

Domestic Fundamentals:

- Prices of guar seed and gum increased today owing to drastic decrease in arrivals in major markets. In addition to it, rumors of launch of guar in NCDEX platform also urge big farmers to hold guar crop in anticipation of higher remuneration in the coming weeks.
- Meanwhile, small farmers which needs money urgently already brought their stocks in the guar mandis. Now only big stockists/farmers are holding guar seed stocks who anticipate increase in price of guar in the coming month.
- Arrivals in the country are reported to be around 25000 Quintal for guar seed today.
- 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.

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 23, 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 23, 2013

	Variety	Value (\$/MT)
Guargum Split		5522
Guargum Powder	200 Mesh 5000 CPS	6258
	200 Mesh 3500 CPS	6074
Guargum Meal	Meal 40%	320
	Meal 50%	440

Guar Prices at Key Spot Markets

Commodity	Centre	Prices (Rs/Qtl)		Change
		3/23/2013	3/22/2013	
Guar Seeds	Jodhpur(Delivery)	10300	10100	200
	Jodhpur (Loose)	10000	9600	400
	Sri-Ganganagar (Delivery)	10300	10000	300
	Sri-Ganganagar(Loose)	10000	9600	400
	Alwar (loose)	9200	9200	Unch
	Churu (Delivery)	9800	9800	Unch
	Nagaur (Loose)	9500	9400	100
	Adampur (Loose)	10000	9800	200
	Sirsa (Loose)	9900	9800	100
	Bhiwani (Delivery)	10150	9800	350
	Patan (Loose)	9460	9310	150
	Deesa (Loose)	9790	9430	360
	Rajkot (Loose)	9425	9405	20
	Nokha (Delivery)	10300	10000	300
	Nokha(Loose)	9900	9700	200
	Hanumangarh (Delivery)	10200	10000	200
	Hanumangarh (Loose)	9875	9750	125
	Dhabwali (Delivery)	-	-	-
	Dhabwali (Loose)	10000	9500	500
	Bikaner (Delivery)	10300	10000	300
	Bikaner (Loose)	10045	9750	295

	Dabra	9000	9100	-100
Guar Gum	Jodhpur	30400	30000	400
	Sirsa	31000	31000	Unch
	Alwar	30000	30000	Unch
	Bhiwani	30900	30300	600
	Dhabwali	30500	29000	1500

Guar Seed Arrivals in Key Centers

Centre	Arrivals (Quintals)		Change
	3/23/2013	3/22/2013	
Jodhpur	4000	5000	-1000
Sri-Ganganagar	2000	2000	Unch
Alwar	100	200	-100
Churu	300	400	-100
Nagaur	150	30	120
Adampur	4000	4000	Unch
Sirsa	100	100	Unch
Bhiwani	2800	1700	1100
Patan	74	68	6
Deesa	400	200	200
Rajkot	350	600	-250
Nokha	1000	1200	-200
Hanumangarh	350	300	50
Dhabwali	500	800	-300
Bikaner	1000	1000	Unch
Dabra	300	300	Unch
All India Arrivals	25000	35000	-10000

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