

Fundamentals:

Guar prices remained mixed as traders and stockists have started to speculate that production this year could be higher compared to last year. Export and domestic demand have dried up and may pull markets lower. On the other hand, trade sources feel that prices will only start moving down when fresh arrivals come in October-November. Area under Guarseed is down by 15.572% to 23.986 lakh hectares as compared to 28.41 lakh hectares during corresponding period last year. According to trades sources sowing activity will be complete in the next 1 week and government's target of 30 lakh hectares will be achieved.

According to IMD, widespread rainfall is expected in Gujarat state next 4-5 days which would support the sowing activity. However dry weather conditions are expected over Rajasthan in the next 24-48 hours.

Outlook:

Guar seed and guar gum prices may continue downtrend due to weak export demand and weak buying activity. Rains expected in the next 48 hours may help sowing activity. However shortage of stocks and lower area under Guarseed may support prices at lows.

NCDEX Guarseed Futures

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Aug-11 | -7 | 4300 | 4345 | 4280 | 4282 |
| Sep-11 | 3 | 4305 | 4370 | 4305 | 4316 |
| Oct-11 | 40 | 4268 | 4310 | 4255 | 4292 |
| Nov-11 | -9 | 3910 | 3973 | 3870 | 3888 |
| Dec-11 | 1 | 3910 | 3960 | 3885 | 3907 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|--------|--------|
| Aug-11 | 31120 | 6090 | 40880 | -13000 |
| Sep-11 | 146940 | 13560 | 125650 | 7050 |
| Oct-11 | 23430 | 6560 | 43710 | 6590 |
| Nov-11 | 20110 | 870 | 62710 | 3530 |
| Dec-11 | 8770 | -5060 | 44190 | 450 |

| Spread | Aug-11 | Sep-11 | Oct-11 |
|--------|--------|--------|--------|
| Basis | -255 | -289 | -265 |
| Aug-11 | - | 34 | 10 |
| Sep-11 | - | - | -24 |
| Oct-11 | - | - | - |

NB: Spread was done by taking Loose Prices of Jodhpur markets.

| Stocks | Demat 14.08.11 | In-Process 14.08.11 | Total 14.08.11 | FED 13.08.11 |
|---------|-------------------|------------------------|-------------------|-----------------|
| Bikaner | 43707 | 0 | 43707 | 5991 |
| Deesa | 885 | 30 | 915 | 547 |
| Jodhpur | 17486 | 0 | 17486 | 512 |
| Nokha | 5572 | 0 | 5572 | 3795 |

NB: FED expiry for Bikaner and Deesa is 05-Oct-2011, Jodhpur and Nokha is the combination of 05-Sept-2011 and 05-Oct-2011.

Unit in MT

NCDEX Guar gum Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|-----|-------|-------|-------|-------|
| Aug-11 | 11 | 13349 | 13477 | 13205 | 13320 |
| Sep-11 | -36 | 13535 | 13667 | 13431 | 13490 |
| Oct-11 | -30 | 13730 | 13859 | 13640 | 13690 |
| Nov-11 | -18 | 12830 | 12960 | 12746 | 12746 |
| Dec-11 | 25 | 12830 | 12950 | 12800 | 12810 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Aug-11 | 1610 | -925 | 1875 | -475 |
| Sep-11 | 20870 | 1895 | 27840 | -4440 |
| Oct-11 | 12195 | 665 | 31315 | 6075 |
| Nov-11 | 545 | 65 | 4010 | 110 |
| Dec-11 | 75 | -180 | 1780 | 20 |

| Spread | Aug-11 | Sep-11 | Oct-11 |
|--------|--------|--------|--------|
| Basis | -70 | -240 | -440 |
| Aug-11 | - | 170 | 370 |
| Sep-11 | - | - | 200 |
| Oct-11 | - | - | - |

NB: Spread was done by taking Prices of Jodhpur markets.

| Stocks | Demat 14.08.11 | In-Process 14.08.11 | Total 14.08.11 | FED 13.08.11 |
|---------|-------------------|------------------------|-------------------|-----------------|
| Bikaner | 134 | 0 | 134 | 40 |
| Jodhpur | 17766 | 199 | 17965 | 1117 |
| Nokha | 3337 | 0 | 3337 | 20 |

NB: FED expiry for Bikaner is 05-Nov-2011, Jodhpur is the combination of 05-Sept-2011 and 05-Oct-2011 and for Nokha is 05-Dec-2011.

Unit in MT

Guar Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|-------------------|-------------------|--------|
| Guar Seed | | 17-08-2011 | 16-08-2011 | |
| | Jodhpur (Delivery) | 4450 | 4425 | 25 |
| | Jodhpur (Loose) | 4025-4030 | 4050 | -20 |
| | Bikaner (Loose) | 4090 | 4100-4110 | -20 |
| | Bikaner (Delivery) | 4240 | 4250-4260 | -20 |
| | Nokha | 3915 | 3930 | -15 |
| | Hanumangarh | 4120-4125 | 4100 | 25 |
| | Sri-Ganganagar | 4430 | 4415 | 15 |
| | Adampur | 4250 | 4220 | 30 |
| | Sirsa | - | - | - |
| | Bhiwani | 4275 | 4250 | 25 |
| | Deesa | 4020-4025 | No Auction | - |
| | Patan | - | - | - |
| | Nagaur | - | - | - |
| | Dhabwali | 4150 | 4125 | 25 |
| Guar Gum | Jodhpur | 13250 | 13200 | 50 |
| | Bhiwani | 13600 | 13600 | Unch |
| | Dhabwali | 13600 | 13500 | 100 |

Prices in Rs./Quintal

Guar Arrivals in Key Centers

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|-------------------|-------------------|--------|
| Guar Seed | | 17-08-2011 | 16-08-2011 | |
| | Jodhpur (Delivery) | - | - | - |
| | Jodhpur (Loose) | - | - | - |
| | Bikaner | 100 | 150 | -50 |
| | Nokha | 500-700 | 500 | 200 |
| | Hanumangarh | - | - | - |
| | Sri-Ganganagar | 2000 | 2000 | Unch |
| | Adampur | 900 | 500-600 | 300 |
| | Sirsa | - | - | - |
| | Bhiwani | - | - | - |
| | Deesa | 180 | No Auction | - |
| | Nagaur | - | - | - |
| | Dhabwali | - | - | - |

Arrivals in bags

Guar by – Products Prices:

| Commodity | Centre | Price (Rs/Qtl) |
|-----------|---------|----------------|
| Churi | Jodhpur | 707 |
| Korma | Jodhpur | 867 |

Guar Export Prices:

| Commodity | Variety | Value (\$/MT) |
|----------------|-------------------|---------------|
| Guargum Split | | 3075 |
| Guargum Powder | 200 Mesh 5000 CPS | 3870 |
| | 200 Mesh 3500 CPS | 3820 |
| Guargum Meal | | 280 |



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