

## GUAR SEED and GUAR GUM

February 04, 2006

### MAJOR ACTIVITY HIGHLIGHTS

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

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Bullish, steady to firm opening  
**MACD:** Bearish, moving downwards  
**Stochastic:** Positive crossover in oversold region  
**Overall:** Moderately bullish

#### Market Outlook:

The guar seed 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 Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	1725	1717	1744	1752
March	1766	1753	1793	1805

#### Intraday Trade Recommendations:

**Buy** February Guar Seed near 1727 with **target** of 1742, then 1750. **Stop loss** at 1719.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Bullish, steady to firm opening  
**MACD:** Bearish, moving downwards  
**Stochastic:** Positive crossover in oversold region  
**Overall:** Moderately 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.	4420	4398	4480	4502
Mar.	4536	4505	4617	4643

#### Intraday Trade Recommendations:

**Buy** February Guar Gum near 4430 with **target** of 4460, then 4475. **Stop loss** at 4415.

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 late buying support.

Arrivals at the major markets reported to be slightly lower at around 12000-13000 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 a moderately upward trade following a firm opening. The futures traded mostly side-ways throughout the day and tested day's high in last hour of trade on increased buying interest. The February future traded in the range of 1718.00-1735.00. At the spot markets guar seed was quoted higher at Rs 1810 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a higher price of Rs 1680 per quintal, while at the Nokha market it was available at an unchanged price of Rs 1600 per quintal. At the Sriganganagar market it was traded at a higher price of Rs 1590 per quintal, while at the Shiwani market it was quoted higher at Rs 1650 per quintal during Friday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed a moderately upward trade after a firm opening. The February future traded in the range of 4384.00-4439.00 so far today. At the spot markets guar gum was quoted higher at Rs 4500-4525 per quintal in Jodhpur market at the morning session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a firm sentiment during Friday's trade. The arrivals at the major physical markets are reported to be slightly lower at around 12000-13000 bags. The prices of guar seed as well as guar gum were quoted mostly higher at the evening session of trade. The demand from the stockists and millers remained higher amidst talks of export deals of guar gum at sizeable quantity. Export houses are buying guar gum at the present lower levels for last few days. Moreover, moderate upward trade at 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	03.02.06	02.02.06	Change
	Bikaner	1680	1660	+20
Guar Seed	Jodhpur-B line	1810	1790	+20
	Jodhpur-M line	1785	1765	+20
	Nokha	1600	1600	-
	Sriganganagar	1590	1575	+15
	Shiwani	1650	1640	+10
Guar Gum	Jodhpur	4550	4500	+50

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	345.40	346.50	349.90	+4.50

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a firm sentiment following a higher opening during Friday's trade. The March future finished higher near to the day's high on increased buying support throughout the day.

### WEATHER HIGHLIGHTS (03-02-06)

#### NORTH Region:

Weather will be mainly dry over the region.

#### WEST Region:

Weather will be mainly dry over the region.

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