

Domestic Fundamentals:

Market participants are expecting higher sown area under guar in coming season. As per trade source, farmer in Sri-ganganagar and Bikaner region may go for early sowing of guar (90 days crops) in second half of March. While the sowing of guar would be expected in May- June period (140 days crop and needs higher temperature comparatively more to guar). While in Dabwali & Sirsa (Haryana), trade participants are expecting possible area shift in guar from other competing crop i.e. cotton.

Local arrivals from Rewari, Narnaul still reported in Bhiwani market.

Guar seed and guar gum cash markets traded firm on strong demand from export front. Besides, change in tick size from Rs 1 to Rs 2 effective from 23rd February kept gum buyers in wait and watch mood. Guar seed and gum stocks are depleting fast and prices are expected to move further 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.

Futures Market:

Guar seed March 2012 Contract and Guar gum March 2012 Contract:

Guar seed March, May and June contracts witnessed upper circuit today while May contract also continued its northward journey on strong fundamental support. The today's hike in prices resembles toward no impact of increase in tick size on 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 | 618 | 15405 | 16053 | 15380 | 16053 |
| Apr-12 | 619 | 15434 | 16086 | 15425 | 16086 |
| May-12 | 185 | 15448 | 15650 | 15435 | 15625 |

NCDEX Guar gum Futures (Prices in Rs/Qtl)

| Contract | +/- | Open | High | Low | Close |
|----------|------|-------|-------|-------|-------|
| Mar-12 | 1968 | 49052 | 51162 | 49052 | 51162 |
| Apr-12 | 1988 | 49298 | 51678 | 49298 | 51678 |
| May-12 | -90 | 49832 | 50096 | 49832 | 50096 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|--------|--------|
| Mar-12 | 18,260 | 5,690 | 25,420 | -480 |
| Apr-12 | 1,970 | 1,260 | 2,940 | 100 |
| May-12 | 120 | 50 | 520 | 20 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Mar-12 | 3,200 | 615 | 4,270 | -195 |
| Apr-12 | 335 | 265 | 770 | 25 |
| May-12 | 10 | 10 | 220 | 220 |

Spread

| | Mar-12 | Apr-12 | May-12 | Jun-12 |
|--------|--------|--------|--------|--------|
| Basis | 347 | | | |
| Mar-12 | | 33 | -428 | |
| Apr-12 | | | -461 | |
| May-12 | | | | |

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

Spread

| | Mar-12 | Apr-12 | May-12 | Jun-12 |
|--------|--------|--------|--------|--------|
| Basis | -62 | | | |
| Mar-12 | | 516 | -1066 | |
| Apr-12 | | | -1582 | |
| May-12 | | | | |

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

NCDEX Stocks

| | Demat | In-Process | Total |
|---------|----------|------------|----------|
| | 22.02.12 | 22.02.12 | 22.02.12 |
| Bikaner | 34317 | 268 | 34585 |
| Deesa | 5668 | 0 | 5668 |
| Jodhpur | 6168 | 0 | 6168 |
| Nokha | 4792 | 0 | 4792 |

Unit in MT

NCDEX FED Stocks Position as of Feb. 21st, 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 | 457 |
| | 5-Feb-12 | 20 | | 5-Oct-12 | 628 |
| Deesa | 5-Aug-12 | 189 | Nokha | 5-Dec-12 | 2699 |

NCDEX Stocks

| | Demat | In-Process | Total |
|---------|----------|------------|----------|
| | 21.02.12 | 21.02.12 | 18.02.12 |
| Bikaner | - | - | - |
| Jodhpur | 11718 | 100 | 11718 |
| Nokha | 1636 | 0 | 1636 |

Unit in MT

NCDEX FED Stocks Position as of Feb. 21st, 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 |
|-------------|--------------------|-----------------|-----------|--------|
| | | 23.2.2012 | 22.2.2012 | |
| Guar Seedss | Jodhpur (Delivery) | 16400 | 16000 | +400 |
| | Jodhpur (Loose) | 14800 | 14500 | +300 |
| | Bikaner (Loose) | 15500 | 14800 | +700 |
| | Bikaner (Delivery) | 16000 | 15300 | +700 |
| | Nokha (Loose) | 15300 | 14800 | +500 |
| | Hanumangarh | 15500 | - | - |
| | Sri-Ganganagar | 14800 | 14900 | -100 |
| | Adampur | - | 15500 | - |
| | Sirsa | 15885 | 15700 | +185 |
| | Bhiwani | 15800 | 15500 | +300 |
| | Deesa | 14000 | 13900 | +100 |
| | Nagaur | - | 14300 | - |
| | Dhabwali | 15400 | 15300 | +100 |
| | Jodhpur | 51100 | 49300 | +1800 |
| Guar Gum | Bhiwani | 50500 | 49600 | +900 |
| | Dhabwali | 52000 | 50000 | +2000 |

Guar Seed Arrivals in Key Centers

| Centre | Arrivals (Quintals) | | Change |
|----------------|---------------------|-----------|--------|
| | 23.2.2012 | 22.2.2012 | |
| Jodhpur | - | - | - |
| Bikaner | 200 | 150 | +50 |
| Nokha | 500 | 800 | -300 |
| Hanumangarh | 60 | - | - |
| Sri-Ganganagar | 1000 | 1000 | Unch |
| Adampur | - | 1000 | - |
| Sirsa | 600 | 500 | +100 |
| Bhiwani | 400 | 1700 | -1300 |
| Deesa | 85 | 85 | Unch |
| Nagaur | - | - | - |
| Dhabwali | 30 | 50 | -20 |
| All India | - | - | - |

Guar by - Products Prices: As of Feb 23,2012
Churi and Korma Prices:

| Commodity | Center | Rs/75kg |
|-----------|---------|---------|
| Churi | Jodhpur | 800 |
| Korma | Jodhpur | 1000 |

Guar Export Prices: As of Feb 23, 2012

| Commodity | Variety | Value (\$/MT) |
|----------------|-------------------|---------------|
| Guargum Split | | 10000 |
| Guargum Powder | 200 Mesh 5000 CPS | 10300 |
| | 200 Mesh 3500 CPS | 10200 |
| Guargum Meal | | 285 |

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