

GUAR SEED and GUAR GUM

April 10, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Steady to Bullish Tone
- Guar Futures: Settled Higher Near Day's High

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Slightly bullish, firm opening
MACD: Slightly bullish, moving upwards
Stochastic: Bearish, moving downwards in normal region after technical correction.
Overall: Slightly Bullish

Market Outlook:

The guar seed futures are likely to trade moderately upwards initially following a firm opening and downwards thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	1820	1807	1888	1902
May	1880	1864	1965	1980

Intraday Trade Recommendations:

Buy NCDEX- May Guar Seed near 1912 with **target** of near 1942, and then near 1957 **Stop loss** at near 1897.
Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Slightly bullish, firm opening
MACD: Slightly bullish, moving upwards
Stochastic: Bearish, moving downwards in normal region after technical correction.
Overall: Slightly Bullish

Market Outlook:

The guar gum futures are likely to trade moderately upwards initially following a firm opening and downwards thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4708	4673	4910	4947
May	4840	4800	5050	5101

Intraday Trade Recommendations:

Buy NCDEX- May Guar Gum near 4890 with **target** of near 4950, then near 4980. **Stop loss** at near 4860.
Do not carry forward the position until the next day.

FUNDAMENTAL ANALYSIS

SALIENT POINTS OF THE DAY

Guar futures end at higher levels on increased speculative buying.

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

Prices are likely to move moderately upwards initially following a firm opening and downwards thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed upwards trade following a weak opening. Increased speculative buying supported the futures mostly throughout the day. However, at the medium session some buying pressure pushed down the trade slightly at some higher levels but buying interest recovered the futures again. The futures settled higher at day's high in final action. The near month April contract traded in the range of 1838.00-1857.00, while the May contract fluctuated in the range of 1886.00-1919.00. At the spot markets guar seed was quoted higher at Rs.1930-1940 per quintal in Jodhpur market during Saturday's trade. At the Bikaner market it was offered higher at Rs 1820 per quintal, whereas, at the Nohla market and Sriganaganagar market it was offered steady at Rs.1747 each per quintal. At shiwani market it was quoted firm at Rs.1750 per quintal during Saturday's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed upwards trade on increased speculative buying following a weak opening. Increased buying activities supported the futures most of the day. Finally, the futures settled higher near day's high with gains. The near month April contract traded in the range of 4770.00-4822.00, while the May contract fluctuated in the range of 4875.00-4930.00. At the spot markets guar gum was quoted higher at Rs.4947 per quintal in Jodhpur market during Saturday's trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed on an average bullish sentiment during Saturday's trade. The guar seed as well as guar gum mostly traded at some higher levels at Jodhpur as well as Bikaner markets. But, others markets witnessed some steady sentiments. The arrivals at the major markets reported to be steady at lower levels. According to the traders the arrivals of the guar seed would be the governing factors for coming day's market sentiments. Stockist reportedly not releasing their stock at the market for taking advantage of lower arrivals in coming futures. Moreover, the somewhat bullish tone of the futures markets also underpinning the physical markets sentiments. Traders have been looking on the futures market for further direction in this context. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to trade moderately upwards initially following a firm opening and downwards thereafter.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	08.04.06	07.04.06	Change
	Bikaner	1820	1800	+20
Guar Seed	Jodhpur-B line	1930-1940	1908	+32
	Jodhpur-M line	1905-1915	1883	+32
	Nokha	1747	1747	-
	Sriganganagar	1747	1747	-
	Shiwani	1750	1744	+6
Guar Gum	Jodhpur	4947	4930	+14

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	369.50	369.60	371.60	+2.10

Price Movements at Bikaner Vayda

The Bikaner vayda witnessed moderately upwards trade following a firm opening. Increased buying activities supported the trade throughout the day and reached to some lower levels. The May contract settled at day's high with gains during Saturday's trade.

WEATHER HIGHLIGHTS (08-04-06)

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

Scattered to fairly wide spread rain/snow over Jammu & Kashmir and Himachal Pradesh. Isolated rain/snow also likely over Uttaranchal from 9th. Rain/thundershowers at a few places over Punjab and Haryana including Delhi on 9th & 10th. Mainly dry weather over the rest region. Decrease in temperature over plains of northwest India from 10th.

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

Weather will be mainly dry over the region except isolated rain/thundershowers are likely over north Rajasthan on 9th & 10th.

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