

## GUAR SEED and GUAR GUM

January 05, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Firm Sentiment
- Guar Futures: Settled Higher on Buying Support

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Bullish, steady to firm opening  
**MACD:** Slightly bearish, moving downward  
**Stochastic:** Bearish, moving downwards in normal region  
**Overall:** Slightly bullish

#### Market Outlook:

The guar seed futures are expected to trade moderately upwards following a steady to firm opening with possibility of some downward movement later in the session. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	1690	1680	1726	1734
Feb.	1742	1731	1774	1784

#### Intraday Trade Recommendations:

**Buy** January Guar Seed near 1705 with **target** of 1720, then 1730. **Stop loss** at 1697.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Bullish, steady to firm opening  
**MACD:** Slightly bearish, started moving downward  
**Stochastic:** Bearish, moving downwards in normal region  
**Overall:** Slightly bullish

#### Market Outlook:

The guar gum futures are likely to trade moderately upwards following a steady to firm opening with possibility of some downward movement later in the session. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	4501	4480	4587	4611
Feb.	4616	4591	4688	4713

#### Intraday Trade Recommendations:

**Buy** January Guar Gum near 4520 with **target** of 4560, then 4580. **Stop loss** at 4502.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures recovered back from Tuesday's weakness.

Arrivals at the major markets reported to be lower at around 21000-23000 bags.

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

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed an upward trade following a firm opening. Increased buying support at the lower price levels has underpinned the uptrend in guar seed futures prices. The January future traded in the range of 1684.00-1710.00. At the spot markets also 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 offered at a higher price of Rs 1660 per quintal, while at the Nokha market it was available at Rs 1580 per quintal. At the Sriganganagar market it was trade at a steady price of Rs 1560 per quintal, while at the Shiwani market it was quoted higher at Rs 1630 per quintal during Wednesday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade after a marginally weak opening. The market recovered from Tuesday's losses on increased buying support at the lower price levels. The January future traded in the range of 4477.00-4535.00. At the spot markets also guar gum was quoted higher at Rs 4550 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets recovered back from Tuesday's weakness. The prices of both the guar seed as well as guar gum were quoted higher. The arrivals at the major physical markets are reported to be lower at around 21000-23000 bags and consequently the prices were quoted higher. Moreover, the spillover strength from the futures market has supported the physical market sentiments. Traders are expecting the advances would be carried forward. Under such circumstances, the prices of guar seed as well as guar gum are expected to move moderately upwards following a steady to firm opening with possibility of some downwards movement later in the session.

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

(Rs./quintal)

Commodity	Centres	04.01.06	03.01.06	Change
	Bikaner	1660	1645	+15
Guar Seed	Jodhpur-B line	1760	1745	+15
	Jodhpur-M line	1735	1720	+15
	Nokha	1580	1575	+5
	Sriganganagar	1560	1560	-
	Shiwani	1630	1620	+10
Guar Gum	Jodhpur	4550	4525-4550	+25

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	333.50	334.10	336.50	+3.00
Mar.	349.20	349.50	352.50	+3.30

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed marginal downward movement following a firm opening at the early hours of trade. However, the futures traded firmly thereafter on increased buying support. The January future as well as the March future settled higher.

### WEATHER HIGHLIGHTS (04-01-06)

#### NORTH:

Isolated light rainfall/snowfall is likely over higher reaches of Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Weather will be mainly dry over the rest region.

#### WEST:

Weather will be mainly dry over the region.

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