

GUAR SEED and GUAR GUM

September 29, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Range Bound Today
- Guar Futures Settled Up on Speculative Buying

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is indicating a short-term uptrend following a steady opening initially 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 some improvement in the market.

MACD: The MACD (5-day) is still 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 expected to trade moderately upwards following a steady opening initially and range bound downwards thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1505	1488	1538	1559
Nov.	1525	1505	1571	1597



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

Candlestick: Formation of candlestick pattern is showing a short-term uptrend after a steady opening initially and range bound downward thereafter.

Stochastic: The %K-line has started moving upwards, while the %D line is moving downwards in the normal region, showing some improvement in the market.

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

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

Market outlook:

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

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	3876	3818	3993	4060
Nov.	3954	3897	4088	4146



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed a bearish sentiment after a steady opening at the early hours of trade. However, the futures got some buying support at the lower price levels and settled near to the day's high. The October future traded in the range of 1486.00-1517.00 today. At the spot markets guar seed was quoted at Rs 1550-1560 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered steady at Rs 1500-1515 per quintal, while at the Nokha market it was quoted at Rs 1400 per quintal today. The guar gum futures at the NCDEX also traded with a bearish sentiment following a weak opening at the early hours of trade. However, the futures got some buying support at the lower price levels and settled near to the day's high. The October future traded in the range of 3820.00-3911.00 today. At the spot markets guar gum was offered at Rs 3975-4000 per quintal in Jodhpur market at the evening session of trade.

The guar prices remained mostly range bound today. The prices extended earlier weakness today at the morning session of trade but pared the losses in final action. Moderate buying support at the lower price levels pushed up the prices at the later session of trade. Southwest monsoon has further withdrawn from entire Jammu & Kashmir, Himachal Pradesh; some parts of Uttaranchal, West Uttar Pradesh & West Madhya Pradesh some more parts of north Gujarat region and remaining parts of Haryana including Delhi & Rajasthan. Under such circumstances the guar trade is likely to extend the prevailing sentiments and prices are expected to move both ways in the coming days. The guar prices are likely to witness moderate uptrend at the early hours of trade and likely to move downwards later in the session.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)

Commodity	Centres	29.09.05	28.09.05	Change
Guar Seed	Bikaner	1500-1515	1500-1510	-
	Jodhpur-B line	1550-1560	1550-1575	-
	Jodhpur-M line	1525	1550	-25
	Nokha	1400	1400	-
Guar Gum	Jodhpur	3975-4000	4025-4050	-50

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	367.50	367.60	368.60	+1.10

Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda witnessed a slight uptrend following a steady opening today. The November future finished higher on increased buying support at the lower price levels.

SALIENT POINTS OF THE DAY

Guar seed and gum prices settled higher on speculative buying.

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

Prices are likely to witness moderate uptrend following a steady opening initially and range bound downtrend thereafter.

WEATHER HIGHLIGHTS (29-09-05)

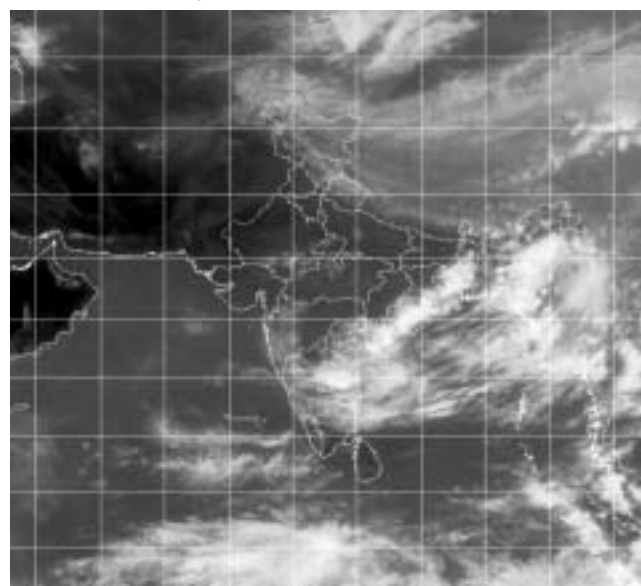
During past 24 hours, scattered to fairly widespread rainfall with isolated heavy falls have occurred over north coastal Tamil Nadu, Coastal Andhra Pradesh, Orissa, Gangetic West Bengal, Nagaland, Manipur, Mizoram & Tripura, South Interior Karnataka and Madhya Maharashtra.

Southwest monsoon has further withdrawn from entire Jammu & Kashmir, Himachal Pradesh; some parts of Uttaranchal, West Uttar Pradesh & West Madhya Pradesh some more parts of north Gujarat region and remaining parts of Haryana including Delhi & Rajasthan. The withdrawal line passes through Leh, Kalpa, Bareilly, Gwalior, Jhalawar, Ahmedabad, Dwaraka, 22° N/67° E and 22° N/60° E.

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.

Under influence of the cyclonic circulation over North Bay of Bengal a low pressure area has formed over westcentral Bay of Bengal. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. The system may become well marked. Under its influence scattered to fairly widespread rainfall is likely over coastal area of Tamil Nadu, Andhra Pradesh, Orissa and Gangetic West Bengal.

Cloud Cover today (IMD):



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