

GUAR SEED and GUAR GUM

December 01, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Remained Steady on Good Buying Support
- Guar Futures: Bearish Initially but Settled Slightly Firm

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Bullish, steady to firm opening
MACD: Bearish, reached in negative territory
Stochastic: Bullish, %K moving upwards after cutting %D from below
Overall: Bullish

Market Outlook:

The guar seed futures are expected to trade upwards in the next day with possibility of some downward 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.	1661	1643	1698	1712
Jan.	1716	1708	1736	1752

Intraday Trade Recommendations:

Buy December Guar Seed above 1665 with **target** of 1630, then 1622. **Stop loss** at 1690.

Do not carry forward the position until the next day.

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



Chart Indicators:

Candlesticks: Bullish, Steady to weak opening
MACD: Bearish, reached in negative territory
Stochastic: Bullish, %K crossed %D from below
Overall: Bullish

Market Outlook:

The guar gum futures are likely to trade upwards in the next day with possibility of slight downward 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.	4474	4445	4548	4565
Jan.	4574	4546	4623	4648

Intraday Trade Recommendations:

Buy December Guar Gum above 4595 with **target** of 4635, then 4645. **Stop loss** at 4545.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures remained steady on weaker side and settled slightly firm today.

Mainly dry weather prevailed over guar growing regions.

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

MARKET COMMENTARY

GUAR SEED:

The guar seed futures at the NCDEX witnessed a mixed sentiment following a weak opening today. The futures settled near to the day's high on increased buying interest today. The December future traded in the range of 1641-1681 today. At the spot markets guar seed was quoted more or less same at Rs 1715-20 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at upper side at Rs 1610-15 per quintal, also at the Nokha market it was available at a slight upper price of Rs 1560 per quintal today. At the Sriganganagar market it was also traded at steady price on slight weaker side Rs 1535-40 per quintal, while at the Shiwani market it was also quoted slight lower level at Rs 1560 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX traded downwards after a firm opening today. The December future traded steady on weaker side in the range of 4415.00-4522.00 during today's trade. At the spot markets guar gum was available at steady price on firm side at Rs 4475 per quintal in Jodhpur market today.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets remained steady on good buying support today. The prices of both the guar seed as well as the guar gum were quoted slightly stronger side today as against yesterday. The prices of both the guar seed and guar gum are increased slightly on poor arrivals at the major physical markets due to lowered buying interest of traders. The arrivals are going on with a steady to weak trend and reported around 45000 bags today. However, any further increase in buying interest can improve the prices. Under such circumstances the prices of guar seed and guar gum are expected to remain firm in maximum duration of the day of trade and slightly weak thereafter in the next day if arrivals go above normal level.

Guar Prices at Major Markets in Rajasthan/Haryana

(Rs./quintal)				
Commodity	Centres	01.12.05	30.11.05	Change
Guar Seed	Bikaner	1610-1615	1600	+10
	Jodhpur-B line	1715-20	1700-25	+15
	Jodhpur-M line	1705-1710	1690-1700	+15
	Nokha	1560	1550	+10
	Sriganganagar	1535-1540	1542	-07
Guar Gum	Shiwani	1560	1570	-10
	Jodhpur	4475	4450-4475	+25

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Jan.	337.80	335.0	338.90	+1.10

Price Movements at Bikaner Vayda

The Bikaner vayda witnessed a slight bullish sentiment after a weak opening today. The January future settled with some increased on good buying interest.

WEATHER HIGHLIGHTS (01-12-05)

NORTH Region: Isolated rainfall/snowfall is likely over higher reaches of Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Mainly dry weather is likely over the rest region. Minimum temperature over western Himalayas and adjoining plains of northwest India are likely to fall during next 2-3 days leading to cold wave conditions.

WEST Region: Mainly dry weather over the region.

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