

## GUAR SEED and GUAR GUM

February 15, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Weak on Tuesday
- Guar Futures: Settled Lower with Moderate Losses

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Slightly bearish, steady to weak opening  
**MACD:** Bullish, positive crossover occurred  
**Stochastic:** Moderately bullish, positive crossover occurred  
**Overall:** Slightly bearish

#### Market Outlook:

The guar seed futures are likely to trade moderately downward initially following a steady to weak opening and upward thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	1730	1720	1753	1763
Mar.	1768	1759	1792	1805

#### Intraday Trade Recommendations:

**Buy** March Guar Seed at 1770-1775 with **target** of 1790, then 1800. **Stop loss** at 1760.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Slightly bearish, steady to weak opening  
**MACD:** Bullish, positive crossover occurred  
**Stochastic:** Moderately bullish, positive crossover occurred  
**Overall:** Slightly bearish

#### Market Outlook:

The guar gum futures are likely to trade moderately downward initially following a steady to weak opening and upward thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	4437	4404	4512	4545
Mar.	4543	4520	4599	4624

#### Intraday Trade Recommendations:

**Buy** March Guar Gum at 4540-4550 with **target** of 4580, then 4600. **Stop loss** at 4520.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures witnessed a bearish sentiment following a firm opening and settled with moderate losses in final action.

Arrivals at the major markets reported to be lower at around 10000 bags.

Prices are likely to move moderately downward initially following a steady to weak opening and upward thereafter.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed a moderately downward trade following a firm opening. However, the futures retraced back on moderate buying support at the mid session, but profit taking capped further advances. The futures settled with moderate losses in final action. The February contract traded in the range of 1736.00-1755.00, while the March contract fluctuated in the range of 1774.00-1795.00. At the spot markets guar seed was quoted lower at Rs 1815-1820 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was traded at an unchanged price of Rs 1700 per quintal, while at the Nokha market it was available at a lower price of Rs 1640 per quintal. At the Sriganganagar market it was offered steady at Rs 1600 per quintal, while at the Shiwani market it was quoted unchanged at Rs 1660 per quintal during Tuesday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed a bearish sentiment following a slightly higher opening. The futures revive on moderate buying support at the lower level in the mid session of the trade. However, the futures finished with losses in final action. The February contract traded in the range of 4429.00-4480.00, while the March contract traded in the range of 4550.00-4607.00. At the spot markets guar gum was quoted lower at Rs 4580-4600 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a bearish sentiment during Tuesday's trade. The prices of guar seed as well as guar gum were quoted on an average steady to lower as against Monday. The arrivals at the major physical markets are reported to be lower at around 10000 bags. Despite demand remained higher from stockists, millers and export houses, but activity was limited at the higher price levels. Consequently, the prices of guar seed as well as guar gum were quoted mostly lower on Tuesday. The spillover weakness from the futures market has also influenced the downtrend in guar prices at the physical market. Amidst such situations, the prices of guar seed as well as guar gum are expected to trade moderately downward initially following a steady to weak opening and upward thereafter.

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

(Rs./quintal)

Commodity	Centres	14.02.06	13.02.06	Change
	Bikaner	1700	1700	-
Guar Seed	Jodhpur-B line	1815-1820	1835	-20
	Jodhpur-M line	1790	1810	-20
	Nokha	1635	1640	-5
	Sriganganagar	1600	1600	-
	Shiwani	1660	1660	-
Guar Gum	Jodhpur	4580-4600	4625	-45

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	351.4	350.0	350.0	-1.4

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a range bound bearish trade after a weak opening. The futures traded mostly downwards on increased selling pressure at the higher levels. The March contract settled lower in final action during Tuesday's trade.

### WEATHER HIGHLIGHTS (14-02-06)

#### NORTH-WEST INDIA (J & K, H. P., UTTARANCHAL, PUNJAB, HARYANA, DELHI, WEST UP)

Rain/snow likely at many places over higher reaches of Jammu & Kashmir and at a few places over rest Jammu & Kashmir, Himachal Pradesh and isolated over Uttaranchal. Isolated rain/thundershowers also likely over Punjab and Haryana. Weather will be mainly dry over the rest region.

#### WEST INDIA (MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN)

Isolated rain/thundershowers may occur over Rajasthan during next 24 hours. Weather will be mainly dry over the region.

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd