

## GUAR SEED and GUAR GUM

January 07, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Firm Sentiment
- Guar Futures: Higher Amidst Low Volume Trade

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Bullish, steady to firm opening  
**MACD:** Moderately bullish, moving upwards  
**Stochastic:** Bullish, positive crossover occurred  
**Overall:** Moderately bullish

#### Market Outlook:

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

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	1702	1690	1736	1745
Feb.	1752	1742	1786	1796

#### Intraday Trade Recommendations:

**Buy** January Guar Seed near 1715 with **target** of 1730, then 1740. **Stop loss** at 1707.

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, negative crossover  
**Stochastic:** Bullish, positive crossover likely  
**Overall:** Moderately bullish

#### Market Outlook:

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

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Jan.	4513	4488	4589	4613
Feb.	4620	4595	4692	4717

#### Intraday Trade Recommendations:

**Buy** January Guar Gum near 4525 with **target** of 4565, then 4585. **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 finished slightly higher amidst a low volume trade.

Arrivals at the major markets reported to be slightly lower at around 20000-22000 bags.

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

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed an upward trade following a weak opening. The futures retraced back from Thursday's weakness on moderate buying support at the lower levels. The January future traded in the range of 1701.00-1721.00. At the spot market 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 higher price of Rs 1665 per quintal, while at the Nokha market it was traded steady at Rs 1590 per quintal. At the Sriganganagar market it was available at a much higher price of Rs 1585 per quintal, while at the Shiwani market it was quoted higher at Rs 1640 per quintal.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade after a weak opening. The futures recovered back from Thursday's weakness on increased buying support at the lower levels. The January future traded in the range of 4505.00-4545.00. At the spot markets guar gum was quoted higher at Rs 4550-4575 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a firm sentiment. 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 slightly lower at around 20000-22000 bags. The spillover strength from the futures market has also supported the physical market sentiments. The traders are expecting the prices of guar to move up further in the coming days. Under such situations, 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 downward movement later in the session.

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

(Rs./quintal)

Commodity	Centres	06.01.06	05.01.06	Change
	Bikaner	1665	1660	+5
Guar Seed	Jodhpur-B line	1780	1765	+15
	Jodhpur-M line	1755	1740	+15
	Nokha	1590	1590	-
	Sriganganagar	1585	1560	+25
	Shiwani	1640	1630	+10
Guar Gum	Jodhpur	4550-4575	4550	+25

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	336.30	336.20	338.50	+2.20
Mar.	352.50	352.10	355.50	+3.00

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a moderately bullish sentiment following a weak opening on some buying support at the lower price levels. The January future as well as March future settled higher in final action.

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

#### NORTH:

Weather will be mainly dry over the region.

#### WEST:

Weather will be mainly dry over the region.

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