

Rantec Guar Report

16 August 2011

Rains are reported across the majority of the IndoPak guar growing areas including Barmer, Jaisalmer and Ganganagar. Southern Pakistan needs more rain. All in all, rain will promote planting in the remaining areas of western Rajasthan. At this point in time we have hope for a crop that can meet the forecasted 2012 oil patch demand. The crop will need 1-2 more well-timed rains over the next 30 days.

The paper market is looking for direction. The physical markets (stockists) remain tight in general and very tight in Haryana. Haryana is the source of high viscosity seed. It is estimated that a 20-40% of orders are slow (30+ days) to ship due to delays (over booking and or price issues) at the manufacturer level. Recent container shortages are aggravating the situation. It appears that the companies servicing the oil patch are able to absorb the delays so far. The food industry is not so lucky with recent reports of allocation.