

Fundamentals:

Markets remained mixed on Saturday's trade. Millers and exporters were not active. Arrivals have started to declined amidst higher prices. However, markets could see weakness in the next few sessions as NCDEX have imposed a Special Margin of 10% inclusive of Special Cash Margin of 5% will be imposed on the Long side on all running contracts of Guar seed and Guar gum with effect from beginning of day, Tuesday, December 13, 2011. This will prompt participants to square off positions of the long side. This may also influence the cash markets and may see some weakness in the short run. Export inquiries remain low and may only come in at lower levels. New crop arrivals (all India basis) totaled at 125,000 bags (1 bag=100Kg) unchanged bags against previous day.

Futures Market:

Guarseed January 2012 Contract and Guar gum 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 see some weakness at higher levels on weak demand from exporters and millers. 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	12	5585	5622	5510	5605
Jan-12	30	5758	5785	5653	5784
Feb-12	25	5810	5895	5810	5895
Mar-12	36	5950	5999	5950	5995

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	64940	-45200	58590	-1650
Jan-12	168000	-32060	175430	780
Feb-12	8320	-1760	28620	1090
Mar-12	350	-60	2530	-70

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	195	16	-95	-195
Dec-11	-	179	290	390
Jan-12	-	-	111	211
Feb-12	-	-	-	100
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat 09.12.11	In-Process 09.12.11	Total 09.12.11	FED 05.12.11
Bikaner	23525	2775	26300	17861
Deesa	2817	321	3138	40
Jodhpur	13139	1572	14711	10375
Nokha	3103	757	3860	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 Guar gum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Dec-11	147	18018	18253	17722	18231
Jan-12	152	18308	18579	18051	18550
Feb-12	155	18480	18809	18478	18809
Mar-12	190	19000	19000	19000	19000

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	4270	-2730	6725	-485
Jan-12	10365	-4955	25135	450
Feb-12	625	-130	3555	-20
Mar-12	5	-5	400	-

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	19	-300	-559	-750
Dec-11	-	319	578	769
Jan-12	-	-	259	450
Feb-12	-	-	-	191
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat 09.12.11	In-Process 09.12.11	Total 09.12.11	FED 05.12.11
Bikaner	-	-	-	-
Jodhpur	10199	534	10733	1989
Nokha	878	20	898	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

Commodity	Centre	Prices (Rs/Qtl)		Change
		10-12-2011	09-12-2011	
Guar Seed	Jodhpur (Delivery)	5800	5800	Unch
	Jodhpur (Loose)	5300	5200-5300	Unch
	Bikaner (Loose)	5360-5370	5390-5440	-70
	Bikaner (Delivery)	5510-5520	5540-5590	-70
	Nokha	5050	5090	-40
	Hanumangarh	5400	5460	-60
	Sri-Ganganagar	5400	5400	Unch
	Adampur	5600	5550	40
	Sirsa	5600	5600	Unch
	Bhiwani	5550	5550	Unch
	Deesa	5160-5210	5200	10
	Nagaur	5300	5300	Unch
	Dhabwali	5400	5400	Unch
Guar Gum	Jodhpur	18250	18100	150
	Bhiwani	18400	18700	-300
	Dhabwali	18400	18100	300

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	10-12-2011	09-12-2011	
Jodhpur	Nil	81	-
Bikaner	6000-7000	6000	1000
Nokha	4500	4000	500
Hanumangarh	500	827	-327
Sri-Ganganagar	700-800	700	100
Adampur	10000	10000	Unch
Sirsa	5000	5000	Unch
Bhiwani	4000	4000-5000	-1000
Deesa	220-225	180-185	40
Nagaur	450	500	-50
Dhabwali	200	200	Unch
All India	125000	125000	Unch

Guar by - products prices: As of December 10th, 2011
Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	550
Korma	Jodhpur	750

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		3600
Guargum Powder	200 Mesh 5000 CPS	4700
	200 Mesh 3500 CPS	4750
Guargum Meal		225

Guar Seed Prices at Other Markets (Gujarat): As of December 10th, 2011, Arrivals in Tonnes and Prices in Rs/Quintal

Market Center	Arrivals	Minimum Price	Maximum Price	Modal Price
Dehgam	26	4995	5325	5160

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