

Fundamentals:

Guar seed and Guar gum prices rebound from lows as demand improved as lows. Millers and exporters were buying at 4000/qty levels and expect more demand till Diwali. Traders added that Vikas WSP has bought January contract which has lend support to the cash markets on Thursday. Cash markets were also influenced by short coverings in the futures counter on Thursday. In the long run prices may find support at 3800 levels as production estimates from traders is much lower as on October 20th compared to a week ago. Traders now are estimating very low production for India at 11.17 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 along with prices of both **Guar seed November Contract** and **Guar gum November Contract** indicate that an uptrend is in place and is likely to be sustained.

Weather Update:

Dry weather condition in Rajasthan, Haryana and Gujarat will support harvest.

Outlook:

Guar prices are expected to remain range bound. Higher arrivals after Diwali may restrict upside. 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	11	4280	4354	4255	4300
Nov-11	23	4025	4089	4015	4065
Dec-11	16	4009	4051	3994	4030
Jan-12	16	4044	4087	4031	4065

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	37350	-43360	9820	-26820
Nov-11	75140	-102370	72200	1870
Dec-11	38910	-51770	91660	710
Jan-12	3900	-2270	8040	360

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	-300	-65	-30	-65
Oct-11	-	-235	-270	-235
Nov-11	-	-	-35	0
Dec-11	-	-	-	35
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	34565	59	34624	11538
Deesa	2557	70	2627	139
Jodhpur	16109	69	16178	2806
Nokha	2245	0	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 Guargum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Oct-11	120	12700	12880	12625	12815
Nov-11	94	12775	13014	12730	12920
Dec-11	80	12707	12960	12700	12854
Jan-12	89	12905	13089	12881	12901

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Oct-11	1720	-750	2640	-635
Nov-11	10265	-8730	37040	980
Dec-11	3865	-4370	14060	955
Jan-12	185	-285	730	-35

Spread	Oct-11	Nov-11	Dec-11	Jan-12
Basis	385	280	346	299
Oct-11	-	105	39	86
Nov-11	-	-	-66	-19
Dec-11	-	-	-	47
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	17084	0	17084	2393
Nokha	2875	0	2875	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
		20-10-2011	19-10-2011	
Guar Seed	Jodhpur (Delivery)	4350	4325	25
	Jodhpur (Loose)	3950-4000	3900	100
	Bikaner (Loose)	4075-4085	4050	35
	Bikaner (Delivery)	4225-4235	4200	35
	Nokha	4045	4020	25
	Hanumangarh	-	-	-
	Sri-Ganganagar	3975-4000	3950	50
	Adampur (New)	4400	4270	130
	Sirsa (New)	4400	4270	130
	Bhiwani	4300	4250	50
	Deesa	4040-4085	4080-4085	-40
	Patan	-	-	-
	Nagaur	3985-3990	3950	40
	Dhabwali (5%)	4235-4240	4200	40
	Dhabwali (10%)	4085-4090	4050	40
Guar Gum	Jodhpur	13200	12950-13000	200
	Bhiwani	12600	12500	100
	Dhabwali	13100	13000	100

Guar Arrivals in Key Centers

Commodity	Centre	Arrivals (in bags)		Change
		20-10-2011	19-10-2011	
Guar Seed	Jodhpur	-	-	-
	Bikaner (New)	100	100	Unch
	Bikaner (Old)	100	100	Unch
	Nokha (New)	500	500	Unch
	Hanumangarh	-	-	-
	Sri-Ganganagar (New)	200-250	220-225	25
	Adampur (Old)	500	200	300
	Adampur (New)	1000	800	200
	Sirsa (New)	300	250	50
	Bhiwani (New)	1500-1700	1200-1300	400
	Deesa	160	150-160	Unch
	Nagaur (New)	500	900	-400
	Dhabwali (New)	20-25	-	-
	All India	15000-20000	15000-20000	Unch

Guar by - products prices: (As of October 20th)
Churi and Korma Prices:

Commodity	Center	Rs/Qtl
Churi	Jodhpur	680
Korma	Jodhpur	833

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		2900
Guargum Powder	200 Mesh 5000 CPS	3900
	200 Mesh 3500 CPS	3850
Guargum Meal		225

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