

## Fundamentals:

Prices moved higher as production estimates remained lower from Rajasthan and Haryana. Cash markets were also influenced by short covering in the futures counter. However, trade sources say that demand remains weak at higher levels and may continue to pull markets lower. According to state agriculture department of Rajasthan production estimate is 11.36 lakh tonnes lower compared to 14.88 lakh tonnes the year before. However trade sources say that production this year will be at par compared to last year at 15 lakh tonnes. According to NCDEX, warehouse stocks as on 03<sup>rd</sup> October is at 85,020 MT compared to 85,915 a week ago.

## Futures Market:

**NCDEX Guarseed October 2011** contract finished firm at Rs. 4332 per qtl, an increase of Rs. 8 per qtl over previous close price. Volume has declined to 114,650, lower by 109,660 against previous trading day.

**NCDEX Guargum October 2011** contract finished firm at Rs. 13600 per qtl, higher by 0.72 per cent over previous settlement price. Volume has declined to 7,085, lower by 7,635 against previous trading day.

Falling open interest and rising Guarseed and Guargum prices are indicating that the short sellers are covering their positions and the upmove will not be sustained unless new buyers enter the market.

## Weather Update:

According to IMD, dry weather conditions would persist over Rajasthan, Gujarat and Haryana for next the 3-4 days.

## Outlook:

Guar prices are expected to remain range bound to firm on lower production estimates. Dry weather will also favour drop harvest.

### NCDEX Guarseed Futures

Contract	+/-	Open	High	Low	Close
Oct-11	8	4327	4382	4309	4332
Nov-11	64	4070	4187	4065	4129
Dec-11	90	4070	4179	4070	4148
Jan-12	65	4128	4220	4128	4190

Contract	Volume	Change	OI	Change
Oct-11	114650	-109660	142390	-5690
Nov-11	77020	-44330	89500	1800
Dec-11	66300	-10770	78210	2090
Jan-12	1990	-1670	4740	-160

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-182	21	2	-40
Oct-11	-	-203	-184	-142
Nov-11	-	-	19	61
Dec-11	-	-	-	42
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 03.10.11	In-Process 03.10.1	Total 03.10.1	FED 03.10.1
Bikaner	39099	0	39099	7056
Deesa	2405	131	2536	676
Jodhpur	16843	0	16843	582
Nokha	4189	0	4189	2753

**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 Guargum Futures:

Contract	+/-	Open	High	Low	Close
Oct-11	97	13549	13745	13410	13600
Nov-11	132	13339	13580	13289	13440
Dec-11	224	13250	13542	13230	13451
Jan-12	354	13407	13625	13407	13590

Contract	Volume	Change	OI	Change
Oct-11	7085	-7635	24750	-605
Nov-11	8435	670	21265	115
Dec-11	1755	-465	4620	-20
Jan-12	170	15	265	10

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-100	60	49	-90
Oct-11	-	-160	-149	-10
Nov-11	-	-	11	150
Dec-11	-	-	-	139
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 03.10.11	In-Process 03.10.1	Total 03.10.1	FED 03.10.1
Bikaner	134	0	134	60
Jodhpur	19256	10	19266	1004
Nokha	3094	0	3094	1047

**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
		04-10-2011	03-10-2011	
Guar Seed	Jodhpur (Delivery)	4575-4580	4600	-20
	Jodhpur (Loose)	4150	4100	50
	Bikaner (Loose)	4150	4100	50
	Bikaner (Delivery)	4310	4250	50
	Nokha	4120	4075	45
	Hanumangarh	-	-	-
	Sri-Ganganagar	4350	4300	50
	Adampur	4400	4320	80
	Sirsa	4400	4300	100
	Bhiwani	4210-4215	4150	65
	Deesa	4130-4160	4130	30
	Patan	-	-	-
	Nagaur	-	-	-
	Dhabwali (All Paid)	4300	4270	30
	Dhabwali (Loose)	4350	4250	100
Guar Gum	Jodhpur	13500	13500	Unch
	Bhiwani	13300	13000	300
	Dhabwali	13800	13550	250

Prices in Rs./Quintal \*Mill Prices

## Guar Arrivals in Key Centers

Commodity	Centre	Prices (Rs/Qtl)		Change
		04-10-2011	03-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner	150	250	-100
	Nokha	300	300	Unch
	Hanumangarh	-	-	-
	Sri-Ganganagar	1000	1000	Unch
	Adampur	400-500	700	-200
	Sirsa	500	500	Unch
	Bhiwani	-	-	-
	Deesa	120-125	130	-5
	Nagaur	-	-	-
	Dhabwali	-	-	-
	All India	6000-7000	-	-

Arrivals in bags

## Guar By - Products Prices: (As of October 04<sup>th</sup>)

### Churi and Korma Prices:

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

### Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		2950
Guargum Powder	200 Mesh 5000 CPS	4000
	200 Mesh 3500 CPS	3950
Guargum Meal		225

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