

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates the bullish sentiment in the market.
- Prices closed above 9 and 18 day EMAs supporting the bearish 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.
- Guar seed futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guarseed NCDEX (May)

Call	Entry	T1	T2	SL
BUY	>3042	3074	3091	3025
Support & Resistance				
S2	S1	PCP	R1	R2
2982	3009	3072	3120	3141



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 positive zone indicating the bullish sentiment in the short term.
- RSI is moving up in the neutral zone indicating the bullish sentiment in the short term.
- Guar gum futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guargum NCDEX (May)

Call	Entry	T1	T2	SL
BUY	>8747	8807	8830	8706
Support & Resistance				
S2	S1	PCP	R1	R2
8527	8617	8809	8840	8870



Price Drivers

- Lower demand from stockiest.
- 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:

Mostly firm sentiment featured for Guar cash markets on Friday's trade.

- Lower arrivals in the major spot market of guar in Rajasthan and Haryana are supportive factor for guar prices to move upside. Trade participants are expecting supply crunch in near term which may likely to push prices upper side in near term.
- Overall arrivals are reported at around 12,000 bags, 2,000 bags are higher from Wednesday's arrivals.
- As per trade information, stockiest are also not offloading their stocks in the spot market on expectations of further rise in guar prices.
- Dull trading activity reported in Sri-Ganganagar and Nagaur following lower arrival as new crop arrivals are almost finished. Arrivals are found only major trading centers in the spot market.
- Good overseas demand for the guar gum has influenced local guar gum millers to increase buying of guar seed and it supported the guar prices in spot market.
- Sources revealed that, farmers may shift their area from Guari to Cotton during the ensuing season amid better realization of cotton y-o-y when compared with guari/guar. On an average, realization from cotton to the growers hover near Rs 5000-5500/Qtl compared with Rs 2913/Qtl. This makes more profitable for the growers to opt for cotton on the expense of guar.
- Expectation of crop substitution between guari/cotton and guar/cotton during April - June period might lead to create a situation when people starts speculate the lower guari/guar production during 2011. Such a scenario shall stand supportive for the guar seed/gum prices moving forward.

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 coupled with regular demand from processors.

Guar Seed And Guar Gum Spot Prices & Arrivals

Commodity	Centres	Prices 29.04.11	%Change from Prior day	Arrivals 29.04.11
Guar Seed	Jodhpur (Delivery)	3180	Unch	-
	Jodhpur (Loose)	2800	Unch	4000
	Bikaner	3000	0.67	500
	Nokha	2920	0.69	500
	Hanumangarh	3020	0.67	-
	Sri-Ganganagar	-	-	-
	Adampur	3170	0.32	300
	Sirsa	3170	0.32	-
	Bhiwani	3170	0.32	-
	Deesa	2900	0.35	350
	Nagaur	-	-	-
	Dhabwali	3015	0.82	-
Guar Gum	Jodhpur	8700	Unch	N/A
	Bhiwani	9200	0.54	N/A
	Dhabwali	9100	1.09	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 734/quintal
Korma	Jodhpur	Rs 994/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.38
European Union	Euro	65.83
United Kingdom	GBP	73.87

Commodity	Variety	Value
Guargum Split		\$2050/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2625/tonne
	200 Mesh 3500 CPS	\$2575/tonne
Guargum Meal		\$ 310/ tonne

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