

Fundamentals:

Guar seed and Guar gum prices remained mixed as fresh arrivals declined in major trading centers. Fresh arrivals will only arrive in full strength after the festival of Diwali. However, traders added that production of guar seed will be between 11.45-11.50 lakh tonnes for India which is less compared to the previous estimate of 11.60 lakh tonnes. So this might restrict the downtrend in prices. Prices continue to be influenced by the weak futures counter. Demand for guar gum is persistent in the cash markets. However, traders and farmers continue to report crop losses due to unfavorable weather during vegetative to flowering growth phase.

Futures Market:

As both open interest and prices are falling for **Guar seed October contract** it indicates long liquidation and suggests a possible trend reversal in near future. Volume of trade has increased to 60,330, up by 15,490 against previous trading day.

Rise in open interest amidst falling prices of **Guar gum November contract** suggest that the new money is coming through the short sellers and a downtrend is in place. Volume has declined to 14,500, lower by 695 against previous trading day.

Outlook:

Guar prices are expected to remain range bound to weak on higher anticipation of arrivals. However in the longer run prices may still see new highs lower carry-out stocks and lower production estimates.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Oct-11	-78	4582	4611	4500	4524
Nov-11	20	4148	4167	4087	4159
Dec-11	5	4075	4114	4051	4091
Jan-12	4	4128	4149	4093	4129

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	60330	15490	76090	-13330
Nov-11	96980	37780	73070	1670
Dec-11	50650	19820	87630	2240
Jan-12	1950	930	6990	90

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-474	-109	-41	-79
Oct-11	-	-365	-433	-395
Nov-11	-	-	-68	-30
Dec-11	-	-	-	38
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 15.10.11	In-Process 15.10.11	Total 15.10.11	FED 10.10.11
Bikaner	32997	288	33285	11568
Deesa	2328	121	2449	139
Jodhpur	16020	159	16179	2806
Nokha	1705	99	1804	1238

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

Unit in MT

NCDEX Guar gum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Oct-11	-28	12952	12960	12710	12880
Nov-11	-29	13150	13169	12887	13065
Dec-11	-106	13114	13149	12882	12997
Jan-12	-147	13140	13180	13017	13096

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	7505	-1350	5445	-2390
Nov-11	14500	-695	33225	2620
Dec-11	4670	1805	11650	1180
Jan-12	315	185	620	-40

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	320	135	203	104
Oct-11	-	185	117	216
Nov-11	-	-	-68	31
Dec-11	-	-	-	99
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 15.10.11	In-Process 15.10.11	Total 15.10.11	FED 10.10.11
Bikaner	134	0	134	60
Jodhpur	18175	20	18195	2729
Nokha	2954	0	2954	1012

NB: FED expiry for Bikaner and Jodhpur is the sum of 05-Nov-2011 and 05-Dec-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
		17-10-2011	15-10-2011	
Guar Seed	Jodhpur (Delivery)	4525	4575	-50
	Jodhpur (Loose)	4050	4050	Unch
	Bikaner (Loose)	4250	4200	50
	Bikaner (Delivery)	4400	4350	50
	Nokha	3875	3925	-50
	Hanumangarh	-	-	-
	Sri-Ganganagar	3925	3950	-25
	Adampur (Old)	4425	4400	25
	Adampur (New)	4300	3962	338
	Sirsa (Old)	4425	4400	25
	Sirsa (New)	4300	3950	350
	Bhiwani	4300	4350	-50
	Deesa	4062	4067	-5
	Patan	-	-	-
	Nagaur	4000	4000	Unch
	Dhabwali (5%)	4300	4200	100
	Dhabwali (10%)	4150	4050	100
Guar Gum	Jodhpur	13200	13400	-200
	Bhiwani	12700	13000	-300
	Dhabwali	13900	13000	900

Prices in Rs/Quintal *Mill Prices

Guar Arrivals in Key Centers

Commodity	Centre	Arrivals		Change
		17-10-2011	15-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner (New)	150	250	-100
	Bikaner (Old)	150	200	-50
	Nokha (New)	800	700	100
	Hanumangarh	-	-	-
	Sri-Ganganagar (New)	2000	1500	500
	Adampur (Old)	700	700	Unch
	Adampur (New)	500	500	Unch
	Sirsa (New)	200-250	150-200	50
	Bhiwani (New)	500-700	400	300
	Deesa	150	170	-20
	Nagaur (New)	200	200	Unch
	Dhabwali	100	300-400	-300
	All India	20000	20000	Unch

Arrivals in bags

Guar by - products prices: (As of October 17th)
Churi and Korma Prices:

Commodity	Center	Rs/Qtl
Churi	Jodhpur	700
Korma	Jodhpur	873

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		2950
Guargum Powder	200 Mesh 5000 CPS	3950
	200 Mesh 3500 CPS	3900
Guargum Meal		225



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