

Domestic Fundamentals:

- Increase in guar gum and seed prices witnessed on Wednesday in most of the cash markets owing to higher arrivals.
- Millers crush margin increases in February owing to increase in Churi and Korma prices. In addition to it, higher level of reduction in prices of guar seed compared to guar gum also increase the processors margin.
- Some big millers are trying to urge farmers to release their stocks in this month. However, demand from exporters is increasing M-o-M basis as reported which might led the prices up couple of weeks time.
- In the month of February 2013, exports of guar gum (split, powder and meal) were reported to be 38819.67 metric tons which is higher compared to 28949 metric tonnes exported in January 2013, according to IBIS.
- We expect prices to move up from current level due to fresh demand from exporter's end and is likely to increase from 15th March. Market sources confirmed that bargaining of the price continue and we expect some deals for export in the third and fourth week of this month. One two major deals for export would support seed price once again as guar seed is ruling at lower level.
- Guar seed stock based in Khajuwala is heading towards Jodhpur and some regions of Haryana as reported.
- Arrivals in the country are reported to be around 60000 Quintal for guar seed today. Buyers too are offering lower prices.
- The USA, the major buyer for guar gum, is not buying aggressively at this point of time as it has ample stock of gum to take care of its near months needs. In addition to it, US have slowed down drilling activities and there is no urgency to buy gum in bulk quantity. Fresh Chinese and US buying is expected from April Onward.
- Reportedly, Out of total 3.25 lac bags of guar production, farmers are still holding around 2 lac bags of guar in Khajuwala (Bikaner district).

Outlook:

Guar seed and gum prices are likely to trade range bound in the coming days. Farmers are holding stock in anticipation of better levels. Meanwhile, domestic demand is not encouraging. On export front, guar split and powder export increase M-o-M basis. Demand from overseas would be a key factor for the prices in future.

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.

Guar by - Products Prices: As of March 13, 2013

Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	1225
Korma	Jodhpur	1750
Churi	Sri-Ganganagar	1175
Korma	Sri-Ganganagar	1650

Guar Export Prices: As of March 13, 2013

	Variety	Value (\$/MT)
Guargum Split		5525
Guargum Powder	200 Mesh 5000 CPS	6262
	200 Mesh 3500 CPS	6077
Guargum Meal	Meal 40%	340
	Meal 50%	440

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		3/13/2013	3/12/2013	
Guar Seeds	Jodhpur(Delivery)	10500	11000	-500
	Jodhpur (Loose)	10200	10500	-300
	Sri-Ganganagar (Delivery)	10600	10300	300
	Sri-Ganganagar(Loose)	10200	9900	300
	Alwar (loose)	9700	9500	200
	Churu (Delivery)	10200	10000	200
	Nagaur (Loose)	9900	9700	200
	Adampur (Loose)	10400	10300	100
	Sirsa (Loose)	10300	10000	300
	Bhiwani (Delivery)	10400	10200	200
	Patan (Loose)	11130	12305	-1175
	Deesa (Loose)	10010	9750	260
	Rajkot (Loose)	9875	9750	125
	Nokha (Delivery)	10500	10500	Unch
	Nokha(Loose)	10300	10100	200
	Hanumangarh (Delivery)	10500	10300	200
	Hanumangarh (Loose)	10350	10100	250
	Dhabwali (Delivery)	-	-	-
	Dhabwali (Loose)	10400	10200	200
	Bikaner (Delivery)	10500	10500	Unch
	Bikaner (Loose)	10200	10100	100
	Dabra	9800	9500	300
Guar Gum	Jodhpur	30600	30700	-100
	Sirsa	30800	30000	800

	Alwar	31000	30500	500
	Bhiwani	30800	30000	800
	Dhabwali	30600	30500	100

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	3/13/2013	3/12/2013	
Jodhpur	10000	15000	-5000
Sri-Ganganagar	2000	2000	Unch
Alwar	200	300	-100
Churu	500	300	200
Nagaur	35	50	-15
Adampur	10000	4000	6000
Sirsa	100	50	50
Bhiwani	1300	800	500
Patan	144	585	-441
Deesa	294	258	36
Rajkot	500	335	165
Nokha	1200	1400	-200
Hanumangarh	700	800	-100
Dhabwali	500	1000	-500
Bikaner	600	1000	-400
Dabra	400	500	-100
All India Arrivals	50000	58000	-8000

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