

GUAR SEED and GUAR GUM

November 24, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Bearish Sentiment
- Guar Futures: Finished Down on Speculative Selling

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Moderately bearish, weak opening
MACD: Bearish, entered negative region
Stochastic: Bearish, %K crossed %D from above
Overall: Moderately bearish

Market Outlook:

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

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1722	1713	1750	1760
Jan.	1773	1761	1809	1822

Intraday Trade Recommendations:

Sell December Guar Seed at 1747 with **target** of 1725, then 1720. **Stop loss** at 1755.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Moderately bearish, weak opening
MACD: Moderately bullish, positive crossover
Stochastic: Bearish, %K crossed %D from above
Overall: Moderately bearish

Market Outlook:

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

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4640	4620	4712	4735
Jan.	4720	4688	4814	4844

Intraday Trade Recommendations:

Sell December Guar Gum at 4705 with **target** of 4665, then 4650. **Stop loss** at 4720.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures settled lower on increased selling pressure.

Mainly dry weather prevailed over guar growing regions.

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

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed slight uptrend following a marginally lower opening today. However, the futures traded downwards thereafter on increased selling pressure and finally settled with losses. The December future traded in the range of 1733.00-1757.00 today. At the spot markets also guar seed was quoted lower at Rs 1750 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was available at a lower price of Rs 1660 per quintal, while at the Nokha market it was offered at a steady price of Rs 1590-1600 per quintal today. At the Sriganganagar market it was quoted steady at Rs 1600 per quintal, while at the Shiwani market it was offered at a lower price of Rs 1585-1590 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX witnessed moderate upward movement after a firm opening at the early hours of trade. However, the futures traded downwards thereafter and finished in the negative territory. The December future traded in the range of 4682.00-4740.00 today. At the spot markets guar gum was offered at a steady price of Rs 4625 per quintal in Jodhpur market at the evening session of trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets remained slightly weak today. The prices of guar seed and guar gum were quoted mostly steady at the morning session of trade. However, the prices of guar seed were quoted lower at the evening session of trade, while that of guar gum remained unchanged today. The spillover weakness from the futures market has underpinned the downtrend in prices of guar seed at the physical markets. The arrivals are going on with a steady trend. However, any further higher arrival can pressurise the prices well. Under such circumstances the prices of

guar seed and guar gum are expected to extend the weakness in the next day with possibility of upward movement later in the session.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	24.11.05	23.11.05	Change
Guar Seed	Bikaner	1660	1665	-5
	Jodhpur-B line	1750	1760	-10
	Jodhpur-M line	1725	1735	-10
	Nokha	1590-1600	1590-1600	-
	Sriganganagar	1600	1600	-
Guar Gum	Shiwani	1585-1590	1595-1600	-10
	Jodhpur	4625	4625	-

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	354.60	354.80	352.30	-2.30

Price Movements at Bikaner Vayda

The Bikaner vayda remained mostly bearish today following a firm opening today. The January future witnessed some uptrend at the early hours of trade but failed to carry the advances further on speculative selling. The January future settled lower in final action today.

WEATHER HIGHLIGHTS (24-11-05)

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

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