

Domestic Fundamentals:

- Guar seed and guar gum prices noticed weak tone on Friday except slight firmness in Nokha and Bhiwani markets.
- Sluggish demand in the ready market weighed on prices.
- In Haryana, arrival of the new crop will start in the coming 7 -10 days.
- According to our field sources, in Mahendergarh, Bhiwani and certain areas of Haryana crop damage could be around 30-35%.
- In certain areas, where the crop has been damaged up to 50%, it has been pulled out by farmers and fields are being prepared for mustard seed.
- Initial estimates of 2 -3 times higher output has been offset with reports of crop damage in various parts of Rajasthan and Haryana.
- Export demand is expected to be lower during this season amid development of certain cheaper alternatives to guar gum.
- According to IMD, weather is expected to be dry in the guar seed growing regions. This is likely to cause damage to the crop as another spell of rain is required for the crop.
- According to industry sources, Guar gum exports to the US during the period under review amounted to 2.01€ billion, accounting for 88.9 per cent of India's total exports of the commodity.
- The share of the US in India's overall export basket has grown to 14.3 per cent in the first quarter, against 11.3 per cent in 2011-12.
- 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 1st October 2012 is reported at 237500 hectares compared to 126900 hectares during the same period last year.

Outlook: Prices are likely to continue 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. FMC will decide on re-launching guar complex futures on October 16, 2012.

Guar by - Products Prices: As of October 12, 2012**Churi and Korma Prices:**

Commodity	Center	Rs/75kg
Churi	Jodhpur	1100
Korma	Jodhpur	1950
Churi	Sri-Ganganagar	1025
Korma	Sri-Ganganagar	1950

Guar Export Prices: As of October 12, 2012

	Variety	Value (\$/MT)
Guargum Split		5500
Guargum Powder	200 Mesh 5000 CPS	6600
	200 Mesh 3500 CPS	6400
Guargum Meal		350

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		12-10-2012	11-10-2012	
Guar Seeds	Jodhpur (Delivery)	10000	11200	-1200
	Jodhpur (Loose)	9000	10200	-1200
	Bikaner (Loose)	9300	10300	-1000
	Bikaner (Delivery)	9600	10600	-1000
	Nokha (Loose)	11000	9000	+2000
	Hanumangarh (Loose)	NA	NA	NA
	Sri-Ganganagar (Delivery)	12000	12000	Unch
	Adampur (Loose)	9500	11500	-2000
	Sirsa (Loose)	10000	10500	-500
	Bhiwani (Delivery)	13500	13000	+500
	Deesa (Loose)	NA	6580	-
	Nagaur (Loose)	NA	NA	NA
	Dhabwali (Loose)	NA	NA	NA
	Jodhpur	28000	32000	-4000
Guar Gum	Bhiwani	31500	37000	-5500
	Dhabwali	NA	NA	NA

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	12-10-2012	11-10-2012	
Jodhpur	2000	3000	-1000
Bikaner	50	50	Unch
Nokha	NA	NA	NA
Hanumangarh	NA	NA	NA
Sri-Ganganagar	100	100	Unch
Adampur	200	200	Unch
Sirsa	NA	NA	NA
Bhiwani	NA	NA	NA
Deesa	NA	45	-
Nagaur	NA	NA	NA
Dhabwali	NA	NA	NA
All India	2350	3395	-1045

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