

## GUAR SEED and GUAR GUM

February 16, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Stable Sentiment
- Guar Futures: Range Bound Amidst Thin Trade

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Slightly bullish, steady to firm opening  
**MACD:** Bullish, moving upwards in negative region  
**Stochastic:** Moderately bullish, moving upwards  
**Overall:** Slightly 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.	1730	1720	1753	1763
Mar.	1768	1756	1793	1806

#### 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, moving upwards in negative region  
**Stochastic:** Moderately bullish, moving upwards  
**Overall:** Slightly bullish

#### Market Outlook:

The guar gum futures are likely to trade moderately upwards following a steady to weak 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.	4430	4400	4501	4534
Mar.	4542	4506	4607	4637

#### 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 remained mostly range bound amidst thin volume of trade.

Arrivals at the major markets reported to be steady at around 10000 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 showed downtrend initially following a firm opening. However, increased buying interest at the lower levels supported the futures thereafter and the futures settled with no significant changes. The February contract traded in the range of 1736.00-1751.00, while the March contract fluctuated in the range of 1774.00-1790.00. At the spot markets guar seed was quoted unchanged at Rs 1820 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was traded at a steady price of Rs1690-1700 per quintal, while at the Nokha market it was available at a slightly higher price of Rs 1635-1640 per quintal. At the Sriganganagar and Shiwani market also it was offered unchanged at Rs 1600 and Rs 1660 per quintal respectively during Wednesday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed a moderately downward trade following a firm opening at the early hours of trade. However, increased buying interest supported the futures thereafter and the market turned upwards. The guar gum futures pared most of the early losses, but settled in the negative territory in final action. The February contract traded in the range of 4432.00-4461.00, while the March contract traded in the range of 4551.00-4593.00. 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 stable sentiment during Wednesday's trade. The prices of guar seed as well as guar gum were quoted on an average steady to slightly higher as against Tuesday. The arrivals at the major physical markets are reported to be steady 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 range bound on Wednesday. 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 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	15.02.06	14.02.06	Change
	Bikaner	1690-1700	1700	-
Guar Seed	Jodhpur-B line	1820	1815-1820	-
	Jodhpur-M line	1795	1790	+5
	Nokha	1635-1640	1635	+5
	Sriganganagar	1600	1600	-
	Shiwani	1660	1660	-
Guar Gum	Jodhpur	4600	4580-4600	-

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
Mar.	350.00	349.50	350.80	+0.80

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed on an average a range bound trade following a weak opening. However, the March contract settled marginally higher in final action on moderate buying support at the lower levels during Wednesday's trade.

### WEATHER HIGHLIGHTS (15-02-06)

#### 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 Uttaranchal. Isolated rain/thundershowers also likely over the rest region during next 24 hours.

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

Weather will be mainly dry over the region. A fall of 2-3°C in Night temperatures is expected over Rajasthan.

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