

## GUAR SEED and GUAR GUM

October 01, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Strong Sentiment
- Guar Futures Surged Up on Speculative Buying

### TECHNICAL ANALYSIS

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

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

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

**MACD:** The MACD (5-day) has made a bullish crossover with its EMA, showing some strength in the market.

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

#### Market outlook:

Guar seed futures are expected to trade upwards following a firm 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.	1546	1533	1581	1598
Nov.	1571	1558	1631	1651



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

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

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

**MACD:** The MACD (5-day) has made a bullish crossover with its EMA, indicating some strength in the market.

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

#### Market outlook:

Guar gum futures are expected to trade upwards following a firm 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.	4034	3981	4195	4261
Nov.	4110	4053	4258	4324



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed a strong sentiment following a firm opening today. The October future traded in a higher range of 1515.00-1563.00 during today's trade. At the spot markets also guar seed was quoted higher at Rs 1600 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered higher at Rs 1570-1580 per quintal, while at the Nokha market it was available at Rs 1430-1440 per quintal today. The guar gum futures at the NCDEX also witnessed similar sentiment following a steady opening today. The October future traded in a higher range of 3935.00-4080.00 today. At the spot markets also guar gum was offered at a higher price of Rs 4150 per quintal in Jodhpur market at the evening session of trade.

The guar prices maintained the strength today. At the physical as well as the futures market both the guar seed and guar gum prices moved up significantly on fresh buying support. Mainly dry weather prevailed over guar growing regions. Southwest monsoon has further withdrawn from remaining parts of Uttaranchal & West Uttar Pradesh, some parts of East Uttar Pradesh & East Madhya Pradesh and some more parts of West Madhya Pradesh. However, the hot air circulation in parts of Rajasthan has raised the fear of crop damage, which has underpinned the upside movement of guar prices. Under such circumstances the guar prices are likely to remain strong 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	01.10.05	30.09.05	Change
Guar Seed	Bikaner	1570-1580	1540-1550	+30
	Jodhpur-B line	1600	1575	+25
	Jodhpur-M line	1575	1550	+25
	Nokha	1430-1440	1400	+40
Guar Gum	Jodhpur	4150	4025-4050	+100

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	368.80	369.30	371.00	+2.20

### Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda maintained the previous strength after a firm opening today. The November future settled at a much higher ground today on increased buying support throughout the day.

## SALIENT POINTS OF THE DAY

Guar seed and gum prices surged up on fresh buying support.

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

Prices are likely to remain strong following a firm opening with the possibility of some downward movement later in the session.

## WEATHER HIGHLIGHTS (01-10-05)

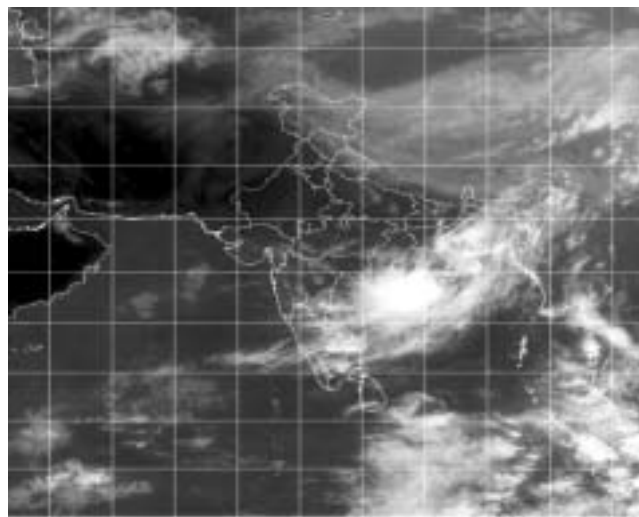
Southwest monsoon has further withdrawn from remaining parts of Uttaranchal & West Uttar Pradesh, some parts of East Uttar Pradesh & East Madhya Pradesh and some more parts of West Madhya Pradesh. The withdrawal line passes through Bahraich, Allahabad, Satna, Bhopal, Ratlam, Ahmedabad, Dwarka, 22°N/67°E and 22°N/60°E.

During past 24 hours, scattered rainfall has occurred over northeastern States, West Bengal & Sikkim, north Coastal Andhra Pradesh, Konkan & Goa and Madhya Maharashtra. Isolated pockets of north Tamil Nadu & adjoining South Interior Karnataka and Gujarat also received light to moderate rainfall. Chief amounts of rainfall (in cm) during past 24 hours are: Kalingapatnam-6, Visakhapatnam-5, Mayabandar-5, Tezpur-3, Bangalore-3 and Silchar-2.

Yesterday's low-pressure area over westcentral Bay of Bengal now lies over westcentral & adjoining northwest Bay of Bengal off north Andhra Pradesh-south Orissa coast. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence fairly widespread rainfall with isolated heavy falls is likely over northeastern States, West Bengal & Sikkim and coastal Orissa during next 2-3 days.

The upper air cyclonic circulation over Saurashtra and adjoining east Arabian Sea persists and now extends between 1.5 and 3.1 km a.s.l.

### Cloud Cover today (IMD):



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