

## GUAR SEED and GUAR GUM

April 08, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Mix Sentiments
- Guar Futures: Losses: Settled near Day's Low

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Trend reversal, steady to weak opening  
**MACD:** Slightly bearish, moving downwards  
**Stochastic:** Bearish, moving downwards in normal region after technical correction.  
**Overall:** Bearish

#### Market Outlook:

The guar seed futures are likely to trade downwards following a steady to weak opening with possibility of early upwards movement. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	1815	1800	1888	1903
May	1872	1850	1960	1975

#### Intraday Trade Recommendations:

**Sell** NCDEX- May Guar Seed near 1915 with **target** of near 1885, and then near 1870 **Stop loss** at near 1930.  
Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Trend reversal, steady to weak opening  
**MACD:** Slightly bearish, moving downwards  
**Stochastic:** Bearish, moving downwards in normal region after technical correction.  
**Overall:** Bearish

#### Market Outlook:

The guar gum futures are likely to trade downwards following a steady to weak opening with possibility of early upwards movement. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4688	4640	4903	4945
May	4790	4742	5026	5070

#### Intraday Trade Recommendations:

**Sell** NCDEX- May Guar Gum near 4940 with **target** of near 4880, then near 4850. **Stop loss** at near 4970.  
Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar futures slid to lower levels on increased selling.

Arrivals at the major markets reported to be lower at around 7000-8000 bags.

Prices are likely to move downwards following a steady to weak opening with possibility of early upwards movement.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed upwards trade initially following a firm opening. However, increased selling pressure at higher levels pushed down the trade thereafter. The futures settled near day's low with losses in final action. The near month April contract traded in the range of 1843.00-1869.00, while the May contract fluctuated in the range of 1904.00-1939.00. At the spot markets guar seed was quoted lower at Rs.1908 per quintal in Jodhpur market during Friday's trade. At the Bikaner market it was offered lower at Rs 1800 per quintal, whereas, at the Shiwani market and Sriganganagar it was offered higher at Rs.1744 and at Rs.1747 per quintal respectively. At Nokha market it was quoted steady at Rs.1747 per quintal during Friday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX witnessed some upwards trade initially following a steady opening. However, increased selling interest at higher levels pressurised the futures and traded mostly downwards thereafter. Finally the futures settled near day's low with losses. The near month April contract traded in the range of 4790.00-4874.00, while the May contract fluctuated in the range of 4900.00-4985.00. At the spot markets guar gum was quoted lower at Rs.4930 per quintal in Jodhpur market during Friday's trade.

#### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed mix sentiments during Friday's trade. The guar seed as well as guar gum mostly traded at some lower levels at Jodhpur as well as Bikaner markets. But, others markets witnessed some firm to steady sentiments due to increased demand from millers as against previous day. The arrivals at the major markets reported to be lower at around 7000-8000 bags. According to the traders the arrivals of the guar seed would be the governing factors for coming day's market sentiments. Moreover, the bearish tone of the futures markets also underpinning the physical markets sentiments. Traders are eyeing on the futures market for further direction. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to trade downwards following a steady to weak opening with possibility of early upwards movement.

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

(Rs./quintal)

Commodity	Centres	07.04.06	06.04.06	Change
	Bikaner	1800	1820	-20
Guar Seed	Jodhpur-B line	1908	1910	-2
	Jodhpur-M line	1883	1885	-2
	Nokha	1747	1747	-
	Sriganganagar	1747	1716	+31
	Shiwani	1744	1720	+24
Guar Gum	Jodhpur	4930	4940	-10

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	371.80	371.20	369.50	-2.30

#### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed moderately downwards trade following a weak opening. Increased selling activities pressurised the trade throughout the day and slid to some lower levels. The May contract settled near day's low with losses during Friday's trade.

### WEATHER HIGHLIGHTS (07-04-06)

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

Mainly dry weather is likely over the region till 8th afternoon. However scattered rain /snow likely to commence over Jammu & Kashmir and Himachal Pradesh from 8th evening. This activity will increase and extend into Uttaranchal on 9th. Isolated to scattered rain /thundershowers are likely over Punjab and Haryana on 9th & 10th. Mainly dry weather is likely over rest region.

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

Weather will be mainly dry over the region with increase in day temperatures. However isolated rain/thundershowers are likely over north Rajasthan on 9th & 10th.

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