

Fundamentals:

Guar complex fell heavily as export demand remained weak and buyers remained inactive in the markets. Exporters are still 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 and holiday season in U.S and Europe. Markets were also influenced partially by weak futures counter which ended lower on Monday as NCDEX has imposed Special Margin of 30% total on Guar seed and Guar gum contracts. NCDEX has imposed further Special Margin of 10% on the Long side will be imposed on all running contracts and yet to be launched contracts. Thus, the total Special Margin levied on the long side will be 30% of which 15% shall be collected in cash effective beginning of day December 27th, 2011. New crop arrivals (all India basis) totaled at 70,000bags (1 bag=100Kg) compared to 100,000 bags against previous day. Lower production this year coupled with almost no carry-out stock may continue to supporting the uptrend in markets in the long run.

Futures Market:

Guarseed January 2012 Contract and Guar gum January 2012 Contract: As both open interest and prices are falling, it indicates long liquidation and suggests a possible trend reversal in near future.

Outlook:

Guar complex may trade weak on weak export demand in the short run. Lower production estimate and lower carry-in stocks may continue to support price in the long run.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Jan-12	-289	7105	7105	6948	6948
Feb-12	-294	7251	7251	7080	7080
Mar-12	-298	7232	7232	7157	7157
Apr-12	-	-	-	-	-

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	280	-16165	19180	-55
Feb-12	105	-6230	11595	35
Mar-12	255	240	685	60
Apr-12	0	-105	255	-

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	-48	-180	-257	-
Jan-12	-	132	209	-
Feb-12	-	-	77	-
Mar-12	-	-	-	-
Apr-12	-	-	-	-

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

NCDEX Stocks	Demat 24.12.11	In-Process 24.12.11	Total 24.12.11	FED 19.12.11
Bikaner	40076	4931	45007	17475
Deesa	3717	60	3777	40
Jodhpur	16765	260	17025	9407
Nokha	5397	870	6267	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
Jan-12	-955	23416	23416	22934	22934
Feb-12	-971	23722	23722	23314	23314
Mar-12	-968	23489	23489	23274	23274
Apr-12	-	-	-	-	-

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	3170	-191890	110690	-70
Feb-12	910	-48190	69890	-210
Mar-12	30	-3080	4900	-
Apr-12	0	-660	1190	-10

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	-1034	-1414	-1374	-
Jan-12	-	380	340	-
Feb-12	-	-	-40	-
Mar-12	-	-	-	-
Apr-12	-	-	-	-

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

NCDEX Stocks	Demat 24.12.11	In-Process 24.12.11	Total 24.12.11	FED 19.12.11
Bikaner	-	-	-	-
Jodhpur	12102	179	12281	1989
Nokha	998	20	1018	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
		26-12-2011	24-12-2011	
Guar Seed	Jodhpur (Delivery)	6900	7400	-500
	Jodhpur (Loose)	6200	6800	-600
	Bikaner (Loose)	6350-6375	6900	-525
	Bikaner (Delivery)	6500-6525	7050	-525
	Nokha	7100	6050	1050
	Hanumangarh	6841	6675	166
	Sri-Ganganagar	6439	6800	-361
	Adampur	6500	7000	-500
	Sirsa	6500	7000	-500
	Bhiwani	6700	7100	-400
	Deesa	6080-6110	6280	-170
	Nagaur	6300	6500	-200
	Dhabwali	6500	7100	-600
	Jodhpur	21900	23500	-1600
Guar Gum	Bhiwani	22750	23900	-1150
	Dhabwali	22700	23800	-1100

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	26-12-2011	24-12-2011	
Jodhpur	2500-3000	Nil	-
Bikaner	3761	3000-3500	-500
Nokha	170	4000	-239
Hanumangarh	3350	1200	-1030
Sri-Ganganagar	6500	1800	1550
Adampur	4000	15000	-8500
Sirsa	3500	4000	Unch
Bhiwani	180-200	6000-6500	-3000
Deesa	150-160	170-180	20
Nagaur	150	200	-40
Dhabwali	70000-80000	150-200	-50
All India	2500-3000	100000	-20000

Guar by - products prices: As of December 26th, 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

Guar Prices at Other Spot Markets (Gujarat): As of December 26th, 2011

Market Center	Arrivals	Minimum Price	Maximum Price	Modal Price
	Tonnes	Rs/Quintal		
Bhiloda	24	6350	6600	6500
Dehgam	59	6405	6606	6505
Modasa	4.7	6500	6695	6600
Rapar	123	6000	6440	6250
Vadgam	2.5	6155	6300	6228

Guar Prices at Other Spot Markets (Rajasthan): As of December 26th, 2011

Market Center	Rs/Quintal	Quintals
Khairthal	6850	581
Kherli	6457	31
Nohar	6968	4290
Bandikui	6399	19
Jaipur	6300	802
Bundi	6141	3
Kota	6125	5
Sikar	6800	650
Srimadhopur	6800	548
Raisingh Nagar	6980	710
Balotra	6350	110.6
Baran	5860	280
Bhilwara	5100	50
Gajsinghpur	6500	157
Kesrisinghpur	6519	34
Kishan Renwal	6687	250
Loonkarnsar	6800	1060
Padampur	6825	487
Sumerpur	6081	72
Udaipur	5820	45

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