

GUAR SEED and GUAR GUM

April 17, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Steady to Bearish
- Guar Futures: Settled at Day's Low 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 downwards initially following a steady to firm opening and upward movement thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	1872	1857	1942	1955
May	1945	1930	2025	2042

Intraday Trade Recommendations:

Buy NCDEX- May Guar Seed near 1955 with **target** of near 1993, and then near 2008 **Stop loss** at near 1937.

Do not carry forward the position until the next day.

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

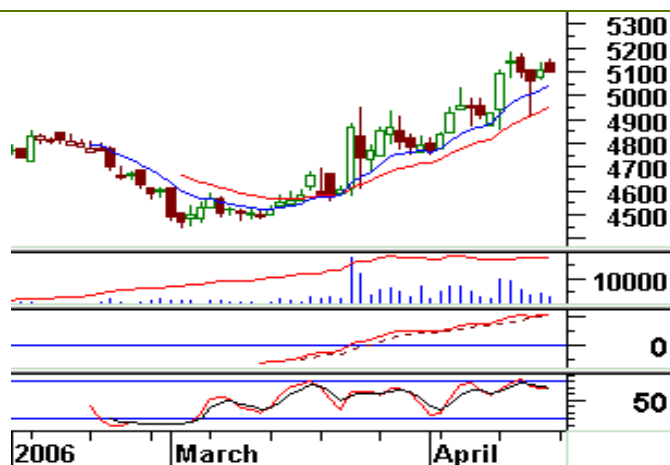


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Market Outlook:

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Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4848	4800	5060	5100
May	4993	4932	5217	5269

Intraday Trade Recommendations:

Buy NCDEX- May Guar Gum near 5050 with **target** of near 5110, then near 5140. **Stop loss** at near 5020.

Do not carry forward the position until the next day.

FUNDAMENTAL ANALYSIS

SALIENT POINTS OF THE DAY

Guar futures settled at negative territory with marginal losses. Arrivals at the major markets reported to be steady at lower levels.

Prices are likely to move downwards initially following a steady to firm opening and upward movement thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a moderately upward trade initially on increased buying support following a firm opening. Buying support reached the futures at some higher levels. However, at the closing point of the day the futures slid to some lower levels on increased selling pressure and settled near days low in final action. The near-month April contract traded in the range of 1897.00-1925.00, while the May contract fluctuated in the range of 1968.00-1996.00 during Saturday's trade. At the spot markets guar seed was quoted steady at Rs.1980 per quintal in Jodhpur market during Saturday's trade. At the Bikaner market it was offered lower at Rs.1856 per quintal, at the Nokha market, it was offered lower at Rs.1820 per quintal. At Sriganganagar market it was also offered lower too at Rs.1850 and at Shiwani market it was quoted steady at Rs.1810 per quintal during Saturday's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed an upward trade following a much higher opening. Buying interest mostly supported the futures throughout the day. But Increased-selling pressure at higher level pushed down the futures at much lower levels. Finally the futures settled lower at day's low with losses. The near-month April contract traded in the range of 4991.00-5039.00, while the May contract fluctuated in the range of 5088.00-5155.00 during Saturday's trade. At the spot markets guar gum was quoted steady at Rs.5000-5020 per quintal in Jodhpur market during Saturday's trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed steady to bearish sentiments during Saturday's trade. The guar seed as well as guar gum mostly traded at steady prices at Jodhpur market. However, others market remained on an average bearish. The arrivals at the major markets reported to be steady at lower levels. Millers were active buyers during whole day. 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 coming day's market sentiments. Moreover, the bearish tone of the futures markets also underpinning the physical markets sentiments. Traders optimistic that prices of guar would increase again. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to move downwards initially following a steady to firm opening and upward movement thereafter.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	15.04.06	14.04.06	Change
	Bikaner	1856	1872	-16
Guar Seed	Jodhpur-B line	1980	1980-1985	-
	Jodhpur-M line	1955	1955-1960	-
	Nokha	1820	1835	-15
	Sriganganagar	1850	1870	-20
	Shiwani	1810	1810	-
Guar Gum	Jodhpur	5000-5020	5000-5044	-

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	381.00	383.00	380.00	-1.00

Price Movements at Bikaner Vayda

Bikaner market witnessed upwards trade initially on increased buying activities following a much higher opening. However, increased selling pressure at higher levels pushed down the futures. Finally, the May contracts settled lower at day's low with losses during Saturday's trade.

WEATHER HIGHLIGHTS (15-04-06)

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

Scattered to fairly widespread rain/snow over Jammu & Kashmir, and Himachal Pradesh. Isolated rain/snow over Uttaranchal. Isolated rain/thundershowers over the rest region.

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

Weather will be mainly dry over the region except over North Rajasthan where isolated rain/thundershowers it may occurred .

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