

## GUAR SEED and GUAR GUM

November 12, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Bearish Trend
- Guar Futures: Lower Amidst Range Bound Trade

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing a bearish pattern and weak opening.

**Stochastic:** The %K-line after cutting the %D-line from above moving downwards in the normal region, hinting further downtrend.

**MACD:** The MACD (5-day) has made a bullish crossover with its EMA and moving upwards, supporting the strength in the market.

**Alignment pattern:** The alignment pattern of moving averages is still indicating upward movement.

#### Market outlook:

Guar seed futures are expected to trade downwards following a steady to weak opening with possibility of some range bound upward movement thereafter. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	1702	1685	1730	1747
Dec.	1752	1738	1785	1797



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

**Candlestick:** Formation of candlestick is showing a bearish pattern and weak opening.

**Stochastic:** The %K-line is about to cut the %D-line from above and moving downwards in the normal region, showing further downtrend.

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

**Alignment pattern:** The alignment pattern of moving averages is supporting the downward movement.

#### Market outlook:

Guar gum futures are likely to trade downwards following a steady to weak opening with possibility of some range bound upward movement thereafter. Trade with very-short term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	4557	4532	4648	4672
Dec.	4659	4634	4745	4770



## SALIENT POINTS OF THE DAY

Guar seed and gum futures finished lower amidst range bound trade today.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move downwards initially and range bound upwards thereafter.

## MARKET COMMENTARY

### GUAR SEED:

The guar seed futures at the NCDEX witnessed moderate uptrend following a slightly weak opening. However, speculative selling at the higher levels capped further advances and the futures settled near to the day's low in final action. The November future traded in the range of 1718.00-1740.00 during today's trade. At the spot markets also guar seed was quoted lower at Rs 1770-1780 per quintal in Jodhpur market today. At the Bikaner market it was available at a lower price of Rs 1680-1690 per quintal, while at the Nokha market it was traded at Rs 1615-1620 per quintal today. At the Sriganganagar market it was quoted steady at Rs 1615 per quintal, while at the Shiwani market it was offered at a lower price of Rs 1560-1565 per quintal during today's trade.

### GUAR GUM:

The guar gum futures at the NCDEX witnessed moderate upward movement after a marginally lower opening. However, the futures settled near to the day's low in final action on increased selling interest. The November future traded in the range of 4615.00-4690.00 during today's trade. At the spot markets also guar gum was offered lower at Rs 4625 per quintal in Jodhpur market today.

### PHYSICAL MARKET SENTIMENTS:

The guar physical markets wiped away previous gains today. The prices of both the guar seed as well as the guar gum were quoted lower today on a slightly higher arrival. Moreover, the late slid at the futures market has also pressurised the prices of guar to move downwards at the major physical markets. The prices of both the guar seed as well as the guar gum were fluctuating near the higher levels for the last few weeks on lower than expected crop size estimation. The prices may witness further downfall in the coming days, as the arrival of the new crop is likely to reach its highest levels in the coming weeks. However, for a very short-term perspective, the prices of guar seed and guar gum are likely to remain bearish in the next trading

day with possibility of some range bound upward movement later in the session.

### Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	12.11.05	11.11.05	Change
	Bikaner	1680-1690	1710	-20
Guar Seed	Jodhpur-B line	1770-1780	1800	-20
	Jodhpur-M line	1750	1775	-25
	Nokha	1615-1620	1625-1630	-10
	Sriganganagar	1615	1615	-
	Shiwani	1560-1565	1580-1590	-25
Guar Gum	Jodhpur	4625	4650-4675	-50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	366.00	365.50	364.70	-1.30
Jan.	360.90	359.50	357.20	-3.70

### Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda remained bearish following a weak opening today. The November as well as the January future finished lower on speculative selling pressure during today's trade.

## WEATHER HIGHLIGHTS (12-11-05)

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

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