

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

Trade Recommendation – Guarseed NCDEX (March)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >2924 | 2954 | 2979 | 2887 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2850 | 2867 | 2923 | 2989 | 2999 |



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.
- 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 strong bias in next session.

Trade Recommendation – Guargum NCDEX (March)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >8328 | 8368 | 8388 | 8220 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 8039 | 8141 | 8340 | 8398 | 8427 |



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.
- Reducing demand in the markets.

Spot Market Analysis:

- Strong sentiment witnessed in key cash markets of Guar seed and Guar gum on Saturday and in some markets Guar prices are steady as compared to the previous day's prices.
- Demand for the ready guar gum was reported across the spot market. Good buying for ready guar gum sturdily supports the guar seed and guar gum prices to gain.
- Higher procurement by the stockiest for Guar seed is reported across the spot market.
- Slight improvements of overall arrivals are reported in the spot market today. Overall arrivals are reported at around 40,000 bags, which are higher by 5,000 bags as compared to the previous day's arrivals.
- As per trade information, exporters demand for guar gum is reported in the spot market.
- 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.
- 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.

Both guar seed and gum prices are expected to trade with firm bias in near term in expectation of decreased arrivals in domestic markets against strong demand for guar gum in international market.

| Guar Seed And Guar Gum Spot Prices & Arrivals | | | | |
|---|--------------------|-----------------|------------------------|-------------------|
| Commodity | Centres | Prices 19.02.11 | %Change from Prior day | Arrivals 19.02.11 |
| Guar Seed | Jodhpur (Delivery) | 2980 | Unch | Nil |
| | Jodhpur (Loose) | 2720 | +0.74 | Nil |
| | Bikaner | 2870 | Unch | 2000 |
| | Nokha | 2880 | Unch | 1500 |
| | Hanumangarh | - | - | - |
| | Sri-Ganganagar | 2970 | +2.41 | - |
| | Adampur | 3050 | +1.67 | 1500 |
| | Sirsa | 3050 | +2.01 | 300 |
| | Bhiwani | 3040 | +1.33 | 1200 |
| | Deesa | 2780 | - | 350 |
| | Nagaur | 2900 | +1.05 | 300 |
| | Dhabwali | 2950 | Unch | 60 |
| Guar Gum | Jodhpur | 8200 | +1.23 | N/A |
| | Bhiwani | 8550 | +0.59 | N/A |
| | Dhabwali | 8425 | +0.30 | 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 |

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