

GUAR SEED and GUAR GUM

November 08, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Bearish Sentiment
- Guar Futures Settled Down Amidst Rangebound Trade

TECHNICAL ANALYSIS

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

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

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

MACD: The MACD (5-day) has made a bearish crossover with its EMA in the positive territory and moving downwards, showing the weakness in the market.

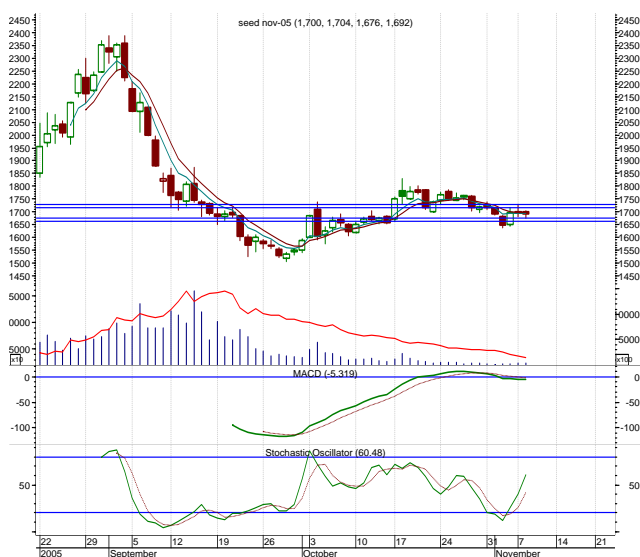
Alignment pattern: The alignment pattern of moving averages is supporting the upward movement.

Market outlook:

Guar seed futures are expected to trade moderately downwards following a steady to weak opening initially and upwards thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	1675	1664	1718	1729
Dec.	1718	1700	1773	1786



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

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

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

MACD: The MACD (5-day) has made a bearish crossover with its EMA in the positive territory and moving downwards, showing the weakness in the market.

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

Market outlook:

Guar gum futures are likely to trade moderately downwards following a steady to weak opening initially and upwards thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	4447	4404	4592	4631
Dec.	4512	4472	4651	4687



SALIENT POINTS OF THE DAY

Guar seed and gum futures settled slightly lower amidst range bound trade.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move moderately downwards initially and upwards thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed some downtrend following a firm opening initially. The futures hovered around the opening price for most of the session and settled with slight losses in final action. The November future traded in the range of 1676.00-1704.00 during today's trade.

At the physical markets guar seed was quoted slightly lower at Rs 1730-1740 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at Rs 1660 per quintal, while at the Nokha market it was traded steady at Rs 1580-1590 per quintal today. At the Sriganganagar market it was offered between Rs 1500-1570 per quintal, while at the Shiwani market it was quoted at Rs 1525 per quintal today.

GUAR GUM:

The guar gum futures at the NCDEX also remained moderately weak after a steady to firm opening today. The futures fluctuated around the opening prices for most of the session and finally settled with marginal losses. The November future traded in the range of 4467.00-4568.00 today.

At the physical markets guar gum was offered steady at Rs 4500 per quintal in Jodhpur market at the evening session of trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a bearish sentiment today. Due to higher arrivals at the physical markets the prices of guar seed remained on an average weak in major markets. However, the prices of guar gum managed to remain steady after erasing morning advances. Traders are estimating the present crop size at around 45 lakh bags and consequently the prices are hovering near the higher levels from the last few weeks at the physical markets. However, anticipating a further higher arrival in the coming days, the prices may witness further downtrend in the

coming days. Under such situations the prices of both the guar seed and guar gum are likely to move moderately downwards initially and upwards thereafter in the next day.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	08.11.05	07.11.05	Change
Guar Seed	Bikaner	1660	1680	-20
	Jodhpur-B line	1730-1740	1740-1750	-10
	Jodhpur-M line	1720	1725	-5
	Nokha	1580-1590	1580-1590	-
Guar Gum	Sriganganagar	1500-1570	1550-1615	-45
	Shiwani	1525	1530	-5
	Jodhpur	4500	4500	-

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	367.00	366.50	366.90	-0.10
Jan.	351.90	350.50	352.00	+0.10

Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda witnessed a range bound trade following a weak opening today. The November future finished with slight loss, while the January future managed to remain in the positive territory during today's trade.

WEATHER HIGHLIGHTS (08-11-05)

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

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