

## ■ GUAR SEED

■ 15th, Oct. 2007

### SPOT MARKETS:

Guar seed prices remained weak on Saturday at most of the centers as subdued activity of stockists on EU issue kept the demand weak. Even decreased arrivals 35000 bags couldn't support the prices. The arrivals were 40000-45000 bags on Friday. Meanwhile, a three-member European Commission inspection team has completed visiting guar gum manufacturing units in India and is expected to submit its draft report in next 10 days, according to the media reports. The fate of guar market will largely depend upon the report of the team as a big chunk of Indian guar is supplied to the overseas market. However, if we look at the other side of the story, importers of guar have very limited scope if they avoid taking Indian stuff, particularly when the Pakistani crop is reportedly poor. Currently, the early sown crop of guar (including some Guari) of northern Rajasthan and Haryana are reaching the market yards. The quality of which is said to poor and thus are fetching poor prices. The only major buyers at this stage are the millers, which are buying, as demand for by products is good. Risk loving stockists have good opportunity to by some quality seeds at these levels as gambling on EU issue might pay them handsomely if the results comes in their favour. In a short run the guar seed prices might remain range bound.

### FUTURES MARKETS (NCDEX & MCX):

Guar seed and guar gum futures traded weak on the last trading day of the week. NCDEX Guar seed Nov contract opened weak at Rs1683/qrtl. Thereafter it traded mostly bearish in the range of Rs 1672-1688/qrtl before losing the session with moderate losses at Rs 1674/qrtl. NCDEX Oct traded weak between Rs 1644-1657/qrtl during the session. Guar gum NCDEX Nov weakened after opening firm. The contract started at Rs 4260/qrtl and traded between Rs 4230-4265/qrtl. The session closed near the days low at Rs 4234/qrtl. The October contract traded between Rs 4150-4185/qrtl.

### PRICE DRIVERS:

- § EU team to submit report in 10 days
- § Harvesting gathering momentum in Sriganganagar
- § Sluggish demand from stockists
- § Arrivals in Haryana is increasing, seed quality is poor
- § Reports of lower yield in Haryana & Rajasthan
- § Expectation of lower production in Pakistan
- § Good demand from millers
- § Lower stock position in the market

### WEATHER IMPACT:

Dry weather conditions prevail in the main guar growing regions, which is conducive for the harvest of the crop in early sown areas of Rajasthan and Haryana.

### TECHNICALS:

Candlestick shows bearish sentiments. The prices closed below short & medium term EMA favouring bears. MACD is running flat in negative region. Stochastic is supporting bulls in normal region.

### OUTLOOK:

Guar futures may trade volatile with bearish bias.

### NCDEX Guar Seed November Contract:



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

Contract	S2	S1	PCP	R1	R2
NCDEX Guar Seed Nov.	1640	1654	1674	1697	1711
NCDEX Guar Gum Nov.	4170	4190	4234	4278	4308
MCX Guar Seed Nov.	1625	1639	1665	1685	1700

### INTRADAY TRADE RECOMMENDATION (NCDEX):

**SELL** NCDEX- November Guar Seed below 1680 with target of 1662 and then 1654. Stop loss at 1690.

**SELL** NCDEX- November Guar Gum below 4250 with target of 4210 and then 4190. Stop loss at 4276.

Do not carry forward the position until the next day.

### INTRADAY TRADE RECOMMENDATION (MCX):

**SELL** MCX- November Guar Seed below 1670 with target of 1650. Stop loss near 1683.

Do not carry forward the position until the next day.

## ■ GUAR SEED

■ 15th, Oct. 2007

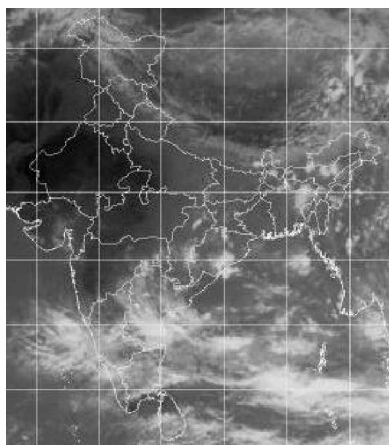
### GUAR PRICES AT MAJOR MARKETS IN RAJASTHAN:

Commodity	Centres	13.10.07	12.10.07	Change
Guar Seed	Bikaner	1605-1610	1625-30	-20
	Jodhpur	1725	1730-35	-10
	Nokha	1650	1660	-10
Guar Gum	Sri Ganganagar	1625-38	1540	-15
	Jodhpur	4250	4325	-75

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

Commodity	Contract Month	Open	High	Low	Last Trade Price	Previous Close	Change
Guar Seed	October	1651	1657	1644	1644	1655	-11
	November	1683	1688	1672	1674	1685	-11
	December	1713	1719	1704	1707	1716	-9
Guar Gum	October	4180	4185	4150	4154	4195	-41
	November	4260	4265	4230	4234	4255	-21
	December	4325	4345	4295	4310	4323	-13

SATELLITE  
IMAGE OF  
MONSOON  
PROGRESS  
(As on 13.10.07)



#### 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