by weakness in guar seed prices. However, guar seed prices are still more than 45% higher YoY on lower production expectation. According to Rajasthan govt 2021-22 first advance estimates, Guar seed production estimate pegged at 13.73 lakh tonnes vs 11.36 lakh tonne last year, Additionally, 2021-22 acreage stood at 21.13 lakh hectare as compared to 24.84 lakh hectare last year. Yield pegged higher at 650 kg/Ha vs 458 kg/Ha last year.

According to Gujarat govt 2021-22 first advance estimates, Guar Seed production estimate pegged at 1.01 lakh tonne Vs 0.85 Lakh tonnes last year, Additionally, 2021-22 acreage stood at 1.21 lakh ha Vs 1.22 lakh ha. Yield pegged higher at 873 kg/ha Vs 699 Kg/ Ha last year.

According to the provisional data from Agricultural and Processed Food Products Export Development Authority (APEDA), the guar gum exports from India increased by 49% to 2.34 lakh tonnes during April-Sept (2021-2022) this fiscal vs 1.58 lakh tonnes during the corresponding period last year. In value terms, the exports witnessed a increase of 48% to Rs. 1,949 crores vs Rs. 1,316 Cr. crores same period last year.

***Previous Updates:***

India's guar gum exports increased in the month of October 2021 by 21.74% to 23,292 tonnes compared to 19,132 tonnes during previous month at an average FoB of US \$ 1849 per tonne in the month of Oct'2021 as compared to US \$ 1756 per tonne previous month. Further, the gum shipments were up by 62.53% in Oct'2021 compared to the same period last year. Of the total exported quantity, around 10,083 tonnes bought by US, Russia 3,327 tonnes, Germany 2,711 tonnes, china 789 tonnes, Australia 466 tonnes and Canada 911 tonnes.

India's guar split exports decreased in the month of Oct'2021 by 29.51% to 2,580 tonnes compared to 3,660 tonnes previous month at an average FoB of US \$ 1325 per tonne in the month of Oct'21 compared to US \$ 1,370 per tonne previous month. However, the guar split shipments gone down by 24.78 % in Oct 2021 compared to the same period last year. Of the total exported quantity, around 1,900 tonnes bought by China, US 500 tonnes and Netherland 120 tonnes.

**Recommendation:**

Weekly Call- :Market participants are advised to BUY Guar seed future January contract near 5,900 levels for a target of 6,100-6,200 with a stop loss at 5,850.

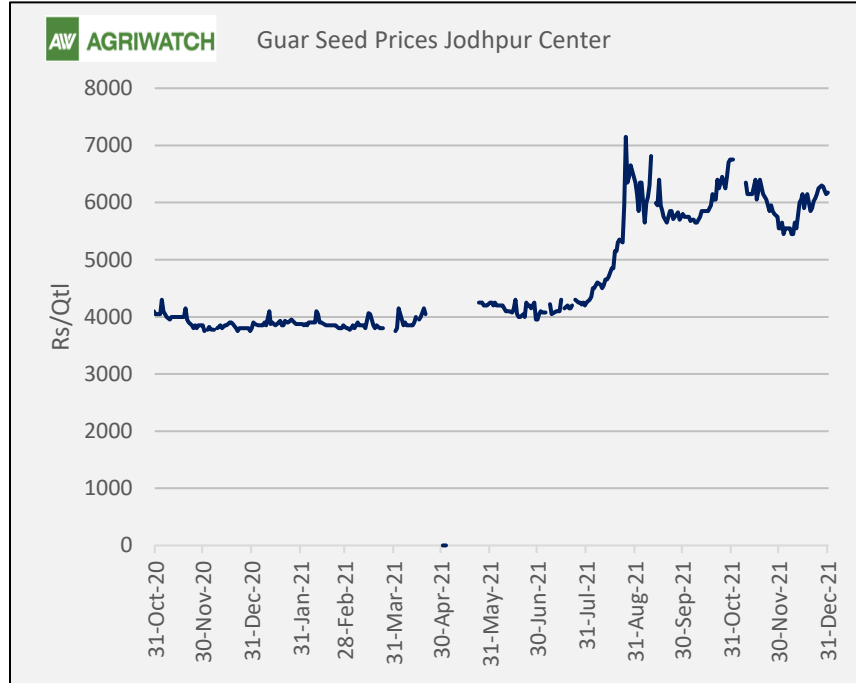
**Outlook:-**

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**Domestic Front**

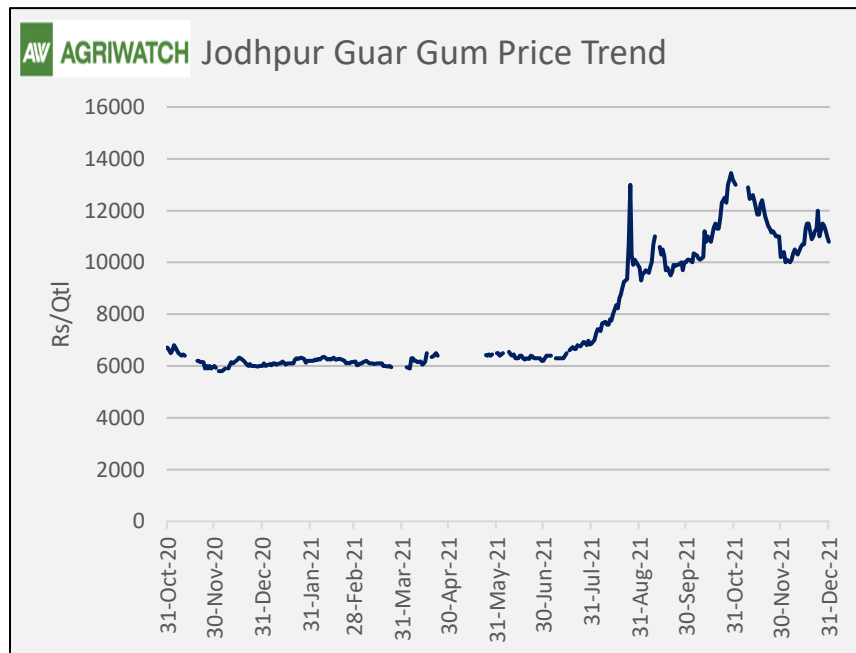
As on 31st December, jodhpur guar seed paid prices went up by 11.26% to Rs 6,220/Qtl compared to previous month at Rs 5,550/ Qtl. during the month, market made high of Rs 6,300/Qtl, monthly low at Rs 5,450/Qtl.

In Jodhpur, weekly average Guar seed price went up by 2.96% to Rs. 6,220/ qtl. in this week against Rs.6,041/qtl. During th week market made a low of 6,150 and a high of 6300. This week arrival went down by 30% as compared to previous week which supported pprice gains.



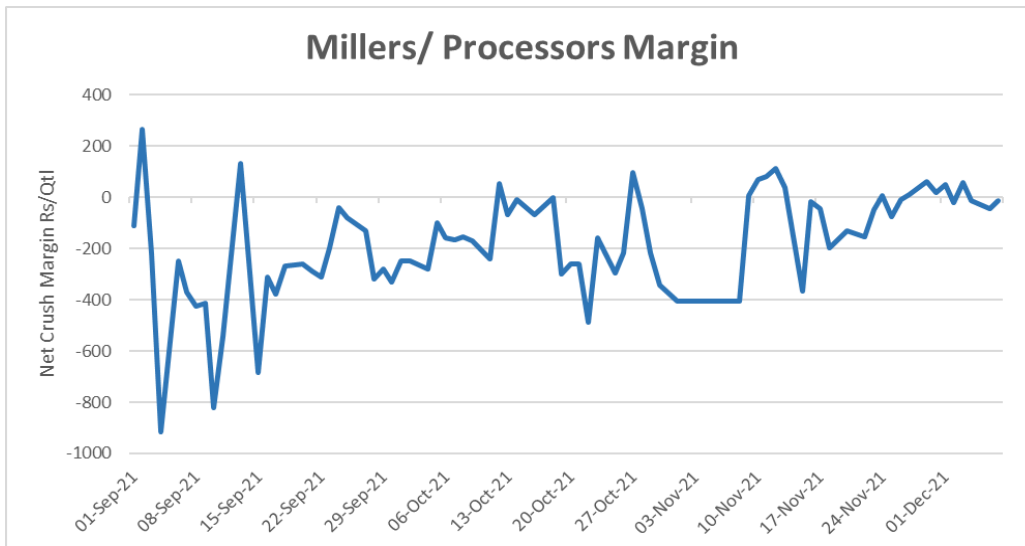
In Jodhpur, weekly average guar gum price decreased by 1.35% Rs 11,180 /Qtl as compared to Rs.11,233 /Qtl in previous week.

Additionally, As on 31st December, jodhpur guar gum prices went up by 5.88% to Rs 10,800/Qtl compared to previous month at Rs 10,200/ Qtl. during the month, market made high of Rs 12,000/Qtl, monthly low at Rs 10,000/Qtl.



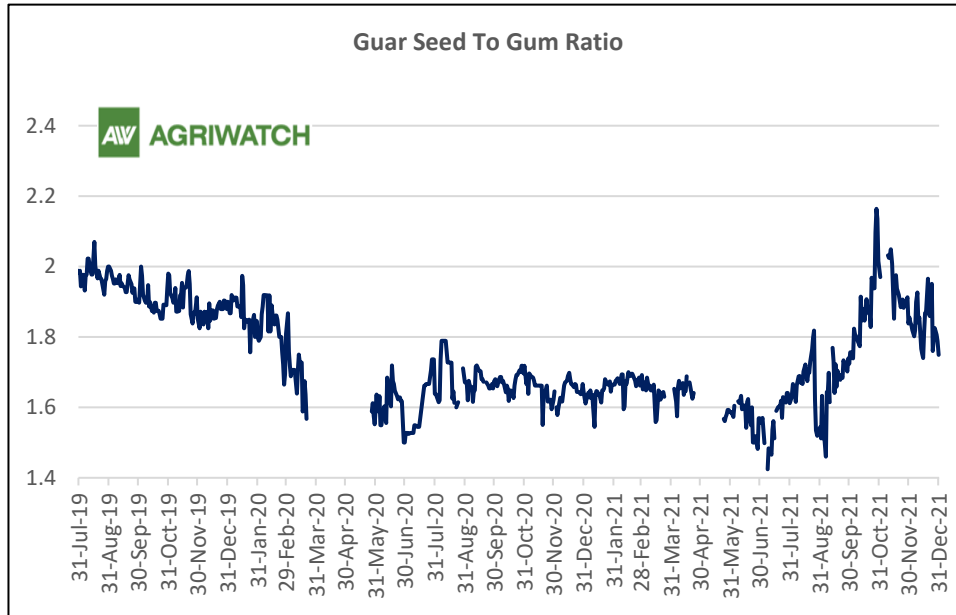
### Millers/Processors Margin

As seen in the chart, the average crush margin of guar seed have increased in November'21 as compared to Oct'21, the average crush margin increased to Rs. -114/quintal in Nov'21 compared to Rs. -173/quintal in Oct'21.



**Guar Seed to Gum Ratio**

The average weekly Ratio of guar seed to gum stood at 1.80 as compared to last week 1.85. Overall, firm demand of gum from domestic markets has kept the overall ratio upper side. However it has declined in last few weeks.



**Guar Gum Weekly Export**

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<b>Week On Week Exports</b>	<b>Quantity in MT</b>	<b>Average FoB (\$/T)</b>
01-08 November-2021	2242	1962
9-15 November-2021	5289	1967
16-22 November-2021	4970	2374
23-30 November-2021	4965	2371
<b>Total</b>	<b>17466</b>	<b>2169</b>

Source:Trade

Technical Analysis (Guar Seed)

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Commodity: Guar Seed  
Contract: January

Exchange: NCDEX  
Expiry: January 20, 2021

Guar Seed (Jan, Daily Chart)



**Technical Commentary:**

- This week, Guar seed posted 1.37% loss and closed at 6027.
- Prices closed below 100 DMA, indicating weak tone in near-term.
- MACD cross over indicating steady tone in near term.
- RSI and stochastic are indicating steady buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Seed	NCDEX	Jan	5800	5750	6027	6500	6700
			<b>Call</b>	<b>Entry</b>	<b>T1</b>	<b>T2</b>	<b>SL</b>
Guar Seed	NCDEX	Jan	<b>BUY</b>	5900	6100	6300	5850

Technical Analysis (Guar Gum)

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Commodity: Guar Gum  
Contract: January

Exchange: NCDEX  
Expiry: January 20, 2021

Guar Gum (Jan, Daily Chart)



**Technical Commentary:**

- Guar gum posted 2.60% loss on sellers pressure and closed at 10756.
- Prices closed below 100 DMA, indicating weak tone in near-term.
- MACD cross over indicating steady tone in near term.
- RSI and stochastic are indicating weak buying strength.

Weekly Supports & Resistances			S1	S2	PCP	R1	R2
Guar Gum	NCDEX	Jan	10600	10400	10756	11500	12000
Weekly Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	Jan	<b>BUY</b>	10700	10900	11200	10660



Guar by – Products Weekly Average Prices:				
Commodity	Centre	27th Dec to 31st Dec 2021	20th Dec to 25th Dec 2021	Change
Churi	Jodhpur	2300	2300	Unch
Korma	Jodhpur	3500	3500	Unch
Churi	Sri-Ganganagar	2475	2469	6
Korma	Sri-Ganganagar	3675	3681	-6

Prices in Rs/75 kg

Guar Export Weekly Average Prices:				
Commodity	Variety	27th Dec to 31st Dec 2021	20th Dec to 25th Dec 2021	Change
Guargum Split		817	-	-
Guargum Powder	200 Mesh 5000 CPS	1004	-	-
	200 Mesh 3500 CPS	964	-	-
Guargum Meal	40%	375	-	-
	50%	549	-	-

Prices in \$/MT

Guar Seed Weekly Average Prices:							
Commodity	District	Centre	Weekly Prices (Average ) (Rs/Qtl)		Change		
			27th Dec to 31st Dec 2021	20th Dec to 25th Dec 2021			
Guar Seed	Rajasthan	Jodhpur	Jodhpur (Loose)	6070	5892	178	
			Jodhpur(Delivery)	6374	6186	187	
		Sri-Ganganagar	Sri-Ganganagar(Loose)	5900	5932	-32	
			Sri-Ganganagar (Delivery)	6050	6082	-32	
			Rawla (Loose)	5910	5817	93	
			Gharsana (Loose)	5900	6054	-154	
			Raisinghnagar (Loose)	5930	5922	8	
		Bikaner	Bikaner (Loose)	5850	5905	-55	
			Bikaner (Delivery)	6143	6200	-58	
			Nokha(Loose)	5720	5817	-97	
			Nokha (Delivery)	6006	6108	-102	
			Khajuwala (Loose)	5840	5900	-60	
			Khajuwala (Delivery)	6132	6195	-63	
				Lunkaransar (Loose)	5785	5867	-82

	Hanumangarh	Hanumangarh (Loose)	5780	5808	-28
		Hanumangarh (Delivery)	6069	6099	-30
		Nohar (Loose)	5870	-	-
		Pilibanga (Loose)	5636	5725	-89
	Nagaur	Nagaur (Loose)	5805	5805	Unch
	Churu	Churu (Delivery)	5930	-	-
	Alwar	Alwar (Loose)	5390	-	-
Haryana	Hisar	Adampur (Loose)	5720	5700	20
		Adampur (Delivery)	6006	5985	21
	Bhiwani	Bhiwani (Delivery)	5960	-	-
		Siwani (Loose)	5820	5913	-93
	Sirsa	Sirsa (Loose)	5692	5723	-31
		Dhabwali (Loose)	5800	5780	20
		Dhabwali (Delivery)	6090	6069	21
		Ellanabad (Loose)	5700	5800	-100
	Fatehabad	Fatehabad (Loose)	5320	5267	53
	Gujarat	Banaskantha	Deesa (Loose)	-	-
Patan		Patan (Loose)	5502	5488	14
Rajkot		Rajkot (Loose)	5685	5688	-3
Jamnagar		Dhrol (Loose)	-	-	-
Madhya Pradesh	Gwalior	Dabra (Loose)	-	-	-
<b>Guar Gum</b>					
Rajasthan	Jodhpur	Jodhpur	11180	11233	-53
	Alwar	Alwar	-	-	-
	Hanumangarh	Nohar	-	-	-
Haryana	Bhiwani	Bhiwani	11200	10475	725
	Sirsa	Sirsa	11400	11158	242
		Dhabwali	-	-	-
		Ellanabad	-	-	-
	Fatehabad	Fatehabad	11000	11150	-150

Guar Cumulative Arrivals in Key Centers:					
Commodity	District	Centre	Weekly Arrivals (Quintals)		Change
			27th Dec to 31st Dec 2021	20th Dec to 25th Dec 2021	
Guar Seed	Jodhpur	Jodhpur	410	275	135
	Sri-Ganganagar	Sri-Ganganagar	3600	3600	Unch
		Rawla	675	505	170

		Gharsana	330	620	-290
		Raisinghnagar	470	650	-180
	Bikaner	Bikaner	5300	9000	-3700
		Nokha	2450	4600	-2150
		Khajuwala	1300	1950	-650
		Lunkaransar	4600	8600	-4000
	Hanumangarh	Hanumangarh	440	655	-215
		Nohar	630	-	630
		Pilibanga	550	680	-130
	Nagaur	Nagaur	3700	5100	-1400
	Churu	Churu	770	480	290
	Alwar	Alwar	145	290	-145
	Haryana	Hisar	Adampur	3400	5300
Bhiwani		Bhiwani	2900	1800	1100
		Siwani	1250	1300	-50
Sirsa		Sirsa	5200	9600	-4400
		Dhabwali	600	300	300
		Ellanabad	150	275	-125
Fatehabad		Fatehabad	700	650	50
Gujarat	Banaskantha	Deesa	-	-	Unch
	Patan	Patan	161	222	-61
	Rajkot	Rajkot	390	750	-360
	Jamnagar	Dhrol	-	-	Unch
Madhya Pradesh	Gwalior	Dabra	-	-	Unch
<b>Total Arrivals/Above Markets</b>			<b>40121</b>	<b>57202</b>	<b>-17081</b>

Week on Week Price: Scenario of Guarseed and Guargum:

Commodity	District	Centre	Today	Week Ago	Month Ago	Year Ago
			30-Dec-21	23-Dec-21	1-Dec-21	31-Dec-20
Guar Seed	Jodhpur	Jodhpur (Loose)	6000	5925	5400	3650
		Jodhpur(Delivery)	6300	6221	5670	3833
	Sri-Ganganagar	Sri-Ganganagar(Loose)	5850	5900	5550	3700
		Sri-Ganganagar (Delivery)	6000	6050	5700	3850
		Rawla (Loose)	5900	5900	-	-
		Gharsana (Loose)	5900	6100	-	3680



		Raisinghnagar (Loose)	6000	5880	5870	3700	
	<b>Bikaner</b>		Bikaner (Loose)	5750	5930	5550	3720
			Bikaner (Delivery)	6038	6227	5828	3906
			Nokha(Loose)	5600	5850	5600	3750
			Nokha (Delivery)	5880	6143	5880	3938
			Khajuwala (Loose)	5900	5900	5600	3700
			Khajuwala (Delivery)	6195	6195	5880	3885
			Lunkaransar (Loose)	5725	5850	5650	3710
	<b>Hanumangarh</b>		Hanumangarh (Loose)	5700	5800	5700	3650
			Hanumangarh (Delivery)	5985	6090	5985	3833
			Nohar (Loose)	NR	-	-	-
			Pilibanga (Loose)	5600	5800	-	-
	<b>Nagaur</b>		Nagaur (Loose)	5750	5800	5650	3600
	<b>Churu</b>		Churu (Delivery)	5900	5600	-	-
<b>Alwar</b>		Alwar (Loose)	5350	4800	3900	-	
<b>Haryana</b>	<b>Hisar</b>		Adampur (Loose)	5700	5800	5500	3725
			Adampur (Delivery)	5985	6090	5775	3911
	<b>Bhiwani</b>		Bhiwani (Delivery)	6000	5600	5500	3925
			Siwani (Loose)	5750	5950	5650	3890
	<b>Sirsa</b>		Sirsa (Loose)	5650	5800	5400	3650
			Dhabwali (Loose)	NR	-	-	3650
			Dhabwali (Delivery)	NR	-	-	3833
			Ellanabad (Loose)	NR	-	-	-
	<b>Fatehabad</b>		Fatehabad (Loose)	5300	5300	5200	3600
	<b>Gujarat</b>	<b>Banaskantha</b>		Deesa (Loose)	NA	-	4300
<b>Patan</b>			Patan (Loose)	5500	5505	5390	3770
<b>Rajkot</b>			Rajkot (Loose)	5625	5675	5580	-
<b>Jamnagar</b>			Dhrol (Loose)	NA	-	-	-
<b>Madhya Pradesh</b>	<b>Gwalior</b>		Dabra (Loose)	NA	-	-	-
<b>Guar Gum</b>							
<b>Rajasthan</b>	<b>Jodhpur</b>		Jodhpur	11000	11300	10300	6000
	<b>Alwar</b>		Alwar	NR	-	-	-
	<b>Hanumangarh</b>		Nohar	NR	-	-	-
<b>Haryana</b>	<b>Bhiwani</b>		Bhiwani	11200	10500	9900	6000
	<b>Sirsa</b>		Sirsa	11700	11200	10400	6000
			Dhabwali	NR	-	-	6050
			Ellanabad	NR	-	-	-

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	Fatehabad	Fatehabad	10600	11200	10300	6000
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