

Fundamentals:

Markets remained weak on Monday as demand remained millers declined. However, exporters were actively buying in the market. At Jodhpur market, Guarseed Loose, All Paid and Guargum All Paid finished down by 1.94%, 1.78% 1.15% respectively and against previous trading day. Sources revealed that farmers are directly selling stocks to millers and exporters in key centers like Jodhpur and Bikaner. Sources also speculated that millers are not processing seed to gum in anticipation of higher prices for guar gum. This has lead to stocking up from millers as they fear that fresh arrival will exhaust in January and there will no stocks available till June 2012. Sources added that exports may decline in 2012 as Eurozone crisis may reduce demand for gum. New crop arrivals (all India basis) totaled at 150,000 bags (1 bag =100Kg) unchanged against previous day.

Futures Market:

Guarseed January 2012 Contract and Guargum January 2012 Contract: Rise in open interest along with prices indicates that an uptrend is in place and is likely to be sustained.

Outlook:

Guar complex may continue to move up as millers and exporters are continuously buying. Lower production estimate and lower carry-in stocks may continue to support price.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Dec-11 | 175 | 5361 | 5622 | 5331 | 5580 |
| Jan-12 | 189 | 5516 | 5791 | 5508 | 5757 |
| Feb-12 | 193 | 5644 | 5906 | 5591 | 5871 |
| Mar-12 | 164 | 5750 | 6029 | 5730 | 5963 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|--------|--------|
| Dec-11 | 250330 | 55510 | 84430 | 980 |
| Jan-12 | 201560 | 30950 | 148110 | 12750 |
| Feb-12 | 13350 | 1610 | 21910 | 3030 |
| Mar-12 | 1040 | 200 | 1890 | 250 |

| Spread | Dec-11 | Jan-12 | Feb-12 | Mar-12 |
|--------|--------|--------|--------|--------|
| Basis | -55 | -232 | -346 | -438 |
| Dec-11 | - | 177 | 291 | 383 |
| Jan-12 | - | - | 114 | 206 |
| Feb-12 | - | - | - | 92 |
| Mar-12 | - | - | - | - |

NB: Spread was done by taking all paid prices (Rs/Quintal) of Jodhpur markets.

| NCDEX Stocks | Demat 03.12.11 | In-Process 03.12.11 | Total 03.12.11 | FED 28.11.11 |
|--------------|-------------------|------------------------|-------------------|-----------------|
| Bikaner | 24136 | 1938 | 26074 | 17861 |
| Deesa | 2498 | 90 | 2588 | 40 |
| Jodhpur | 13413 | 623 | 14036 | 11091 |
| Nokha | 2225 | 566 | 2791 | 1437 |

NB: FED expiry for Bikaner, Jodhpur, Nokha 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 | 678 | 17124 | 17885 | 17010 | 17875 |
| Jan-12 | 679 | 17350 | 18191 | 17302 | 18170 |
| Feb-12 | 503 | 17700 | 18578 | 17575 | 18415 |
| Mar-12 | 568 | 17850 | 18718 | 17808 | 18718 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Dec-11 | 10905 | -1590 | 10170 | -495 |
| Jan-12 | 17095 | -2215 | 21795 | 1130 |
| Feb-12 | 1980 | 895 | 3130 | 105 |
| Mar-12 | 65 | 40 | 150 | 5 |

| Spread | Dec-11 | Jan-12 | Feb-12 | Mar-12 |
|--------|--------|--------|--------|--------|
| Basis | -625 | -920 | -1165 | -1468 |
| Dec-11 | - | 295 | 540 | 843 |
| Jan-12 | - | - | 245 | 548 |
| Feb-12 | - | - | - | 303 |
| Mar-12 | - | - | - | - |

NB: Spread was done by taking prices (Rs/Quintal) of Jodhpur markets.

| NCDEX Stocks | Demat 03.12.11 | In-Process 03.12.11 | Total 03.12.11 | FED 28.11.11 |
|--------------|-------------------|------------------------|-------------------|-----------------|
| Bikaner | - | - | - | - |
| Jodhpur | 10193 | 20 | 10213 | 1989 |
| Nokha | 878 | 0 | 878 | 668 |

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

Unit in MT

Guar Prices at Key Spot Markets (New Crop)

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|-----------------|------------|--------|
| | | 05-12-2011 | 03-12-2011 | |
| Guar Seed | Jodhpur (Delivery) | 5525 | 5625 | -100 |
| | Jodhpur (Loose) | 5050 | 5150 | -100 |
| | Bikaner (Loose) | 5200 | 5150-5200 | Unch |
| | Bikaner (Delivery) | 5350 | 5300-5350 | Unch |
| | Nokha | 5100 | 5050 | 50 |
| | Hanumangarh | 5103 | 5050 | 53 |
| | Sri-Ganganagar | 5040-5050 | 5100 | -50 |
| | Adampur | 5100 | 5220-5225 | -125 |
| | Sirsa | 5150 | 5220 | -70 |
| | Bhiwani | 5250 | 5350 | -100 |
| | Deesa | 5080-5100 | 5140-5200 | -100 |
| | Nagaur | 5000 | 5000 | Unch |
| | Dhabwali | 5250 | 5250 | Unch |
| Guar Gum | Jodhpur | 17250 | 17450 | -200 |
| | Bhiwani | 17300 | 17700 | -400 |
| | Dhabwali | 17500 | 17600 | -100 |

Guar Seed Arrivals in Key Centers (New Crop)

| Centre | Arrivals (Quintals) | | Change |
|----------------|---------------------|------------|--------|
| | 05-12-2011 | 03-12-2011 | |
| Jodhpur | Nil | Nil | - |
| Bikaner | 12000 | 7000 | 5000 |
| Nokha | 8000 | 5000 | 3000 |
| Hanumangarh | 551 | 350 | 201 |
| Sri-Ganganagar | 2000 | 2200 | -200 |
| Adampur | 10000 | 15000 | -5000 |
| Sirsa | 5000 | 3000 | 2000 |
| Bhiwani | 6000 | 6000 | Unch |
| Deesa | 200 | 180-185 | 15 |
| Nagaur | 250 | 250 | Unch |
| Dhabwali | 400 | 300 | 100 |
| All India | 150000 | 150000 | Unch |

Guar by - products prices: As of December 05th, 2011
Churi and Korma Prices:

| Commodity | Center | Rs/75kg |
|-----------|---------|---------|
| Churi | Jodhpur | 545 |
| Korma | Jodhpur | 745 |

Guar Export Prices:

| Commodity | Variety | Value (\$/MT) |
|----------------|-------------------|---------------|
| Guargum Split | | 3500 |
| Guargum Powder | 200 Mesh 5000 CPS | 4500 |
| | 200 Mesh 3500 CPS | 4400 |
| Guargum Meal | | 225 |

Guar Prices at Other Markets: As of December 05th, 2011

| State | Market Center | Arrivals | Minimum Price | Maximum Price | Modal Price |
|---------|---------------|----------|---------------|---------------|-------------|
| | | Tonnes | Rs/Quintal | | |
| Gujarat | Bhuj | 41.8 | 4202 | 5121 | 4661 |
| | Rapar | 80.0 | 3705 | 5000 | 4700 |
| | Vadgam | 5.6 | 4905 | 5000 | 4953 |

| | | | | | |
|-----------------------|---------------|--------|------|------|------|
| Haryana | Siwani | 8406.0 | 5250 | 5445 | 5360 |
| Madhya Pradesh | Sheopur Kalan | 5.6 | 3431 | 4800 | 4730 |
| Rajasthan | Anoopgarh | 86.6 | 4900 | 5142 | 5021 |
| | Balotra | 40.0 | 4600 | 4800 | 4700 |
| | Bhinmal | 7.6 | 4500 | 5100 | 4800 |
| | Bundi | 3.9 | 4635 | 4982 | 4808 |
| | Gajsinghpur | 400.0 | 4776 | 5148 | 5050 |
| | Loonkarnsar | 2520.0 | 4940 | 5140 | 5040 |
| | Padampur | 107.8 | 4826 | 5187 | 5126 |
| | Sri Karanpur | 27.1 | 4210 | 5150 | 4975 |
| | Sumerpur | 11.0 | 4500 | 4893 | 4801 |
| Uttar Pradesh | Fatehpur | 106.7 | 4800 | 5000 | 4900 |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.