

Domestic Fundamentals:

- Despite of decrease in arrivals, prices of guar seed as well as gum decrease owing to weak demand.
- Arrivals in the country are reported to be around 45000 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 19, 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 19, 2013

| | Variety | Value (\$/MT) |
|----------------|-------------------|---------------|
| Guargum Split | | 5529 |
| Guargum Powder | 200 Mesh 5000 CPS | 6266 |
| | 200 Mesh 3500 CPS | 6082 |
| Guargum Meal | Meal 40% | 340 |
| | Meal 50% | 460 |

Guar Prices at Key Spot Markets

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|------------|---------------------------|-----------------|-----------|--------|
| | | 3/19/2013 | 3/18/2013 | |
| Guar Seeds | Jodhpur(Delivery) | 10200 | 10400 | -200 |
| | Jodhpur (Loose) | 9800 | 9950 | -150 |
| | Sri-Ganganagar (Delivery) | 9800 | 10300 | -500 |
| | Sri-Ganganagar(Loose) | 9600 | 9900 | -300 |
| | Alwar (loose) | 9000 | 9200 | -200 |
| | Churu (Delivery) | 9500 | 9800 | -300 |
| | Nagaur (Loose) | 9500 | 9700 | -200 |
| | Adampur (Loose) | 9700 | 10100 | -400 |
| | Sirsa (Loose) | 10000 | 10150 | -150 |
| | Bhiwani (Delivery) | 9700 | 10100 | -400 |
| | Patan (Loose) | - | 9795 | - |
| | Deesa (Loose) | 9425 | 9925 | -500 |
| | Rajkot (Loose) | 9450 | 9750 | -300 |
| | Nokha (Delivery) | 9800 | 10200 | -400 |
| | Nokha(Loose) | 9500 | 9900 | -400 |
| | Hanumangarh (Delivery) | 9700 | 10200 | -500 |
| | Hanumangarh (Loose) | 9400 | 9900 | -500 |
| | Dhabwali (Delivery) | - | - | - |
| | Dhabwali (Loose) | 9500 | 10000 | -500 |
| | Bikaner (Delivery) | 9800 | 10300 | -500 |
| | Bikaner (Loose) | 9650 | 10000 | -350 |

| | | | | |
|----------|----------|-------|-------|-------|
| | Dabra | 9500 | 9600 | -100 |
| Guar Gum | Jodhpur | 30500 | 30600 | -100 |
| | Sirsa | 30200 | 30500 | -300 |
| | Alwar | 29500 | 30300 | -800 |
| | Bhiwani | 29400 | 30500 | -1100 |
| | Dhabwali | 29200 | 30500 | -1300 |

Guar Seed Arrivals in Key Centers

| Centre | Arrivals (Quintals) | | Change |
|---------------------------|---------------------|--------------|--------------|
| | 3/19/2013 | 3/18/2013 | |
| Jodhpur | 7000 | 7000 | Unch |
| Sri-Ganganagar | 5000 | 3500 | 1500 |
| Alwar | 200 | 700 | -500 |
| Churu | 300 | 1000 | -700 |
| Nagaur | 60 | 50 | 10 |
| Adampur | 5000 | 7000 | -2000 |
| Sirsa | 50 | 400 | -350 |
| Bhiwani | 1700 | 2500 | -800 |
| Patan | - | 87 | - |
| Deesa | 188 | 295 | -107 |
| Rajkot | 675 | 800 | -125 |
| Nokha | 1200 | 800 | 400 |
| Hanumangarh | 3000 | 2500 | 500 |
| Dhabwali | 12000 | 1000 | 11000 |
| Bikaner | 1000 | 700 | 300 |
| Dabra | 250 | 1200 | -950 |
| All India Arrivals | 45000 | 50000 | -5000 |

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