

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates the bearish 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 indicating bullish momentum.
- RSI is moving down 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	>2760	2785	2807	2748
Support & Resistance				
S2	S1	PCP	R1	R2
2663	2741	2768	2833	2850



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates the bearish 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 down 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 – Guargum NCDEX (February)

Call	Entry	T1	T2	SL
BUY	>7301	7350	7372	7268
Support & Resistance				
S2	S1	PCP	R1	R2
7258	7300	7330	7370	7401



Price Drivers

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

Spot Market Analysis:

- Mixed sentiment witnessed in Guar cash market on Tuesday.
- As per trade sources, guar seed and guar gum prices in spot market may go up in coming days as a result of higher procurement by the stockiest.
- Processors are consistently buying guar seed for export purpose and this is supporting domestic guar prices.
- Overall arrivals are reported at around 60,000 bags, which are 10,000 bags higher compared to the previous days arrivals.
- Market participants believe that guar prices will increase in coming days due to the supply shortage of the commodity.
- Trade participants are expecting supply crunch in near term and this has forced buyers to refill the stock level.
- 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 25.01.11	%Change from Prior day	Arrivals 25.01.11
Guar Seed	Jodhpur (Delivery)	2850	+0.18	Nil
	Jodhpur (Loose)	2500	-2.53	Nil
	Bikaner	-	-	-
	Nokha	2630	+1.94	1500
	Hanumangarh	2690	-0.37	400
	Sri-Ganganagar	2640	+1.93	600
	Adampur	2700	+1.12	1500
	Sirsa	2700	+0.75	400
	Bhiwani	2700	+0.75	400
	Deesa	2705	-	600
	Nagaur	2435	-	600
	Dhabwali	2625	-0.94	100
Guar Gum	Jodhpur	7300	+1.39	N/A
	Bhiwani	7325	-4.25	N/A
	Dhabwali	7300	-0.68	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	45.53
European Union	Euro	62.14
United Kingdom	GBP	72.77

Commodity	Variety	Value
Guargum Split		\$1650/tonne
Guargum Powder	200 Mesh 5000 CPS	\$1900/tonne
	200 Mesh 3500 CPS	\$1950/tonne
Guargum Meal		\$ 320/ tonne

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