

GUAR SEED

Technical Analysis:

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

Trade Recommendation – Guarseed NCDEX (Jun)

Call	Entry	T1	T2	SL
SELL	<3238	3208	3191	3255
Support & Resistance				
S2	S1	PCP	R1	R2
3095	3157	3230	3271	3296



GUAR GUM

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 in the short term.
- RSI is moving down in the neutral zone indicating the bearish sentiment in the short term.
- Market participants are suggested to wait for next trading session.

Trade Recommendation – Guargum NCDEX (Jun)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
9327	9475	9721	9832	9862



Price Drivers

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

Spot Market Analysis:

Firm sentiment featured both for Guar seed and Guar gum in cash markets on Thursday's trade.

- Processors are keen to purchase guar seed in the spot market ensuing regular demand for guar gum from exporters which support prices higher from lows.
- Increase in Guar gum demand in overseas market also supports the guar gum split and guar gum powder prices in the spot market. Guar gum split prices are increased by 11.6% and Guar gum powder (5000 CPS & 3500 CPS) increased by 3.5% and 2.6% as compared to the previous prices and it may increase in coming days.
- Supply crunch for guar has reported in the spot market due to lean season which also push prices upper side.
- Overall arrivals are reported at around 10,000 bags, unchanged from previous day's arrivals.
- As per trade sources, guar prices might increase in coming days as a prevailing demand from guar gum millers in spot market.
- At higher price level for guar in the spot market selling pressure from the stockiest might expected which exerting pressure on prices to move upside.
- Stock position of guar seed and guar gum at NCDEX accredited warehouses till 11th May, 2011 is reported at 88,191 MT and 20,385 MT respectively.
- Due to higher availability of guar by-products in the spot market, Churi prices are slip by 1.6% as compared to the previous prices in the domestic market.

Both guar seed and gum prices are expected to trade range bound in coming days on anticipation selling pressure from stockiest at higher prices in the spot market coupled with regular demand from processors.

Guar Seed And Guar Gum Spot Prices & Arrivals							
Commodity	Centres	Prices		Change from Prior day	Arrivals		Change from Prior day
		12.05.11	11.05.11		12.05.11	11.05.11	
Guar Seed	Jodhpur (Delivery)	3325	3300	25	-	-	-
	Jodhpur (Loose)	3025	2950	75	6000	5000	1000
	Bikaner	3130	3130	Unch	150	800	650
	Nokha	3120	3100	20	800	1000	200
	Hanumangarh	3175	3150	25	-	-	-
	Sri-Ganganagar	-	-	-	-	-	-
	Adampur	3380	3330	50	1000	1200	200
	Sirsa	3380	3330	50	-	-	-
	Bhiwani	3380	3330	50	-	-	-
	Deesa	3100	3085	15	250	400	150
	Nagaur	-	-	-	-	-	-
	Dhabwali	3160	-	-	-	-	-
Guar Gum	Jodhpur	9600	9500	100	N/A	N/A	-
	Bhiwani	10000	10000	Unch	N/A	N/A	-
	Dhabwali	9900	-	-	N/A	N/A	-

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 734/quintal
Korma	Jodhpur	Rs 1000/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.79
European Union	Euro	63.59
United Kingdom	GBP	73.19

Commodity	Variety	Value
Guargum Split		\$2400/tonne
Guargum Powder	200 Mesh 5000 CPS	\$3000/tonne
	200 Mesh 3500 CPS	\$2900/tonne
Guargum Meal		\$ 310/ tonne

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