

## GUAR SEED and GUAR GUM

January 21, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Steady Sentiment
- Guar Futures: Settled Marginally Higher on Friday

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Slightly bullish, steady to firm opening  
**MACD:** Bullish, positive crossover occurred  
**Stochastic:** Slightly bearish, %K-line started moving downward 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 movement later. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	1732	1725	1750	1758
March	1771	1762	1793	1802

#### Intraday Trade Recommendations:

**Buy** February Guar Seed near 1730 with **target** of 1745, then 1755. **Stop loss** at 1722.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Slightly bullish, steady to firm opening  
**MACD:** Bullish, positive crossover likely in negative region  
**Stochastic:** 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 movement later. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	4484	4460	4550	4573
Mar.	4610	4583	4676	4700

#### Intraday Trade Recommendations:

**Buy** February Guar Gum below 4500 with **target** of 4530, then 4545. **Stop loss** at 4485.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures settled marginally higher with moderate buying support.

Arrivals at the major markets reported to be lower at around 15000-16000 bags.

Prices are likely to move upwards following a steady to firm opening with possibility of some downward movement later.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed a moderately upward trade following a firm opening. The January future traded in the range of 1667.00-1697.00, while the February future fluctuated in the range of 1729.00-1739.00. The later month guar seed futures traded mostly range bound, while the January future traded downwards as open interest slid drastically ahead of its maturity. The January guar seed future finally settled at Rs 1683.85 per quintal, higher than its last traded price. At the spot markets guar seed was quoted higher at Rs 1780 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a slightly lower price of Rs 1665 per quintal, while at the Nokha market it was available steady at Rs 1600 per quintal. At the Sriganganagar market it was traded at a higher price of Rs 1570 per quintal, while at the Shiwani market it was quoted steady at Rs 1650 per quintal during Friday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade after a firm opening. The January future traded in the range of 4345.00-4415.00, while the February future fluctuated in the range of 4477.00-4509.00. The January guar gum future recovered moderately ahead of its maturity. The January future finally settled at Rs 4498.30 per quintal, well above its final traded price. At the spot markets guar gum was quoted steady at Rs 4525 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a steady to firm sentiment during Friday's trade. The prices of both the guar seed as well as guar gum were quoted mostly steady to higher in the physical markets. The arrivals at the major physical markets are reported to be lower at around 15000-16000 bags during Friday's trade. Moreover, a range bound upward trade at the futures market has also supported the stable sentiment at the physical markets. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to move upwards following a steady to firm opening with possibility of some downward movement later.

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

(Rs./quintal)

Commodity	Centres	20.01.06	19.01.06	Change
Guar Seed	Bikaner	1665	1670	-5
	Jodhpur-B line	1780	1775	+5
	Jodhpur-M line	1755	1750	+5
	Nokha	1600	1600	-
	Sriganganagar	1570	1560	+10
Guar Gum	Shiwani	1650	1650	-
	Jodhpur	4525	4525	-

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Jan.	334.00	334.00	334.40	+0.40
Mar.	349.00	349.50	349.60	+0.60

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed on an average an upward trade following a steady to firm opening. The January as well as March future settled with some gains during Friday's trade.

### WEATHER HIGHLIGHTS (20-01-06)

#### NORTH:

Isolated rain/snow likely over Jammu & Kashmir. Weather will be mainly dry over the rest region. However, a spell of moderate rainfall/snowfall is likely over the western Himalayas from 22nd evening.

#### WEST:

Weather will be mainly dry over the region.

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd