

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	>2982	3019	3039	2920
Support & Resistance				
S2	S1	PCP	R1	R2
2853	2892	2980	3050	3080



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 up in the neutral zone.
- MACD is moving up in positive region indicates bullish 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	>8459	8501	8530	8361
Support & Resistance				
S2	S1	PCP	R1	R2
8134	8257	8509	8540	8567



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:

- Mostly strong sentiment featured in key cash markets of Guar seed and Guar gum on Tuesday.
- Increasing demand for the ready guar gum was reported across the spot market, which provided steady support for guar seed and guar gum prices to gain.
- Demand for guar gum also increases the Guar gum split 4%, Guar gum powder 6.5% and Guar gum meal 1.5% prices to move upside as compared to the previous week.
- Overall arrivals are reported at around 35,000 bags, which are unchanged as compared to the previous day's arrivals.
- As per trade sources, overall arrivals are expected to decrease in near term in the spot market.
- Mixed sentiment of Guar by-products, Churi and Korma noticed in the spot market. Churi decreases by 4% on the other hand Korma increases by 2.5% in the spot market.
- Demands from stockiests are still subdued in the spot market. The selling pressure from the stockiest of Guar seed has reported across the spot market.

Both guar seed and gum prices are expected to trade range bound with side ways move in coming days on anticipation of sluggish demand from the buyers in the spot market. However, reducing arrivals may support the guar prices to gain.

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 22.02.11	%Change from Prior day	Arrivals 22.02.11
Guar Seed	Jodhpur (Delivery)	3050	+2.35	Nil
	Jodhpur (Loose)	2780	+1.83	Nil
	Bikaner	2950	+2.79	2000
	Nokha	2900	+1.75	2000
	Hanumangarh	2945	+1.55	50
	Sri-Ganganagar	-	-	-
	Adampur	3050	Unch	4000
	Sirsa	2990	-0.33	600
	Bhiwani	3050	+1.16	700
	Deesa	2745	Unch	600
	Nagaur	2890	+1.76	300
	Dhabwali	3000	+1.69	-
Guar Gum	Jodhpur	8400	+2.44	N/A
	Bhiwani	8570	-0.35	N/A
	Dhabwali	8550	+1.79	N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 974/quintal
Korma	Jodhpur	Rs 1114/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.20
European Union	Euro	61.41
United Kingdom	GBP	73.07

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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