

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

### Trade Recommendation – Guarseed NCDEX (April)

| Call                 | Entry | T1   | T2   | SL   |
|----------------------|-------|------|------|------|
| <b>BUY</b>           | >2874 | 2901 | 2920 | 2850 |
| Support & Resistance |       |      |      |      |
| S2                   | S1    | PCP  | R1   | R2   |
| 2814                 | 2848  | 2871 | 2960 | 2994 |



## GUAR GUM

### Technical Analysis:

- Candlestick chart pattern indicates the indecision situation in the market.
- Prices closed below 9 and 18 day EMAs supporting the bearish momentum in the short term.
- MACD is moving down in negative region.
- RSI is moving up in the neutral zone indicating the bullish momentum in the short term.
- Market participants are suggested to wait for next trading session

### Trade Recommendation – Guargum NCDEX (April)

| Call                 | Entry | T1   | T2   | SL   |
|----------------------|-------|------|------|------|
| <b>Wait</b>          | -     | -    | -    | -    |
| Support & Resistance |       |      |      |      |
| S2                   | S1    | PCP  | R1   | R2   |
| 8084                 | 8146  | 8227 | 8530 | 8580 |



### Price Drivers

- Lower demand from stockiests.
- Guar gum exports are likely to go up.
- Expectation of better guar seed production this season (2010-11)
- Steady overall arrivals.
- Low demand in the markets.

### Spot Market Analysis:

- Mostly firm sentiment featured in key cash markets of Guar seed and Guar gum on Monday.
- Limited arrivals were reported in the major domestic markets which sturdily supported the guar prices to move upside.
- Overall arrivals are reported at around 15,000 bags, which are unchanged as compared to the previous day's arrivals.
- Special Margin of 10% (inclusive of 5% cash margin) on the Long side of Guar Seed will be withdrawn and Special Margin of 10% (inclusive of 5% cash margin) on the Long side of Guar Gum shall be reduced to 5% margin might influenced the market participants to go for higher buying positions by which prices got support.
- In Sri-Ganganagar market no trading activity was reported due to lower arrival.
- Sources revealed that, higher spot prices may slow down the buyers interested in purchasing at these levels due to ample quantity of stocks.
- As a result of higher supply of Guar by - products (Churi & Korma) decreases the demand in the spot market. Churi decreases by 10.7% and Korma decreases by 3.8% as compared to the previous day's prices.
- Stock position of guar seed and guar gum at NCDEX accredited warehouses till 2<sup>nd</sup> April, 2011 is reported at 90,366 MT and 24,326 MT respectively.

*Both guar seed and gum prices are expected to trade range bound with weak bias in coming days on anticipation selling pressure from stockiests at higher prices in the spot market. However, lower arrivals in coming days may support the guar prices.*

| Guar Seed And Guar Gum Spot Prices & Arrivals |                    |                    |                           |                      |
|---|--------------------|--------------------|---------------------------|----------------------|
| Commodity                                     | Centres            | Prices<br>04.04.11 | %Change from<br>Prior day | Arrivals<br>04.04.11 |
| Guar Seed                                     | Jodhpur (Delivery) | 2900               | -                         | -                    |
|   | Jodhpur (Loose)    | 2790               | -                         | -                    |
|   | Bikaner            | 2850               | -                         | 700                  |
|   | Nokha              | 2860               | +4.00                     | 500                  |
|   | Hanumangarh        | 2905               | +6.41                     | 25                   |
|   | Sri-Ganganagar     | -                  | -                         | -                    |
|   | Adampur            | 3000               | +2.21                     | 2000                 |
|   | Sirsa              | 3000               | +2.21                     | -                    |
|   | Bhiwani            | 3000               | +2.21                     | 150                  |
|   | Deesa              | 2700               | -                         | 600                  |
|   | Nagaur             | 2900               | -                         | 40                   |
|   | Dhabwali           | 2860               | +2.14                     | 40                   |
| Guar Gum                                      | Jodhpur            | 8450               | -                         | N/A                  |
|   | Bhiwani            | 8700               | +1.16                     | N/A                  |
|   | Dhabwali           | 8600               | +3.61                     | N/A                  |

Arrivals in bags & Prices in Rs. /Quintal

| Commodity | Centre  | Price           |
|-----------|---------|-----------------|
| Churi     | Jodhpur | Rs 774/quintal  |
| Korma     | Jodhpur | Rs 1014/quintal |

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA                | Dollar   | 44.65           |
| European Union     | Euro     | 63.24           |
| United Kingdom     | GBP      | 71.92           |

| Commodity      | Variety           | Value         |
|----------------|-------------------|---------------|
| Guargum Split  |                   | \$1950/tonne  |
| Guargum Powder | 200 Mesh 5000 CPS | \$2350/tonne  |
|                | 200 Mesh 3500 CPS | \$2300/tonne  |
| Guargum Meal   |                   | \$ 300/ tonne |

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