

## GUAR SEED and GUAR GUM

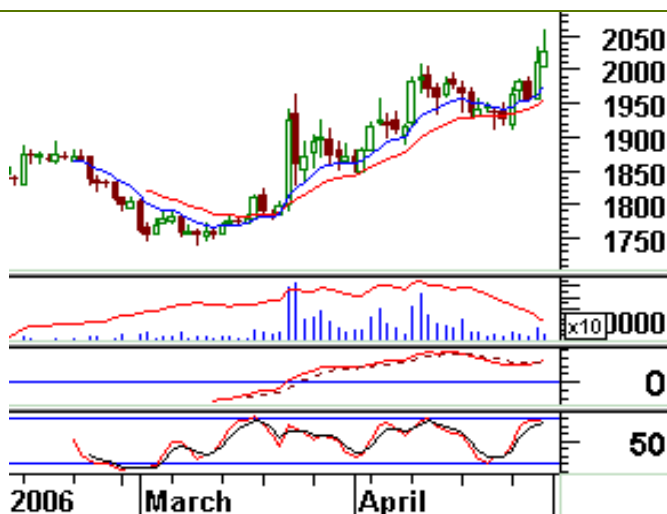
April 29, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Edged Up on Buying Interest
- Guar Futures: Accomplish a New Top on Rising Support

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Trend reversal, steady to weak opening  
**MACD:** Slightly bullish, moving upwards  
**Stochastic:** Slightly bearish, possibility of technical correction from over bought region  
**Overall:** Trend reversal

#### Market Outlook:

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

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
May	1996	1979	2067	2081
June	2071	2050	2159	2183

#### Intraday Trade Recommendations:

**Buy** NCDEX- May Guar Seed near 2018 with **target** of near 2050, and then near 2066 **Stop loss** at near 2002.

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 bullish, moving upwards  
**Stochastic:** Slightly bearish, possibility of technical correction from over bought region  
**Overall:** Trend reversal

#### Market Outlook:

The guar gum futures are likely to trade downwards initially following a steady to weak opening and some upwards movement later. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
May	5052	5010	5213	5268
June	5239	5188	5433	5483

#### Intraday Trade Recommendations:

**Buy** NCDEX- May Guar Gum near 5120 with **target** of near 5165, then near 5187. **Stop loss** at near 5098.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar futures settled at positive territory with gains after profit-booking activities capped early advances at the higher levels.

Arrivals at the major markets reported to be steady.

Prices are likely to move downwards initially following a steady to weak opening and some upwards movement later.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX witnessed moderately upwards trade following a weak opening. Increased buying interest supported the futures and reached at very higher levels. The futures accomplished a new top. However, some profit booking capped some of the early gains. Finally the futures settled at positive territory with gains. The near month May contract traded in the range of 2001.00-2060.00, while the June contract fluctuated in the range of 2095.00-2162.00. At the spot markets guar seed was quoted higher in the range of Rs.2100 per quintal in Jodhpur market during evening session of the trade. At the Bikaner market it was offered higher at Rs.1990 per quintal, at the Nokha market, it was offered higher at Rs.1924 per quintal. However, at Sriganaganagar market it was offered steady at Rs.1960 per quintal, at Shiwani market it was quoted higher at Rs.1890 per quintal during Friday's trade.

#### GUAR GUM:

The guar gum futures at the NCDEX traded moderately upwards following a weak opening. Increased buying interest supported the futures and lifted to a new top. However, increased profit making interest at higher levels curbed some of the early gains. The futures settled at positive territory with gains. The near month May contract traded in the range of 5100.00-5245.00, while the June contract fluctuated in the range of 5280.00-5445.00. At the spot markets guar gum was quoted much higher at Rs.5252 per quintal in Jodhpur market during evening session of the trade.

#### PHYSICAL MARKET SENTIMENTS:

The sentiments on guar in the physical markets remained sharply bullish during Friday's trade. The guar seed as well as guar gum mostly traded at much higher prices in different spots markets of the country. Technical corrections as well as the anticipation of bellow normal S.W. monsoon mainly motivated buyers. More, over, highly bullish tone of the futures market underpinning the physical market sentiments. The rising demands even at higher price levels reported from the domestic markets of guar. However, traders from some of the spot markets reported unwillingness of the millers to purchase guar seed at the higher levels. Stockists did not release their stocks. Some of the traders attributed that prices would be fluctuating at the higher levels. But, the overall sentiment in the market is strong. In such circumstances; the prices of guar seed as well as guar gum are expected to move downwards initially following a steady to weak opening and some upwards movement later.

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

(Rs./quintal)

Commodity	Centres	28.04.06	27.04.06	Change
	Bikaner	1990	1940-50	+40
Guar Seed	Jodhpur-B line	2100	2075	+25
	Jodhpur-M line	2075	2050	+25
	Nokha	1924	1883	+41
	Sriganganagar	1960	1960	-
	Shiwani	1890	1850	+40
Guar Gum	Jodhpur	5252	5000	+252

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	387.90	390.80	393.40	+5.50

#### Price Movements at Bikaner Vayda

Bikaner market witnessed moderately upwards trade initially following a higher opening. Increased buying activities supported the futures and traded much higher. However, some profit taking activities cut off some of the early gains. Finally, the May contracts settled at positive territory with gains during Friday's trade.

### WEATHER HIGHLIGHTS (28-04-06)

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

Mainly dry weather is likely over the region outside Jammu & Kashmir and Himachal Pradesh where isolated rain/thundershowers are likely on 30th. Isolated duststorm may occur over Punjab, Haryana, Chandigarh & Delhi and West Uttar Pradesh. Heat wave conditions is likely to continue over some parts of Punjab and Haryana.

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

Weather will be mainly dry over the region. However, isolated duststorm may occur over Rajasthan. Day temperatures in Rajasthan are likely to remain between 40 to 44°C. Heat wave likely over some more areas of Rajasthan.

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