

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates that prices could not sustain at higher levels 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 overbought zone and is warranting the bulls.
- Guarseed futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guarseed NCDEX (February)

Call	Entry	T1	T2	SL
BUY	>2799	2822	2840	2779
Support & Resistance				
S2	S1	PCP	R1	R2
2774	2785	2811	2840	2860



GUAR GUM

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 overbought zone and is warranting the bulls.
- Guar gum futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guar gum NCDEX (February)

Call	Entry	T1	T2	SL
BUY	>7380	7422	7444	7350
Support & Resistance				
S2	S1	PCP	R1	R2
7312	7354	7410	7450	7500



Price Drivers

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

Spot Market Analysis:

- Mostly firm sentiments witnessed in key Guar cash market.
- Firm demand of the commodity is pressurizing guar prices to move in northwards direction.
- Domestic guar output during current year is likely to be less than the targeted output by around 20% and less carry-in stock from last year is hinting for supply crunch in coming days and this has forced buyers to purchased the commodity at higher levels.
- Demand of Indian guar gum in the international market has increased as Pakistan (second largest guar gum exporter) has negligible crop during current year.
- In addition, slight improvement is also recorded in demand of by-products.

Guar seed and gum prices are expected to trade with firm bias in near term in anticipation of reduced arrivals in domestic markets against strong demand.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 22.01.11	%Change from Prior day	Arrivals 22.01.11
Guar Seed	Jodhpur (Delivery)	2880-90	3.21	-
	Jodhpur (Loose)	2590	1.97	Nil
	Bikaner	2560-80	0.00	6000
	Nokha	2600	0.00	2000
	Hanumangarh	2730	1.11	100
	Sri-Ganganagar	2660-65	0.95	600
	Adampur	2715	0.56	2000
	Sirsa	2700	0.00	600
	Bhiwani	2700	0.75	400
	Deesa	2700-05	3.24	600
	Nagaur	2550	0.99	600
	Dhabwali	2670	2.69	150
Guar Gum	Jodhpur	7250	2.84	N/A
	Bhiwani	7400	2.78	N/A
	Dhabwali	7350	1.38	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 1093/quintal
Korma	Jodhpur	Rs 1240/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.63
European Union	Euro	62.15
United Kingdom	GBP	72.98

Commodity	Variety	Value
Guargum Split		\$1750/tonne
Guargum Powder	200 Mesh 5000 CPS	\$1800/tonne
	200 Mesh 3500 CPS	\$1850/tonne
Guargum Meal		\$ 340/ tonne

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