

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates that bullish sentiment in the market.
- Prices closed between 9 and 18 day EMAs supporting the range bound movement in the short term.
- MACD is moving down in positive region indicates bearish momentum.
- RSI is moving up in the neutral zone.
- Guarseed futures are likely to trade range-bound with strong bias in next session.

Trade Recommendation – Guarseed NCDEX (February)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >2502 | 2528 | 2541 | 2488 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2453 | 2480 | 2507 | 2566 | 2581 |



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates that bearish sentiment in the market.
- Prices closed between the 9 and 18 day EMAs supporting the range bound movement 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 strong bias in next session.

Trade Recommendation – Guargum NCDEX (February)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >6530 | 6562 | 6585 | 6514 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 6389 | 6438 | 6536 | 6678 | 6745 |



Price Drivers

- Low carry- in stocks.
- Guar gum exports are likely to go up.
- Expectation of bumper guar seed production this season (2010-1
- Higher overall arrivals.
- Low demand in the markets

Spot Market Analysis:

- Weak tone of sentiment witnessed in key cash markets of guar seed and guar gum on Saturday.
- Due to weekend period and cold weather condition trading activities were dull in spot market.
- Guar seed and Guar gum demand are sluggish today in the spot market due to reduced off take by processors as well as stockiest as higher prices are prevailing. As per traders' projection, processors already have sufficient amount of stock to fulfill their export demand.
- Overall arrivals are reported at around 70,000 bags, which is higher by 10,000 bags of previous day's arrivals.
- As per market sources, fresh arrivals of guar seed is expected to carry on till the month of January and later it will decrease drastically.
- 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.
- As per traders' projection, increase in good quality arrivals may influence processors for higher quantity procurement in near term.

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 08.01.11 | %Change from Prior day | Arrivals 08.01.11 |
| Guar Seed | Jodhpur (Delivery) | 2450 | -1.01 | Nil |
| | Jodhpur (Loose) | 2250 | Unch | Nil |
| | Bikaner | 2410 | +0.42 | 2500 |
| | Nokha | 2370 | +0.85 | 1500 |
| | Hanumangarh | - | - | - |
| | Sri-Ganganagar | 2340 | -0.85 | 400 |
| | Adampur | 2415 | -0.41 | 2200 |
| | Sirsa | 2400 | -1.03 | 600 |
| | Bhiwani | 2400 | -1.03 | 400 |
| | Deesa | 2420 | -0.21 | 450 |
| | Nagaur | 2280 | Unch | 800 |
| | Dhabwali | 2380 | +0.21 | 125 |
| Guar Gum | Jodhpur | 6450 | -1.15 | N/A |
| | Bhiwani | 6600 | -1.49 | N/A |
| | Dhabwali | 6450 | -1.90 | 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 | 45.34 |
| European Union | Euro | 58.64 |
| United Kingdom | GBP | 70.50 |

| 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 |

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