

GUAR SEED

Technical Analysis:

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

Trade Recommendation – Guarseed NCDEX (May)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2931	2950	2968	3017	3051



GUAR GUM

Technical Analysis:

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

Trade Recommendation – Guargum NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<8545	8483	8457	8576
Support & Resistance				
S2	S1	PCP	R1	R2
8428	8476	8461	8592	8645



Price Drivers

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

Spot Market Analysis:

Mostly firm sentiment featured both for Guar seed and gum in cash markets on Wednesday's trade.

- In some regions of Rajasthan and Haryana mandis arrivals are reported lower and it supported the guar prices to move upside.
- Overall arrivals are reported at around 10,000 bags, unchanged from Tuesday's arrivals.
- Trade participants are expecting supply crunch in near term which may likely to push prices upper side in near term.
- Good demand for guar gum has influenced local guar gum millers to increase buying of guar seed and it supported the guar seed as well as guar gum prices in spot market.
- Higher availability in the spot market of guar by-products (churi & korma) following higher guar seed crushing keeping prices in check. Churi prices are decreased by 3.4% and Korma decreased by 2.5% as compared to the previous days prices.
- IMD's long range forecast for the 2011 south-west monsoon season (June to September) is that the rainfall for the country as a whole is most likely to be Normal (96-104% of Long Period Average). The normal monsoon forecast may initiate farmers to go for higher acreage under guar during the sowing period of current year which reflects higher production and it may become bearish factor for guar prices.
- Stock position of guar seed and guar gum at NCDEX accredited warehouses till 19th April, 2011 is reported at 88,559 MT and 23,038 MT respectively.

Both guar seed and gum prices are expected to trade range bound in coming days on anticipation selling pressure from stockiests at higher prices in the spot market. However, lower arrivals in coming days may support the guar prices.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 20.04.11	%Change from Prior day	Arrivals 20.04.11
Guar Seed	Jodhpur (Delivery)	3000	0.83	-
	Jodhpur (Loose)	2760	1.43	4000
	Bikaner	2900	-	500
	Nokha	2890	0.35	400
	Hanumangarh	2925	1.21	15
	Sri-Ganganagar	-	-	-
	Adampur	3060	1.32	700
	Sirsa	3060	1.32	150
	Bhiwani	3060	1.32	-
	Deesa	2785	1.27	600
	Nagaur	-	-	-
	Dhabwali	2925	0.86	-
Guar Gum	Jodhpur	8450	0.59	N/A
	Bhiwani	8800	1.15	N/A
	Dhabwali	8825	1.44	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 760/quintal
Korma	Jodhpur	Rs 1014/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.38
European Union	Euro	63.92
United Kingdom	GBP	72.55

Commodity	Variety	Value
Guargum Split		\$2000/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2450/tonne
	200 Mesh 3500 CPS	\$2400/tonne
Guargum Meal		\$ 300/ tonne

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