

GUAR SEED and GUAR GUM

November 22, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Extended Bearish Trend
- Guar Futures: Lower on Bearish Fundamentals

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Bearish, weak opening
MACD: Bearish, moving downwards
Stochastic: Moderately bullish, movement flattening
Overall: Moderately bearish

Market Outlook:

Guar seed futures are expected to trade moderately downwards following a weak opening with possibility of upward movement later. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1716	1705	1740	1749
Jan.	1765	1753	1795	1808

Intraday Trade Recommendations:

Sell December Guar Seed at 1735 with **target** of 1720, then 1715. **Stop loss** at 1743.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Highly bearish, weak opening
MACD: Moderately bearish, moving downwards
Stochastic: Moderately bullish, movement flattening
Overall: Moderately bearish

Market Outlook:

Guar gum futures are likely to trade moderately downwards following a weak opening with possibility of upward movement later. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4600	4574	4689	4709
Jan.	4700	4676	4780	4800

Intraday Trade Recommendations:

Sell December Guar Gum at 4670 with **target** of 4630, then 4620. **Stop loss** at 4690.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures extended previous weakness during today's trade.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move moderately downwards following a weak opening with the possibility of some upward movement later in the session.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a bearish trade following a weak opening today. Increased selling interest has pressurised the futures to move downwards and the futures settled near to the day's low in final action. The December future traded in the range of 1731.00-1751.00 during today's trade. At the spot market also guar seed was quoted lower at Rs 1740 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at a much lower price of Rs 1650 per quintal, while at the Nokha market also it was traded at a much lower price of Rs 1580-1585 per quintal today. At the Sriganganagar market it was available at a steady price of Rs 1580-1590 per quintal, while at the Shiwani market it was quoted lower at Rs 1585 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX traded downwards following a much higher opening today. The futures finished down near to the day's low on increased selling pressure throughout the day. The December future traded in the range of 4658.00-4739.00 today. However, at the spot markets guar gum was offered at an unchanged price of Rs 4575 per quintal in Jodhpur market at the evening session of trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical market extended yesterday's weakness today. The prices of guar seed was quoted mostly lower today on a steady arrival at the major physical markets. However, the prices of guar gum remained unchanged after curbing slight gains at the morning session of trade. Increased selling pressure at the futures market and the resulted downtrend has also dampened the physical market sentiments. Under such situations the prices of both the

guar seed as well as the guar gum are expected to remain weak in the next day with possibility of some upward movement later in the session.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	22.11.05	21.11.05	Change
Guar Seed	Bikaner	1650	1680	-30
	Jodhpur-B line	1740	1750	-10
	Jodhpur-M line	1715	1725	-10
	Nokha	1580-1585	1610-1615	-30
	Sriganganagar	1580-1890	1580-1590	-
	Shiwani	1585	1590-1600	-15
Guar Gum	Jodhpur	4575	4575	-

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	353.90	353.50	350.90	-3.00

Price Movements at Bikaner Vayda

The Bikaner vayda extended yesterday's weakness today. The January future witnessed downward trade after a weak opening today and settled in the negative territory on speculative selling pressure.

WEATHER HIGHLIGHTS (22-11-05)

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

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