

## GUAR SEED and GUAR GUM

December 29, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Maintained Stable Sentiment
- Guar Futures: Down as Profit Taking Curbed Gains

### TECHNICAL ANALYSIS

Commodity: **Guar Seed**  
Perspective: Very Short Term  
NCDEX January Contract



#### Chart Indicators:

**Candlesticks:** Slightly bearish, steady to weak opening

**MACD:** Bullish, moving upwards in negative region

**Stochastic:** Slightly bearish, %K-line started moving downwards in normal region

**Overall:** Slightly bearish

#### Market Outlook:

The guar seed futures are expected to trade moderately downwards following a steady to weak opening initially and upwards thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	1719	1708	1751	1761
Feb.	1766	1755	1802	1813

#### Intraday Trade Recommendations:

**Buy** January Guar Seed below 1725 with **target** of 1740, then 1750. **Stop loss** at 1717.

Do not carry forward the position until the next day.

Commodity: **Guar Gum**  
Perspective: Very Short Term  
NCDEX January Contract



#### Chart Indicators:

**Candlesticks:** Slightly bearish, steady to weak opening

**MACD:** Bullish, moving upwards in negative region

**Stochastic:** Slightly bearish, %K-line started moving downwards in normal region

**Overall:** Slightly bearish

#### Market Outlook:

The guar gum futures are likely to trade moderately downwards following a steady to weak opening initially and upwards thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	4581	4556	4648	4674
Feb.	4682	4656	4763	4787

#### Intraday Trade Recommendations:

**Buy** January Guar Gum below 4605 with **target** of 4645, then 4665. **Stop loss** at 4580.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures settled with some losses after profit taking curbed early advances.

Arrivals at the major markets reported to be steady at around 25000-27000 bags during today's trade.

Prices are likely to move moderately downwards following a steady to weak opening initially and upwards thereafter.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed some downwards movement following a steady to firm opening at the early hours of trade. The futures traded upwards thereafter on increased buying support for the maximum period. However, the futures settled with some losses on profit taking at the higher levels in final action. The January future traded in a moderately higher range of 1726.00-1750.00 during today's trade. At the spot markets guar seed was quoted higher at Rs 1760 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was traded at a higher price of Rs 1670 per quintal, while at the Nokha market it was offered at Rs 1590 per quintal today. At the Sriganganagar market it was available at an unchanged price of Rs 1560 per quintal, while at the Shiwani market it was quoted much higher at Rs 1640 per quintal during today's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed some downward trade after a weak opening initially. The futures traded mostly upwards thereafter on increased buying support. However, the futures finished with marginal losses on profit taking at the higher levels in late action. The January future traded in a moderately higher range of 4607.00-4661.00 today. At the spot market also guar gum was quoted higher at Rs 4600-4625 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a stable sentiment during today's trade. The prices of both the guar seed as well as guar gum were quoted mostly steady to higher today as against yesterday. The arrivals at the major physical markets are reported to be steady at a round 25000-27000 bags today and consequently the prices of guar extended previous advances further. However, profit taking at the futures market has pressurised the guar prices at the physical markets at the evening session of trade. The prices of both guar seed as well as guar gum were quoted lower at the evening session of trade as compared to morning session, but the prices managed to hold some gains. Under such circumstances the prices of both the guar seed as well as guar gum are expected to move moderately downwards following a steady to weak opening initially and upwards thereafter.

### Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	29.12.05	28.12.05	Change
	Bikaner	1670	1660	+10
Guar Seed	Jodhpur-B line	1760	1750	+10
	Jodhpur-M line	1735	1725	+10
	Nokha	1590	1585	+5
	Sriganganagar	1560	1560	-
	Shiwani	1640	1620	+20
Guar Gum	Jodhpur	4600-4625	4600	+25

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	342.00	342.10	341.20	-0.80

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed an upward trade after a firm opening at the early hours of trade. However, profit booking at the higher levels capped further advances and the futures turned downwards. The January future finished slightly lower today as against yesterday.

### WEATHER HIGHLIGHTS (29-12-05)

**NORTH:** Mainly dry weather is likely over the region upto 30th December. Scattered rainfall/snowfall is likely to commence over Western Himalayas from 31st December. Isolated to scattered rain/thundershowers are also likely to commence over the plains of Punjab, Haryana (Chandigarh & Delhi) and West Uttar Pradesh from 1st January.

**WEST:** Mainly dry weather over the region. Isolated rain/thundershowers likely over Rajasthan from 1st January.

Overall, mainly dry weather is prevailing over major guar growing regions.

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