

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 | >2940 | 2972 | 2998 | 2924 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2893 | 2916 | 2961 | 3015 | 3038 |



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 down in positive region indicates bearish momentum.
- Guar gum futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guargum NCDEX (March)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >8440 | 8492 | 8527 | 8362 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 8284 | 8327 | 8480 | 8534 | 8566 |



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 weak sentiment featured in key cash markets of Guar seed and Guar gum on Thursday.
- As per market participants, the demand across the spot markets is gradually decreasing as the stockists are inactive. Stockiest are not interested to pay higher prices for guar seed and guar gum as they have ample quantity of stock to fulfill their requirement
- The selling pressure from the stockiest of Guar seed has reported across the spot market as against the inactive buyers.
- Overall arrivals are reported at around 35,000 bags, which are unchanged as compared to the previous day's arrivals. Expectations of lower arrivals in coming days can escalate prices in near term in the spot market.
- Trade participants are not expecting major downfall because of renewal in demand from the international (mostly US oil sector) as well as domestic fresh buying from guar gum manufacturers will support the prices to move upside in the short term.
- Slight improvement is recorded in demand of Guar by-products (Churi & Korma). Churi prices increased by 1.34% and Korma prices increased by 0.53% as compared to the previous day.

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 (stockiests) 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 24.02.11 | %Change from Prior day | Arrivals 24.02.11 |
| Guar Seed | Jodhpur (Delivery) | 3025 | -0.82 | Nil |
| | Jodhpur (Loose) | 2780 | -0.71 | Nil |
| | Bikaner | 2920 | -0.34 | 2000 |
| | Nokha | 2850 | -1.04 | 1000 |
| | Hanumangarh | 2900 | -1.69 | 50 |
| | Sri-Ganganagar | 2900 | -1.36 | - |
| | Adampur | 3000 | -1.64 | 2000 |
| | Sirsa | 3000 | -1.64 | 600 |
| | Bhiwani | 3000 | -1.64 | 800 |
| | Deesa | 2765 | Unch | 700 |
| | Nagaur | 2880 | -0.69 | 300 |
| | Dhabwali | 2900 | -2.36 | - |
| Guar Gum | Jodhpur | 8350 | Unch | N/A |
| | Bhiwani | 8600 | Unch | N/A |
| | Dhabwali | 8500 | Unch | N/A |

Arrivals in bags & Prices in Rs. /Quintal

| Commodity | Centre | Price |
|-----------|---------|-----------------|
| Churi | Jodhpur | Rs 987/quintal |
| Korma | Jodhpur | Rs 1120/quintal |

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 45.37 |
| European Union | Euro | 62.39 |
| United Kingdom | GBP | 73.54 |

| 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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