

Fundamentals:

Markets continue uptrend supported by firm export demand. Markets moved higher as arrivals have slowed down in both Rajasthan and Haryana. Arrivals declined in Rajasthan and Haryana markets as farmers are anticipating further upside in prices and lower production expectations from both states. Exporters are asking Guar gum split at \$4000 PMT for Mundra and for Guar gum powder for 5300 CPS \$5300 PMT and 3500 CPS \$5200 PMT. The international price for guar gum is being quoted at \$40000/Tonne which is also supported the current buying activity from exporters. However, with Christmas & New Year approaching the buying will be subdued will start to reduce. Cash markets were also influenced by firm futures counter which ended up with a 4% upper circuit limit on Tuesday. New crop arrivals (all India basis) totaled at 80,000-90,000 bags (1 bag=100Kg) compared to 90,000 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 range bound movement to firm supported by firm export demand. 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	321	6552	6616	6500	6616
Jan-12	260	6650	6757	6600	6757
Feb-12	385	6798	6867	6720	6867
Mar-12	393	6830	6980	6800	6980

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	3200	-10830	6980	-1800
Jan-12	73380	-130240	145980	1510
Feb-12	6900	-15370	38040	1130
Mar-12	1500	430	3130	490

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	334	193	83	-30
Dec-11	-	141	251	364
Jan-12	-	-	110	223
Feb-12	-	-	-	113
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat 19.12.11	In-Process 19.12.11	Total 19.12.11	FED 12.12.11
Bikaner	36932	1139	38071	17475
Deesa	3627	0	3627	40
Jodhpur	16142	233	16375	9856
Nokha	5417	0	5417	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	1191	21400	21673	21400	21673
Jan-12	1244	21333	21874	21300	21874
Feb-12	1164	21910	22122	21910	22122
Mar-12	856	22021	22235	22021	22235

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Dec-11	1035	-380	1575	-370
Jan-12	4300	-11960	24460	165
Feb-12	1065	-585	5865	575
Mar-12	25	-265	465	5

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	127	-74	-322	-435
Dec-11	-	201	449	562
Jan-12	-	-	248	361
Feb-12	-	-	-	113
Mar-12	-	-	-	-

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

NCDEX Stocks	Demat 19.12.11	In-Process 19.12.11	Total 19.12.11	FED 12.12.11
Bikaner	-	-	-	-
Jodhpur	11973	40	12013	1989
Nokha	978	10	988	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
		20-12-2011	19-12-2011	
Guar Seed	Jodhpur (Delivery)	6950	6600	350
	Jodhpur (Loose)	6200	6000	200
	Bikaner (Loose)	6450	6000	450
	Bikaner (Delivery)	6600	6150	450
	Nokha	5900	5500	400
	Hanumangarh	6600	6400	200
	Sri-Ganganagar	6625	6425	200
	Adampur	6750	6300	450
	Sirsa	6600	6200	400
	Bhiwani	6650	6300	350
	Deesa	5850-5900	5840-5850	50
	Nagaur	5900	5650	250
	Dhabwali	6600	6200	400
Guar Gum	Jodhpur	21800	20700	1100
	Bhiwani	21900	20800	1100
	Dhabwali	22000	20700	1300

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	20-12-2011	19-12-2011	
Jodhpur	Nil	Nil	-
Bikaner	10000-12000	15000-20000	-8000
Nokha	4000	6000	-2000
Hanumangarh	800	900	-100
Sri-Ganganagar	900	1000	-100
Adampur	3000	6000	-3000
Sirsa	2000	5000	-3000
Bhiwani	2000-2500	1500-2000	500
Deesa	220	230-235	-15
Nagaur	250	300	-50
Dhabwali	100	300-400	-300
All India	80000-90000	90000	Unch

Guar by - products prices: As of December 20th, 2011
Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	535
Korma	Jodhpur	725

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		4000
Guargum Powder	200 Mesh 5000 CPS	5300
	200 Mesh 3500 CPS	5200
Guargum Meal		225

Guar Prices at Other Markets (Gujarat and Rajasthan): As of December 20th, 2011

State	Market Center	Arrivals	Minimum Price	Maximum Price	Modal Price
		Tonnes	Rs/Quintal		
Gujarat	Bhiloda	22	5850	6250	6000
	Dehgam	NR	5125	6325	5725
	Himatnagar	5.3	5250	5975	5613

	Rapar	67	5755	6150	6095
Rajasthan	Balotra	7.07	5800	5900	5850
	Barmer	58.3	5925	5950	5945
	Gajsinghpur	62	5750	6091	6000
	Jaipur	110	5800	6000	5900
	Jhunjhunu	378	5600	6000	6000
	Loonkarnsar	2520	5800	6050	5925
	Rajsamand	NR	5000	5500	5250
	Sri Karanpur	10.2	5871	6000	5991
	Udaipur	1.5	5000	5500	5400
Uttar Pradesh	Fatehpur	57.6	5600	6100	5850

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