

GUAR SEED and GUAR GUM

November 09, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Bullish Today
- Guar Futures: Settled Up on Speculative Buying

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 sharply upwards in the normal region, showing further uptrend.

MACD: The MACD (5-day) is about to make a bullish crossover with its EMA in the negative territory, hinting short-term strength in the market.

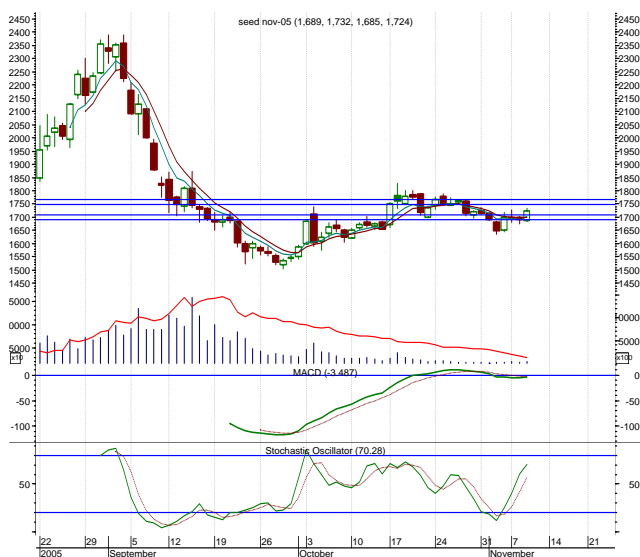
Alignment pattern: The alignment pattern of moving averages is also supporting the upward movement.

Market outlook:

Guar seed futures are expected to trade moderately upwards following a firm opening initially and downwards thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	1708	1692	1750	1766
Dec.	1758	1746	1814	1828



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 sharply upwards in the normal region, hinting further uptrend.

MACD: The MACD (5-day) has made a bullish crossover with its EMA in the positive territory, indicating short-term strength in the market.

Alignment pattern: The alignment pattern of moving averages is also supporting the upward movement.

Market outlook:

Guar gum futures are likely to trade moderately upwards following a firm opening initially and downwards thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Nov.	4559	4519	4700	4732
Dec.	4649	4614	4800	4839



SALIENT POINTS OF THE DAY

Guar seed and gum futures settled higher on speculative buying support.

Mainly dry weather prevailed over guar growing regions.

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

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX traded moderately downwards following a weak opening initially. However, increased buying support at the lower levels pushed up the futures thereafter. The November future traded in the range of 1685.00-1732.00 today. At the spot markets also guar seed was quoted higher at Rs 1760 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered higher at Rs 1675 per quintal, while at the Nokha market it was available at Rs 1620 per quintal today. At the Sriganganagar market it was offered higher at Rs 1600 per quintal, while at the Shiwani market it was quoted higher at Rs 1560 per quintal today.

GUAR GUM:

The guar gum futures at the NCDEX witnessed moderate downtrend following a steady opening at the early hours of trade. However, the futures jumped up thereafter on increased buying support at the lower price levels. The November future traded in the range of 4451.00-4659.00 today. At the spot markets also guar gum was offered at a higher price of Rs 4600 per quintal in Jodhpur market at the evening session of trade.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets retraced back from yesterday's weakness during today's trade. The prices of guar seed as well as guar gum remained range bound at the early hours of trade. However, spillover strength from the futures market has lifted up the physical market sentiments and the prices jumped up at the evening session of trade. Moreover, moderate arrivals at the major physical markets supported the firm sentiment. 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 witness further downtrend in the coming days. Under such

situations the prices of both the guar seed and guar gum are likely to move moderately upwards initially and downwards thereafter in the next day.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	09.11.05	08.11.05	Change
Guar Seed	Bikaner	1675	1660	+15
	Jodhpur-B line	1760	1730-1740	+20
	Jodhpur-M line	1735	1720	+15
	Nokha	1620	1580-1590	+30
	Sriganganagar	1600	1500-1570	+30
Guar Gum	Shiwani	1560	1525	+35
	Jodhpur	4600	4500	+100

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	366.90	365.90	367.50	+0.60
Jan.	352.00	351.50	357.90	+5.90

Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda witnessed a strong sentiment following a weak opening today. The November as well as the January future finished higher today on increased buying support.

WEATHER HIGHLIGHTS (09-11-05)

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

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