

## GUAR SEED and GUAR GUM

September 12, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Seed and Gum Maintained Bearishness
- Guar Futures Slid; Pared Early Gains

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing a steady opening, slight upward movement at the early hours of trade and range bound downward trade thereafter.

**Stochastic:** The stochastic is moving upwards in oversold region, %K line is lying below %D line and about to cut it from downside, hinting a likely upward correction.

**MACD:** The MACD (5-day) is moving down, lying below its EMA in positive region, showing weakness in the prices.

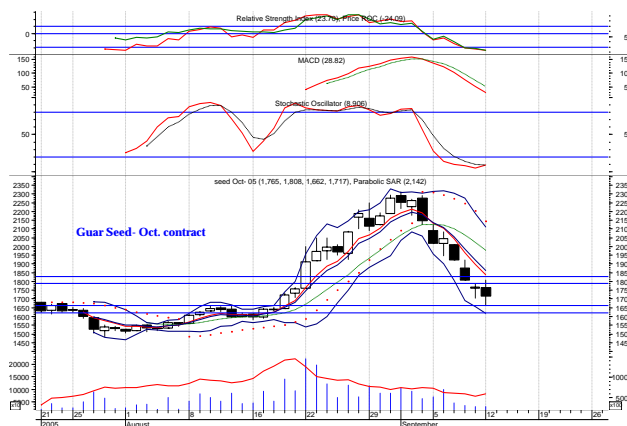
**Alignment pattern:** The alignment pattern of moving averages is showing the bearishness in the market.

#### Market outlook:

Guar seed futures are expected to open steady and trade slight upwards initially, but likely to witness a range bound downward movement thereafter. Trade with very-short term outlook following the weather conditions.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1629	1589	1709	1741
Oct.	1664	1620	1788	1826



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

**Candlestick:** Formation of candlestick pattern is showing a steady opening and marginal uptrend at the early hours of trade. However, a range bound trade with moderate downward movement is likely thereafter.

**Stochastic:** The stochastic is moving upwards in oversold region, %K-line is lying below the %D line and about to cut it from below.

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

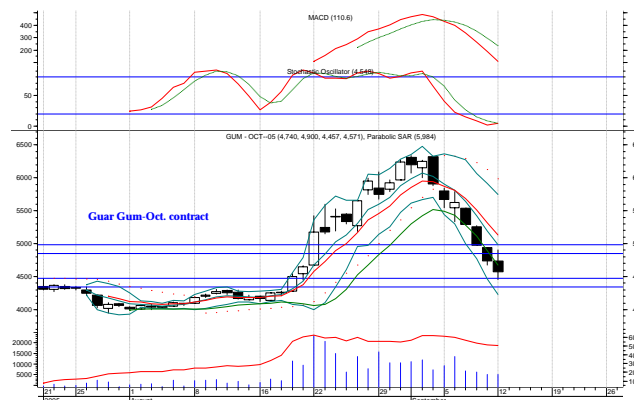
**Alignment pattern:** The alignment pattern of moving averages is showing weakness in the market.

#### Market outlook:

Guar gum futures are likely to open steady and trade slight upwards initially, but expected to remain range bound with a downward movement thereafter. Trade with a very-short term outlook keeping in mind the weather conditions.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	4415	4320	4655	4775
Oct.	4473	4342	4854	4983



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at the NCDEX traded with a moderately bullish sentiment at the early hours of trade. However, the futures went down again during the mid-session on heavy speculative selling pressure. The October future traded in the range of 1662-1808 during today's trade. At the spot markets also the guar seed prices maintained the weakness and quoted at Rs 1725-1750 per quintal in Jodhpur market. At the Bikaner market the guar seed was available at a lower price of Rs 1650 per quintal. The guar gum futures at the NCDEX followed the same sentiment as of the guar seed futures. The October guar gum future traded in the range of 4457-4900 today. At the spot markets the guar gum was offered at Rs 4700 per quintal in Jodhpur market.

The weather conditions in the last 24 hours supported the downside movement of guar futures. Rainfall was observed at many places in Haryana, Punjab and parts of Rajasthan. The upper air cyclonic circulation extending upto mid-tropospheric levels over south Gujarat coast and adjoining Konkan & Goa persists. The offshore trough at sea level now runs from Gujarat to Karnataka coast. The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood persists. Under such circumstances the futures are likely to remain marginally strong at the early hours of trade, but likely to get resistance and trade range bound with a downtrend thereafter.

Commodity	Centres	12.09.05	10.09.05	Change
Guar Seed	Bikaner	1650	1700	-50
	Jodhpur-B line	1725-1750	1750	-25
	Jodhpur-M line	1700-1725	1725	-25
	Nokha	1550	1550	-
Guar Gum		4700	4750	-50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	338.9	337.0	334.2	-4.7
Nov.	417.4	390.0	389.0	-28.4

### Price movements at Bikaner Vayda

The Bikaner September and November vayda maintained the bearishness following a weak opening today. The vayda closed at a much lower level today as against Saturday.

## SALIENT POINTS OF THE DAY

Guar seed as well as guar gum prices slid after curbing early gains.

Rains in Parts of Rajasthan, Haryana and Punjab.

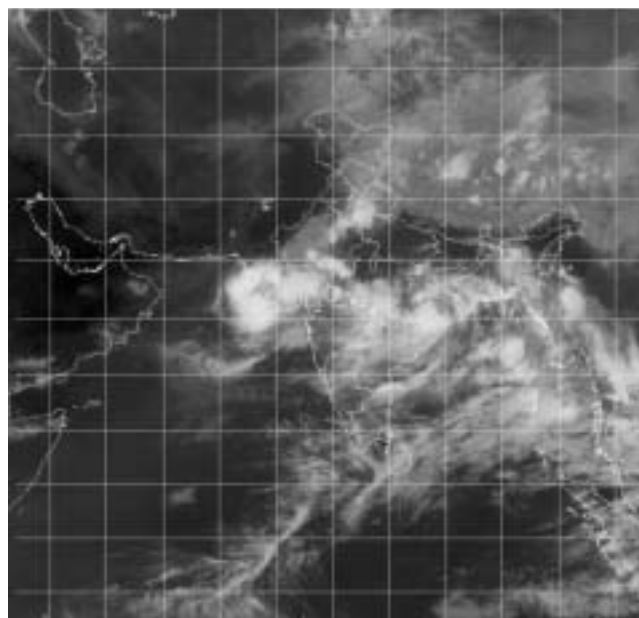
Prices are likely to open steady, slight uptrend initially and range bound downward thereafter.

## WEATHER HIGHLIGHTS (12-09-05)

The low pressure area over west-central & adjoining northwest Bay of Bengal moved north-northwestwards and concentrated into a depression. It lies today morning at 0830 hours IST over northwest Bay of Bengal with its centre near Lat. 20° N/Long 88° E about 150 Km east of Paradip. The system is likely to move in a northwesterly direction. The other upper air cyclonic circulation extending upto mid-tropospheric levels over south Gujarat coast and adjoining Konkan & Goa persists. The offshore trough at sea level now runs from Gujarat to Karnataka coast. The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood persists.

Under the influence of above systems, fairly widespread rains with heavy to very heavy falls are likely over Orissa, Chhattisgarh, Gujarat, Konkan & Goa, Madhya Maharashtra and Gangetic West Bengal during next 2-3 days. Rainfall may increase over Jharkhand, Chhattisgarh, Vidarbha and East Madhya Pradesh during subsequent two days.

### Cloud Cover today (IMD):



### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd