

GUAR SEED and GUAR GUM

November 23, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Recovered Moderately Today
- Guar Futures: Settled Higher on Speculative Buying

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Moderately bullish, steady-firm opening
MACD: Bearish, entered negative region
Stochastic: Bearish, %K crossed %D from above
Overall: Slightly bullish

Market Outlook:

Guar seed futures are expected to trade moderately upwards following a steady to firm opening and downwards thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1739	1726	1767	1778
Jan.	1795	1784	1831	1842

Intraday Trade Recommendations:

Sell December Guar Seed at 1770 with **target** of 1745, then 1735. **Stop loss** at 1780.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Moderately bullish, steady-firm opening
MACD: Moderately bullish, positive crossover
Stochastic: Bearish, moving downwards
Overall: Moderately bullish

Market Outlook:

Guar gum futures are likely to trade moderately upwards following a steady to firm opening and downwards thereafter. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4680	4654	4749	4772
Jan.	4765	4733	4861	4889

Intraday Trade Recommendations:

Sell December Guar Gum at 4755 with **target** of 4700, then 4675. **Stop loss** at 4775.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures retraced back from initial weakness today.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move moderately upwards following a steady to firm opening and downwards thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX retraced back from initial weakness following a weak opening today. Increased buying support at the lower levels pushed up the futures further and the futures settled with gains. The December future traded in the range of 1726.00-1755.00 during today's trade. At the spot markets also guar seed was quoted higher at Rs 1760 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a higher price of Rs 1665 per quintal, while at the Nokha market it was traded higher at Rs 1590-1600 per quintal today. At the Sriganganagar market it was available at a higher price of Rs 1600 per quintal, while at the Shiwani market it was quoted higher at Rs 1595-1600 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX recovered back from the early weakness after a firm opening today. The futures turned upwards on increased buying support at the lower levels. The December future traded in the range of 4642.00-4732.00 during today's trade. At the spot markets also guar gum was offered at a higher price of Rs 4625 per quintal in Jodhpur market at the evening session of trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical market witnessed slight downtrend at the early hours of trade today. However, the prices of both the guar seed as well as the guar gum was quoted mostly higher at the evening session of trade on a slightly lower arrival at the major physical markets today. Moreover, the late surge at the futures market has also supported the upward movement of prices of guar at the physical markets. However, further higher arrivals in coming few days can dampen the prices significantly. Under such circumstances the prices of both the guar seed as well as the guar gum

are expected to extend the advances in the next day with possibility of downward movement later in the session.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	23.11.05	22.11.05	Change
Guar Seed	Bikaner	1665	1650	+15
	Jodhpur-B line	1760	1740	+20
	Jodhpur-M line	1735	1715	+20
	Nokha	1590-1600	1580-1585	+15
	Sriganganagar	1600	1580-1890	+10
Guar Gum	Shiwani	1595-1600	1585	+15
	Jodhpur	4625	4575	+50

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	350.50	350.50	354.80	+4.30

Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a firm sentiment following a steady opening today. Higher buying activity at the lower price levels supported the uptrend and the January future finished higher today.

WEATHER HIGHLIGHTS (23-11-05)

Favourable dry weather is prevailing over major guar growing regions of Rajasthan, Haryana and Gujarat.

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