

## May 23, 2006

## SPOT MARKETS:

## FUTURES MARKETS:

## PRICE DRIVERS:

**Bullish:**

1. Steady arrivals at lower levels
2. IMD's prediction of below normal rainfall

### Bearish:

- ### 1. Selling pressure in futures market

## Weather

Southwest monsoon has advanced into some more parts of southwest, southeast Bay of Bengal, some parts of east central Bay and remaining parts of Andaman Sea. Farmers have been closely eyeing towards monsoon rainfall to take decision about showing of guar seed.

## TECHNICALS:

A white body occurred. A spinning top occurred that identify a session in which there is little price action. Stochastic is bullish, and moving upwards to normal region after crossing over sold region %K line crossed % D line from the below showing some up trend. The MACD along with its EMA moving southwards showing downtrend at medium term.

## OUTLOOK:

The prices of guar seed as well as guar gum are expected to move slightly downwards initially following a steady to firm opening and upward movement thereafter.

**NCDEX July Contract**

**SUPPORT / RESISTANCES:**

Contract	S1	S2	PCP	R1	R2
Guar seed June	2040	2012	2092	2191	2215
Guar gum June	4953	4873	5090	5300	5421

**INTRADAY TRADE RECOMMENDATION:**

**Buy NCDEX- June Guar Seed** near 2075 with target of 2115, and then 2135 Stop loss at 2055.

**Buy NCDEX- June Guar Gum** near 5020 with target of 5080 then 5110. Stop loss at 4980.

**Do not carry forward the position until the next day.**

Commodity	Centres	21.04.06	20.04.06	Change
Guar Seed	Bikaner	1940	1960	-20
	Jodhpur	2080	2125	-45
	Nokha	1898	1872	+26
Guar Gum	Sriganganagar	1900	1900	-
	Jodhpur	5122	5250	-128

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