

## GUAR SEED and GUAR GUM

May 02, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- **Guar Physical Market: Almost Stable**
- **Guar Futures: Remains Marginally Down**

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Bearish with weak opening  
**MACD:** Slightly down, moving downwards  
**Stochastic:** Slightly bearish, possibility of technical correction from over bought region  
**Overall:** Bearish

#### Market Outlook:

The guar seed futures are expected to move slightly downwards initially following a weak opening and upward movement thereafter.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
May	1976	1956	2028	2040
June	2059	2032	2109	2127

#### Intraday Trade Recommendations:

**Sell** NCDEX- June Guar Seed near 2110 with **target** of near 2061, and then near 2039 **Stop loss** at near 2140.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Bearish with weak opening  
**MACD:** Slightly down, moving downwards  
**Stochastic:** Slightly bearish, possibility of technical correction from over bought region  
**Overall:** Bearish

#### Market Outlook:

The guar gum futures are likely to trade slightly downwards initially following a steady to weak opening and upward movement thereafter.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
May	5019	4991	5141	5181
June	5208	5175	5305	5325

#### Intraday Trade Recommendations:

**Sell** NCDEX- June Guar Gum near 5301 with **target** of near 5250, then near 5240. **Stop loss** at near 5326.

Do not carry forward the position until the next day.

## FUNDAMENTAL ANALYSIS

### SALIENT POINTS OF THE DAY

Guar futures finished down.

Arrivals at the major markets reported to be steady to firm.

Prices are likely to move slightly downwards initially following a weak opening and some upwards movement might be possible afterwards.

### MARKET COMMENTARY

#### GUAR SEED:

The guar seed futures at the NCDEX remained range bound with slight weak undertone today amidst stable to range bound spot market price. However, increased profit booking interest at higher levels pushed down the futures and traded at lower levels thereafter. The near month May contract traded in the range of 1935-2034, while the June contract fluctuated in the range of 2082-2125. At the spot markets guar seed was quoted stable at Rs.2050 per quintal in Jodhpur market today. At the Bikaner market the prices declined and traded in the range of Rs.1870-1880 per quintal, Nokha market remained closed. At Sriganganagar market it was quoted lower at Rs.1950 per quintal, at Shiwani market also it was quoted lower at Rs.1860 per quintal today.

#### GUAR GUM:

The guar gum futures at the NCDEX traded bearish today following firm opening but fell down after that on weak spot prices coupled with speculative selling. However, increased profit-booking interest at the higher levels pressurised the futures and traded downwards thereafter. The near month May contract traded in the range of 5051-5170, while the June contract fluctuated in the range of 5236-5360. At the spot markets guar gum was quoted lower at Rs.5175 per quintal in Jodhpur market today.

#### PHYSICAL MARKET SENTIMENTS:

The sentiments on guar in the physical markets turned towards bearish following much higher prices during last couples of days. The guar seed as well as guar gum mostly traded at stable in different spots markets of the country. Bearish tone of the futures market due to profit booking activities at the higher levels pressurised the physical market sentiments. However, the overall market sentiments in the domestic spot markets of guar are strong. Traders attributed somewhat lower demand at the higher price levels during the weekend. 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 slightly 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	1.05.06	Change
	Bikaner	1990	1870	-120
Guar Seed	Jodhpur-B line	2100	2060	-40
	Jodhpur-M line	2075	2035	-40
	Nokha	1924	Closed	-
	Sriganganagar	1960	1950	-10
	Shiwani	1890	1860	-30
Guar Gum	Jodhpur	5252	5175	-77

### BIKANER GUAR VAYDA

#### Guar Prices at Bikaner Vayda

(Rs./ 20 kg)

Contract	Prev. Close	Open	Close	Change
May	393.4	391.5	390.3	-3.1

#### Price Movements at Bikaner Vayda

Bikaner market showed down ward trend for guar prices.

### WEATHER HIGHLIGHTS (29-04-06)

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

Isolated Rain/thundershowers activity over Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Isolated duststorm/thunderstorm activity over Punjab, Haryana, Chandigarh and Delhi. Mainly dry weather over the rest region.

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

Weather will be mainly dry over the region. However, isolated duststorm may occur over Rajasthan. Heat wave conditions are likely to continue over some parts of Rajasthan.

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