

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates that 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 region indicates bullish 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	>2530	2562	2580	2512
Support & Resistance				
S2	S1	PCP	R1	R2
2474	2514	2535	2590	2608



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates that bullish sentiment in the market.
- Prices closed above the 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is moving down in positive region hints for increase in bearish momentum.
- RSI is moving up 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	>6610	6662	6690	6584
Support & Resistance				
S2	S1	PCP	R1	R2
6490	6541	6645	6743	6770



Price Drivers

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

Spot Market Analysis:

- Strong sentiment witnessed in key Guar cash market on Tuesday.
- Better demand and fresh buying across the spot markets supported the guar prices today. As per trade sources, processors are buying guar seed actively in the market.
- Guar seed and guar gum prices move up side in the spot market as a result of higher procurement by the stockiest.
- Reportedly, overall arrivals are decreased in the spot market which also supported the prices to gain. Overall arrivals are reported at around 70,000 bags, which is lower by 5,000 bags as compared to the previous day's arrivals.
- Market participants are projecting that, fresh arrivals of guar seed is expected to carry on till the month of January and later it will decrease, which can escalate prices in near term in the spot market.
- Guar by-product (Churi & Korma) prices declined in the spot market due to lower demand as a result of excess supply.
- Increases demand for Guar gum in the overseas market influenced the Guar split, powder and meal prices in the spot market.

Both Guar seed and Guar gum prices are likely to go upside in coming days on lower arrivals and increasing demand from the exporters, stockiest, processors in the spot markets. However, recovery in the weather conditions may allow higher arrivals in the spot market which may restrict the gain.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 11.01.11	%Change from Prior day	Arrivals 11.01.11
Guar Seed	Jodhpur (Delivery)	2550	Unch	Nil
	Jodhpur (Loose)	2275	Unch	Nil
	Bikaner	2455	+1.03	2500
	Nokha	2410	+0.84	2000
	Hanumangarh	2450	-	200
	Sri-Ganganagar	2350	+0.43	600
	Adampur	2420	+0.83	2000
	Sirsa	2415	+0.63	600
	Bhiwani	2420	+0.83	400
	Deesa	2430	+1.25	600
	Nagaur	2275	+0.22	1700
	Dhabwali	2380	Unch	150
Guar Gum	Jodhpur	6450	Unch	N/A
	Bhiwani	6700	+1.52	N/A
	Dhabwali	6600	+1.54	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	45.32
European Union	Euro	58.70
United Kingdom	GBP	70.54

Commodity	Variety	Value
Guargum Split		\$1500/tonne
Guargum Powder	200 Mesh 5000 CPS	\$1780/tonne
	200 Mesh 3500 CPS	\$1740/tonne
Guargum Meal		\$ 340/ tonne

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