

GUAR SEED and GUAR GUM

April 14, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Bearish
- Guar Futures: Traded at Sideways Tone

TECHNICAL ANALYSIS

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



Chart Indicators:

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

Market Outlook:

The guar seed futures are likely to move moderately 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.	1840	1828	1922	1937
May	1917	1897	2008	2022

Intraday Trade Recommendations:

Buy NCDEX- May Guar Seed near 1940 with **target** of near 1970, and then near 1885 **Stop loss** at near 1925.

Do not carry forward the position until the next day.

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



Chart Indicators:

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

Market Outlook:

The guar seed futures are likely to move moderately downwards initially following a steady to firm opening and upward movement thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Apr.	4810	4752	5060	5120
May	4910	4860	5195	5235

Intraday Trade Recommendations:

Buy NCDEX- May Guar Gum near 4980 with **target** of near 5040, then near 5070. **Stop loss** at near 4950.

Do not carry forward the position until the next day.

FUNDAMENTAL ANALYSIS

SALIENT POINTS OF THE DAY

Guar futures settled at negative territory with losses

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

Prices are likely to move moderately 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 downward trade initially on increased selling pressure following a firm opening. However, increased buying interest at lower levels recovered the futures from some of the losses and traded mostly upwards thereafter. Finally the futures settled at negative territory with losses. The near-month April contract traded in the range of 1864.00-1903.00, while the May contract fluctuated in the range of 1931.00-1979.00. At the spot markets guar seed was quoted lower at Rs. 1970 per quintal in Jodhpur market during evening session of the trade. At the Bikaner market it was offered steady at Rs 1860 per quintal, at the Nokha market, it was offered lower at Rs.1780 per quintal. At Sriganganagar market it was also offered lower at Rs. 1860 whereas, and Shiwani market it was quoted steady at Rs.1800 per quintal during Thursday's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed a downwards trade at the early hours following a firm opening. However, increased buying interest at lower levels supported the futures and traded mostly upwards thereafter. The futures settled at negative territory with losses in the final action. The near-month April contract traded in the range of 4880.00-4990.00, while the May contract fluctuated in the range of 4910.00-5110.00. At the spot markets guar gum was quoted lower at Rs.5020 per quintal in Jodhpur market during evening session of the trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets prevailed bearish to steady sentiment during Thursday's trade. The guar seed as well as guar gum mostly traded at lower prices. The arrivals at the major markets reported to be steady at lower levels. The steady supply demand scenario had mostly governed the market sentiments. The traders reported somewhat lower demand at the higher price levels. 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 be increased again. Amidst such circumstances, the prices of guar seed as well as guar gum are expected to move moderately downwards initially following a steady to firm opening and upward movement thereafter.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	13.04.06	12.04.06	Change
	Bikaner	1860	1860	-
Guar Seed	Jodhpur-B line	1970	1975	-5
	Jodhpur-M line	1945	1950	-5
	Nokha	1780	1805	-25
	Sriganganagar	1860	1880	-20
	Shiwani	1800	1800	-
Guar Gum	Jodhpur	5020	5050	-30

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	379.60	376.50	377.70	-1.90

Price Movements at Bikaner Vayda

Bikaner market witnessed upwards trade initially on increased buying activities. However, increased selling pressure at higher level pushed down the futures. The May contracts settled at negative territory with losses during Thursday's trade.

WEATHER HIGHLIGHTS (13-04-06)

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

Mainly dry weather over the region till 14th. Isolated to scattered rain/snow over Jammu & Kashmir from 15th. It is likely to increase and extend into Himachal Pradesh and Uttaranchal from 16th.

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

Weather will be mainly dry over the region. Day temperatures over the region likely to increase 2-3°C during next 3-4 days..

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