

## GUAR SEED

### Technical Analysis:

- Candlestick chart pattern indicates the bearish sentiment in the market.
- Prices closed below 9 and 18 day EMAs supporting the bearish momentum in the short term.
- RSI is moving down in the neutral zone indicating the bearish momentum in the short term.
- MACD is moving down in neutral region indicating the bearish momentum in the short term.
- Guar seed futures are likely to trade range-bound with weak bias in next session.

### Trade Recommendation – Guarseed NCDEX (March)

Call	Entry	T1	T2	SL
<b>SELL</b>	<2871	2840	2810	2890
Support & Resistance				
S2	S1	PCP	R1	R2
2795	2830	2829	2930	2952



## GUAR GUM

### Technical Analysis:

- Candlestick chart pattern indicates the bearish sentiment in the market.
- Prices closed below 9 and 18 day EMAs supporting the bearish momentum in the short term.
- RSI is moving down in the neutral zone.
- MACD is moving down in positive region indicates bearish momentum.
- Guar gum futures are likely to trade range-bound with weak bias in next session.

### Trade Recommendation – Guargum NCDEX (March)

Call	Entry	T1	T2	SL
<b>SELL</b>	<8200	8179	8140	8250
Support & Resistance				
S2	S1	PCP	R1	R2
8029	8104	8060	8284	8328



### Price Drivers

- Low carry- in stocks.
- Guar gum exports are likely to go up.
- Expectation of better guar seed production this season (2010-11)
- Higher overall arrivals.
- Low demand in the markets.

### Spot Market Analysis:

- Weak sentiment featured in key cash markets of Guar seed and Guar gum on Friday. Prices of Guar seed and Guar gum are down by 2.28% and 2.17% as compared to the previous day's prices.
- According to trade sources, sluggish demand for Guar seed and Guar gum in the spot market noticed today due to reduced off take by processors as higher prices are prevailing.
- Demands from stockiest are still subdued in the spot market. The selling pressure from the stockiest of Guar seed has reported across the spot market as against the inactive buyers.
- Increasing arrivals in the spot market has also exerted pressure on prices. Overall arrivals are reported at around 25,000 bags, which are higher by 5,000 bags as compared to the previous day's arrivals.
- Guar by-product (Churi & Korma) prices declined in the spot market due to lower demand as a result of excess supply. Churi decreases by 6.7% and Korma decreases by 6.5% as compared to the previous day's prices.
- Guar gum export increased as compared to April - Oct 09, 110093 MT to April - Oct10, 198124 MT, which is up by 88031 MT. Trade participants are optimistic about the increase in exports of guar gum in coming days due to low stocks and crop damaged in Pakistan due to flood.

***Both guar seed and gum prices are expected to trade range bound with weak bias in coming days on anticipation of subdued demand in the spot market. However, reducing arrivals in the spot market may restrict the losses.***

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 04.03.11	%Change from Prior day	Arrivals 04.03.11
Guar Seed	Jodhpur (Delivery)	2930	-3.14	Nil
	Jodhpur (Loose)	2700	-1.82	Nil
	Bikaner	2830	-2.41	500
	Nokha	2750	-1.43	1000
	Hanumangarh	2800	-1.75	100
	Sri-Ganganagar	2860	-1.38	20
	Adampur	2920	-3.15	600
	Sirsa	2920	-2.99	120
	Bhiwani	2920	-2.99	1100
	Deesa	2685	-1.47	450
	Nagaur	2800	-1.41	200
	Dhabwali	2825	-3.42	70
Guar Gum	Jodhpur	8100	-1.82	N/A
	Bhiwani	8300	-1.19	N/A
	Dhabwali	8250	-3.51	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 920/quintal
Korma	Jodhpur	Rs 1047/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.99
European Union	Euro	62.80
United Kingdom	GBP	73.23

Commodity	Variety	Value
Guargum Split		\$1925/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2325/tonne
	200 Mesh 3500 CPS	\$2275/tonne
Guargum Meal		\$ 340/ tonne

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