

## GUAR SEED and GUAR GUM

September 26, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Prices Remained Range Bound Today
- Guar Futures Settled Lower Amidst Sideways Trade

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing a bearish sentiment and weak opening with possibility of an upward correction.

**Stochastic:** The stochastic is moving upwards, the %K line as well as the %D line is moving upwards in the normal region, hinting further upside movement.

**MACD:** The MACD (5-day) is moving downwards and lying below its EMA, showing bearishness in the market.

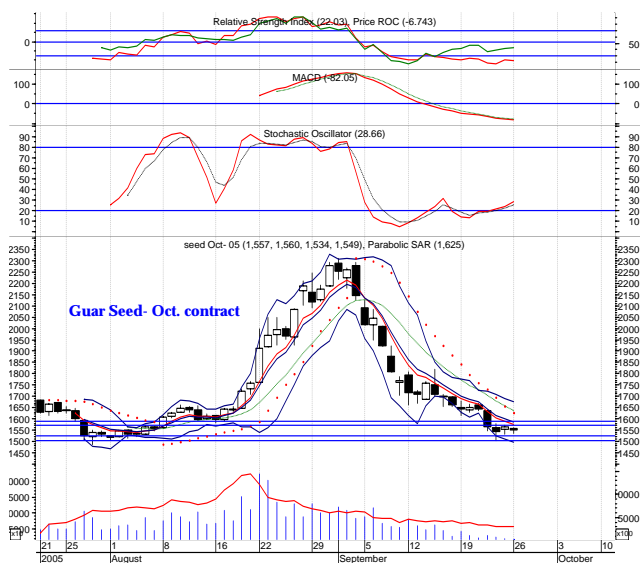
**Alignment pattern:** The alignment pattern of moving averages is supporting the weakness in the market.

#### Market outlook:

Guar seed futures are likely to trade bearishly following a weak opening with possibility of an upward correction. Trade with very-short term outlook.

#### Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1524	1504	1570	1590
Nov.	1545	1525	1600	1620



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

**Candlestick:** Formation of candlestick pattern is indicating a bearish trade following a weak opening and possibility of an upward correction.

**Stochastic:** The stochastic is moving upwards, the %K-line as well as the %D line is moving upwards in the normal region, indicating further uptrend in the market.

**MACD:** The MACD (5-day) is lying below its EMA and moving downwards, showing bearishness in the market.

**Alignment pattern:** The alignment pattern of moving averages is supporting the weakness in the market.

#### Market outlook:

Guar gum futures are likely to trade bearishly following a weak opening with possibility of an upward correction. Trade with very-short term outlook.

#### Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	3950	3900	4113	4166
Nov.	4042	3976	4203	4274



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed a sideways trade following a weak opening today. The futures pared an early slid on some buying support at the lower price levels. The October future traded in the range of 1534.00-1560.00 today. At the spot markets guar seed was quoted at Rs 1600 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was quoted lower at Rs 1550-1575 per quintal today. The guar gum futures at the NCDEX also traded range bound with a bearish undertone following a weak opening today. The futures curbed the morning slid as some buying support was seen at the lower price levels. The October future traded in the range of 3950.00-4078.00 today. At the spot markets guar gum was quoted lower at Rs 4150-4200 per quintal in Jodhpur market at the evening session of trade.

The guar prices failed to extend previous advances and remained range bound with a weak undertone today. Guar prices moved side-ways on alternate buying and selling interest today. Mainly dry weather prevailed over Gujarat, Rajasthan, Punjab, Haryana and most parts of interior Maharashtra today. The circulation features suggest that the southwest monsoon is likely to withdraw from parts of Rajasthan, Punjab, Haryana and Jammu & Kashmir during next 48 hours. Under such situations the guar prices are expected to maintain the bearish sentiment following a weak opening. However, an upward correction is likely in the near-term.

### Guar Prices at Major Markets in Rajasthan

(Rs./quintal)				
Commodity	Centres	26.09.05	24.09.05	Change
Guar Seed	Bikaner	1550-1575	1575-1600	-25
	Jodhpur-B line	1600	1600	-
	Jodhpur-M line	1575	1575	-
	Nokha	-	-	-
Guar Gum	Jodhpur	4150-4200	4200	-50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	373.50	372.00	371.60	-1.90

### Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda failed to extend previous advances and traded bearishly after a weak opening. The November future settled lower on increased selling pressure.

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## SALIENT POINTS OF THE DAY

Guar seed and gum prices settled lower on increased selling interest.

Mostly dry weather over Rajasthan, Haryana and Gujarat.

Prices are likely to witness a bearish trade following a weak opening with a possibility of an upward correction.

### WEATHER HIGHLIGHTS (26-09-05)

During last 24 hours, rainfall has reduced significantly over Uttaranchal, Himachal Pradesh and Jammu & Kashmir. Scattered light to moderate rainfall has also occurred over East Uttar Pradesh, northeastern States, parts of Madhya Pradesh, Chhattisgarh, Orissa and Konkan & Goa.

Mainly dry weather prevailed over Gujarat, Rajasthan, Punjab, Haryana, and most parts of interior Maharashtra.

The circulation features suggest that the southwest monsoon is likely to withdraw from parts of Rajasthan, Punjab, Haryana and Jammu & Kashmir during next 48 hours.

Chief amounts of rainfall (in cm.) during past 24 hours are: Pantnagar-8, Gangtok-7, Port Blair-3, Visakhapatnam-3 and Dehradun-2.

Yesterday's low-pressure area over West Uttar Pradesh and adjoining Uttaranchal has become less marked.

The western disturbance as an upper air system and the trough in westerlies are moving away northeastwards.

A north-south trough runs from Sikkim to north Bay of Bengal and extends upto 4.5 km a.s.l.

Under this scenario moderate rainfall activity is likely to continue in northeast India.

### Cloud Cover today (IMD):

