

GUAR SEED and GUAR GUM

April 12, 2006

MAJOR ACTIVITY HIGHLIGHTS

- **Guar Physical Market: Remained Sharply Bullish**
- **Guar Futures: Settled With Marginal Gains**

TECHNICAL ANALYSIS

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

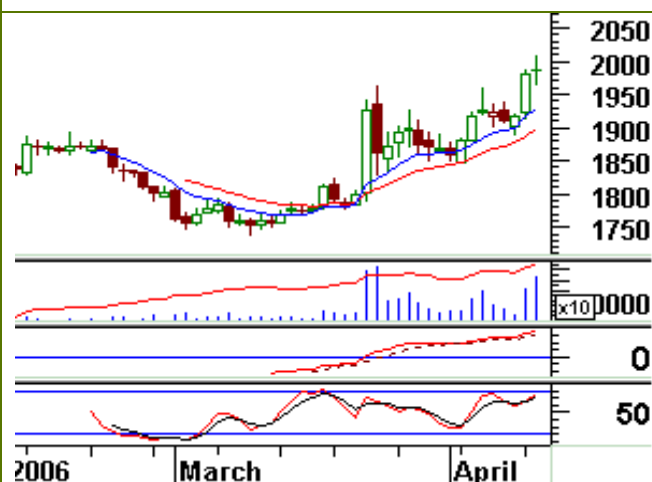


Chart Indicators:

Candlesticks: Trend reversal, steady to weak opening
MACD: Bullish, moving upwards
Stochastic: Bullish, moving upwards in overbought region, possibility of technical correction.
Overall: Slightly Bullish

Market Outlook:

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

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	1876	1860	1942	1955
May	1939	1916	2025	2038

Intraday Trade Recommendations:

Sell NCDEX- May Guar Seed near 1998 with **target** of near

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



Chart Indicators:

Candlesticks: Trend reversal, steady to weak opening
MACD: Bullish, moving upwards
Stochastic: Bullish, moving upwards in overbought region, possibility of technical correction.
Overall: Slightly Bullish

Market Outlook:

The guar gum futures are likely to trade downwards move downwards initially following a steady to weak opening with possibility of upward movement later. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4877	4818	5138	5190
May	4988	4931	5301	5345

Intraday Trade Recommendations:

Sell NCDEX- May Guar Gum near 5170 with **target** of near

1968, and then near 1953 **Stop loss** at near 2014.
Do not carry forward the position until the next day.

5100, then near 5065. **Stop loss** at near 5215.
Do not carry forward the position until the next day.

FUNDAMENTAL ANALYSIS

SALIENT POINTS OF THE DAY

Guar futures settled with marginal gains during Tuesday.

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

Prices are likely to move downwards initially following a steady to weak opening with possibility of upward movement later.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed downwards trade initially on increased selling pressure following a firm opening. However, increased buying interest at lower levels supported the futures and traded upwards thereafter. Finally at higher levels some selling pressure pushed down the futures and settled at lower level with marginal gains. The near month April contract traded in the range of 1892.00-1930.00, while the May contract fluctuated in the range of 1962.00-2009.00. At the spot markets guar seed was quoted much higher at Rs.2000 per quintal in Jodhpur market during evening session of the trade. At the Bikaner market it was offered higher at Rs 1890 per quintal, at the Nokha market, it was also offered higher at Rs.1820 per quintal. Whereas, Sriganganagar market and Shiwani market it was quoted steady at 1900 and 1810 per quintal respectively during Tuesday's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed downwards trade initially on increased selling pressure at higher levels following a firm opening. However, increased buying interest supported the futures and traded upwards thereafter. Finally the futures settled at positive territory with some gains. The near month April contract traded in the range of 4952.00-5045.00, while the May contract fluctuated in the range of 5071.00-5182.00. At the spot markets guar gum was quoted much higher at Rs.5100 per quintal in Jodhpur market during evening session of the trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets remained highly bullish during Tuesday's trade. The guar seed as well as guar gum mostly traded at sharply higher prices. The arrivals at the major markets reported to be steady at lower levels. The demand was higher from stockist. According to the traders the arrivals of the guar seed would be the governing factors for coming day's market sentiments. Stockist reportedly storing their stock. Moreover, the highly bullish tone of the futures markets also underpinning the physical markets sentiments. Traders have been eyeing on the futures market for further direction in this context. They attributed that prices of guar increased in futures due to speculative activities. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to move downwards initially following a steady to weak opening with possibility of upward movement later.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	11.04.06	10.04.06	Change
Guar Seed	Bikaner	1890	1870	+20
	Jodhpur-B line	2000	1970	+30
	Jodhpur-M line	1975	1945	+30
	Nokha	1820	1800	+20
Guar Gum	Sriganganagar	1900	1900	-
	Shiwani	1810	1810	-
	Jodhpur	5100	5000	+100

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	380.20	-	-	-

Price Movements at Bikaner Vayda

Bikaner market remained closed during Tuesday's trade

WEATHER HIGHLIGHTS (11-04-06)

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

Isolated rain/snow is likely over Jammu & Kashmir. Mainly dry weather over the rest region. The day temperatures over the region have fallen by 2-4 °C and are likely to decrease further by 1-2°C.

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

Weather will be mainly dry over the region. Day temperatures over Rajasthan and Gujarat have fallen by 2-4 °C and may fall further by 1-2°C.

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