

## GUAR SEED and GUAR GUM

November 07, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Maintained Stable Sentiment
- Guar Futures: Settled Down; Curbed Early Advances

### 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 upwards in the normal region, showing further upward movement.

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

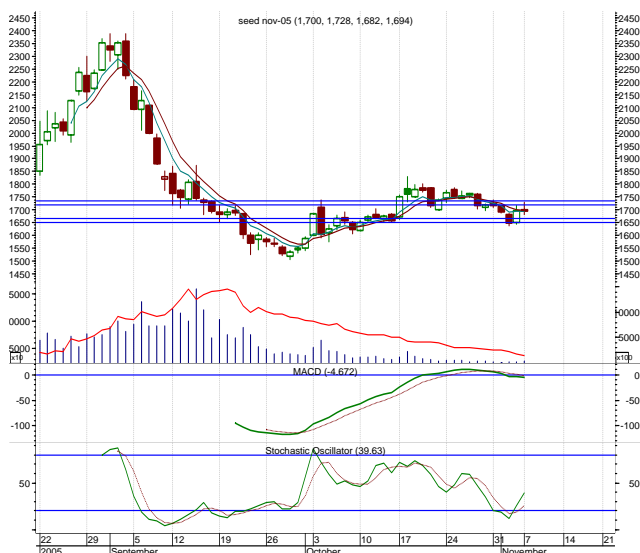
**Alignment pattern:** The alignment pattern of moving averages is still supporting the uptrend.

#### Market outlook:

Guar seed futures are expected to trade moderately downwards following a steady 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.	1668	1651	1718	1735
Dec.	1718	1700	1769	1788



**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 upwards in the normal region, showing further upward movement.

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

**Alignment pattern:** The alignment pattern of moving averages is still supporting the uptrend.

#### Market outlook:

Guar gum futures are likely to trade moderately downwards following a steady 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.	4408	4363	4552	4597
Dec.	4502	4452	4651	4697



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX extended previous advances following a slightly firm opening at the early hours of trade. However, increased selling pressure at the higher levels curbed the early gains and the futures settled in the negative territory. The November future traded in the range of 1682.00-1728.00 today. At the spot markets guar seed was quoted steady at Rs 1740-1750 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at Rs 1680 per quintal, while at the Nokha market it was traded at Rs 1580-1590 per quintal today. At the Sriganganagar market it was quoted between Rs 1550-1615 per quintal, while at the Shiwani market it was available at Rs 1530 per quintal today. The guar gum futures at the NCDEX also witnessed a strong sentiment after a slightly weak opening initially. However, pressurised by increased selling at the higher levels, the futures finished in the negative territory. The November future traded in the range of 4450.00-4591.00 today. At the spot markets guar gum was quoted lower at Rs 4500 per quintal in Jodhpur market at the evening session of trade.

The guar physical markets witnessed a mixed sentiment today. Despite higher arrivals at the physical markets the prices of guar seed remained on an average steady to firm in major markets. However, the prices of guar gum witness some downtrend 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 undergo some downtrend in the coming days. Under such circumstances 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

(Rs./quintal)

Commodity	Centres	07.11.05	05.11.05	Change
Guar Seed	Bikaner	1680	1675	+5
	Jodhpur-B line	1740-1750	1750	-
	Jodhpur-M line	1725	1725	-
	Nokha	1580-1590	1550	+40
	Sriganganagar	1550-1615	1560-1565	+50
Guar Gum	Shiwani	1530	1550	-20
	Jodhpur	4500	4550	-50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	367.00	367.60	367.00	-
Jan.	351.90	352.50	351.90	-

### Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda witnessed some uptrend after a firm opening initially. However, increased selling at the higher price levels pared the early gains and the November as well as the January future settled unchanged today.

## SALIENT POINTS OF THE DAY

Guar seed and gum futures settled slightly lower as profit taking curbed early advances.

Mainly dry weather prevailed over guar growing regions.

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

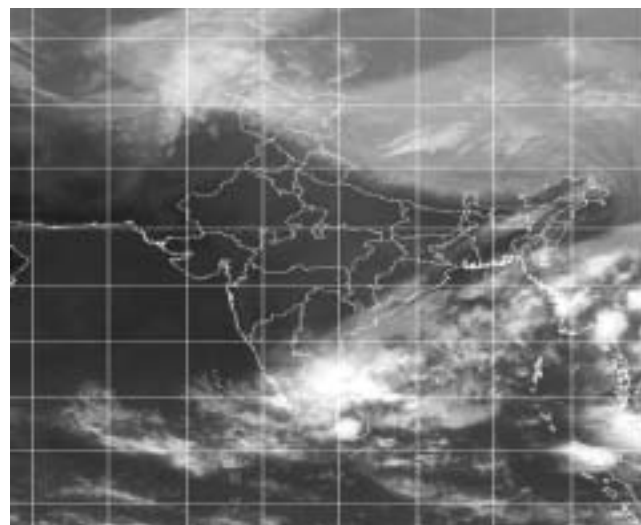
## WEATHER HIGHLIGHTS (07-11-05)

Under the influence of the well-marked low-pressure area over southwest Bay of Bengal, heavy to very heavy rainfall occurred at a few places over Coastal Tamil Nadu & Pondicherry during past 24 hrs. Moderate rainfall also occurred over Rayalaseema and Kerala.

The well-marked low-pressure area over southwest Bay of Bengal persists. The associated upper air cyclonic circulation extends upto 5.8 km a.s.l. tilting southwestward with height. Under its influence, widespread rains with heavy to very heavy falls likely to continue over coastal Tamil Nadu & Pondicherry for another 2-3 days. Scattered to fairly widespread rains with isolated heavy falls also likely over interior Tamil Nadu, south Coastal Andhra Pradesh and Kerala. Squally winds may also be experienced along and off Tamil Nadu coast during this period.

A feeble western disturbance lies over north Pakistan and adjoining north Jammu & Kashmir. It is likely to cause light to moderate rain/snow over Jammu & Kashmir during next 2-3 days. Another western disturbance is also approaching which is likely to increase rain/snowfall activity over the Western Himalayan region during 10th to 12th Nov.

### Cloud Cover Today (IMD):



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