

GUAR SEED and GUAR GUM

November 30, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Down despite lower arrivals
- Guar Futures: Again Bearish

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Bearish, steady to weak opening
MACD: Bearish, reached in negative territory
Stochastic: Bearish, %K moving downwards without touching the %D from below and just reached in oversold region
Overall: Bearish

Market Outlook:

The guar seed futures are expected to trade downwards in the next day with possibility of some upward movement thereafter in later sessions of the day. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1645	1622	1700	1719
Jan.	1680	1660	1720	1730

Intraday Trade Recommendations:

Sell December Guar Seed Below 1665 with **target** of 1630, then 1622. **Stop loss** at 1690.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Bearish, weak to steady opening
MACD: Bearish, reached in negative territory
Stochastic: Bullish, %K crossed %D from below but maximum chances of reverse move
Overall: Bearish

Market Outlook:

The guar gum futures are likely to trade downwards in the next day with possibility of slight upward movement thereafter in later sessions of the day. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4419	4350	4485	4543
Jan.	4541	4519	4623	4648

Intraday Trade Recommendations:

Sell December Guar Gum below 4465 with **target** of 4370, then 4350. **Stop loss** at 4510.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures decreased sharply today.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move downwards following a steady to weak opening initially downwards and some upwards movement thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a bearish sentiment following a weak opening today. The futures settled near to the day's low on lowered buying interest today. The December future traded in the range of 1660-1706 today. At the spot markets guar seed was quoted more or less same at Rs 1700-25 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at lower side at Rs 1600 per quintal, also at the Nokha market it was available at a slight lower price of Rs 1550 per quintal today. At the Sriganganagar market it was also traded at steady price on slight weaker side Rs 1542 per quintal, while at the Shiwani market it was also quoted slight lower level at Rs 1570 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX traded downwards after a firm opening today. The December future traded in the range of 4451.00-4600.00 during today's trade. At the spot markets guar gum was available at a lower price range of Rs 4450-4475 per quintal in Jodhpur market today.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a bearish undertone today. The prices of both the guar seed as well as the guar gum were quoted slightly weaker side today as against yesterday. The prices of both the guar seed and guar gum are decreased slightly despite poor arrivals at the major physical markets due to lowered buying interest of traders. The arrivals are going on with a steady to weak trend and reported around 45000-50000 bags today. However, any further decrease in buying interest can pressurise the prices. Under such circumstances the prices of guar seed and guar gum are expected to remain weak in maximum duration of the day of trade and upward thereafter in the next day.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)				
Commodity	Centres	30.11.05	29.11.05	Change
Guar Seed	Bikaner	1600	1630	-30
	Jodhpur-B line	1700-25	1700-25	0
	Jodhpur-M line	1690-1700	1710	-20
	Nokha	1550	1560-1570	-10
	Sriganganagar	1542	1545-1550	-03
	Shiwani	1570	1570-1575	0
Guar Gum	Jodhpur	4450-4475	4525	-75

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	343.00	342.30	337.80	-5.2

Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a bearish sentiment after a weak opening today. The January future settled with some decreased on low buying interest.

WEATHER HIGHLIGHTS (30-11-05)

NORTH Region: Rainfall/snowfall is likely at a few places over Jammu & Kashmir and Himachal Pradesh and isolated over Uttaranchal. Mainly dry weather is likely over the rest region. Minimum temperature over western Himalayas and adjoining plains of northwest India are likely to fall during next 2-3 days.

WEST Region: Mainly dry weather over the region.

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