

### Fundamentals:

Guar prices moved higher on Friday supported by firm demand and shortage of stocks in the market. Area sown is still lagging behind by 3-4 lakh hectares compared to last year's area. As on 23rd August 2011, area under Guarseed is down by 13.067% to 26.08 lakh hectares as compared to 30 lakh hectares during corresponding period last year. Trade sources say that yield needs to be around 500kg/ha and we could see production reach 1.5 crore in Rajasthan. Sources also added that weather conditions remains favourable for the next 1 week then production and yield will be higher this year. However, millers are concerned about the lack of new inquiries and fear that slow export demand may restrict upside.

### Weather Update:

According to IMD, fairly widespread rainfall is expected in east Rajasthan and Gujarat in the next 48 hours which would support the last stages of sowing in the area.

### Outlook:

Guar seed and guar gum prices may trade range bound to firm on lower stocks in the markets. However weak export demand and higher production expectations may restrict the upside in longer term.

#### NCDEX Guarseed Futures

Contract	+/-	Open	High	Low	Close
Sep-11	42	4440	4535	4440	4497
Oct-11	37	4430	4500	4425	4476
Nov-11	14	3980	4027	3978	4000
Dec-11	11	3992	4040	3987	4008

Contract	Volume	Change	OI	Change
Sep-11	159300	46580	129380	1960
Oct-11	35460	460	79480	-1120
Nov-11	15060	-3800	92280	1940
Dec-11	8700	-2040	50620	330

Spread	Sep-11	Oct-11	Nov-11
Basis	-247	-226	250
Sep-11	-	-21	-497
Oct-11	-	-	-476
Nov-11	-	-	-

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

Stocks	Demat 25.08.11	In-Process 25.08.11	Total 25.08.11	FED 22.08.11
Bikaner	42980	0	42980	7482
Deesa	1054	50	1104	676
Jodhpur	17433	0	17433	582
Nokha	5450	0	5450	3676

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

Unit in MT

#### NCDEX Guar gum Futures:

Contract	+/-	Open	High	Low	Close
Sep-11	168	13952	14388	13950	14230
Oct-11	168	14114	14585	14113	14400
Nov-11	98	13200	13450	13200	13300
Dec-11	85	13220	13480	13220	13320

Contract	Volume	Change	OI	Change
Sep-11	10000	2500	17465	-315
Oct-11	12055	4350	41520	720
Nov-11	1005	-80	6100	240
Dec-11	205	-135	2060	15

Spread	Sep-11	Oct-11	Nov-11
Basis	-430	-600	500
Sep-11	-	170	-930
Oct-11	-	-	-1100
Nov-11	-	-	-

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

Stocks	Demat 25.08.11	In-Process 25.08.11	Total 25.08.11	FED 22.08.11
Bikaner	134	0	134	60
Jodhpur	18243	369	18612	1059
Nokha	3375	0	3375	1167

**NB:** FED expiry for Bikaner is the sum of 05-Nov-2011 and 05-Dec-2011, for Jodhpur is the sum of 05-Oct-2011 and 05-Nov-2011 and for Nokha is the sum of 05-Dec-2011 and 05-Jan-2012.

Unit in MT

**Guar Prices at Key Spot Markets:**

Commodity	Centre	Prices (Rs/Qtl)		Change
<b>Guar Seed</b>		<b>26-08-2011</b>	<b>25-08-2011</b>	
	Jodhpur (Delivery)	4600	No Auction	-
	Jodhpur (Loose)	4250	No Auction	-
	Bikaner (Loose)	4250	No Auction	-
	Bikaner (Delivery)	4400	No Auction	-
	Nokha	4150	No Auction	-
	Hanumangarh	4200	No Auction	-
	Sri-Ganganagar	4400	No Auction	-
	Adampur	4400	4280	120
	Sirsa	-	-	-
	Bhiwani	4350	4270	80
	Deesa	4080-4085	4065-4070	15
	Patan	-	-	-
	Nagaur	-	-	-
	Dhabwali	4300	4250	50
<b>Guar Gum</b>	Jodhpur	13800	Closed	-
	Bhiwani	14200	13900	300
	Dhabwali	14000	13800	200

Prices in Rs./Quintal

**Guar Arrivals in Key Centers**

Commodity	Centre	Prices (Rs/Qtl)		Change
<b>Guar Seed</b>		<b>26-08-2011</b>	<b>25-08-2011</b>	
	Jodhpur (Delivery)	-	-	-
	Jodhpur (Loose)	-	-	-
	Bikaner	100-150	No Auction	-
	Nokha	800-900	No Auction	-
	Hanumangarh	-	-	-
	Sri-Ganganagar	2000	No Auction	-
	Adampur	800-900	800-900	Unch
	Sirsa	-	-	-
	Bhiwani	-	-	-
	Deesa	200-220	170-180	40
	Nagaur	-	-	-
	Dhabwali	-	-	-

Arrivals in bags

**Guar by – Products Prices:**

Commodity	Centre	Price (Rs/Qtl)
<b>Churi</b>	Jodhpur	680
<b>Korma</b>	Jodhpur	833

**Guar Export Prices:**

Commodity	Variety	Value (\$/MT)
<b>Guargum Split</b>		3200
<b>Guargum Powder</b>	200 Mesh 5000 CPS	4000
	200 Mesh 3500 CPS	3950
<b>Guargum Meal</b>		260



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