

Fundamentals:

Mixed sentiments were observed in guar complex on Tuesday as export demand remained weak and buyers remained inactive in the markets. Exports have slowed down due to holiday season in U.S and Europe. New crop arrivals (all India basis) totaled at 85,000-90,000 quintals (1 bag=100Kg in Rajasthan and 1 bag = 95 kg in Haryana) compared to 70,000-80,000 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. NCDEX stocks for Guar seed was at 66,378 MT as on 26th December 2011 compared to 59,620 MT on 19th December 2011. NCDEX stocks for Guar gum were at 12,936 MT as on 26th December 2011 compared to 12,073 MT on 19th December 2011. This suggests that NCDEX have also being buying stocks from producers in the domestic markets. Meanwhile the joint report of FMC and Commodity exchange will be out after 2 days; however FMC added that fundamentally the rise in prices is due to a strong demand for guar gum and very little carry-over stocks.

Futures Market:

Guarseed January 2012 Contract and Guar gum 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.

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	81	6740	7110	6671	7029
Feb-12	63	6868	7222	6797	7143
Mar-12	44	6943	7300	6871	7201
Apr-12	-383	7089	7330	7016	7229

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	221100	217930	88310	-22380
Feb-12	69700	68790	66380	-3510
Mar-12	4390	4360	5110	210
Apr-12	600	600	1160	-40

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	121	7	-51	-79
Jan-12	-	114	172	200
Feb-12	-	-	58	86
Mar-12	-	-	-	28
Apr-12	-	-	-	-

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

NCDEX Stocks	Demat 26.12.11	In-Process 26.12.11	Total 26.12.11	FED 26.12.11
Bikaner	40976	5482	46458	3180
Deesa	3777	618	4395	50
Jodhpur	16328	240	16568	3555
Nokha	5297	960	6257	1007

NB: FED expiry for Bikaner, Jodhpur and Deesa is the sum of 05-Feb-2012 and 05-Mar-2012. FED expiry for Nokha is the sum of 05-Feb-2012 and 05-Oct-2012

Unit in MT

NCDEX Guar gum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Jan-12	396	22246	23613	22017	23330
Feb-12	422	22615	24000	22382	23736
Mar-12	652	22550	24000	22500	23899
Apr-12	57	23419	24700	23419	24200

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	20990	20710	16305	-2875
Feb-12	9815	9710	12770	1175
Mar-12	1710	1455	720	-50
Apr-12	35	35	245	-10

Spread	Dec-11	Jan-12	Feb-12	Mar-12
Basis	-380	-786	-949	-1250
Jan-12	-	406	569	870
Feb-12	-	-	163	464
Mar-12	-	-	-	301
Apr-12	-	-	-	-

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

NCDEX Stocks	Demat 26.12.11	In-Process 26.12.11	Total 26.12.11	FED 26.12.11
Bikaner	-	-	-	-
Jodhpur	11938	110	12048	1904
Nokha	998	20	1018	409

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

Unit in MT

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-12-2011	26-12-2011	
Guar Seed	Jodhpur (Delivery)	7150	6900	250
	Jodhpur (Loose)	6300	6200	100
	Bikaner (Loose)	6380-6415	6350-6375	40
	Bikaner (Delivery)	6530-6565	6500-6525	40
	Nokha	6537	7100	-563
	Hanumangarh	6541	6841	-300
	Sri-Ganganagar	6331	6439	-108
	Adampur	6700	6500	200
	Sirsa	6700	6500	200
	Bhiwani	6800	6700	100
	Deesa	6030-6050	6080-6110	-60
	Nagaur	6400	6300	100
	Dhabwali	6600	6500	100
	Jodhpur	22900-23000	21900	1100
Guar Gum	Bhiwani	23000	22750	250
	Dhabwali	23000	22700	300

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	27-12-2011	26-12-2011	
Jodhpur	Nil	Nil	-
Bikaner	1800-2000	2500-3000	-1000
Nokha	1921	3761	-1840
Hanumangarh	897	170	727
Sri-Ganganagar	840	3350	-2510
Adampur	4000-5000	6500	-1500
Sirsa	2000	4000	-2000
Bhiwani	1500-2000	3500	-1500
Deesa	6030-6050	180-200	25
Nagaur	150-160	150-160	Unch
Dhabwali	150-200	150	50
All India	85000-90000	70000-80000	10000

Guar by - products prices: As of December 27th, 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, Haryana and U.P): As of December 27th, 2011

State	Market Center	Arrivals	Minimum Price	Maximum Price	Modal Price
		Tonnes	Rs/Quintal		
Gujarat	Bhiloda	13	6000	6150	6100
	Dehgam	49	6010	6185	6097
	Mansa	8	6010	6500	6030

	Rapar	40	5710	5955	5800
	Vadgam	1.5	4755	5950	5353
Haryana	Ellanabad	NR	6000	6559	6350
Uttar Pradesh	Fatehpur	90.3	6100	6300	6200

Guar Prices at Other Spot Markets (Rajasthan): As of December 27th, 2011

Market Center	Rs/Quintal	Quintals
Beawar	6300	92
Alwar	6100	170
Khairthal	6500	116
Pilibanga	6436	120
Jaipur	6400	102
Baran	5860	28
Padampur	6371	172
Fateh Nagar	6050	236
Anoopgarh	6213	246
Balotra	6150	Nil
Barmer	6280	749
Gharsana	6350	8010
Jhunjhunu	6500	201
Kishan Renwal	6250	13
Kishangarh Renwal	6500	68
Loonkarnsar	6375	8600
Merta City	6200	205
Padampur	6371	172
Raisingh Nagar	6370	310
Rajsamand	6050	NR
Sri Karanpur	6355	211
Sumerpur	5955	49
Udaipur	5825	45

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