

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.
- RSI is moving down in the neutral zone indicating the bullish momentum in the short term.
- MACD is moving down in neutral region warranting the bulls.
- Guar seed futures are likely to trade range-bound with weak bias in next session.

Trade Recommendation – Guarseed NCDEX (March)

Call	Entry	T1	T2	SL
SELL	<2909	2886	2869	2921
Support & Resistance				
S2	S1	PCP	R1	R2
2804	2842	2892	2943	2967



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.
- RSI is moving down in the neutral zone
- MACD is moving down in positive region indicates bearish momentum.
- Guar gum futures are likely to trade range-bound with weak bias in next session.

Trade Recommendation – Guargum NCDEX (March)

Call	Entry	T1	T2	SL
SELL	<8334	8283	8253	8359
Support & Resistance				
S2	S1	PCP	R1	R2
8039	8141	8319	8390	8430



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.
- Reducing demand in the markets.

Spot Market Analysis:

- Steady to firm sentiment witnessed in key cash markets of Guar seed on Friday and in some markets Guar Gum prices are slightly down by 1% as compared to the previous day's prices.
- Demand for Guar gum reported sluggish today in the spot market due to reduced off take by the processors as higher prices are prevailing. Buyers are not interested to pay high price for guar gum.
- Overall arrivals are reported at around 35,000 bags, which are lower by 15,000 bags as compared to the previous day's arrivals.
- As per our estimation, stockiests may have 5.26 lakh tonnes of guar stock with them and they may release their stocks in the spot market gradually, which may likely to exert pressure on guar prices in short term.
- Exporters are still inactive in the domestic market they are looking for fresh export orders.
- In the domestic market, trade participants are optimistic about the increase in exports of guar gum in coming days due to low stocks and crop damaged in Pakistan(second largest gum exporter followed by India) on because of floods and India will have to fulfill the overseas requirement.

Both guar seed and gum prices are expected to trade range bound with firm bias in short term on anticipation of reducing arrivals in the spot market.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 18.02.11	%Change from Prior day	Arrivals 18.02.11
Guar Seed	Jodhpur (Delivery)	2980	Unch	Nil
	Jodhpur (Loose)	2700	-0.92	Nil
	Bikaner	2870	Unch	3000
	Nokha	2880	Unch	1500
	Hanumangarh	2904	+0.83	150
	Sri-Ganganagar	2900	Unch	100
	Adampur	3000	+1.01	1400
	Sirsa	2990	+0.67	300
	Bhiwani	3000	+1.01	600
	Deesa	-	-	-
	Nagaur	2870	+1.77	400
	Dhabwali	2950	Unch	20
Guar Gum	Jodhpur	8100	-3.57	N/A
	Bhiwani	8500	-1.16	N/A
	Dhabwali	8400	-0.88	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 1014/quintal
Korma	Jodhpur	Rs 1087/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.18
European Union	Euro	61.43
United Kingdom	GBP	73.04

Commodity	Variety	Value
Guargum Split		\$1720/tonne
Guargum Powder	200 Mesh 5000 CPS	\$2025/tonne
	200 Mesh 3500 CPS	\$1975/tonne
Guargum Meal		\$ 325/ tonne

DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>