

Fundamentals:

Guar complex surged higher on Friday's trade supported by reports that the government may remove the six per cent subsidy to promote export of guar gum. Markets were also supported by firm demand from millers in the market. Markets were also influenced by firm futures counter. Arrivals may increase from next week as arrivals have commenced from Gujarat and may restrict upside. Markets may also be influenced by reports that Directorate General of Foreign Trade (DGFT) is considering levy of 20 per cent export duty on guar gum. Traders added that if India considers imposition of export duty countries like China would be forced to roll back import duty on guar gum powder and splits and this may benefit India in the long run. New crop arrivals (all India basis) totaled at 85,000 bags (1 bag =100Kg) compared to 80,000 bags against previous day.

Outlook:

Both guar seed and guar gum prices are expected to remain volatile in the next week amidst weak firm from millers and exporters. Lower production estimate, lower carry-in stocks may support the prices in medium to long term.

Futures Market:

Falling open interest and rising prices for **NCDEX Guarseed December contract** and **NCDEX Guargum January contract** is indicating that the short sellers are covering their positions and the upmove will not be sustained unless new buyers enter the market.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Dec-11	190	4727	4920	4727	4920
Jan-12	194	4835	5042	4801	5042
Feb-12	198	4950	5141	4950	5141
Mar-12	201	5094	5226	5094	5226

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	199920	-245500	129680	-11610
Jan-12	154830	-12500	92290	520
Feb-12	26780	20010	15210	2580
Mar-12	1060	240	1510	290

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	230	108	9	-76
Dec-11	-	122	221	306
Jan-12	-	-	99	184
Feb-12	-	-	-	85
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat	In-Process	Total	FED
	24.11.11	24.11.11	24.11.11	21.11.11
Bikaner	27616	0	27616	25942
Deesa	2498	0	2498	40
Jodhpur	14861	0	14861	10599
Nokha	2195	0	2195	1238

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

Unit in MT

NCDEX Guargum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Dec-11	592	14800	15383	14800	15383
Jan-12	601	15046	15623	15046	15623
Feb-12	608	15399	15800	15399	15800
Mar-12	581	15843	15997	15843	15962

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	11295	-16520	14035	-510
Jan-12	12675	-6820	19185	-345
Feb-12	615	-215	1575	140
Mar-12	40	-15	115	-

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	217	-23	-200	-362
Dec-11	-	240	417	579
Jan-12	-	-	177	339
Feb-12	-	-	-	-162
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat	In-Process	Total	FED
	24.11.11	24.11.11	24.11.11	21.11.11
Bikaner	0	0	0	45
Jodhpur	10280	110	10390	2042
Nokha	878	0	878	977

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

Unit in MT

Guar Prices at Key Spot Markets (New and Old)

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-11-2011	24-11-2011	
Guar Seed	Jodhpur (Delivery)	5150	4875	275
	Jodhpur (Loose)	4600	4450	150
	Bikaner (Loose)	4750	4550	200
	Bikaner (Delivery)	4900	4700	200
	Nokha	4750	4550	200
	Hanumangarh	4630	4570	60
	Sri-Ganganagar	4700-4705	4525-4530	175
	Adampur	4925	4725	200
	Sirsa	4925	4715	210
	Bhiwani	5000	4700	300
	Deesa (Old)	4225	4110-4120	105
	Deesa (New)	4405	4260-4280	125
	Nagaur	4500	4371	129
	Dhabwali (5%)	4850	4650	200
	Dhabwali (10%)	4900	4710	190
Guar Gum	Jodhpur	15600	14800	800
	Bhiwani	16000	14450	1550
	Dhabwali	15600-15700	14850	800

Guar Arrivals in Key Centers (New + Old Crop)

Commodity	Centre	Arrivals (Quintals)		Change
		25-11-2011	24-11-2011	
Guar Seed	Jodhpur	Nil	Nil	-
	Bikaner	4000	4000	Unch
	Nokha	4000	4000	Unch
	Hanumangarh	1000	700-800	200
	Sri-Ganganagar	1200-1500	1000-1100	400
	Adampur	5000	2000-2500	2500
	Sirsa	2000	1200-1500	500
	Bhiwani	5000-6000	3500	2500
	Deesa (Old)	80-100	150	-50
	Deesa (New)	130-140	150	-10
	Nagaur	1500-2000	1500-2000	Unch
	Dhabwali	1500-2000	1000	1000
	All India	85000	80000	5000

Guar by - products prices: As of November 25th 2011
Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	625
Korma	Jodhpur	800

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		3400
Guargum Powder	200 Mesh 5000 CPS	4400
	200 Mesh 3500 CPS	4350
Guargum Meal		250

Guar Prices at Other Centers: As of November 25th 2011

State	Market Center	Arrivals	Minimum Price	Maximum Price	Modal Price
		Tonnes	Rs/Quintal		
Gujarat	Mansa	1.5	4180	4335	4195
	Modasa	0.4	3500	3980	3600
	Rapar	15	4485	4505	4500
Rajasthan	Anoopgarh	112	4550	4641	4595
	Balotra	12.03	4200	4300	4250
	Barmer	30.8	4425	4450	4435
	Gajsinghpur	308	3725	4623	4590
	Jaitsar	48	4275	4539	4500
	Jhunjhunu	285	4300	4500	4500
	Kesrisinghpur	30.6	4000	4931	4841
	Loonkarnsar	975	4450	4620	4535
	Padampur	114.3	4200	4601	4471
	Raisingh Nagar	166	2178	4610	4598
	Rajsamand	NR	3000	3500	3250
	Sojat Road	8.5	3896	4377	4265
	Sri Karanpur	12.6	4350	4512	4400
	Sumerpur	11.9	4151	4562	4480
Uttar Pradesh	Fatehpur	26.3	4300	4400	4350

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