

Domestic Fundamentals:

- Prices of guar seed and gum declined today owing to hint of increase in arrivals in key spot markets.
- Arrivals in the country are reported to be around 50000 Quintal for guar seed today. Buyers too are offering lower prices.
- AP farmers haven't got expected yield from guar seed crop this year owing to heavy rainfall in the region. It is notable that farmers in AP get lured from guar prices last year and experiment guar crop first time in their respective fields.
- Guar sowing likely to start most probably in the first week of April in parts of Punjab, Haryana, Rajasthan and Gujarat. It is notable that farmers which have the facility of irrigation might sown guar in their vacant fields/plots considering lucrative prices of guar seed.
- 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.

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 18, 2013
Churi and Korma Prices:

Commodity	Center	Rs/75kg
Churi	Jodhpur	1225
Korma	Jodhpur	1750
Churi	Sri-Ganganagar	1200
Korma	Sri-Ganganagar	1650

Guar Export Prices: As of March 18, 2013

	Variety	Value (\$/MT)
Guargum Split		5694
Guargum Powder	200 Mesh 5000 CPS	6429
	200 Mesh 3500 CPS	6245
Guargum Meal	Meal 40%	340
	Meal 50%	440

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		3/18/2013	3/16/2013	
Guar Seeds	Jodhpur(Delivery)	10400	10400	Unch
	Jodhpur (Loose)	9950	10000	-50
	Sri-Ganganagar (Delivery)	10300	10500	-200
	Sri-Ganganagar(Loose)	9900	10200	-300
	Alwar (loose)	9200	9200	Unch
	Churu (Delivery)	9800	9900	-100
	Nagaur (Loose)	9700	9900	-200
	Adampur (Loose)	10100	10100	Unch
	Sirsa (Loose)	10150	10250	-100
	Bhiwani (Delivery)	10100	10300	-200
	Patan (Loose)	9795	9985	-190
	Deesa (Loose)	9925	9850	75
	Rajkot (Loose)	9750	9590	160
	Nokha (Delivery)	10200	10400	-200
	Nokha(Loose)	9900	10100	-200
	Hanumangarh (Delivery)	10200	10300	-100
	Hanumangarh (Loose)	9900	10000	-100
	Dhabwali (Delivery)	-	-	-
	Dhabwali (Loose)	10000	10000	Unch
	Bikaner (Delivery)	10300	10100	200
	Bikaner (Loose)	10000	9800	200
	Dabra	9600	9500	100
Guar Gum	Jodhpur	30600	30500	100

	Sirsa	30500	30700	-200
	Alwar	30300	30500	-200
	Bhiwani	30500	30800	-300
	Dhabwali	30500	30500	Unch

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	3/18/2013	3/16/2013	
Jodhpur	7000	6000	1000
Sri-Ganganagar	3500	2500	1000
Alwar	700	1000	-300
Churu	1000	1500	-500
Nagaur	50	30	20
Adampur	7000	5000	2000
Sirsa	400	250	150
Bhiwani	2500	1800	700
Patan	87	123	-36
Deesa	295	315	-20
Rajkot	800	700	100
Nokha	800	2000	-1200
Hanumangarh	2500	2000	500
Dhabwali	1000	2000	-1000
Bikaner	700	500	200
Dabra	1200	300	900
All India Arrivals	50000	50000	Unch

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