

## GUAR SEED and GUAR GUM

October 11, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Extended Previous Advances
- Guar Futures: Settled Up on Buying Support Today

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing a bullish pattern and firm opening.

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

**MACD:** The MACD (5-day) along with its EMA moving upwards, supporting the upward movement.

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

#### Market outlook:

Guar seed futures are expected to trade upwards following a firm opening and range bound downward later in the session. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1622	1612	1660	1669
Nov.	1670	1657	1713	1727
Dec.	1700	1683	1744	1759



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

**Candlestick:** Formation of candlestick is indicating a bullish pattern and firm opening.

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

**MACD:** The MACD (5-day) along with its EMA moving upwards, supporting the upward movement.

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

#### Market outlook:

Guar gum futures are likely to trade upwards following a firm opening and range bound downward later in the session. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	4244	4198	4373	4419
Nov.	4336	4290	4455	4502
Dec.	4435	4393	4540	4575



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX remained bullish following a firm opening today. The guar seed futures settled near to the day's high in final action. The October future traded in the range of 1612.00-1635.00 today. At the spot markets also guar seed was quoted higher at Rs 1700-1710 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at Rs 1620 per quintal, while at the Nokha market it was available higher at Rs 1520-1525 per quintal today. The guar gum futures at the NCDEX witnessed similar sentiment after a firm opening today. The futures finished higher near to the day's high in late action. The October future traded in the range of 4150.00-4300.00 today. At the spot markets guar gum was quoted higher at Rs 4425 per quintal in Jodhpur market at the evening session of trade.

The guar physical markets extended yesterday's advances today. Speculative buying support has encouraged the upside movement in guar prices at the physical as well as the futures market today. The arrival of the guar crop at the markets of Eastern Rajasthan is yet to pick up. Yesterday's western disturbance as an upper air system over north Pakistan and adjoining Jammu & Kashmir persists. It may cause isolated rain/thundershowers over Western Himalayas during next 1-2 days. Southwest monsoon has further withdrawn from the remaining parts of northeast & Peninsular India and thus from the entire country, Bay of Bengal and Arabian Sea. Amidst such circumstances the guar prices are likely to move further upwards in the next trading day with possibility of some downward movement later in the session.

### Guar Prices at Major Markets in Rajasthan

(Rs./quintal)

Commodity	Centres	11.10.05	10.10.05	Change
	Bikaner	1620	1600	+20
Guar Seed	Jodhpur-B line	1700-1710	1675	+35
	Jodhpur-M line	1675	1650	+25
	Nokha	1520-1525	1510-1515	+10
Guar Gum	Jodhpur	4425	4300	+125

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	371.20	372.30	372.90	+1.70

### Price Movements at Bikaner Vayda

The Bikaner vayda extended early advances today after a firm opening. The November future settled higher today as against yesterday. Speculative buying pushed up the prices to a higher level today.

## SALIENT POINTS OF THE DAY

Guar seed and gum futures finished higher on speculative-led buying in late action.

Southwest monsoon has withdrawn from the entire country.

Prices are likely to move upwards following a firm opening initially and range bound downwards thereafter.

## WEATHER HIGHLIGHTS (11-10-05)

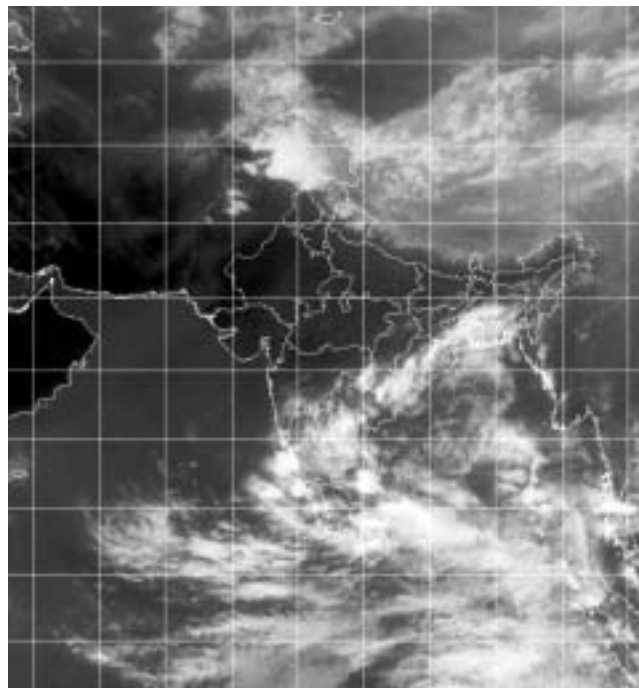
Southwest monsoon has further withdrawn from the remaining parts of northeast & Peninsular India and thus from the entire country, Bay of Bengal and Arabian Sea.

Conditions are favourable for the commencement of northeast monsoon rains over Tamil Nadu, Kerala and adjoining Parts of Andhra Pradesh and Karnataka State during next 48 hours.

Yesterday's low-pressure area over southwest & adjoining westcentral Bay of Bengal persists. Associated upper air cyclonic circulation extends upto mid-tropospheric level. A fresh upper air cyclonic circulation extending upto mid-tropospheric levels lies over southeast Arabian Sea and neighbourhood. Under this scenario enhanced rainfall activity with isolated heavy falls is likely over south peninsula during next 2-3 days.

Yesterday's western disturbance as an upper air system over north Pakistan and adjoining Jammu & Kashmir persists. It may cause isolated rain/thundershowers over Western Himalayas during next 1-2 days.

### Cloud Cover today (IMD):



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