

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 moving up in positive region indicating the bullish momentum in the short term.
- 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	>2904	2945	2984	2880
Support & Resistance				
S2	S1	PCP	R1	R2
2815	2856	2922	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 – Guar gum NCDEX (February)

Call	Entry	T1	T2	SL
BUY	>7954	8004	8045	7916
Support & Resistance				
S2	S1	PCP	R1	R2
7638	7838	8143	8140	8257



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:

- Strong sentiment witnessed in key Guar cash market on Thursday.
- Good demand across the spot markets supported the guar prices.
- As a result of higher procurement by the stockiest, guar seed and guar gum prices move up side in the spot market.
- As per trade sources, increasing demand for guar gum in international market supported the guar gum prices and it influenced for increased buying of guar seed by processors.
- Arrivals are decreased in the major mandis of Rajasthan and Haryana which also supported the prices to gain. Overall arrivals are reported at around 45,000 bags, which are 5,000 bags lower as compared to the previous day's arrivals.
- As per the trade sources, 75-80 percent of guar seed has been already traded at the spot market and there will be scattered arrivals in further days is expected, which may likely to support the guar seed and guar gum prices to move up 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 03.02.11	%Change from Prior day	Arrivals 03.02.11
Guar Seed	Jodhpur (Delivery)	2925	-0.51	Nil
	Jodhpur (Loose)	2650	Unch	Nil
	Bikaner	2890	+1.76	3000
	Nokha	2770	+0.73	1000
	Hanumangarh	2810	+0.36	200
	Sri-Ganganagar	2790	-0.36	400
	Adampur	2935	+1.21	2000
	Sirsa	2940	+1.73	600
	Bhiwani	2915	+1.57	400
	Deesa	2735	+1.11	600
	Nagaur	2720	+3.03	600
	Dhabwali	2850	+0.88	-
Guar Gum	Jodhpur	7975	+1.59	N/A
	Bhiwani	8000	+1.27	N/A
	Dhabwali	7925	+0.32	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	62.96
United Kingdom	GBP	73.89

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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