

GUAR SEED and GUAR GUM

November 28, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Down over heavy arrivals
- Guar Futures: Declined Sharply

TECHNICAL ANALYSIS

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



Chart Indicators:

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

Market Outlook:

The guar seed futures are expected to trade downwards in the next day with possibility of some upward movement thereafter in later sessions of the day. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1615	1602	1668	1678
Jan.	1703	1685	1731	1744

Intraday Trade Recommendations:

Sell December Guar Seed below 1650 with **target** of 1610, then 1605. **Stop loss** at 1670.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: bearish, weak opening
MACD: Bearish, reaching towards negative territory
Stochastic: Bearish, %K crossed %D from above
Overall: Bearish

Market Outlook:

The guar gum futures are likely to trade downwards in the next day with possibility of slight upward movement thereafter in later sessions of the day. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4289	4191	4456	4544
Jan.	4490	4400	4628	4673

Intraday Trade Recommendations:

Sell December Guar Gum at 4400 with **target** of 4250, then 4230. **Stop loss** at 4500.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures declined sharply today.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move downwards following a weak opening initially downwards and some upwards movement thereafter.

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a sharp bearish sentiment following a weak opening today. The futures settled near to the day's low on increased selling pressure today. The December future traded in the range of 1659-1710 today. At the spot markets also guar seed was quoted lower at Rs 1700-1720 per quintal today. At the spot markets guar seed was quoted slightly lower at Rs 1700-20 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered marginally lower at Rs 1620 per quintal, also at the Nokha market it was available at a significant lower price of Rs 1525-1530 per quintal today. At the Sriganganagar market it was also traded at a lower price of Rs 1560-1565 per quintal, while at the Shiwani market it was also quoted lower at Rs 1520-1535 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX traded downwards after a weak opening today. The December future traded in the range of 4350.00-4650.00 during today's trade. At the spot markets guar gum was available at a lower price of Rs 4450 per quintal in Jodhpur market today.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a sharp bearish undertone today. The prices of both the guar seed as well as the guar gum were quoted significantly lower today as against yesterday. The prices of both the guar seed and guar gum are declined significantly on heavy arrivals at the major physical markets. The arrivals are going on with a steady to firm trend. However, any further higher arrival can pressurise the prices further. Under such circumstances the prices of guar seed and guar gum are expected to remain weak in maximum duration of the day of trade and upwards thereafter in the next day.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)				
Commodity	Centres	28.11.05	26.11.05	Change
Guar Seed	Bikaner	1620	1645	-25
	Jodhpur-B line	1700-1720	1735-1740	-20
	Jodhpur-M line	1700	1705	-05
	Nokha	1525-1530	1575-1580	-50
	Sriganganagar	1560-1565	1600	-35
	Shiwani	1520-1535	1570-1575	-50
Guar Gum	Jodhpur	4450	4575	-125

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	346.80	343.50	337.40	-9.4

Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a bearish sentiment after a weak opening today. The January future settled with some losses on increased selling pressure.

WEATHER HIGHLIGHTS (28-11-05)

NORTH Region: Rainfall/snowfall is likely at many places over Jammu & Kashmir and at a few places Himachal Pradesh and Uttaranchal. Isolated rain/thundershowers also likely over Punjab and Haryana (including Chandigarh & Delhi), north Rajasthan and West Uttar Pradesh. Mainly dry weather is likely over the rest region.

WEST Region: Mainly dry weather over the region.

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