

**Fundamentals:**

Guar seed and Guar gum prices fell heavily as fresh expectations and weak demand pulled markets lower. Cash markets were also influenced by weak futures counter on Wednesday. Traders added that big millers and exporters have started to sell in the futures counter which has influenced selling in the cash markets. Traders added that fresh arrivals increase after the festival of Diwali in Rajasthan and Gujarat which may continue to pull markets lower. However traders now are estimating very low production for India at 11.20 lakh tonnes compared to 11.50 lakh tonnes due to late sowing and crop losses expectations in the latter stages of sowing due to unfavorable weather.

**Futures Market:**

Rise in open interest amidst falling prices of **Guar seed November Contract** suggest that the new money is coming through the short sellers and a downtrend is in place.

As both open interest and prices are falling for **Guar gum November Contract** it indicates long liquidation and suggests a possible trend reversal in near future.

**Outlook:**

Guar prices are expected to remain range bound to weak on higher anticipation of arrivals and weak futures counter. 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	-116	4335	4361	4216	4275
Nov-11	-55	4073	4100	3982	4044
Dec-11	-31	4013	4057	3944	4017
Jan-12	-49	4020	4090	3982	4046

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Oct-11	80710	32620	37200	-23110
Nov-11	177510	85370	70390	-5090
Dec-11	90680	50150	91220	2110
Jan-12	6170	3200	7400	200

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-375	-144	-117	-146
Oct-11	-	-231	-258	-229
Nov-11	-	-	-27	2
Dec-11	-	-	-	29
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 18.10.11	In-Process 18.10.11	Total 18.10.11	FED 17.10.11
Bikaner	33225	1400	34625	11538
Deesa	2428	219	2647	139
Jodhpur	16060	159	16219	2806
Nokha	1804	441	2245	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	-130	12732	12888	12458	12713
Nov-11	-161	12900	12975	12566	12792
Dec-11	-133	12850	12895	12563	12755
Jan-12	-240	12926	13005	12723	12876

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Oct-11	2470	-2790	3295	-850
Nov-11	18995	8260	36265	2025
Dec-11	8235	5765	13115	1235
Jan-12	470	345	760	135

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	262	183	220	99
Oct-11	-	79	42	163
Nov-11	-	-	-37	84
Dec-11	-	-	-	121
Jan-12	-	-	-	-

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

NCDEX Stocks	Demat 18.10.11	In-Process 18.10.11	Total 18.10.11	FED 17.10.11
Bikaner	134	0	134	60
Jodhpur	17416	20	17436	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
		19-10-2011	18-10-2011	
Guar Seed	Jodhpur (Delivery)	4325	4525	-200
	Jodhpur (Loose)	3900	4060	-160
	Bikaner (Loose)	4050	4100	-50
	Bikaner (Delivery)	4200	4250	-50
	Nokha	4020	4080	-60
	Hanumangarh	-	-	-
	Sri-Ganganagar	3950	4000	-50
	Adampur (New)	4270	4280	-10
	Sirsa (New)	4270	4280	-10
	Bhiwani	4250	4350	-100
	Deesa	4080-4085	4072	13
	Patan	-	-	-
	Nagaur	3950	4000	-50
	Dhabwali (5%)	4200	4250	-50
	Dhabwali (10%)	4050	4100	-50
Guar Gum	Jodhpur	12950-13000	13200	-200
	Bhiwani	12500	12700	-200
	Dhabwali	13000	13700	-700

**Guar Arrivals in Key Centers**

Commodity	Centre	Arrivals (in bags)		Change
		19-10-2011	18-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner (New)	100	100	Unch
	Bikaner (Old)	100	100	Unch
	Nokha (New)	500	500	Unch
	Hanumangarh	-	-	-
	Sri-Ganganagar (New)	220-225	2000	-
	Adampur (Old)	200	200	Unch
	Adampur (New)	800	800	Unch
	Sirsa (New)	250	200-250	Unch
	Bhiwani (New)	1200-1300	1200-1300	Unch
	Deesa	150-160	120-125	35
	Nagaur (New)	900	200	700
	Dhabwali	100	100	Unch
	All India	15000-20000	20000	Unch

**Guar by - products prices: (As of October 19<sup>th</sup>)**
**Churi and Korma Prices:**

Commodity	Center	Rs/Qtl
Churi	Jodhpur	667
Korma	Jodhpur	820

**Guar Export Prices:**

Commodity	Variety	Value (\$/MT)
Guargum Split		2900
Guargum Powder	200 Mesh 5000 CPS	3900
	200 Mesh 3500 CPS	3850
Guargum Meal		215

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