

GUAR SEED and GUAR GUM

April 18, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Sentiments Remained Firm
- Guar Futures: Settled at Negative Territory with Losses

TECHNICAL ANALYSIS

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

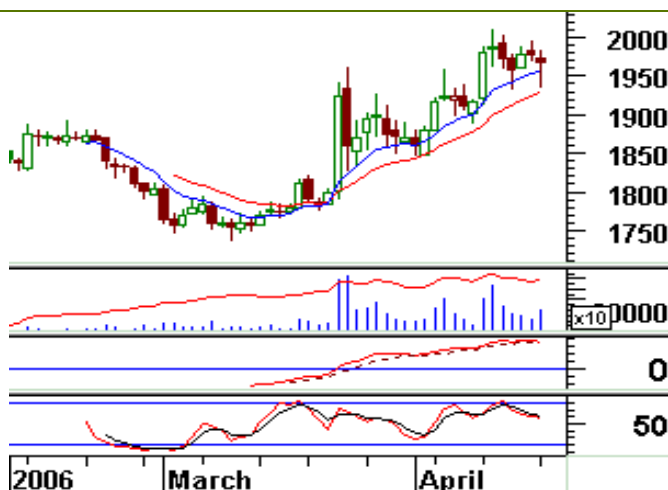


Chart Indicators:

Candlesticks: Slightly Bearish, steady to firm opening
MACD: Slightly Bearish, moving downwards
Stochastic: Bearish, moving downwards in normal region.
Overall: Slightly Bearish

Market Outlook:

The guar seed futures are likely to move moderately upwards initially following a firm opening with possibility of some downwards movement later. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	1856	1839	1959	1976
May	1932	1917	2014	2030

Intraday Trade Recommendations:

Buy NCDEX- May Guar Seed near 1950 with **target** of near 1990, and then near 2010 **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: Slightly Bearish, weak opening
MACD: Slightly Bearish, moving downwards
Stochastic: Bearish, moving downwards in normal region.
Overall: Slightly Bearish

Market Outlook:

The guar seed futures are likely to move moderately upwards initially following a weak opening with possibility of some downwards movement later. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4859	4820	5079	5107
May	4973	4914	5188	5232

Intraday Trade Recommendations:

Buy NCDEX- May Guar Gum near 5040 with **target** of near 5100, then near 5130. **Stop loss** at near 5010.

Do not carry forward the position until the next day.

FUNDAMENTAL ANALYSIS

SALIENT POINTS OF THE DAY

Guar futures slid to lower levels at early hours.

Arrivals at the major markets reported to be steady at lower levels.

Prices are likely to move moderately upwards initially following a firm opening with possibility of some downwards movement later.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a sharply downward trade initially on increased selling pressure following a weak opening. However, increased buying interest at lower levels recovered the futures and traded northwards thereafter. Finally the futures settled at negative territory with marginal losses. The near-month April contract traded in the range of 1820.00-1934.00, while the May contract fluctuated in the range of 1933.00-1982.00. At the spot markets guar seed was quoted steady at Rs. 1980 per quintal in Jodhpur market during evening session of the trade. At the Bikaner market it was offered higher in the range of Rs.1881-1892 per quintal, at the Nokha market, it was offered higher at Rs.1840 per quintal. At Sriganganagar market it was also offered higher at Rs.1887 and at Shiwani market it was quoted higher at Rs.1830 per quintal during Monday's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed a downward trade initially following a firm opening. However, increased buying interest at the lower levels supported the futures and traded mostly upwards thereafter. Finally some selling pressure pushed down the futures and settled at negative territory with losses. The near-month April contract traded in the range of 4850.00-4992.00, while the May contract fluctuated in the range of 5011.00-5120.00. At the spot markets guar gum was quoted higher at Rs.5058 per quintal in Jodhpur market during evening session of the trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets remained firm during Monday's trade. The guar seed as well as guar gum mostly traded at higher prices in the spots markets of the country. The arrivals at the major markets reported to be steady at lower levels. The total arrivals reported to 4000-4500 bags. Some of the market reported meagre arrivals and resulting into the increased of prices. Millers were the prominent buyers even at higher price levels. Stockists have been waiting for further increase of guar seed prices so that they could release their stock. According to the traders the arrivals of the guar seed would be the governing factors for upcoming market tone. Traders have been eyeing on futures market for further decision. But they are optimistic about the bullish tone of guar. In such circumstances; the prices of guar seed as well as guar gum are expected to move upwards initially following a firm opening with possibility of some downwards movement later.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	17.04.06	15.04.06	Change
	Bikaner	1881-1892	1856	+36
Guar Seed	Jodhpur-B line	1980	1980	-
	Jodhpur-M line	1955	1955	-
	Nokha	1840	1820	+20
	Sriganganagar	1887	1850	+37
	Shiwani	1830	1820	+10
Guar Gum	Jodhpur	5058	5000-5020	+38

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	380.00	376.20	379.70	-0.30

Price Movements at Bikaner Vayda

Bikaner market witnessed upwards trade on increased buying support following a much lower opening. However, increased selling interest at higher levels capped some of the early gains. Finally, the May contracts settled lower at negative territory with marginal losses during Monday's trade.

WEATHER HIGHLIGHTS (17-04-06)

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

Isolated rain/snow over Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Isolated duststorm/thunderstorm over the rest region including Delhi & Chandigarh till tomorrow. Isolated hailstorm/squall may also occur over the region during next 24 hrs. Day temperature likely to decrease by 2-3°C.

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

Weather will be mainly dry over the region except over Rajasthan where isolated duststorm/thunderstorm may occur.

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