

GUAR SEED and GUAR GUM

December 02, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Slightly firm on Good Buying Support
- Guar Futures: Slightly Bullish

TECHNICAL ANALYSIS

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



Chart Indicators:

Candlesticks: Bullish, steady to weak 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. Overall range bound movement. Trade with intraday outlook.

Supports & Resistances - Guar Seed:

| Contract | Supp 1 | Supp 2 | Res 1 | Res 2 |
|----------|--------|--------|-------|-------|
| Dec. | 1673 | 1667 | 1694 | 1709 |
| Jan. | 1736 | 1725 | 1751 | 1762 |

Intraday Trade Recommendations:

Buy December Guar Seed above 1675 with **target** of 1695, then 1705. **Stop loss** at 1650.

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 firm 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. Overall range bound movement. Trade with intraday outlook.

Supports & Resistances - Guar Gum:

| Contract | Supp 1 | Supp 2 | Res 1 | Res 2 |
|----------|--------|--------|-------|-------|
| Dec. | 4502 | 4485 | 4556 | 4583 |
| Jan. | 4592 | 4579 | 4648 | 4674 |

Intraday Trade Recommendations:

Buy December Guar Gum above 4535 with **target** of 4575. **Stop loss** at 4495.

Do not carry forward the position until the next day.

SALIENT POINTS OF THE DAY

Guar seed and gum futures remained steady on slight stronger 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 steady to firm sentiment following a steady opening today. The futures settled near to the day's high on increased buying interest today. The December future traded in the range of 1665-1684 today. At the spot markets guar seed was quoted on slightly higher side at Rs 1720-25 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at upper side at Rs 1620 per quintal, also at the Nokha market it was available at a slight upper price of Rs 1560-65 per quintal today. At the Sriganganagar market it was also traded at steady price on slight stronger side Rs 1550-60 per quintal, while at the Shiwani market it was also quoted slight upper level at Rs 1575 per quintal during today's trade.

GUAR GUM:

The guar gum futures at the NCDEX traded range bound upwards after a firm opening today. The December future traded steady on firm side in the range of 4476.00-4531.00 during today's trade. At the spot markets guar gum was available at improved price on firm side at Rs 4525 per quintal in Jodhpur market today.

PHYSICAL MARKET SENTIMENTS:

The guar physical markets remained slightly firm 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 high buying interest of traders. The arrivals are going on with a steady to weak trend and reported around 42000 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 range bound on firm side in maximum duration of the day of trade and slightly low thereafter in the next day if arrivals go above normal level.

Guar Prices at Major Markets in Rajasthan/Haryana

| (Rs./quintal) | | | | |
|---------------|----------------|----------|-----------|--------|
| Commodity | Centres | 02.12.05 | 01.12.05 | Change |
| Guar Seed | Bikaner | 1620 | 1610-1615 | +5 |
| | Jodhpur-B line | 1720-25 | 1715-20 | +5 |
| | Jodhpur-M line | 1700-10 | 1705-1710 | +5 |
| | Nokha | 1560-65 | 1560 | +5 |
| | Sriganganagar | 1550-60 | 1535-1540 | +15 |
| Guar Gum | Shiwani | 1575 | 1560 | +15 |
| | Jodhpur | 4525 | 4475 | +50 |

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

| Contract | Prev. Close | Open | Close | Change |
|----------|-------------|-------|--------|--------|
| Jan. | 338.90 | 337.6 | 340.90 | +2.00 |

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 (02-12-05)

NORTH Region: Mainly dry weather is likely over the region.

WEST Region: Mainly dry weather over the region except Goa and Konkan region where isolated Rain/thundershowers likely to occur.

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