

## GUAR SEED and GUAR GUM

December 24, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Recovered Back Today
- Guar Futures: Settled Higher Amidst Thin Trade

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Moderately bullish, steady to firm opening  
**MACD:** Bullish, moving upwards in negative region  
**Stochastic:** Moderately bullish, moving upwards in normal region  
**Overall:** Moderately bullish

#### Market Outlook:

The guar seed futures are expected to trade upwards following a steady to firm opening with possibility of some downward technical correction from the higher levels. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	1700	1689	1730	1741
Feb.	1749	1739	1775	1784

#### Intraday Trade Recommendations:

**Buy** January Guar Seed at 1705 with **target** of 1725, then 1735. **Stop loss** at 1695.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Moderately bullish, steady to firm opening  
**MACD:** Bullish, moving upwards in negative region  
**Stochastic:** Moderately bullish, moving upwards in normal region  
**Overall:** Moderately bullish

#### Market Outlook:

The guar gum futures are likely to trade upwards following a steady to firm opening with possibility of some downward technical correction from the higher levels. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	4517	4503	4585	4605
Feb.	4632	4612	4688	4711

#### Intraday Trade Recommendations:

**Buy** January Guar Gum at 4525 with **target** of 4570, then 4590. **Stop loss** at 4505.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures settled higher amidst thin volume trade.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move upwards following a steady to firm opening with possibility of some downward correction from the higher levels.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed an upward trade following a weak opening today. The future moved sideways for the maximum time, but finally settled near to the day's high on some buying support. The January future traded in the range of 1690.00-1709.00 during today's trade. At the spot markets also guar seed was quoted higher at Rs 1730 per quintal in Jodhpur market today. At the Bikaner market it was offered at a higher price of Rs 1630 per quintal, while at the Nokha market it was traded at a steady price of Rs 1550 per quintal today. At the Sriganganagar market it was available at a higher price of Rs 1525 per quintal, while at the Shiwani market it was quoted higher at 1590 per quintal during today's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade after a steady opening today. The futures settled at the higher side on moderate buying support amidst low volume trade. The January future traded in the range of 4497.00-4540.00 today. At the spot markets also guar gum was quoted higher at Rs 4550 per quintal in Jodhpur market today.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets recovered back from yesterday's weakness during today's trade. The prices of both the guar seed as well as guar gum were quoted higher today as against yesterday. The arrivals at the major physical markets are reported to be steady to slightly lower at around 26000-28000 bags during today's trade and consequently the prices of both the guar seed as well as guar gum recovered back from yesterday's lower levels. The spillover strength from the futures market has also supported the uptrend in guar prices at the physical markets. Under such situations, the prices of both the guar seed as well as guar gum are expected to move upwards following a steady to firm opening in the next day with possibility of some downward technical correction from the higher levels.

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

(Rs./quintal)

Commodity	Centres	24.12.05	23.12.05	Change
Guar Seed	Bikaner	1630	1620	+10
	Jodhpur-B line	1730	1715	+15
	Jodhpur-M line	1705	1690	+15
	Nokha	1550	1550	-
Guar Gum	Sriganganagar	1525	1515	+10
	Shiwani	1590	1570	+20
	Jodhpur	4550	4500	+50

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	334.00	334.20	335.90	+1.90

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed an upward trade following a firm opening today. The futures finished near to the day's high in final action on some buying support. The January future settled higher today as against yesterday.

### WEATHER HIGHLIGHTS (24-12-05)

**NORTH:** Isolated rain/snow likely over Himachal Pradesh and Uttaranchal. Isolated rain /thundershowers likely over East Uttar Pradesh during next 24 hours. Weather will be mainly dry in the rest region.

**WEST:** Mainly dry weather over the region.

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

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