

**Domestic Fundamentals:**

- Guar seed and guar gum prices noticed steady to weak tone on Thursday.
- Anticipation of higher crop output during the current season is weighing on prices.
- According to trade sources, there could be some damage to the crop in certain districts of Rajasthan. It is early to comment on the same.
- Any damage to the crop will lend some support to the market.
- Prices of churi and korma are steady to firm amid good demand for fodder food.
- According to IMD, weather is expected to be dry in the guar seed growing regions. Another spell of rain would be beneficial for the crop.
- Export demand could be lower this season following availability of cheaper alternatives to guar gum in the overseas market.
- Assuming yield around last year's levels, production of guar seed is expected to be around 28-30 lakh metric tonnes.
- Onset of south-west monsoon was delayed in the growing regions and crop is expected in the market by mid-October and November.
- Xanthan gum, an alternative to guar gum is likely to find application in food processing industry.
- According to the first advance estimates of Haryana agricultural department, guar production in the current season is estimated at 3.75 lakh metric tonnes compared to 2.0 lakh metric tonnes in the previous season.
- According to State Agricultural sources, acreage under guar seed in Gujarat till 17<sup>th</sup> September 2012 is reported at 233700 hectares compared to 126900 hectares during the same period last year.

**Outlook:** Prices are likely to notice steady to weak 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.

**Guar by - Products Prices: As of September 27, 2012****Churi and Korma Prices:**

Commodity	Center	Rs/75kg
Churi	Jodhpur	1000
Korma	Jodhpur	1950

**Guar Export Prices: As of September 27, 2012**

	Variety	Value (\$/MT)
Guargum Split		4600
Guargum Powder	200 Mesh 5000 CPS	5500
	200 Mesh 3500 CPS	5300
Guargum Meal		350

## Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-9-2012	26-9-2012	
Guar Seed	Jodhpur (Delivery)	8500	8500	Unch
	Jodhpur (Loose)	7500	7800	-300
	Bikaner (Loose)	7200	7200	Unch
	Bikaner (Delivery)	7500	7600	-100
	Nokha (Loose)	7200	7500	-300
	Hanumangarh (Loose)	NA	NA	-
	Sri-Ganganagar (Delivery)	7500	7500	Unch
	Adampur (Loose)	7500	NA	-
	Sirsa (Loose)	7000	8000	-1000
	Bhiwani (Delivery)	NA	7200	-
	Deesa (Loose)	6565	6580	-15
	Nagaur (Loose)	NA	NA	-
	Dhabwali (Loose)	NA	NA	-
Guar Gum	Jodhpur	23500	23500	Unch
	Bhiwani	NA	19500	-
	Dhabwali	NA	NA	-

## Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	27-9-2012	26-9-2012	
Jodhpur	1000	900	+100
Bikaner	NA	50	-
Nokha	NA	NA	-
Hanumangarh	NA	NA	-
Sri-Ganganagar	NA	NA	-
Adampur	100	NA	-
Sirsa	NA	NA	-
Bhiwani	NA	NA	-
Deesa	42	35	+7
Nagaur	NA	NA	-
Dhabwali	NA	NA	-
All India	1142	985	+157



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