

## ■ GUAR SEED

■ 24th, Sept. 2007

### SPOT MARKETS:

Amidst weak demand against improved arrivals, guar seed and gum prices eased further across the markets in Rajasthan. Reports of drizzles over Haryana further pressurized the prices. Guar seed prices eased by Rs 5-10 at Jodhpur, Bikaner, Sriganganagar and Nokha markets compared to Friday. At Jodhpur, guar gum declined by Rs 25. Arrivals across the major markets in Rajasthan improved from 3400-3600 bags to around 3800 bags. In Sriganganagar fresh arrivals recorded at 1200 bags, up from the Friday's level. Bikaner and Nokha received the arrivals of around 150 bags each. Fresh arrivals at major markets in Haryana are expected to start in next 7-10 days, as the harvesting of crop is almost started in irrigated areas, reported. Mild demand from millers reported at lower prices while exporters' activity remained subdued during the Saturday's trade. Arrival pressure in coming days would restrict the upside in prices.

### FUTURES MARKETS (NCDEX & MCX):

Guar seed futures traded range bound at NCDEX. The October contract for Guar seeds opened weak at Rs 1748/qtl, Rs 5 down from the previous closing of Rs 1753/qtl and traded down testing a low of Rs 1731/qtl. However, prices recovered thereafter on renewed buying interest testing a high of Rs 1750/qtl before it closed at Rs 1745/qtl. October contract traded in the range of Rs 1731-1750/qtl. In October contract both volume and open interest declined. Guar gum October contract traded in the range of Rs 4400-4451/qtl.

### PRICE DRIVERS:

- Quality concerns over harvested seeds as well as maturing crop in Sriganganagar due to recent heavy rains
- Czech Republic's blocked four consignment of Indian guar gum
- Forecast of rains/thundershowers over Rajasthan
- Reports of lower yield in Haryana & Rajasthan
- Expectation of lower production in Pakistan
- Good demand from millers & exporters
- Fresh arrivals started in Sriganganagar & few parts in Haryana
- EU may soon lift guar gum import ban
- Lower stock position in the market
- Total production likely to decline marginally compare to last year

### WEATHER IMPACT:

IMD predicted for isolated rains & thundershowers over Punjab and Rajasthan in next 48 hours besides widespread very heavy rainfall over NW India.

### TECHNICALS:

A dragonfly doji like candlestick is formed indicating firmness in market. Long lower shadow indicates good buying support at lower levels. MACD and EMA remain weak for the medium-term. Both Stochastic and RSI about to enter in to the oversold zone. Market is expected to trade range bound with firm bias with possibility of late downward movement.

### OUTLOOK:

Guar seed futures are expected to trade range bound with firm bias.

### NCDEX Guar Seed October Contract:



### SUPPORT / RESISTANCES (NCDEX and MCX):

Contract	S2	S1	PCP	R1	R2
NCDEX Guar Seed Oct.	1725	1735	1745	1780	1790
NCDEX Guar Gum Oct.	4423	4442	4451	4511	4528
MCX Guar Seed Oct.	1694	1708	1705	1755	1765

### INTRADAY TRADE RECOMMENDATION (NCDEX):

**BUY** NCDEX- October Guar Seed above 1751 with target of 1766 then 1772. Stop loss near 1743.

**BUY** NCDEX- October Guar Gum above 4465 with target of 4485 then 4495. Stop loss near 4455.

**Do not carry forward the position until the next day.**

### INTRADAY TRADE RECOMMENDATION (MCX):

**BUY** MCX- October Guar Seed near 1720 with target of 1740. Stop loss near 1710.

**Do not carry forward the position until the next day.**

## ■ GUAR SEED

■ 24th, Sept. 2007

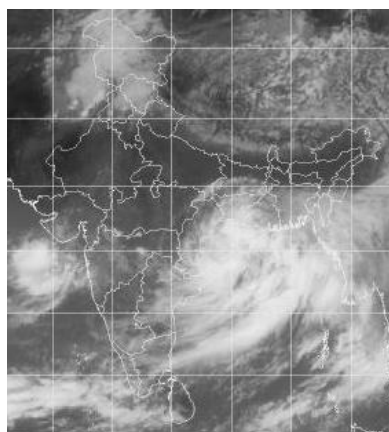
### GUAR PRICES AT MAJOR MARKETS IN RAJASTHAN:

Commodity	Centres	22.09.07	21.09.07	Change
Guar Seed	Bikaner	1690-95	1700	-5
	Jodhpur	1780-90	1790-1800	-10
	Nokha	1715-20	1720-25	-5
Guar Gum	Sri Ganganagar	1685-90	1690-95	-5
	Jodhpur	4550	4550-75	-25

### NCDEX FUTURES PRICES (Rs. /qtl):

Commodity	Contract Month	Open	High	Low	Last Trade Price	Previous Close	Change
Guar Seed	October	1748	1750	1731	1745	1753	-8
	November	1778	1783	1763	1779	1785	-6
	December	1810	1815	1794	1810	1813	-3
Guar Gum	October	4426	4451	4400	4451	4476	-25
	November	4514	4530	4481	4521	4549	-28
	December	4585	4610	4570	4610	4627	-17

**SATELLITE  
IMAGE OF  
MONSOON  
PROGRESS  
(As on 22.09.07)**



#### 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