

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates the bearish sentiment in the market.
- Prices closed below 9 and 18 day EMAs supporting the bullish momentum in the short term.
- RSI is moving down in the neutral zone indicating the bearish momentum in the short term.
- MACD is moving down in neutral region indicating the bearish momentum in the short term.
- 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 | <2928 | 2887 | 2856 | 2949 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2826 | 2850 | 2839 | 2960 | 2992 |



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates the bearish sentiment in the market.
- Prices closed below 9 and 18 day EMAs supporting the bearish 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 | <8447 | 8387 | 8353 | 8510 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 8237 | 8338 | 8159 | 8624 | 8652 |



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.
- Renewal demand in the markets.

Spot Market Analysis:

- Weak sentiment featured in key cash markets of Guar seed and Guar gum on Thursday.
- Buyers are not willing to pay higher prices for guar seed and guar gum as they have enough quantities of stock for their further requirement.
- Demands from stockiests are still subdued in the spot market as they have enough quantity of stock to fulfill their further requirement.
- Bad weather condition has restricted the arrivals in the spot market today. Overall arrivals are reported at around 20,000 bags, which are lower by 5,000 bags 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.
- Guar by-product (Churi & Korma) prices declined in the spot market due to lower demand as a result of excess supply. Churi decreases by 6.7% and Korma decreases by 6.5% as compared to the previous day's prices.
- Stock position of guar seed and guar gum at NCDEX accredited warehouses till 1st March, 2011 is reported at 95,867 MT and 23,191 MT respectively.

Both guar seed and gum prices are expected to trade range bound with weak bias in coming days on anticipation of subdued demand in the spot market. However, reducing arrivals in the spot market may restrict the losses.

| Guar Seed And Guar Gum Spot Prices & Arrivals | | | | |
|---|--------------------|--------------------|---------------------------|----------------------|
| Commodity | Centres | Prices 03.03.11 | %Change from Prior day | Arrivals 03.03.11 |
| Guar Seed | Jodhpur (Delivery) | 3025 | -1.79 | Nil |
| | Jodhpur (Loose) | 2750 | -1.79 | Nil |
| | Bikaner | 2900 | -0.34 | 1000 |
| | Nokha | 2790 | -2.45 | 1500 |
| | Hanumangarh | 2850 | -3.06 | 100 |
| | Sri-Ganganagar | 2900 | -1.36 | - |
| | Adampur | 3015 | -1.15 | 1500 |
| | Sirsa | 3010 | -0.99 | 200 |
| | Bhiwani | 3010 | -1.31 | 300 |
| | Deesa | 2725 | -1.45 | 400 |
| | Nagaur | 2840 | -2.74 | 100 |
| | Dhabwali | 2925 | -1.52 | - |
| Guar Gum | Jodhpur | 8250 | -1.79 | N/A |
| | Bhiwani | 8400 | -3.45 | N/A |
| | Dhabwali | 8550 | -1.16 | N/A |

Arrivals in bags & Prices in Rs. /Quintal

| Commodity | Centre | Price |
|-----------|---------|-----------------|
| Churi | Jodhpur | Rs 920/quintal |
| Korma | Jodhpur | Rs 1047/quintal |

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 44.96 |
| European Union | Euro | 62.33 |
| United Kingdom | GBP | 73.37 |

| Commodity | Variety | Value |
|----------------|-------------------|---------------|
| Guargum Split | | \$1925/tonne |
| Guargum Powder | 200 Mesh 5000 CPS | \$2325/tonne |
| | 200 Mesh 3500 CPS | \$2275/tonne |
| Guargum Meal | | \$ 340/ tonne |

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