



Highlights of the Month:

- Guar seed as well as gum prices are presently moving in a range with weak bias. Over production of guar seed and lower demand of splits and guar gum powder from overseas became the major influencing factors which drive the prices downwards.
- India is offering guar split at FOB Rs. 128/kg which is still higher compared to Pakistan which are presently offering guar split at FOB Rs. 120/kg.
- Farmers in US have alleged that West Texas Guar hasn't paid anything for their 2013 guar crop. This incident could discourage farmers of US to plant guar for the next season and hurt the program of experimenting guar planting in US.
- Stockiest are creating artificial panic in the market in order to increase the guar arrivals from farmers in the market. This move gives clear indication that stockiest are trying to build their guar stocks at lower levels as expected.
- Reportedly, big traders and farmers who have invested their own money (and money taken on interest) are not willing to release their guar stocks in the open market at present rates.

Current Market Dynamics:

Market is presently hovering in Rs 4000-5000 per quintal range from last 3-4 months. Thin trading activities recorded in the markets as market participants still believe prices of guar seed has the potential to move down further supported by higher carry over stock, good production figures and lack of export demand from overseas.

Reportedly, around 4900 bags of guar seed arrived in Jodhpur market in March 2014 which was 6000 bags last month. Presently, around 40000-45000 bags of guar seed arrive in all India markets on a daily basis as reported.

Export and Import Scenario

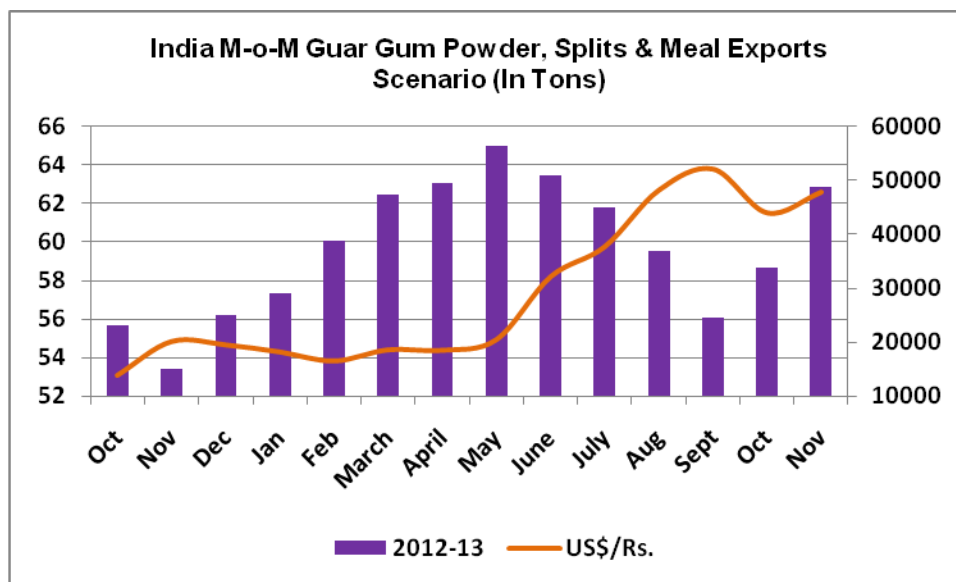
Presently, export demand from US and China remained consistent but not going to increase by huge volume as US has already huge stocks in Houston as reported.

India exported 12717 tons of guar products collectively including powder, splits and meal in the third week of December 2013. This takes the overall guar exports to 53000 tons approx. in this month till date.

Rupee appreciation against dollar last week decrease the overall export parity of guar seed as reported.

Demand Side of Guar and Guar Gum:

It is notable that guar prices are falling owing to weak domestic demand. Higher crop expectations of Summer crop led the prices downwards.

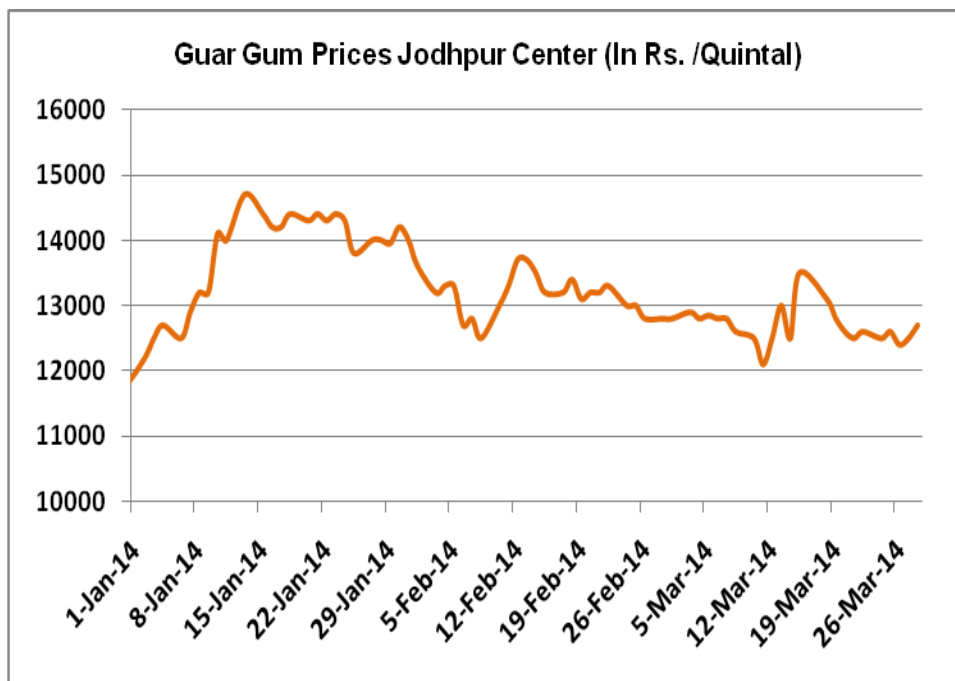
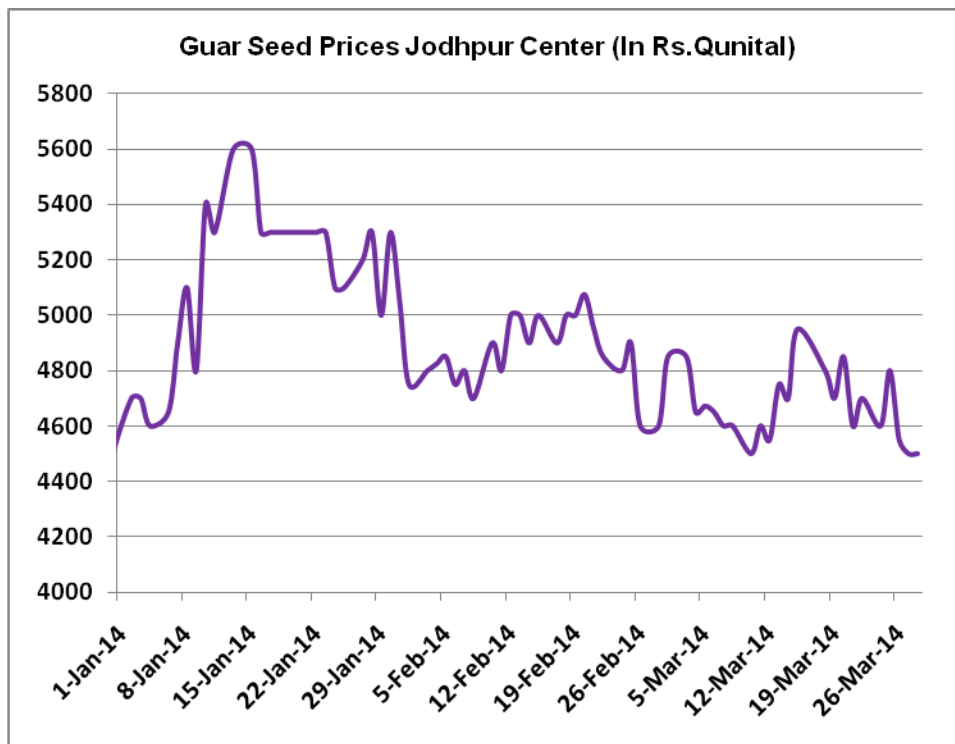


Guar Splits FOB Price Comparison:

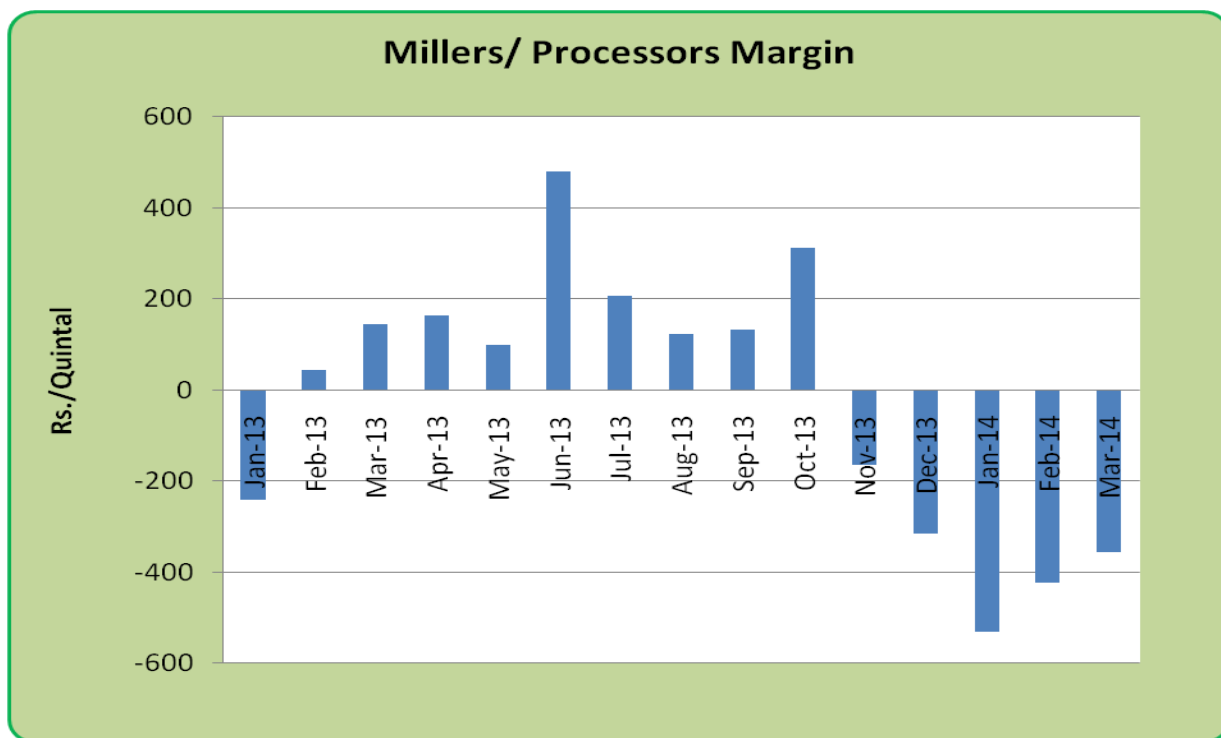
Indicative Guar Gum Split FOB Prices (Rs./Kg) till 31 th March 2014			
	Pakistan (Rs./Kg)	India (Rs./Kg)	
Comparative Guar Split FOB Prices	120	128	-

Price Scenario

Monthly average Guar seed and gum prices declined month-on-month basis in Jodhpur market. The average monthly price of guar seed for March declined by 4% to Rs.4660/Qtl and that of guar gum declined by 4% to Rs.1294/Qtl in comparison with the month of February 2014. The graph below illustrates the monthly average price movement of guar seed and guar gum in Jodhpur market.



Millers/Processors Margin



As seen in the chart above, the average crushing margin of guar seed improved compared to previous month. In the month of March 2014, average crush margin stood at Rs. -355/Quintal which was -422 per quintal last month. Increase in Korma prices led the processing margin improved compared to prior month.

Guar by – Products Monthly Average Prices:

Commodity	Centre	March-14	February-14	Change
Churi	Jodhpur	898	902	-4
Korma	Jodhpur	1306	1270	36
Churi	Sri-Ganganagar	854	861	-7
Korma	Sri-Ganganagar	1225	1234	-9
Prices in Rs/75kg				

Guar Export Monthly Average Prices:

Commodity	Variety	March-14	February-14	Change
Guargum Split		2090	2149	-59
Guargum Powder	200 Mesh 5000 CPS	2743	2788	-45
	200 Mesh 3500 CPS	2578	2627	-49
Guargum Meal	40%	268	283	-15
	50%	366	373	-7
Prices in \$/MT				

Commodity	Centre	Monthly Prices (Average)		Change
	Guar Seeds	March-14	February-14	
Rajasthan	Jodhpur (Loose)	4444	4643	-199
	Jodhpur(Delivery)	4675	4821	-146
	Sri-Ganganagar(Loose)	4419	4675	-256
	Sri-Ganganagar (Delivery)	4553	4799	-245
	Nagaur (Loose)	4245	4564	-319
	Alwar (loose)	4118	4386	-268
	Churu (Delivery)	4709	4878	-169
	Bikaner (Loose)	4476	4677	-202
	Bikaner (Delivery)	4618	4858	-240
	Khajuwala Bikaner (Loose)	4398	4643	-245
	Khajuwala Bikane(Delivery)	4574	4829	-255
	Nokha(Loose)	4424	4619	-195
	Nokha (Delivery)	4583	4780	-196
	Hanumangarh (Loose)	4424	4654	-229
	Hanumangarh (Delivery)	4596	4765	-169
Haryana	Adampur (Loose)	4462	4679	-217
	Adampur (Delivery)	4652	4891	-239
	Sirsa (Loose)	4607	4787	-180
	Bhiwani (Delivery)	4522	4728	-206
	Dhabwali (Loose)	4435	4588	-153
	Dhabwali (Delivery)	4621	4764	-143
	Siwani (Loose)	4534	4756	-222
	Ellanabad (Loose)	4440	4660	-220
Gujarat	Deesa (Loose)	4151	4459	-308

	Patan (Loose)	4215	4429	-214
	Rajkot (Loose)	4107	4529	-423
	Dabra (Loose)	3871	4369	-498
Madhya pradesh				
Guar Gum				
Rajasthan	Jodhpur	12693	13150	-457
	Alwar	12674	13300	-626
Haryana	Sirsa	12268	12863	-595
	Bhiwani	12676	13100	-424
	Dhabwali	12664	13244	-580
	Ellanabad	12724	13317	-593

Guar Cumulative Arrivals in Key Centers

Centre	Monthly Arrivals (Quintals)			Change
		March-14	February-14	
Rajasthan	Jodhpur	4900	6000	-1100
	Sri-Ganganagar	59500	39500	20000
	Nagaur	2910	3400	-490
	Alwar	15200	18000	-2800
	Churu	6000	9800	-3800
	Bikaner	21900	29400	-7500
	Khajuwala Bikaner	22200	17000	5200
	Nokha	6450	7450	-1000
	Hanumangarh	21400	10360	11040
Haryana	Adampur	108000	72500	35500
	Sirsa	78000	31200	46800
	Bhiwani	14300	13970	330
	Dhabwali	11250	5500	5750
	Siwani	46200	28000	18200
	Ellanabad	37400	20300	17100
Gujarat	Deesa	2986	7892	-4906
	Patan (Loose)	3285	5005	-1720
	Rajkot	8578	12120	-3542
Madhya pradesh	Dabra	36800	15200	21600
Total Arrival		507259	246497	260762

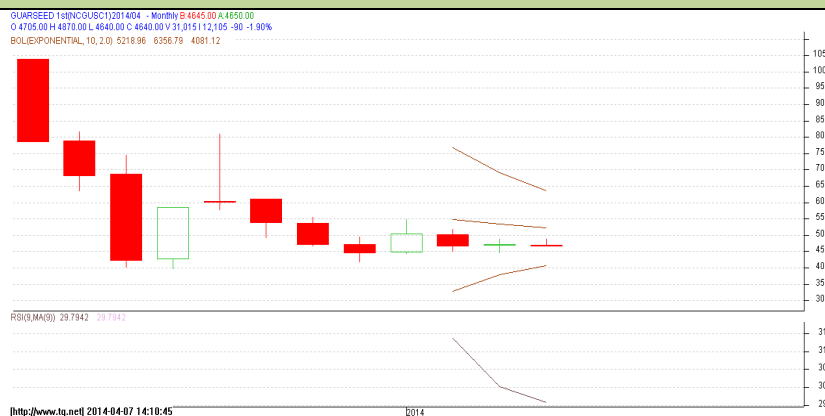
Commodity: Guar Seed
Contract: Continuous Chart

Exchange: NCDEX

Guar Seed Continuous Chart (C1)

Technical Commentary:

- Prices are consolidating as chart depicts.
- Last candlestick depicts bearishness.
- Prices shows downward trend line became a major resistance point on weekly chart.
- RSI is hovering at oversold region.



Strategy: We advise market participants to Sell from near resistance level.

Positional Supports & Resistances			S2	S1	PCP	R1	R2
Guar Seed	NCDEX	C1 Chart	2380	3960	4730	5535	6025
Intraday Trade Call			Call	Entry	T1	T2	SL
Guar Seed	NCDEX	C1 Chart	Buy	Sell Below 4800	4400	4200	5040

Commodity: Guar Gum
Contract: Continuous Chart

Exchange: NCDEX

Guar Gum Continuous Chart (C1)

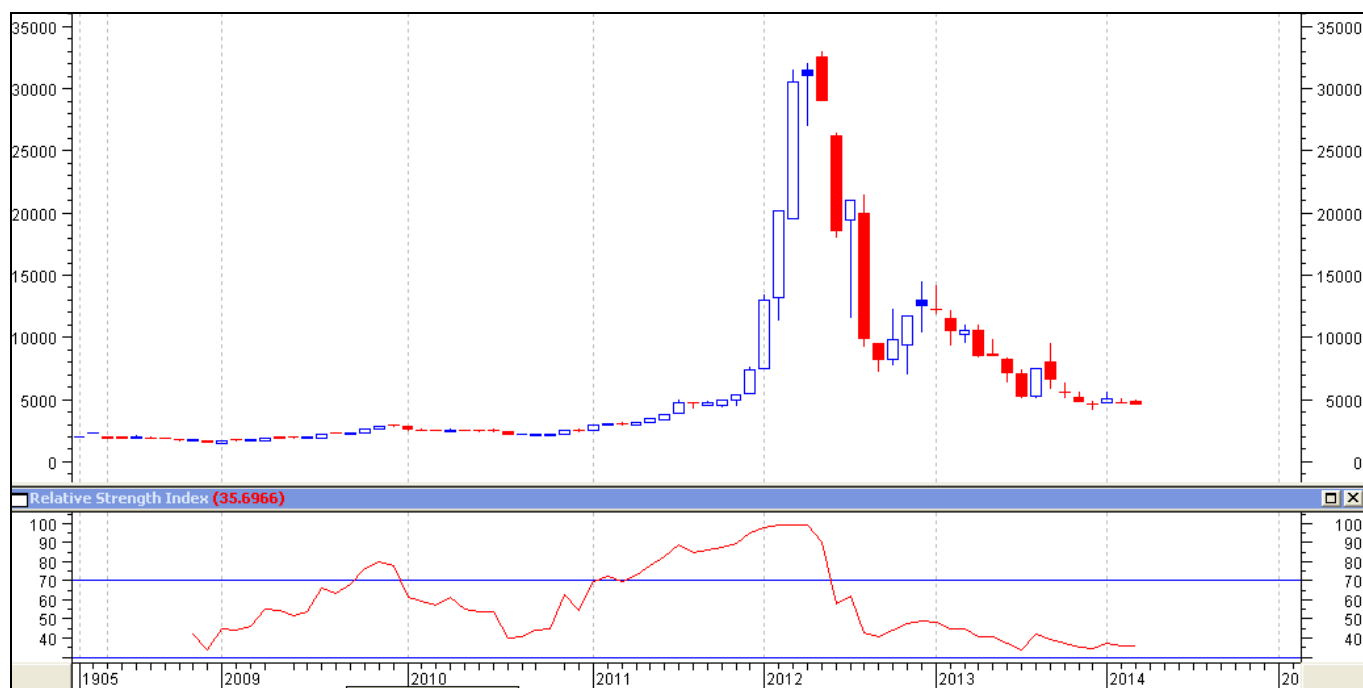
Technical Commentary:

- Guar gum prices are hovering in a range.
- RSI is moving up near to oversold region.
- Last candlestick depicts bearishness in the prices.
- Decrease in prices has supported by volume and OI which further indicates bearishness.



Strategy: Sell

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Guar Gum	NCDEX	C1 Chart	6840	11140	12610	13550	15440
Intraday Trade Call			Call	Entry	T1	T2	SL
Guar Gum	NCDEX	C1 Chart	Sell	Below 12700	12000	11700	13000

Spot Market Monthly Price Trend of Guar seed at Jodhpur

Fig-1 – Guar Seed Monthly Spot Prices (Jodhpur)

Guar seed prices are moving in a range with weak tone as chart depicts. However, last candlestick depicts prices not sustained at higher levels and likely to come down in the coming month and test its next support level i.e. Rs 4400 per quintal.

Prices are likely to continue to trade weak in the coming month.

Spot Market Monthly Price Trend of Guar Gum at Jodhpur

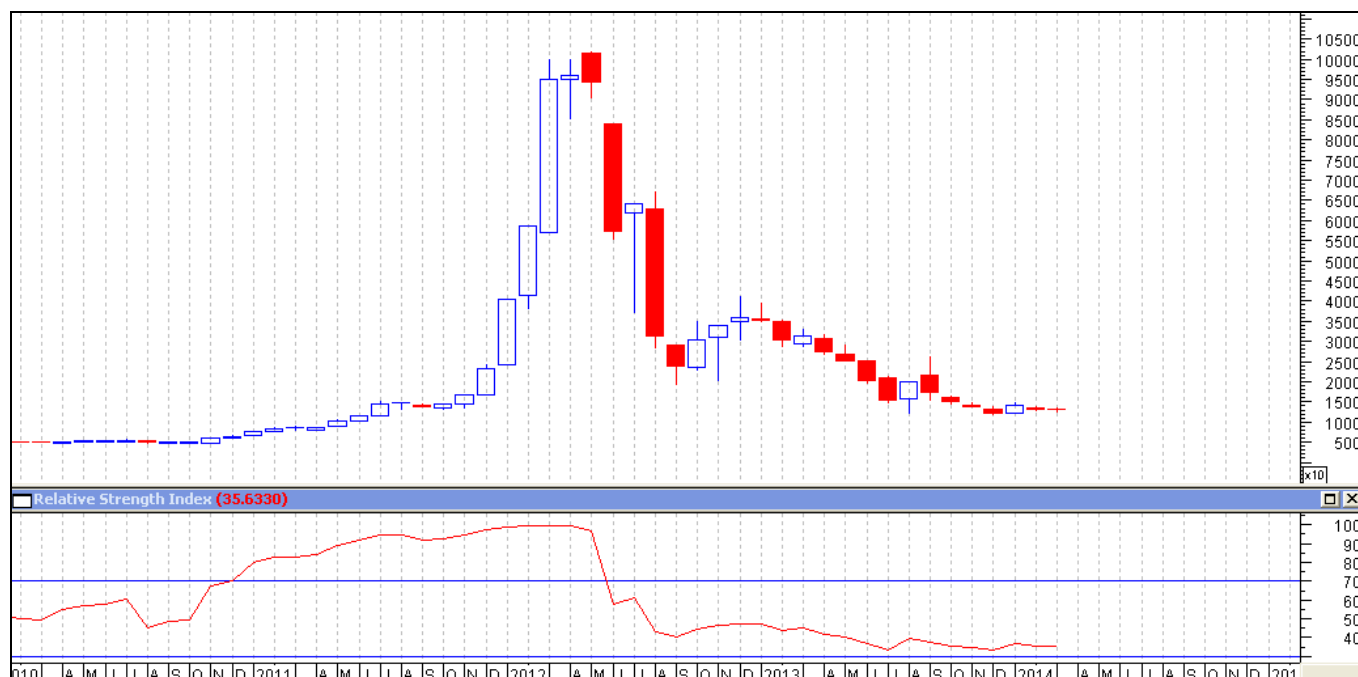


Fig-2 – Guar Gum Monthly Spot Prices (Jodhpur)

Guar gum prices are moving in downward channel as chart depicts. Prices break crucial level and likely to test its next support level i.e. Rs 11800 per quintal. Last candlestick depicts bearishness which also supports the statement.

Prices are likely to move towards Rs.11800/Qtl levels in the medium –term.

Spot Market Outlook:

Guar seed and gum prices are moving in a negative zone and likely to continue its bear run in the coming month.. Overall sentiments look bearish as export demand also not picking up.

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