

Fundamentals:

Prices fell heavily as speculation about fresh arrival in the next week or so has prompted stockiest to release their stocks at higher levels. Cash markets were also influenced by heavy selling in the futures counter. Trade sources say that demand remains weak at higher levels and may continue to pull markets lower. According to traders total production will be around 11.6 lakh tonnes with Rajasthan producing 11.35 lakh tonnes, Haryana producing 0.2 lakh tonnes and Gujarat production 0.065 lakh tonnes. According to exporters, exports demand may take a hit after January due to the financial troubles in the U.S. Europe and China. Sources also added that dry and very hot conditions in Rajasthan may cause the crop to dry and some water may be required during last stages of vegetative to flowering stages.

Futures Market:

NCDEX Guarseed October 2011 contract finished lower by 1.5% against previous settlement. Volume of trade has increased to 269,600, up by 154,950 against previous trading day.

NCDEX Guar gum October 2011 contract finished significantly down by 1.73% against previous settlement. Volume of trade has increased to 12,035, up by 4,950 against previous trading day.

As both open interest and guar seed and guar gum prices are falling, it indicates long liquidation and suggests a possible trend reversal in near future for both markets.

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 weak as stockiest may offload stocks on anticipation of fresh arrivals.

NCDEX Guarseed Futures

Contract	+/-	Open	High	Low	Close
Oct-11	-65	4328	4422	4154	4262
Nov-11	-78	4126	4180	3975	4060
Dec-11	-83	4143	4239	4001	4076
Jan-12	-102	4196	4215	4044	4100

Contract	Volume	Change	OI	Change
Oct-11	269600	154950	123620	-18510
Nov-11	151930	74910	92420	2990
Dec-11	111980	45680	76640	-1230
Jan-12	2820	830	5260	520

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-212	-10	-26	-50
Oct-11	-	-202	-186	-162
Nov-11	-	-	16	40
Dec-11	-	-	-	24
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat	In-Process	Total	FED
	04.10.11	04.10.11	04.10.11	03.10.11
Bikaner	39099	0	39099	7056
Deesa	2466	100	2566	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 Guar gum Futures:

Contract	+/-	Open	High	Low	Close
Oct-11	-233	13500	13730	12962	13269
Nov-11	-307	13490	13520	12905	13135
Dec-11	-330	13480	13500	13022	13145
Jan-12	-290	13570	13600	13134	13250

Contract	Volume	Change	OI	Change
Oct-11	12035	4950	23990	-685
Nov-11	10895	2460	21300	30
Dec-11	2345	590	4745	125
Jan-12	125	-45	270	-

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	131	265	255	150
Oct-11	-	-134	-124	-19
Nov-11	-	-	10	115
Dec-11	-	-	-	105
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat	In-Process	Total	FED
	04.10.11	04.10.11	04.10.11	03.10.11
Bikaner	134	0	134	60
Jodhpur	19187	0	19187	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
		05-10-2011	04-10-2011	
Guar Seed	Jodhpur (Delivery)	4500	4575-4580	-80
	Jodhpur (Loose)	4050	4150	-100
	Bikaner (Loose)	4200	4150	50
	Bikaner (Delivery)	4350	4310	40
	Nokha	4075	4120	-45
	Hanumangarh	-	-	-
	Sri-Ganganagar	4300	4350	-50
	Adampur	4400	4400	Unch
	Sirsa	4400	4400	Unch
	Bhiwani	4200	4210-4215	-15
	Deesa	4080-4085	4130-4160	-75
	Patan	-	-	-
	Nagaur	4000	-	-
	Dhabwali (5%)	4250	4300	-50
	Dhabwali (10%)	4300	4350	-50
Guar Gum	Jodhpur	13400	13500	-100
	Bhiwani	13000	13300	-300
	Dhabwali	13500	13800	-300

Prices in Rs./Quintal *Mill Prices

Guar Arrivals in Key Centers

Commodity	Centre	Prices (Rs/Qtl)		Change
		05-10-2011	04-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner	150	150	Unch
	Nokha	300	300	Unch
	Hanumangarh	-	-	-
	Sri-Ganganagar	1000	1000	Unch
	Adampur	300-400	400-500	-100
	Sirsa	200	500	-300
	Bhiwani	-	-	-
	Deesa	100	120-125	-25
	Nagaur	200-300	-	-
	Dhabwali	-	-	-
	All India	6000-7000	6000-7000	Unch

Arrivals in bags

Guar By - Products Prices: (As of October 05th)

Churi and Korma Prices:

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

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		2970
Guargum Powder	200 Mesh 5000 CPS	3950
	200 Mesh 3500 CPS	3900
Guargum Meal		225

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