

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates the bullish sentiment in the market.
- Prices closed above 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is flatter in positive region.
- RSI is moving up in the overbought zone indicating the bullish momentum in the short term.
- 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	>2860	2896	2920	2830
Support & Resistance				
S2	S1	PCP	R1	R2
2794	2830	2855	2899	2939



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates the 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.
- 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	>7843	7893	7931	7810
Support & Resistance				
S2	S1	PCP	R1	R2
7421	7632	7882	7942	7970



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 strong sentiment witnessed in key Guar cash market on Wednesday.
- Fresh buying across the spot markets supported the guar prices.
- As per trade sources, higher demand for guar gum in international market supported the guar gum prices and it influenced for increased buying of guar seed by processors (almost 70-80 percent).
- As a result of higher procurement by the stockiests, guar seed and guar gum prices move up side in the spot market.
- Overall arrivals are reported at around 40,000 - 50,000 bags, which are unchanged as compared to the previous day's arrivals.
- As per the trader's projection, overall arrivals in the spot market will be lower side in coming days, which may push prices upper side in near term.
- Expectations of increase in the crude oil extraction activities in near term are indicating strong overseas demand for the guar gum which may likely to support the guar gum prices.

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 02.02.11	%Change from Prior day	Arrivals 02.02.11
Guar Seed	Jodhpur (Delivery)	2940	+1.38	Nil
	Jodhpur (Loose)	2650	Unch	Nil
	Bikaner	2840	+1.79	3000
	Nokha	2750	Unch	1500
	Hanumangarh	2800	+1.08	200
	Sri-Ganganagar	2800	+1.45	400
	Adampur	2900	+2.65	1500
	Sirsa	2890	+3.58	600
	Bhiwani	2870	+2.50	600
	Deesa	2705	+1.69	600
	Nagaur	2640	+4.35	500
Dhabwali	2825	-0.88	100	
Guar Gum	Jodhpur	7850	+1.62	N/A
	Bhiwani	7900	+1.28	N/A
	Dhabwali	7900	+0.64	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 1080/quintal
Korma	Jodhpur	Rs 1213/quintal

Country/Continent	Currency	Value in Rupees
USA	Dollar	45.63
European Union	Euro	63.16
United Kingdom	GBP	73.72

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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