

GUAR SEED

Technical Analysis:

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

Trade Recommendation – Guarseed NCDEX (April)

Call	Entry	T1	T2	SL
BUY	>2865	2895	2912	2822
Support & Resistance				
S2	S1	PCP	R1	R2
2819	2849	2878	2923	2950



GUAR GUM

Technical Analysis:

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

Trade Recommendation – Guargum NCDEX (April)

Call	Entry	T1	T2	SL
BUY	>8189	8244	8270	8125
Support & Resistance				
S2	S1	PCP	R1	R2
8071	8146	8230	8320	8380



Price Drivers

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

Spot Market Analysis:

- Strong sentiment featured in key cash markets of Guar seed and Guar gum on Wednesday. Guar seed increased by 2.22% and Guar gum increased by 3.21% as compared to the previous days prices.
- Escalating demand was reported from the processors in the spot market.
- As a result of reduction in the Special Margin of 20% (inclusive of 5% cash margin) on the Long side of Guar Seed and Guar Gum to 10% out of which 5% will be collected in cash promoted market participants to go for higher buying positions by which prices got support.
- Overall arrivals are reported at around 20,000 bags, which are unchanged as compared to the previous day's arrivals.
- Guar gum export increased as compared to April - Nov 09, 129316 MT to April - Nov10, 227757 MT, which is up by 98441 MT and market participants are optimistic to increase the export demand for guar gum in coming days.
- As per trade information, stockiests are released near about 30 - 40 thousand bags of guar stocks in the spot market and they may increase to release their stocks in the spot market gradually, which may likely to exert pressure on guar prices in short term.

Both guar seed and gum prices are expected to trade range bound with firm bias in coming days on anticipation of reducing arrivals in the spot market. However, selling pressure from stockiests may restrict the gain.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 09.03.11	%Change from Prior day	Arrivals 09.03.11
Guar Seed	Jodhpur (Delivery)	2950	+2.43	Nil
	Jodhpur (Loose)	2760	+2.60	Nil
	Bikaner	2900	+3.57	700
	Nokha	2800	+2.19	800
	Hanumangarh	2835	+2.53	50
	Sri-Ganganagar	2835	+0.89	-
	Adampur	2950	+2.97	800
	Sirsa	2950	+2.97	200
	Bhiwani	2925	+1.92	150
	Deesa	2710	+0.93	600
	Nagaur	2800	+1.45	100
	Dhabwali	-	-	-
Guar Gum	Jodhpur	8125	+2.85	N/A
	Bhiwani	8130	+3.57	N/A
	Dhabwali	-	-	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	45.02
European Union	Euro	62.54
United Kingdom	GBP	72.70

Commodity	Variety	Value
Guargum Split		\$1850/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2250/tonne
	200 Mesh 3500 CPS	\$2200/tonne
Guargum Meal		\$ 340/ tonne

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