

## GUAR SEED and GUAR GUM

September 30, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Firm Today
- Guar Futures Extended Previous Advances

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing moderate uptrend initially after a firm opening and range bound downtrend thereafter.

**Stochastic:** The stochastic is moving upwards, the %K line after cutting the %D line from below moving upwards in the normal region, showing further uptrend in the market.

**MACD:** The MACD (5-day) is moving upwards but lying below its EMA, indicating weakness in the market.

**Alignment pattern:** The alignment pattern of moving averages is also supporting the bearish sentiment.

#### Market outlook:

Guar seed futures are expected to trade moderately upwards following a firm opening initially and range bound downtrend thereafter. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1516	1506	1538	1548
Nov.	1541	1525	1574	1588



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

**Candlestick:** Formation of candlestick pattern is indicating moderate uptrend initially following a firm opening and range bound downtrend thereafter.

**Stochastic:** The stochastic is moving upwards, the %K line after cutting the %D line from below moving upwards in the normal region, hinting further uptrend in the market.

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

**Alignment pattern:** The alignment pattern of moving averages is also supporting the bearish sentiment.

#### Market outlook:

Guar gum futures are expected to trade moderately upwards following a firm opening initially and range bound downtrend thereafter. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	3916	3888	3992	4014
Nov.	4003	3971	4078	4111



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed slight uptrend today following a firm opening. The October future traded in the range of 1507.00-1527.00 during today's trade. At the spot markets guar seed was quoted higher at Rs 1575 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at Rs 1540-1550 per quintal, while at the Nokha market it was available at Rs 1400 per quintal today. The guar gum futures at the NCDEX also witnessed similar sentiment during today's trade. The October future traded in the range of 3895.00-3959.00 today. At the spot markets guar gum was quoted at Rs 4025-4050 per quintal in Jodhpur market at the evening session of trade.

The guar prices extended previous advances today. The prices moved upwards after a firm opening but increased selling pressure capped the advances. Despite higher selling activity the prices settled at the positive ground on some buying support. Mainly dry weather prevailed over guar growing regions of Rajasthan, Haryana, Punjab and Gujarat. The upper air cyclonic circulation over Saurashtra and adjoining southeast Arabian Sea persists and extends between 1.5 and 5.8 km a.s.l. Rain/thundershowers likely at a few places over Konkan & Goa and Madhya Maharashtra and isolated over Gujarat. Mainly dry weather is likely in the rest region. Under such circumstances the guar prices are expected to maintain the strength at the early hours of trade and range bound downtrend is likely in the later session of trade.

### Guar Prices at Major Markets in Rajasthan

		(Rs./quintal)		
Commodity	Centres	30.09.05	29.09.05	Change
Guar Seed	Bikaner	1540-1550	1500-1515	+40
	Jodhpur-B line	1575	1550-1560	+25
	Jodhpur-M line	1550	1525	+25
	Nokha	1400	1400	-
Guar Gum	Jodhpur	4025-4050	3975-4000	+50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	368.60	369.20	368.80	+0.20

### Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda extended previous advances today and opened at a much higher level but ran into more selling. Despite increased selling pressure at the higher price levels, the November future managed to settle in the positive ground.

## SALIENT POINTS OF THE DAY

Guar seed and gum prices extended previous advances today.

Mainly dry weather prevailed over Rajasthan, Haryana, Punjab and Gujarat.

Prices are likely to witness moderate upward movement following a firm opening initially and range bound downtrend thereafter.

## WEATHER HIGHLIGHTS (30-09-05)

During past 24 hours, scattered rainfall has occurred over northeastern states along the east coast, Konkan & Goa and Madhya Maharashtra.

The low-pressure area over westcentral Bay of Bengal persists. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence scattered to fairly widespread rainfall is likely along the east coast and northeastern States during next 2-3 days.

The upper air cyclonic circulation over Saurashtra and adjoining southeast Arabian Sea persists and extends between 1.5 and 5.8 km a.s.l.

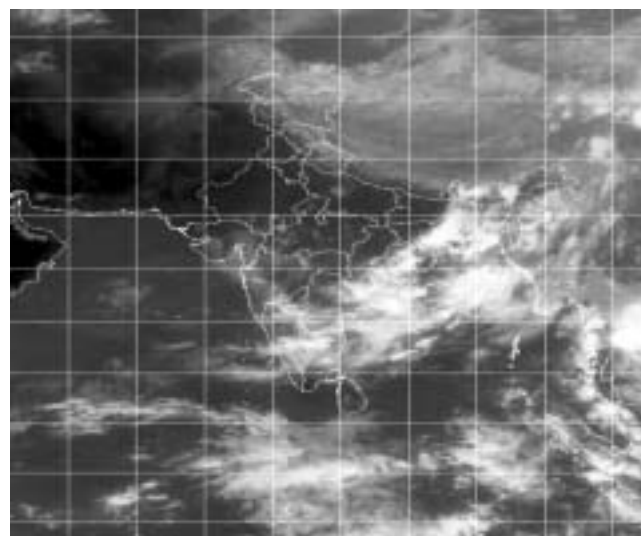
**NORTH:** Mainly dry weather is likely in the region.

**EAST:** Rain/thundershowers likely at many places over northeastern States and coastal areas of West Bengal & Orissa; at a few places over rest West Bengal, Sikkim and isolated in rest Orissa. Mainly dry weather is likely in the rest region.

**SOUTH:** Rain/thundershowers likely at many places over Coastal Andhra Pradesh and north coastal Tamil Nadu & Pondicherry; at a few places over Andaman & Nicobar Islands and rest Tamil Nadu and isolated in the rest region.

**WEST:** Rain/thundershowers likely at a few places over Konkan & Goa and Madhya Maharashtra and isolated over Gujarat. Mainly dry weather is likely in the rest region.

### Cloud Cover today (IMD):



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