

## GUAR SEED and GUAR GUM

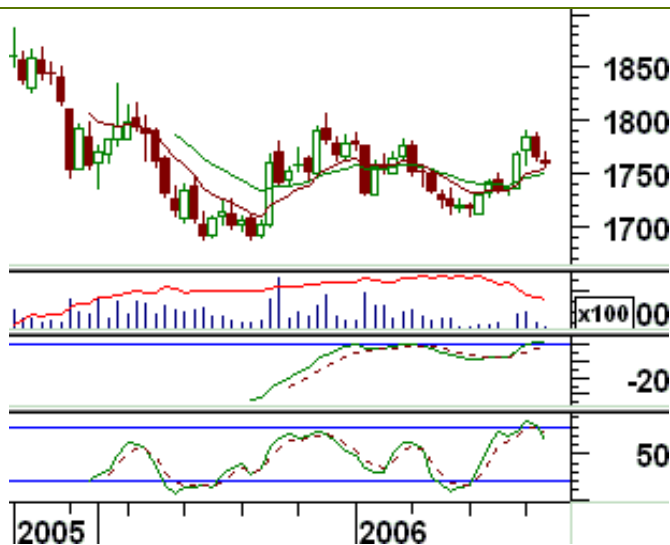
January 27, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Weak on Wednesday
- Guar Futures: Settled Near Day's Low in Final Action

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Bearish, steady to weak opening  
**MACD:** Bullish, moving upwards in positive region  
**Stochastic:** Bearish, moving downwards in normal region after negative crossover  
**Overall:** Moderately 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
Feb.	1742	1729	1775	1787
March	1793	1783	1828	1838

#### Intraday Trade Recommendations:

**Buy** February Guar Seed near 1750 with **target** of 1765, then 1775. **Stop loss** at 1742.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Bearish, steady to weak opening  
**MACD:** Bullish, moving upwards in negative region  
**Stochastic:** Bearish, moving downwards in normal region after negative crossover  
**Overall:** Moderately 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
Feb.	4533	4500	4617	4650
Mar.	4660	4632	4740	4765

#### Intraday Trade Recommendations:

**Buy** February Guar Gum near 4550 with **target** of 4580, then 4590. **Stop loss** at 4535.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures settled lower near to the day's low in final action.

Arrivals at the major markets reported to be slightly lower at around 14000-15000 bags.

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 a downward trade following a weak opening at the early hours of trade. The futures traded mostly range bound upward thereafter on some buying support at the lower levels. However, the futures settled down near to the day's low in final action. The February future traded in the range of 1754.00-1771.00. At the spot markets guar seed was quoted lower at Rs 1800 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a lower price of Rs 1690 per quintal, while at the Nokha market it was available at a lower price of Rs 1635 per quintal. At the Sriganganagar market it was traded at an unchanged price of Rs 1600 per quintal, while at the Shiwani market it was quoted lower at Rs 1660 per quintal during Wednesday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed a downward trade after a firm opening at the early hours of trade. The futures traded range bound upward thereafter on some buying support. However, the futures finished with losses in final action. The February future traded in the range of 4554.00-4599.00. At the spot markets guar gum was quoted lower at Rs 4575-4600 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed on an average a bearish sentiment during Wednesday's trade. The prices of both the guar seed as well as guar gum were quoted mostly lower as against Tuesday. The arrivals at the major physical markets are reported to be slightly lower at around 14000-15000 bags during Wednesday's trade. Despite a lower arrival, the buyers were away from the market at the higher level and consequently the prices of guar were quoted on an average lower. Moreover, the range bound movement and late weakness at the futures market has also dampened the physical market sentiments. Amidst such circumstances, the prices of 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	25.01.06	24.01.06	Change
	Bikaner	1690	1700	-10
Guar Seed	Jodhpur-B line	1800	1810	-10
	Jodhpur-M line	1775	1785	-10
	Nokha	1635	1640	-5
	Sriganganagar	1600	1600	-
	Shiwani	1660	1670	-10
Guar Gum	Jodhpur	4575-4600	4600	-25

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	357.30	355.60	356.60	-0.70

#### Price Movements at Bikaner Vayda

The Bikaner vayda tested the day's low on the opening session. However, with some buying support at the lower levels the March future settled with some losses in final action.

### WEATHER HIGHLIGHTS (25-01-06)

#### NORTH Region:

Weather will be mainly dry over the region.

#### WEST Region:

Weather will be mainly dry over the region.

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