

Domestic Fundamentals:

- Guar seed and guar gum prices traded steady to weak on Thursday except slight firmness in Jodhpur market.
- Lack of demand in the spot market weighed on prices.
- Lower acreage till date in the major growing states like Rajasthan and Haryana due to lack of sufficient rainfall limited downside movement.
- Guar planting typically takes place in June and July and in Rajasthan it is likely at the most to reach 3 million hectares, almost the same as last year. In the neighbouring state of Haryana, which received rains nearly 70 percent below average, it is likely to fall.
- Guar seed sowing has so far covered around 1 million hectares in Rajasthan as against 1.3 million hectares at this point a year ago, while in Haryana 180,000 hectares have been sown as against 215,000 hectares in 2011 according to farm ministry data.
- Guar seed planting requires minimum 40 millimeters of rain. In western Rajasthan, till date rains are 55 percent below long –term averages.
- Farmers in Punjab and Gujarat tried to increase the area under guar seed, but could not be successful following heat wave conditions and lack of rainfall in these areas.
- According to Halliburton Company, the profit margin of the company is likely to be affected following higher procurement cost of guar seed during the year.
- According to State Agricultural sources, acreage under guar seed in Gujarat as on 20th July 2012 is reported at 23100 hectares compared to 42000 hectares during same period last year.
- According to IMD, till date rainfall is 22 percent deficit all over India. A drought –like situation is prevailing in many states like Rajasthan, Haryana and Gujarat.
- Progress of south –west monsoon will influence the market in the medium -term.

Outlook: Prices are likely to witness steady to firm tone in the near –term.

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

FMC has stopped trading in all guar seed and guar gum futures contracts effective March 28, 2012. Trading will start on further notification by FMC.

| NCDEX Stocks | Demat 25.7.2012 | In-Process 25.7.2012 | Total 25.7.2012 |
|--------------|--------------------|-------------------------|--------------------|
| Bikaner | 12209 | 0 | 12209 |
| Deesa | 2812 | 0 | 2812 |
| Jodhpur | 1767 | 0 | 1767 |
| Nokha | 1499 | 0 | 1499 |

Unit in MT

| NCDEX Stocks | Demat 25.7.2012 | In-Process 25.7.2012 | Total 25.7.2012 |
|--------------|--------------------|-------------------------|--------------------|
| Bikaner | | | |
| Jodhpur | 2492 | 0 | 2492 |
| Nokha | 140 | 0 | 140 |

Unit in MT

NCDEX FED Stocks Position as of July 23, 2012 (Qty in MT)

| | FED | Quantity | | FED | Quantity |
|---------|-----------|----------|---------|----------|----------|
| Bikaner | 5-Aug-12 | 198 | Jodhpur | 5-Aug-12 | 70 |
| | 5-Oct-12 | 1260 | | 5-Oct-12 | 217 |
| Deesa | 5-Aug-12 | 70 | Nokha | 5-Oct-12 | 349 |
| | 5-Sept-12 | 848 | | 5-Dec-12 | 703 |

NCDEX FED Stocks Position as of July 23, 2012 (in MT)Guar Gum

| | FED | Quantity | | FED | Quantity |
|---------|----------|----------|---------|----------|----------|
| Bikaner | 5-Mar-12 | - | Jodhpur | 5-Aug-12 | 174 |
| | 5-May-12 | - | | 5-Sep-12 | 213 |
| Deesa | 5-Feb-12 | - | Nokha | 5-Dec-12 | 110 |
| | 5-Aug-12 | - | | 5-Jan-13 | 30 |

Guar Prices at Key Spot Markets

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|------------|---------------------------|-----------------|-----------|--------|
| | | 26-7-2012 | 25-7-2012 | |
| Guar Seeds | Jodhpur (Delivery) | 16300 | 16300 | Unch |
| | Jodhpur (Loose) | 15500 | 15200 | +300 |
| | Bikaner (Loose) | 15500 | 15500 | Unch |
| | Bikaner (Delivery) | 16000 | 16000 | Unch |
| | Nokha (Loose) | 15000 | 15200 | -200 |
| | Hanumangarh (Loose) | - | - | - |
| | Sri-Ganganagar (Delivery) | 16000 | 16000 | Unch |
| | Adampur (Loose) | 16000 | 16000 | Unch |
| | Sirsa (Loose) | 16500 | 17000 | -500 |
| | Bhiwani (Delivery) | 14500 | 15000 | -500 |
| | Deesa (Loose) | 16100 | 16300 | -200 |
| | Nagaur (Loose) | - | - | - |
| | Dhabwali (Loose) | - | - | - |
| | Jodhpur | 54000 | 49000 | +5000 |
| Guar Gum | Bhiwani | 37500 | 38000 | -500 |
| | Dhabwali | - | - | - |

Guar Seed Arrivals in Key Centers

| Centre | Arrivals (Quintals) | | Change |
|----------------|---------------------|-----------|--------|
| | 26-7-2012 | 25-7-2012 | |
| Jodhpur | 1000 | 1000 | Unch |
| Bikaner | - | 50 | - |
| Nokha | - | - | - |
| Hanumangarh | - | - | - |
| Sri-Ganganagar | - | - | - |
| Adampur | - | 25 | - |
| Sirsa | - | - | - |
| Bhiwani | - | - | - |
| Deesa | - | 55 | - |
| Nagaur | - | - | - |
| Dhabwali | - | - | - |
| All India | 1000 | 1130 | -130 |

Guar by - Products Prices: As of July 26, 2012

Churi and Korma Prices:

| Commodity | Center | Rs/75kg |
|-----------|---------|---------|
| Churi | Jodhpur | 950 |
| Korma | Jodhpur | 1700 |
| | | |

Guar Export Prices: As of July 26, 2012

| | Variety | Value (\$/MT) |
|-----------------------|-------------------|---------------|
| Guargum Split | | - |
| Guargum Powder | 200 Mesh 5000 CPS | - |
| | 200 Mesh 3500 CPS | - |
| Guargum Meal | | - |

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