

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates the indecision situation in the market.
- Prices closed above 9 and 18 day EMAs supporting the bearish momentum in the short term.
- MACD is moving up in negative zone.
- RSI is moving down in the neutral zone indicating the bearish momentum in the short term.
- Market participants are suggested to wait for next trading session.

Trade Recommendation – Guarseed NCDEX (April)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2901	2920	2941	2984	2999



GUAR GUM

Technical Analysis:

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

Trade Recommendation – Guargum NCDEX (April)

Call	Entry	T1	T2	SL
BUY	>8457	8497	8540	8402
Support & Resistance				
S2	S1	PCP	R1	R2
8271	8350	8476	8580	8601



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:

- Steady to firm sentiment featured in key cash markets of Guar seed and Guar gum on Monday.
- Arrivals are reported decreased in the domestic mandis which supports the guar prices to move upside.
- Overall arrivals are reported at around 15,000 bags, which are unchanged as compared to the previous day's arrivals
- Sources also revealed that, demand from processors also pushing markets higher from lows.
- Increase in Guar gum prices also supports the guar gum split, powder and meal prices in the spot market. Guar gum split 3.09%, Guar gum powder 2.27% and Guar gum meal 2.32% prices decreased as compared to the previous day.
- No trading activity was reported in Sri Ganganagar market due to low arrival.
- Lower demand for Guar by-product (Churi & Korma) was reported in the spot market as a result of higher supply. Churi decreases by 6.7% and Korma decreases by 6.5% as compared to the previous day's prices.
- Stock position of guar seed and guar gum at NCDEX accredited warehouses till 19th March, 2011 is reported at 93,930 MT and 23,772 MT respectively.

Both guar seed and gum prices are expected to trade range bound with weak bias in coming days on anticipation of selling pressure from stockiests 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 21.03.11	%Change from Prior day	Arrivals 21.03.11
Guar Seed	Jodhpur (Delivery)	3060	+1.49	Nil
	Jodhpur (Loose)	2750	Unch	Nil
	Bikaner	-	-	-
	Nokha	2880	-0.69	500
	Hanumangarh	2950	+1.72	40
	Sri-Ganganagar	-	-	-
	Adampur	3025	+1.51	2200
	Sirsa	3025	+1.51	200
	Bhiwani	3025	+1.51	115
	Deesa	2780	-	550
	Nagaur	2900	Unch	40
	Dhabwali	2950	Unch	50
Guar Gum	Jodhpur	8400	+1.51	N/A
	Bhiwani	8700	Unch	N/A
	Dhabwali	8650	-0.57	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 867/quintal
Korma	Jodhpur	Rs 1054/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.05
European Union	Euro	63.81
United Kingdom	GBP	73.05

Commodity	Variety	Value
Guargum Split		\$1830/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2250/tonne
	200 Mesh 3500 CPS	\$2200/tonne
Guargum Meal		\$ 325/ tonne

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