

GUAR SEED and GUAR GUM

November 05, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Firm Sentiment
- Guar Futures: Retraced Back from Early Weakness

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is showing a bullish pattern and firm opening.

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

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 weakness in the market.

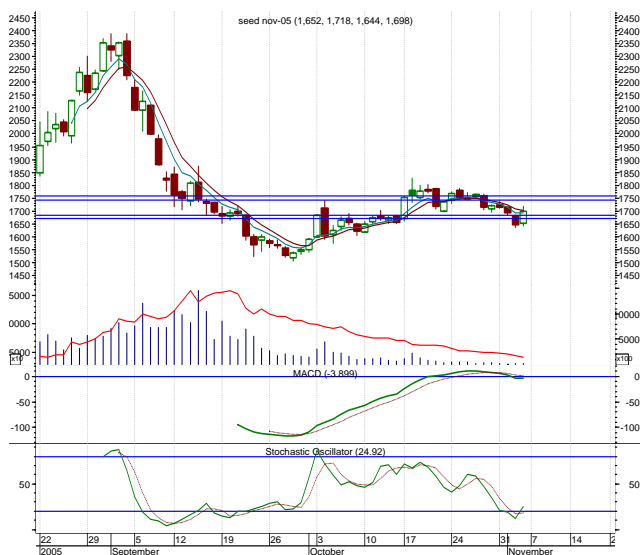
Alignment pattern: The alignment pattern of moving averages is also showing downward movement.

Market outlook:

Guar seed futures are expected to trade slightly downwards following a firm 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.	1685	1670	1744	1757
Dec.	1746	1732	1801	1814



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

Candlestick: Formation of candlestick is showing a bullish pattern and firm opening.

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

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

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

Market outlook:

Guar gum futures are likely to trade slightly downwards following a firm 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.	4462	4416	4629	4672
Dec.	4551	4501	4735	4780



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX retraced back from previous weakness today. The guar seed futures witnessed a bullish sentiment following a firm opening today. The November future traded in a higher range of 1644.00-1718.00 during today's trade. At the spot markets also guar seed was quoted higher at Rs 1750 per quintal in Jodhpur market today. At the Bikaner market it was offered at Rs 1675 per quintal, while at the Nokha market it was available at Rs 1550 per quintal today. At the Sriganganagar market it was quoted at Rs 1560-1565 per quintal, while at the Shiwani market it was offered at Rs 1550 per quintal today. The guar gum futures at the NCDEX also recovered from previous weakness today. The guar gum futures witnessed a bullish sentiment after a firm opening today. The November future traded in a higher range of 4323.00-4550.00 during today's trade. At the spot markets also guar gum was offered higher at Rs 4550 per quintal in Jodhpur market today.

The guar physical markets recovered from the early weakness today. The prices of both the guar seed and guar gum was quoted higher today as against yesterday. The spillover strength from the futures market has lifted up the physical market sentiments today. The traders are estimating a lower than expected crop in this year and consequently the prices are hovering near the higher levels from the last few weeks at the physical markets. However, anticipating a higher arrival in the coming couple of weeks, the prices may witness some downtrend in the coming couple of weeks. Under such circumstances the prices of both the guar seed and guar gum are likely to remain firm after some initial weakness in the next trading day.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)

Commodity	Centres	05.11.05	04.11.05	Change
Guar Seed	Bikaner	1675	1650	+25
	Jodhpur-B line	1750	1700	+50
	Jodhpur-M line	1725	1675	+50
	Nokha	1550	1540	+10
	Sriganganagar	1560-1565	-	-
Guar Gum	Shiwani	1550	-	-
	Jodhpur	4550	4425-4450	+125

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	365.50	365.50	367.00	+1.50
Jan.	345.00	344.00	351.90	+6.90

Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda witnessed a firm sentiment today. The November as well as the January future settled higher on increased buying interest today.

SALIENT POINTS OF THE DAY

Guar seed and gum futures retraced back from previous weakness on increased buying support.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to remain slightly weak initially and upwards thereafter.

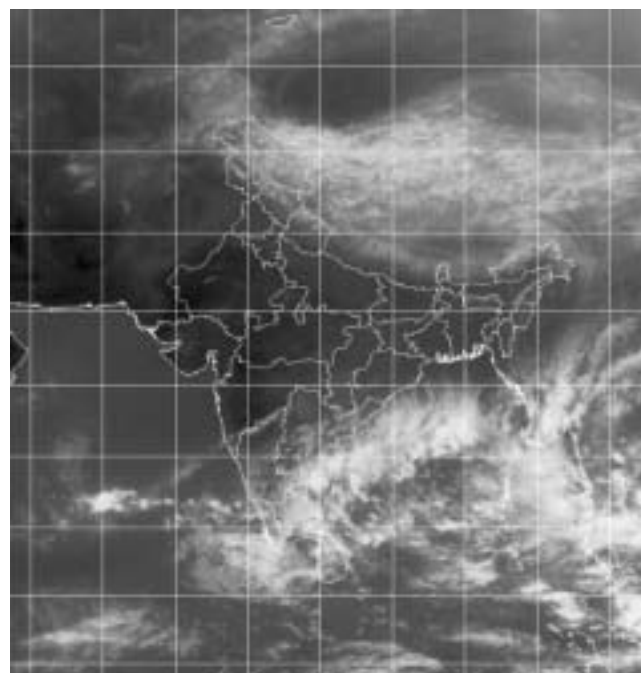
WEATHER HIGHLIGHTS (05-11-05)

During past 24 hours, fairly widespread rains with isolated heavy falls have occurred over coastal Tamil Nadu & Pondicherry and Rayalaseema. Scattered light to moderate rainfall also occurred over interior Tamil Nadu and Kerala. Chief amounts of rainfall (cm) are: Tirupathi-10, Karaikal & Nagapattinam-9 each, Pondicherry-5, Chennai-4 and Tondi, Karipur, Waltair, Tiruchirapalli, Cudalore & Nidumbaserry-3 each.

Yesterday's low-pressure area central parts of over south Bay of Bengal now lies over southwest Bay of Bengal & neighbourhood. The associated cyclonic circulation extends upto 3.1 km a.s.l. Under its influence, scattered to fairly widespread rainfall is likely over south Peninsula with isolated heavy falls over Tamil Nadu & Pondicherry, Kerala & Lakshadweep.

Fair weather conditions will prevail over Jammu & Kashmir during next 3 days.

Cloud Cover Today (IMD):



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