

## GUAR SEED and GUAR GUM

December 07, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Bearish Sentiment
- Guar Futures: Lower but Pared Some Early Losses

### TECHNICAL ANALYSIS

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



#### Chart Indicators:

**Candlesticks:** Trend reversal, steady to weak opening  
**MACD:** Bearish, lying below signal line  
**Stochastic:** Bearish, %K-line cut %D-line from above  
**Overall:** Moderately bearish

#### Market Outlook:

The guar seed futures are expected to trade slightly downwards following a steady to weak opening initially and upwards thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Seed:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	1671	1660	1705	1717
Jan.	1727	1715	1770	1782

#### Intraday Trade Recommendations:

**Buy** December Guar Seed at 1670-1675 with **target** of 1690, then 1700. **Stop loss** at 1665.

Do not carry forward the position until the next day.

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



#### Chart Indicators:

**Candlesticks:** Trend reversal, steady to weak opening  
**MACD:** Bearish, lying below signal line  
**Stochastic:** Bearish, %K-line cut %D-line from above  
**Overall:** Moderately bearish

#### Market Outlook:

The guar gum futures are likely to trade slightly downwards following a steady to weak opening initially and upwards thereafter. Trade with intraday outlook.

#### Supports & Resistances - Guar Gum:

Contract	Supp 1	Supp 2	Res 1	Res 2
Dec.	4506	4480	4600	4628
Jan.	4607	4579	4700	4729

#### Intraday Trade Recommendations:

**Buy** December Guar Gum at 4520-4525 with **target** of 4565, then 4590. **Stop loss** at 4500.

Do not carry forward the position until the next day.

## SALIENT POINTS OF THE DAY

Guar seed and gum futures finished lower after curbing some of the early losses in final action.

Mainly dry weather prevailed over guar growing regions.

Prices are likely to move slightly downwards following a steady to weak opening initially and upwards thereafter.

## MARKET COMMENTARY

### GUAR SEED:

The guar seed futures at the NCDEX witnessed a moderate uptrend following a slightly higher opening initially. Increased selling interest has pressurised the futures to move downwards thereafter, but the futures managed to pare some of the losses in final action. The December future traded in the range of 1657.00-1692.00 today. At the spot markets guar seed was quoted lower at Rs 1710-1715 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was traded at a lower price of Rs 1620 per quintal, while at the Nokha market it was offered at a lower price of Rs 1550-1555 per quintal today. At the Sriganganagar market it was available at a lower price of Rs 1570-1575 per quintal, while at the Shiwani market it was offered at almost steady price of Rs 1580 per quintal today.

### GUAR GUM:

The guar gum futures at the NCDEX witnessed a moderate uptrend after a lower opening initially. However, the futures traded downwards thereafter on increased selling pressure, but managed to cut back some of the losses in final action. The December future traded in the range of 4462.00-4589.00 today. At the spot markets guar gum was quoted lower at Rs 4525 per quintal in Jodhpur market at the evening session of trade.

### PHYSICAL MARKET SENTIMENTS:

The guar physical markets witnessed a bearish trade during today's trade. The prices of both the guar seed and guar gum were quoted lower today as against yesterday. The arrivals at the major physical markets are reported to be slightly higher today. However, the arrivals are expected to decline gradually in the days ahead, which would lift up the prices in the long-term. However, in the short-term period the prices of both the guar seed as well as the guar gum are expected to move slightly downwards initially and upwards thereafter in the next day.

## Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)

Commodity	Centres	07.12.05	06.12.05	Change
Guar Seed	Bikaner	1620	1630	-10
	Jodhpur-B line	1710-1715	1720-1725	-10
	Jodhpur-M line	1695-1700	1700-1705	-5
	Nokha	1550-1555	1565	-15
Guar Gum	Sriganganagar	1570-1575	1580-1585	-10
	Shiwani	1580	1580-1585	-5
	Jodhpur	4525	4550-4575	-50

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	342.70	342.30	340.70	-2.00

### Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a bearish sentiment after a weak opening today. The January future finished lower today on increased selling pressure throughout the day.

## WEATHER HIGHLIGHTS (07-12-05)

**NORTH:** Mainly dry weather is likely over the region. However isolated rain/snow likely over Jammu & Kashmir from 9<sup>th</sup> December onwards.

**WEST:** Mainly dry weather over the region.

Overall, mainly dry weather is prevailing over major guar growing regions.

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
© 2005 Indian Agribusiness Systems Pvt Ltd