

Fundamentals:

Guar complex ended weak as arrivals in domestic improved at demand remained weak at higher levels. Traders added producers were bring in more stocks as prices declined as producers faced lack of buying activity at higher levels. Exporters are asking Guar gum split at \$4000 PMT for Mundra and as international price for guar gum remain high at \$40000/Tonne. Cash markets were also influenced by firm futures counter which ended firm on Thursday but were more volatile. New crop arrivals (all India basis) totaled at 80,000bags (1 bag=100Kg) compared to 80,000 bags against previous day.

Futures Market:

Guarseed January 2012 Contract: Falling open interest and rising prices is indicating that the short sellers are covering their positions. Volume of trade has increased to 302,610, up by 148,510 against previous trading day.

Guargum January 2012 Contract: Falling open interest and rising prices is indicating that the short sellers are covering their positions. Volume of trade has increased to 27,220, up by 14,060 against previous trading day.

Outlook:

Guar complex may see range bound to firm movement supported by firm demand from exporters. 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 |
|----------|-----|------|------|------|-------|
| Jan-12 | 139 | 6820 | 7036 | 6666 | 6904 |
| Feb-12 | 164 | 6950 | 7156 | 6815 | 7045 |
| Mar-12 | 174 | 7089 | 7217 | 6910 | 7113 |
| Apr-12 | 111 | 7237 | 7276 | 6882 | 7175 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|--------|--------|
| Jan-12 | 302610 | 148510 | 125100 | -17180 |
| Feb-12 | 81570 | 40960 | 58960 | 16280 |
| Mar-12 | 7540 | 2150 | 4490 | 40 |
| Apr-12 | 1590 | -790 | 1350 | -350 |

| Spread | Dec-11 | Jan-12 | Feb-12 | Mar-12 |
|--------|--------|--------|--------|--------|
| Basis | 121 | -20 | -88 | -150 |
| Jan-12 | - | 141 | 209 | 271 |
| Feb-12 | - | - | 68 | 130 |
| Mar-12 | - | - | - | 62 |
| Apr-12 | - | - | - | - |

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

| NCDEX Stocks | Demat 21.12.11 | In-Process 21.12.11 | Total 21.12.11 | FED 19.12.11 |
|--------------|----------------|---------------------|----------------|--------------|
| Bikaner | 38130 | 1982 | 40112 | 17475 |
| Deesa | 3627 | 180 | 3807 | 40 |
| Jodhpur | 16535 | 231 | 16766 | 9407 |
| Nokha | 5417 | 70 | 5487 | 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 |
|----------|-----|-------|-------|-------|-------|
| Jan-12 | 661 | 22580 | 22904 | 21905 | 22684 |
| Feb-12 | 808 | 22350 | 23151 | 22250 | 23068 |
| Mar-12 | 469 | 23199 | 23366 | 22475 | 23094 |
| Apr-12 | 664 | 23101 | 23502 | 22900 | 23401 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Jan-12 | 27220 | 14060 | 22125 | -2050 |
| Feb-12 | 9825 | 5430 | 8500 | 2390 |
| Mar-12 | 465 | 190 | 605 | 135 |
| Apr-12 | 210 | -530 | 275 | -95 |

| Spread | Dec-11 | Jan-12 | Feb-12 | Mar-12 |
|--------|--------|--------|--------|--------|
| Basis | 316 | -68 | -94 | -401 |
| Jan-12 | - | 384 | 410 | 717 |
| Feb-12 | - | - | 26 | 333 |
| Mar-12 | - | - | - | 307 |
| Apr-12 | - | - | - | - |

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

| NCDEX Stocks | Demat 21.12.11 | In-Process 21.12.11 | Total 21.12.11 | FED 19.12.11 |
|--------------|----------------|---------------------|----------------|--------------|
| Bikaner | - | - | - | - |
| Jodhpur | 12013 | 90 | 12103 | 1989 |
| Nokha | 988 | 10 | 998 | 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 |
|-----------|--------------------|-----------------|------------|--------|
| | | 22-12-2011 | 21-12-2011 | |
| Guar Seed | Jodhpur (Delivery) | 7000-7050 | 7200 | -150 |
| | Jodhpur (Loose) | 6400 | 6500 | -100 |
| | Bikaner (Loose) | 6320-6450 | 6700 | -250 |
| | Bikaner (Delivery) | 6470-6600 | 6850 | -250 |
| | Nokha | 5650 | 5861 | -211 |
| | Hanumangarh | 6600 | 6294 | 306 |
| | Sri-Ganganagar | 6500 | 6452 | 48 |
| | Adampur | 6600-6700 | 7200 | -500 |
| | Sirsa | 6600-6700 | 7200 | -500 |
| | Bhiwani | 6900 | 7100 | -200 |
| | Deesa | 6000 | 6000-6010 | -10 |
| | Nagaur | 5800 | 5950 | -150 |
| | Dhabwali | 6800 | 7000 | -200 |
| Guar Gum | Jodhpur | 23000 | 23200 | -200 |
| | Bhiwani | 22600 | 23000 | -400 |
| | Dhabwali | 22500 | 23000 | -500 |

Guar Seed Arrivals in Key Centers

| Centre | Arrivals (Quintals) | | Change |
|----------------|---------------------|------------|--------|
| | 22-12-2011 | 21-12-2011 | |
| Jodhpur | 89 | Nil | - |
| Bikaner | 6000-7000 | 6000 | 1000 |
| Nokha | 4500 | 4548 | -45 |
| Hanumangarh | 889 | 254 | 635 |
| Sri-Ganganagar | 1400 | 1379 | 21 |
| Adampur | 8000 | 7000 | 1000 |
| Sirsa | 4000 | 4000 | Unch |
| Bhiwani | 6000-6500 | 2500 | 4000 |
| Deesa | 230-235 | 210 | 25 |
| Nagaur | 200 | 250 | -50 |
| Dhabwali | 150-200 | 150-200 | Unch |
| All India | 80000 | 80000 | Unch |

Guar by - products prices: As of December 22nd, 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 22nd, 2011

| State | Market Center | Arrivals | Minimum Price | Maximum Price | Modal Price |
|---------|---------------|----------|---------------|---------------|-------------|
| | | Tonnes | Rs/Quintal | | |
| Gujarat | Bhiloda | 50 | 6300 | 6550 | 6450 |
| | Bhuj | 26.8 | 5400 | 6396 | 5898 |

| | | | | | |
|-----------|---------------|-------|------|------|------|
| | Dehgam | 88 | 6165 | 6380 | 6272 |
| | Rapar | 43 | 5400 | 5400 | 5400 |
| Rajasthan | Anoopgarh | 41.2 | 6358 | 6925 | 6641 |
| | Balotra | 13.09 | 6000 | 6100 | 6050 |
| | Bhilwara | 1 | 4850 | 6300 | 5575 |
| | Bhinmal | 3.7 | 5400 | 6300 | 5850 |
| | Bundi | 1.3 | 6100 | 6340 | 6270 |
| | Deoli | 0.5 | 5750 | 6000 | 5875 |
| | Gajsinghpur | 183 | 6025 | 6570 | 6450 |
| | Jaipur | 118 | 6200 | 6600 | 6450 |
| | Jhunjhunu | 308 | 5300 | 6700 | 6700 |
| | Kishan Renwal | 2 | 6565 | 6565 | 6565 |
| | Rajsamand | NR | 5200 | 5600 | 5350 |
| | Sri Karanpur | 5.1 | 5605 | 6635 | 6310 |
| | Sumerpur | 1.7 | 5551 | 6372 | 6211 |
| | Udaipur | 0.9 | 5500 | 6200 | 6100 |

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