

## GUAR SEED and GUAR GUM

January 28, 2006

### MAJOR ACTIVITY HIGHLIGHTS

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

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Slightly bullish, steady to firm opening  
**MACD:** Bullish, moving upwards in positive region  
**Stochastic:** Bearish, moving downwards in normal region after negative crossover  
**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. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	1760	1750	1791	1802
March	1804	1792	1843	1857

#### Intraday Trade Recommendations:

**Buy** February Guar Seed near 1767 with **target** of 1785, then 1795. **Stop loss** at 1758.

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, moving upwards in negative region  
**Stochastic:** Bearish, moving downwards in normal region after negative crossover  
**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. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	4578	4545	4653	4684
Mar.	4692	4671	4772	4797

#### Intraday Trade Recommendations:

**Buy** February Guar Gum near 4590 with **target** of 4620, then 4640. **Stop loss** at 4574.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures finished higher on moderate buying support.

Arrivals at the major markets reported to be slightly lower at around 13000-15000 bags.

Prices are likely to move moderately 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 an upward trade following a firm opening. The futures remained mostly side-ways with a thinner volume of trade. However, the futures settled higher near to the day's high in final action. The February future traded in the range of 1759.00-1775.00. At the spot markets guar seed was quoted higher at Rs 1825 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a higher price of Rs 1700 per quintal, while at the Nokha market it was available at a higher price of Rs 1655 per quintal. At the Sriganganagar market it was traded at a higher price of Rs 1610 per quintal, while at the Shiwani market it was quoted higher at Rs 1670 per quintal during Friday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade after a firm opening. The futures finished higher near to the day's high on moderate buying support at the lower levels. The February future traded in the range of 4575.00-4614.00. At the spot markets guar gum was quoted higher at Rs 4625 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a firm sentiment during Friday's trade. The prices of both the guar seed as well as guar gum were quoted mostly higher as against the last trading day. The arrivals at the major physical markets are reported to be slightly lower at around 13000-15000 bags during Friday's trade. With increased demand from the stockists as well as millers, the prices of guar seed as well as guar gum moved upwards. Moreover, the spillover strength from the futures market has also supported the physical market sentiments. Amidst 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 downward movement later.

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

(Rs./quintal)

Commodity	Centres	27.01.06	25.01.06	Change
	Bikaner	1700	1690	+10
Guar Seed	Jodhpur-B line	1825	1800	+25
	Jodhpur-M line	1800	1775	+25
	Nokha	1655	1635	+20
	Sriganganagar	1610	1600	+10
	Shiwani	1670	1660	+10
Guar Gum	Jodhpur	4625	4575-4600	+50

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	356.60	357.50	357.90	+1.30

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed an upward trade following a firm opening. The March future finished higher during Friday's trade on increased buying support at the lower levels.

### WEATHER HIGHLIGHTS (27-01-06)

#### NORTH Region:

Rain/snow is likely at a few places over higher reaches of Jammu & Kashmir and isolated over rest Jammu & Kashmir and Himachal Pradesh. Weather will be mainly dry over the rest region.

#### WEST Region:

Weather will be mainly dry over the region.

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