

**Domestic Fundamentals:**

**Guar seed and guar gum cash markets traded almost flat** to weak on decreased buying interest on higher level despite strong fundamental and unabated demand from export front. Besides, change in tick size from Rs 1 to Rs 2 effective from 23<sup>rd</sup> February kept gum buyers in wait and watch mood. Guar seed and gum stocks are depleting fast and prices are expected to move up again in the days ahead.

**Major buyers are stockiest and their buying will continue on** expectation of bullish outlook. Millers are not buying guar seed as crush margins remain negative at current higher price. Some millers are using old stock procured at lower prices two months before. However, their stock will exhaust soon and they will have to buy from stockiest and it will support price once again.

**Market sources say that some millers are selling seed for** getting better margin. Demand for gum is increasing from US and some other countries and it will continue till March as traders expect and will provide solid ground for guar seed and gum to break the latest record of higher level. There is a talk in the market that guar area will increase considerably this year. However, it is too early to conclude any conclusion. It will basically depend on monsoon.

**Futures Market:**
**Guar seed March 2012 Contract and Guar gum March 2012 Contract:**

March and May contracts decreased today while April contract continued its northward journey on strong fundamental support. The Exchange, with the approval of the Forward Market Commission, has revised the tick size for Gum. The aforesaid changes in tick size will be applicable from February 23, 2012 in all the running contracts and all contracts to be launched henceforth in gum. However, it is not going to impact current sentiment and uptrend is likely to continue.

**Outlook: We expect uptrend to continue for short to medium term.**

**NCDEX Guarseed Futures (Prices in Rs/Qtl)**

Contract	+/-	Open	High	Low	Close
Mar-12	-67	15580	15690	15300	15432
Apr-12	54	15678	15689	15327	15440
May-12	-10	15500	15500	15301	15301

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-12	12570	17230	25900	-2120
Apr-12	710	-260	2840	410
May-12	70	-30	500	0

**Spread**

	Dec-11	Jan-12	Feb-12	Mar-12
Basis	1599.00			
Mar-12			67.00	
Apr-12				83.00
May-12				

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

NCDEX Stocks	Demat 21.02.12	In-Process 21.02.12	Total 18.02.12
Bikaner	35256	0	35256
Deesa	5609	89	5698
Jodhpur	6299	0	6299
Nokha	4832	0	4832

Unit in MT

**NCDEX FED Stocks Position as of Feb. 15<sup>th</sup>, 2012 (Qty in MT)**

	FED	Quantity		FED	Quantity
Bikaner	5-Mar-12	289	Jodhpur	5-Mar-12	30
	5-May-12	40		5-Jun-12	458
Deesa	5-Feb-12	20	Nokha	5-Oct-12	628
	5-Aug-12	189		5-Dec-12	2699

**NCDEX Guargum Futures (Prices in Rs/Qtl)**

Contract	+/-	Open	High	Low	Close
Mar-12	-196	49300	49899	48870	49150
Apr-12	267	50100	50100	49450	49560
May-12	-	-	-	-	-

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-12	2585	-1330	4465	-225
Apr-12	70	-315	745	155
May-12		-		-

**Spread**

	Dec-11	Jan-12	Feb-12	Mar-12
Basis	100.00			
Mar-12			-21.00	
Apr-12				
May-12				

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

NCDEX Stocks	Demat 21.02.12	In-Process 21.02.12	Total 18.02.12
Bikaner	-	-	
Jodhpur	11270	169	11439
Nokha	1606	30	1636

Unit in MT

**NCDEX FED Stocks Position as of Feb. 15<sup>th</sup>, 2012 (in MT)**

	FED	Quantity		FED	Quantity
Bikaner	5-Mar-12		Jodhpur	5-Mar-12	413
	5-May-12			5-Apr-12	79
Deesa	5-Feb-12		Nokha	5-Mar-12	120
	5-Aug-12			5-Apr-12	20

**Guar Prices at Key Spot Markets**

Commodity	Centre	Prices (Rs/Qtl)		Change
		22.2.2012	21.2.2012	
Guar Seedss	Jodhpur (Delivery)	16000	16200	-200
	Jodhpur (Loose)	14500	15200	-700
	Bikaner (Loose)	14800	14800	Unch
	Bikaner (Delivery)	15300	15300	Unch
	Nokha (Loose)	14800	14700	+100
	Hanumangarh	-	-	-
	Sri-Ganganagar	14900	15000	-100
	Adampur	15500	15400	+100
	Sirsa	15700	15600	+100
	Bhiwani	15500	15500	Unch
	Deesa	13900	13800	+100
	Nagaur	14300	14500	-200
	Dhabwali	15300	15100	+200
	Jodhpur	49300	50000	-700
Guar Gum	Bhiwani	49600	49500	+100
	Dhabwali	50000	50000	Unch

**Guar Seed Arrivals in Key Centers**

Centre	Arrivals (Quintals)		Change
	22.2.2012	21.2.2012	
Jodhpur	-	3000	-
Bikaner	150	200	-50
Nokha	800	700	+100
Hanumangarh	-	-	-
Sri-Ganganagar	1000	1000	Unch
Adampur	1000	500	+500
Sirsa	500	400	+100
Bhiwani	1700	2000	-300
Deesa	85	85	Unch
Nagaur	-	40	-
Dhabwali	50	30	+20
All India	-	3000	-

**Guar by - Products Prices: As of Feb 22,2012**
**Churi and Korma Prices:**

Commodity	Center	Rs/75kg
Churi	Jodhpur	750
Korma	Jodhpur	1000

**Guar Export Prices: As of Feb 21st 2012**

Commodity	Variety	Value (\$/MT)
Guargum Split		10100
Guargum Powder	200 Mesh 5000 CPS	11300
	200 Mesh 3500 CPS	11200
Guargum Meal		285

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