

Fundamentals:

Despite several measures taken by the regulator (FMC) and NCDEX, both guar seed and guar gum prices continued its bull run in both the futures and spot markets. Continuing good overseas or export demand remain supportive for prices besides estimated lower guar seed production this Kharif 2011 at around 14-14.5 lakh tonnes all India basis. Also expected tight supply situation towards the end of the marketing season mainly July end onwards due to expectation of more than 85% decline in carry-out stocks to around 20,000 tonnes compared to last year's 150,000 tonnes may further remain supportive for prices in long term.

However, export or overseas demand to be watched very carefully as in coming days price movement in cash market would depend mostly on overseas demand besides the 1st monsoon forecast which is due in 1st fortnight of April and sowing progress of Kharif 2012 which seems to be good looking at current year's (2011) prices.

Outlook:

Both guarseed and guar gum prices are expected to remain range bound with firm bias during the Monday's trade.

NCDEX Guarseed Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Feb-12	455	11680	11828	11099	11828
Mar-12	459	11800	11933	11158	11933
Apr-12	464	11460	12045	11460	12045
May-12	435	11598	11930	11598	11930

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-12	34850	-33830	64390	-1230
Mar-12	7730	-10600	12160	500
Apr-12	1250	-2080	2070	-220
May-12	200	-630	610	0

Spread	Jan-12	Feb-12	Mar-12	Apr-12
Basis	1172			
Feb-12		105	217	102
Mar-12			112	-3
Apr-12				-115

NB: Spread was done by taking all paid prices (Rs/Quintal) of Jodhpur markets. Basis=spot-near month futures

NCDEX Stocks	Demat 20.01.12	In-Process 20.01.12	Total 20.01.12
Bikaner	44024	0	44024
Deesa	5809	0	5809
Jodhpur	11757	0	11777
Nokha	5762	0	5762

Unit in MT
NCDEX FED Stocks Position as of Jan. 16th, 2011 (Qty in MT)

	FED	Qty.		FED	Qty.
Bikaner	5-Feb-12	2772	Jodhpur	5-Feb-12	3505
	5-Mar-12	289		5-Mar-12	30
Deesa	5-Feb-12	30	Nokha	5-Feb-12	378
	5-Mar-12	20		5-Mar-12	-

NCDEX Guar gum Futures (Prices in Rs/Qtl)

Contract	+/-	Open	High	Low	Close
Feb-12	1505	38200	39118	36605	39118
Mar-12	1528	37400	39707	37051	39707
Apr-12	1530	39382	39764	39270	39764
May-12	800	39600	39600	39000	39000

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-12	3710	-4380	11135	-335
Mar-12	625	-2620	1780	-10
Apr-12	90	-220	290	20
May-12	15	-15	220	0

Spread	Jan-11	Feb-12	Mar-12	Apr-12
Basis	882			
Feb-12		589	646	-118
Mar-12			57	-707
Apr-12				-764

NB: Spread was done by taking prices (Rs/Quintal) of Jodhpur markets. Basis=spot-near month futures

NCDEX Stocks	Demat 20.01.12	In-Process 20.01.12	Total 20.01.12
Bikaner	-	-	-
Jodhpur	12895	20	12910
Nokha	1497	0	1497

Unit in MT
NCDEX FED Stocks Position as of Jan. 16th, 2012 (in MT)

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

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		21-01-2012	20-01-2012	
Guar Seedss	Jodhpur (Delivery)	13000	12000	1000
	Jodhpur (Loose)	11800	-	-
	Bikaner (Loose)	12000	11200	800
	Bikaner (Delivery)	12300	11700	600
	Nokha (Loose)	12000	11000	1000
	Hanumangarh	12100	11000	1000
	Sri-Ganganagar	12000	12000	Unch
	Adampur	12600	13000	-400
	Sirsa	13000	12400	600
	Bhiwani	12600	11500	1100
	Deesa	10110	9520	590
	Nagaur	11700	11700	Unch
	Dhabwali	11700	11400	300
Guar Gum	Jodhpur	40000	-	-
	Bhiwani	37300	36800	500
	Dhabwali	-	-	-

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	21-01-2012	20-01-2012	
Jodhpur	5000	-	-
Bikaner	600	300	600
Nokha	2000	700	1300
Hanumangarh	300	400	-100
Sri-Ganganagar	400	400	Unch
Adampur	8000	4000	-4000
Sirsa	600	500	100
Bhiwani	2500	3500	-1000
Deesa	240	220	20
Nagaur	100	100	Unch
Dhabwali	200	-	-
All India	5000	5000	Unch

Guar by - Products Prices: As of January 21st, 2012

Churi and Korma Prices:

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

Guar Export Prices: As of January 21st, 2012

Commodity	Variety	Value (\$/MT)
Guargum Split		7500
Guargum Powder	200 Mesh 5000 CPS	8800
	200 Mesh 3500 CPS	8700
Guargum Meal		290

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