

Fundamentals:

Guar complex remained firm influenced partially by firm futures counter and partially by firm export demand. Export demand remains firm from the U.S. Exporters are asking Guar gum split at \$4650 PMT for Mundra and as international price for guar gum increased to \$46000/Tonne. However exporters say that demand may remain sluggish due to the higher prices. Traders added that markets could continue to see higher levels on firm demand from gum makers, millers and stockiest. Fresh arrivals remained higher as producer are bringing in stock due to better returns. New crop arrivals (all India basis) totaled at 100,000bags (1 bag=100Kg) compared to 100,000 bags against previous day. Lower production this year coupled with almost no carry-out stock is also supporting the uptrend in markets.

Futures Market:

Guarseed January 2012 Contract: Falling open interest and rising prices is indicating that the short sellers are covering their positions and the upmove will not be sustained unless new buyers enter the market. Volume has declined to 195,060, lower by 59,410 against previous trading day.

Guargum January 2012 Contract: Falling open interest and rising prices is indicating that the short sellers are covering their positions and the upmove will not be sustained unless new buyers enter the market. Volume has declined to 16,445, lower by 7,245 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	32	7250	7420	7174	7191
Feb-12	24	7498	7558	7310	7326
Mar-12	22	7550	7621	7400	7400
Apr-12	44	7500	7746	7500	7500

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	195060	-59410	111420	-2390
Feb-12	49100	-21290	70220	1550
Mar-12	3110	-340	4900	100
Apr-12	660	-380	1190	-130

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	209	74	0	-100
Jan-12	-	135	209	309
Feb-12	-	-	74	174
Mar-12	-	-	-	100
Apr-12	-	-	-	-

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

NCDEX	Demat	In-Process	Total	FED
Stocks	23.12.11	23.12.11	23.12.11	19.12.11
Bikaner	39157	4490	43647	17475
Deesa	3717	70	3787	40
Jodhpur	16765	90	16855	9407
Nokha	5417	606	6023	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	252	23880	24361	23650	23670
Feb-12	284	24298	24757	24055	24100
Mar-12	932	23982	24215	23982	24215
Apr-12	968	24907	25149	24800	25149

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	16445	-7245	19240	-1375
Feb-12	6335	-2205	11545	755
Mar-12	15	-115	620	5
Apr-12	105	80	255	-10

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	-170	-600	-715	-1649
Jan-12	-	430	545	1479
Feb-12	-	-	115	1049
Mar-12	-	-	-	934
Apr-12	-	-	-	-

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

NCDEX	Demat	In-Process	Total	FED
Stocks	23.12.11	23.12.11	23.12.11	19.12.11
Bikaner	-	-	-	-
Jodhpur	12072	89	12161	1989
Nokha	988	20	1008	668

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

Unit in MT

Commodity	Centre	Prices (Rs/Qtl)		Change
		24-12-2011	23-12-2011	
Guar Seed	Jodhpur (Delivery)	7400	7100	300
	Jodhpur (Loose)	6800	6500	300
	Bikaner (Loose)	6900	6650	250
	Bikaner (Delivery)	7050	6800	250
	Nokha	6050	5850	200
	Hanumangarh	6675	6600	75
	Sri-Ganganagar	6800	6463	337
	Adampur	7000	6600	400
	Sirsa	7000	6600	400
	Bhiwani	7100	6850	250
	Deesa	6280	5980-6050	230
	Nagaur	6500	6300	200
	Dhabwali	7100	7000	100
Guar Gum	Jodhpur	23500	23200	300
	Bhiwani	23900	22700	1200
	Dhabwali	23800	23000	800

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	24-12-2011	23-12-2011	
Jodhpur	Nil	1055	-
Bikaner	3000-3500	3000-3500	Unch
Nokha	4000	4500	-500
Hanumangarh	1200	1001	199
Sri-Ganganagar	1800	1795	5
Adampur	15000	8000	7000
Sirsa	4000	4000	Unch
Bhiwani	6000-6500	1500-2000	4500
Deesa	170-180	180	Unch
Nagaur	200	194	6
Dhabwali	150-200	150-200	Unch
All India	100000	100000	Unch

Guar by - products prices: As of December 24th, 2011

Churi and Korma Prices:

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

Guar Export Prices:

Commodity	Variety	Value (\$/MT)
Guargum Split		4650
Guargum Powder	200 Mesh 5000 CPS	5900
	200 Mesh 3500 CPS	5800
Guargum Meal		225

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.