

Fundamentals:

Both guar seed and guar gum prices continue to feature a firm tone during the Monday's trade. Continuing good overseas demand particularly for industrial use (oil drilling) continue to support the prices as it motivated exporters as well as millers/processors to remain active in the markets. Also lower stocks of guar seed in the markets due to lower production this Kharif 2011 season further supported the bull trend besides lower carry-in stocks (1.5 lakh tonnes). Overall guar seed production this year is expected to be at around 14 – 14.5 lakh tonnes compared to previous years 18.5-19 lakh tonnes.

Meanwhile, despite increase in the special margin on long position of both guar seed a guar gum, futures counter at NCDEX continue to feature a firm tone amid prevailing firm fundamentals. NCDEX on January 14th, 2012 has further imposed special margin (collected in cash) of 10% in existing and contracts yet to be launched. In addition to this NCDEX has converted the non cash special margin of 15% to cash margin. Thus, the total special margin levied on the long side will be 40% which shall be collected in cash effective from January 16, 2012.

Outlook:

Both guarseed and guar gum prices are expected to remain firm on prevailing firm fundamentals.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Jan-12	251	10289	10389	10289	10389
Feb-12	282	10443	10544	10443	10544
Mar-12	411	10570	10673	10570	10673
Apr-12	0	0	0	0	0

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	1060	100	26690	-810
Feb-12	980	-28860	85880	76010
Mar-12	510	-2720	9890	751
Apr-12	0	0	1780	930

Spread

	Jan-12	Feb-12	Mar-12	Apr-12
Basis	1611			
Jan-12		155	284	-10389
Feb-12			129	-10544
Mar-12				-10673

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

NCDEX Stocks	Demat 14.01.12	In-Process 14.01.12	Total 14.01.12
Bikaner	42794	400	43194
Deesa	5819	70	5889
Jodhpur	12136	20	12156
Nokha	6633	0	6633

Unit in MT
NCDEX FED Stocks Position as of Jan. 9th, 2011 (Qty in MT)

	FED	Qty.		FED	Qty.
	FED	Quantity		FED	Quantity
Bikaner	5-Feb-12	2772	Jodhpur	5-Feb-12	3505
	5-Mar-12	388		5-Mar-12	30
Deesa	5-Feb-12	30	Nokha	5-Feb-12	379

NCDEX Guar gum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Jan-12	1323	34047	34378	34047	34378
Feb-12	1343	34570	34906	34570	34906
Mar-12	1006	34526	34526	34526	34526
Apr-12	0	0	0	0	0

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Jan-12	135	85	4895	-160
Feb-12	30	25	18685	17750
Mar-12	5	-5	945	720
Apr-12	0	0	225	-20

Spread

	Jan-11	Feb-12	Mar-12	Apr-12
Basis	1622			
Jan-12		528	148	-34378
Feb-12			-380	-34906
Mar-12				-34526

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

NCDEX Stocks	Demat 11.01.12	In-Process 11.01.12	Total 11.01.12
Bikaner	-	-	-
Jodhpur	13411	314	13725
Nokha	1137	320	1457

Unit in MT
NCDEX FED Stocks Position as of Jan. 9th, 2012 (in MT)

	FED	Qty.		FED	Qty.
	5-Feb-12			5-Jan-12	729
Bikaner	5-Mar-12		Jodhpur	5-Feb-12	1175
	5-Feb-12			5-Jan-12	289
Deesa	5-Mar-12		Nokha	5-Feb-12	120

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		16-01-2012	13-01-2012	
Guar Seedss	Jodhpur (Delivery)	12000	10300	1700
	Jodhpur (Loose)	11500	9500	2000
	Bikaner (Loose)	11500	9900-10200	1300
	Bikaner (Delivery)	11500	13000	-1500
	Nokha (Loose)	10800	10000	800
	Hanumangarh	11400	10200	1200
	Sri-Ganganagar	11000	10000	1000
	Adampur	11400	10300	1100
	Sirsa	11400	10000	1400
	Bhiwani	11400	10200	1200
	Deesa	9525	9100	425
	Nagaur	10500	10000	500
	Dhabwali	11000	10050	950
Guar Gum	Jodhpur	36000	36000	Unch
	Bhiwani	35400	32950	2450
	Dhabwali	-	30000	-

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	16-01-2012	13-01-2012	
Jodhpur	-	-	-
Bikaner	700	1000	-300
Nokha	400	100-150	-250
Hanumangarh	100-200	100	100
Sri-Ganganagar	1100	700	400
Adampur	2000	3000	-1000
Sirsa	1500	1500	Unch
Bhiwani	2000	3000	-1000
Deesa	170	180-185	-15
Nagaur	250	400-500	-250
Dhabwali	200	200	Unch
All India	10000	15000-20000	-10000

Guar by - Products Prices: As of January 16th, 2012
Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	850
Korma	Jodhpur	1050

Guar Export Prices: As of January 16th, 2012

Commodity	Variety	Value (\$/MT)
Guargum Split		6900
Guargum Powder	200 Mesh 5000 CPS	8200
	200 Mesh 3500 CPS	8100
Guargum Meal		300

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