

Fundamentals:

Guar seed and Guar gum prices remained mixed as fresh arrivals declined have started to pull markets lower in Haryana and Punjab. Fresh arrivals will only arrive in full strength after the festival of Diwali in Rajasthan and Gujarat. Prices now will start to move lower on fresh arrivals expectations in most of the centers and by November 1st week we could see upto 50,000-60,000 bags per day throughout India. So this might restrict the upside in prices. Prices continue to be influenced by the weak futures counter as speculators continue to short on fresh arrival anticipation. According to the State Agriculture Department production will be lower and arrivals will also be delayed due to delayed sowing due to unfavourable weather. According to NCDEX guar seed and guar gum warehouse stocks as on October 17th is lower at 73,965 MT compared to 7,4396 MT on October 10th.

Futures Market:

Rise in open interest amidst falling prices of **Guar seed and Guar gum November contracts** suggests that the new money is coming through the short sellers and a downtrend is in place for both Guar seed and Guar gum.

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	-135	4511	4549	4391	4391
Nov-11	-83	4160	4176	4066	4074
Dec-11	-53	4092	4116	4024	4034
Jan-12	-46	4107	4150	4057	4070

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	48090	-12240	60340	-15380
Nov-11	92140	-4840	75750	2860
Dec-11	40530	-10120	89180	1590
Jan-12	2970	1020	7230	280

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-331	-14	26	-10
Oct-11	-	-317	-357	-321
Nov-11	-	-	-40	-4
Dec-11	-	-	-	36
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 17.10.11	In-Process 17.10.11	Total 17.10.11	FED 17.10.11
Bikaner	33095	1067	34162	11538
Deesa	2368	210	2578	139
Jodhpur	16060	269	16329	2806
Nokha	1804	403	2207	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	-92	12820	13060	12730	12765
Nov-11	-169	13025	13194	12861	12870
Dec-11	-137	12990	13100	12810	12830
Jan-12	-111	13119	13195	12972	12972

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	5260	-2245	4210	-1165
Nov-11	10735	-3765	34225	925
Dec-11	2470	-2200	11885	235
Jan-12	125	-190	625	10

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	435	330	370	228
Oct-11	-	105	65	207
Nov-11	-	-	-40	102
Dec-11	-	-	-	142
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 17.10.11	In-Process 17.10.11	Total 17.10.11	FED 17.10.11
Bikaner	134	0	134	60
Jodhpur	17550	20	17570	2393
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
		18-10-2011	17-10-2011	
Guar Seed	Jodhpur (Delivery)	4525	4525	Unch
	Jodhpur (Loose)	4060	4050	10
	Bikaner (Loose)	4200	4250	-50
	Bikaner (Delivery)	4350	4400	-50
	Nokha	4080	3875	205
	Hanumangarh	-	-	-
	Sri-Ganganagar	4000	3925	75
	Adampur (Old)	4400	4425	-25
	Adampur (New)	4280	4300	-20
	Sirsa (Old)	4400	4425	-25
	Sirsa (New)	4280	4300	-20
	Bhiwani	4350	4300	50
	Deesa	4072	4062	10
	Patan	-	-	-
	Nagaur	4000	4000	Unch
	Dhabwali (5%)	4250	4300	-50
	Dhabwali (10%)	4100	4150	-50
Guar Gum	Jodhpur	13200	13200	Unch
	Bhiwani	12700	12700	Unch
	Dhabwali	13700	13900	-200

Prices in Rs/Quintal *Mill Prices

Guar Arrivals in Key Centers

Commodity	Centre	Arrivals		Change
		18-10-2011	17-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner (New)	150	150	Unch
	Bikaner (Old)	150	150	Unch
	Nokha (New)	500	800	-300
	Hanumangarh	-	-	-
	Sri-Ganganagar (New)	2000	2000	Unch
	Adampur (Old)	200	700	-500
	Adampur (New)	800	500	300
	Sirsa (New)	200-250	200-250	Unch
	Bhiwani (New)	1200-1300	500-700	500-600
	Deesa	120-125	150	-25
	Nagaur (New)	200	200	Unch
	Dhabwali	100	100	Unch
	All India	20000	20000	Unch

Arrivals in bags

Guar by - products prices: (As of October 18th)
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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