

## GUAR SEED and GUAR GUM

February 17, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Range Bound
- Guar Futures: Settled Down Amidst Lacklustre Trade

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Slightly bearish, steady to weak opening  
**MACD:** Bullish, moving upwards in negative region  
**Stochastic:** Moderately bearish, moving downwards  
**Overall:** Moderately bearish

#### Market Outlook:

The guar seed futures are likely to trade moderately downwards following a steady to weak opening with possibility of some upward movement later. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	1725	1717	1750	1759
Mar.	1762	1754	1787	1799

#### Intraday Trade Recommendations:

**Sell** March Guar Seed near 1785 with **target** of 1770, then 1760. **Stop loss** at 1792.

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, moving upwards in negative region  
**Stochastic:** Moderately bearish, moving downwards  
**Overall:** Moderately bearish

#### Market Outlook:

The guar gum futures are likely to trade moderately downwards following a steady to weak opening with possibility of some upward movement later. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Feb.	4400	4380	4462	4490
Mar.	4522	4500	4585	4608

#### Intraday Trade Recommendations:

**Sell** March Guar Gum at 4560 with **target** of 4530, then 4510. **Stop loss** at 4575.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar seed and gum futures settled lower amidst lacklustre trade.

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

Prices are likely to move moderately downwards following a steady to weak opening with possibility of some upward movement later.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed a lacklustre trade following a weak opening. The futures traded mostly range bound upwards at the early hours of trade. However, the futures settled with moderate losses in final action. The February contract traded in the range of 1735.00-1749.00, while the March contract fluctuated in the range of 1774.00-1788.00. At the spot markets guar seed was quoted steady at Rs. 1820 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was traded at a marginally lower price of Rs1685 per quintal, while at the Nokha market it was available at a slightly lower price of Rs 1630 per quintal. At the Sriganganagar and Shiwani market it was offered at an unchanged price of Rs 1600 and Rs 1660 per quintal respectively during Thursday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed a lacklustre trade following a weak opening. The futures traded mostly range bound upwards at the early hours of trade, but finally settled with moderate losses. The February contract traded in the range of 4435.00-4455.00, while the March contract fluctuated in the range of 4544.00-4572.00. At the spot markets guar gum was quoted steady at Rs 4600 per quintal in Jodhpur market at the evening session of trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a range bound movement during Thursday's trade. The prices of guar seed as well as guar gum were quoted on an average steady to slightly lower as against Wednesday. The arrivals at the major physical markets are reported to be steady at around 10000 bags. Since, the market activity used to remain limited at the higher price levels, the price of guar was quoted on an average range bound for the last past few days. However, the demand remained higher at the lower price levels. Moreover, the range bound trade at the futures market has also kept the physical market quiet. Amidst such situations, the prices of guar seed as well as guar gum are expected to trade moderately downwards following a steady to weak opening with possibility of some upward movement later.

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

(Rs./quintal)

Commodity	Centres	16.02.06	15.02.06	Change
	Bikaner	1685	1690-1700	-5
Guar Seed	Jodhpur-B line	1820	1820	-
	Jodhpur-M line	1795	1795	-
	Nokha	1630	1635-1640	-5
	Sriganganagar	1600	1600	-
	Shiwani	1660	1660	-
Guar Gum	Jodhpur	4600	4600	-

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	350.80	350.50	349.70	-1.10

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed on an average a downward trade following a slightly weak opening. The March contract settled lower in final action on moderate selling pressure at the higher levels during Thursday's trade.

### WEATHER HIGHLIGHTS (16-02-06)

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

Largely dry weather is likely over the region except isolated light rain/snow likely over Jammu & Kashmir, Himachal Pradesh upto next 24 hours. Day temperatures are likely to increase by 2-3°C.

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

Weather will be mainly dry over the region. Day and Night temperatures over Rajasthan are likely to remain significantly above normal.

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