

## GUAR SEED

### Technical Analysis:

- Candlestick chart pattern indicates that 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 region indicates bearish momentum.
- RSI is moving down in the neutral zone.
- Guarseed futures are likely to trade range-bound with weak bias in next session.

### Trade Recommendation – Guarseed NCDEX (February)

Call	Entry	T1	T2	SL
<b>SELL</b>	<2535	2505	2482	2550
Support & Resistance				
S2	S1	PCP	R1	R2
2431	2458	2501	2581	2594



## GUAR GUM

### Technical Analysis:

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

### Trade Recommendation – Guargum NCDEX (February)

Call	Entry	T1	T2	SL
<b>SELL</b>	<6678	6617	6555	6708
Support & Resistance				
S2	S1	PCP	R1	R2
6379	6455	6540	6747	6839



### Price Drivers

- Low carry- in stocks.
- Guar gum exports are likely to go up.
- Expectation of bumper guar seed production this season (2010-11)
- Lower overall arrivals.
- Higher demand in the markets

## Spot Market Analysis:

- Mixed sentiment witnessed in Guar cash market on Friday.
- Trading activities across the spot market were subdued due to prevailing cold weather.
- The processors and stockiests are inactive across the spot markets as the prices are prevailing at higher levels. As per traders' projection, the guar gum manufacturers already have sufficient amount of stock to fulfill their export demand.
- Reduced off take of guar seed is noticed in some areas of Rajasthan and Haryana as a result of quality issue. Buyers are not willing to pay higher prices for the guar seed which is affected by the weather condition due to bad climate.
- Guar by- product (churi and korma) prices declined in the spot market due to excess supply as a result of higher production.
- Market participants are expecting that, overall arrivals will be lower side in coming days which may provide support to guar seed as well as guar gum prices in near term.
- Overall arrivals are reported at around 60,000 bags, which are unchanged as compared to the previous day's arrivals.
- Lower carry- in stocks in the spot market likely to support the guar prices in coming days.

***Both Guar seed and Guar gum prices may go upside in coming days due to lower arrivals and higher export demand. However, improvement in weather condition may allow higher arrivals in the spot market which may restrict the gain.***

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 07.01.11	%Change from Prior day	Arrivals 07.01.11
Guar Seed	Jodhpur (Delivery)	2475	-1.00	Nil
	Jodhpur (Loose)	2250	Unch	Nil
	Bikaner	2400	-0.62	4500
	Nokha	2350	-2.08	1500
	Hanumangarh	2450	Unch	200
	Sri-Ganganagar	2360	+0.43	800
	Adampur	2425	+0.21	2500
	Sirsa	2425	+1.04	700
	Bhiwani	2425	+0.41	500
	Deesa	2425	-0.61	750
	Nagaur	2280	+1.79	1500
	Dhabwali	2375	+0.21	80
Guar Gum	Jodhpur	6525	-1.14	N/A
	Bhiwani	6700	+1.52	N/A
	Dhabwali	6575	-0.38	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 1067/quintal
Korma	Jodhpur	Rs 1120/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.37
European Union	Euro	58.93
United Kingdom	GBP	70.03

Commodity	Variety	Value
Guargum Split		\$1425/tonne
Guargum Powder	200 Mesh 5000 CPS	\$1675/tonne
	200 Mesh 3500 CPS	\$1625/tonne
Guargum Meal		\$ 325/ tonne

### DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>