

GUAR SEED and GUAR GUM

July 23 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound downward
- Guar vayda settled lower

TECHNICAL ANALYSIS

Commodity: **Guar Seed**

Perspective: **Very Short Term**

NCDEX August Contract

Candlestick:

Formation of Candlestick pattern is indicating towards weaker opening and range bound trade on Monday.

Stochastic:

The stochastic is moving in neutral region, %K line is still lying below the %D line and moving downward, expecting further downward moves.

MACD:

The MACD (5-day) has crossed zero line, now lying in positive zone and expecting the trade towards higher side.

Alignment pattern:

The alignment pattern of moving averages is hinting towards higher prices next day.

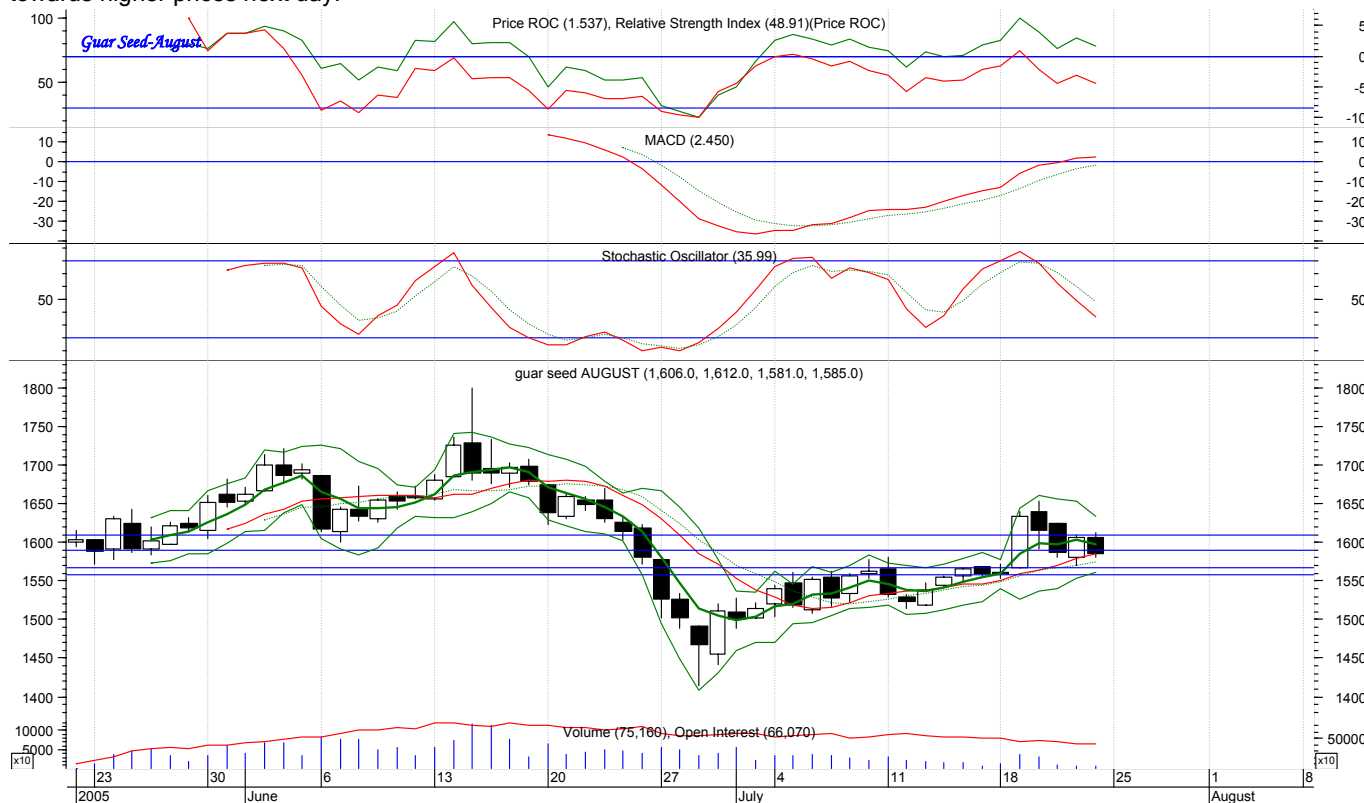
Guar seed future traded range bound downward which closed lower than previous close. It is expected to open steady and trade range bound downward next day.

Market outlook:

- Guar seed prices are expected to open steady/weaker and trade and trade slightly downward with range bound movements on Monday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1567	1558	1590	1610
Sept.	1589	1577	1616	1639



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

Candlestick:

Formation of Candlestick pattern is indicating towards weaker opening and range bound trade on Monday.

Stochastic:

The stochastic is lying in neutral region, %K is lying below the %D line and moving downward, expecting weaker prices next day.

MACD:

The MACD (5-day), is moving upward in negative zone and lying above its EMA, indicating the slight strength in the market.

Alignment pattern:

The alignment pattern of moving averages is not hinting any confirm move in prices.

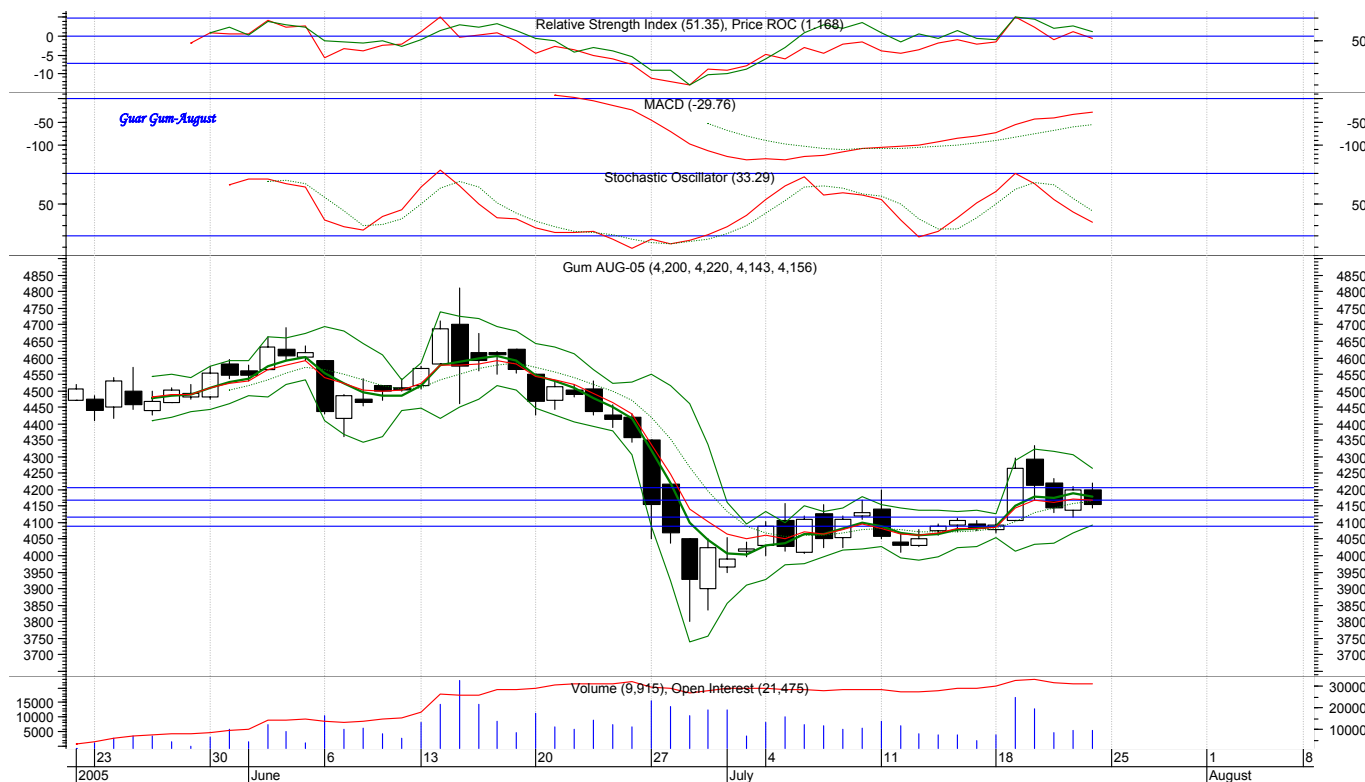
Guar gum traded range bound and finished lower at the end. It is expected to open weaker and trade range bound marginally downward on Monday.

Market outlook:

- Guar gum is expected to open weaker/steady and trade range bound downward on Monday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	4115	4089	4167	4206
Sept.	4180	4153	4245	4287



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed future contracts at NCDEX witnessed range bound downward trade almost through out the day and finally rested at lower ground at the end. Following this cash markets also responded in the same way and traded weaker during the day. Bikaner line 98% whitish guar seed was traded for Rs.1590-1600 per quintal during morning but quoted at Rs.1625 per quintal during evening today. Bikaner market witnessed marginally lower prices and guar seed was sold at Rs.1530 per quintal over there. Nokha market traded lower initially but recovered later and guar seed was available at Rs.1460-65 per quintal over there during evening and witnessed good buying by speculators. Other markets also witnessed lower prices of guar seed today.

Guar gum futures at NCDEX traded range bound downward and closed at lower ground today. Physical markets followed the same and guar gum was sold at Rs.4150 per quintal in Jodhpur today afternoon but gained marginally and was available at Rs.4200-25 per quintal during evening.

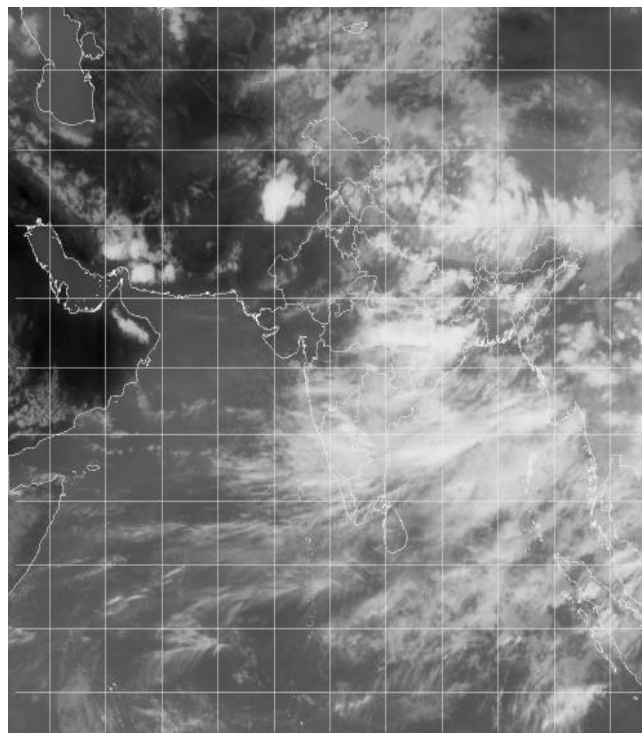
Speculative trade was witnessed in guar seed and gum today amid the cloudy weather in western Rajasthan in the morning but physical markets gained again during evening hours. According to IMD, a fresh upper air cyclonic circulation has formed over southwest Rajasthan and neighbourhood, which may develop further during Sunday and may affect the prices negatively on Monday.

Salient points of the day

- Guar seed as well as guar gum traded range bound downward.
- Partly cloudy weather in parts of Rajasthan, cloudy weather in Jodhpur in the morning.
- A fresh upper air cyclonic circulation has formed over southwest Rajasthan and neighbourhood and extends upto 2.1 km a.s.l. (IMD).
- Prices are expected to move range bound downward on Monday.

Commodity	Centres	22.07.05	23.07.05	Change
Guar seed: Bikaner		1540	1530	-10
	Jodhpur-B line	1625	1625	0
	Jodhpur-M line	1600	1600	0
	Nokha	1670	1665	-5
	Alwar	1380	1370	-10
	Khairthal	1380	1370	-10
	Ganganagar	1520	1520	0
Guar Gum:		4250	4225	-25

Satellite Image Showing Latest Cloud Cover in Bay of Bengal (IMD-5:30PM)



Bikaner Guar Vayda

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	311.8	310.3	308.5	-3.3

Price movements at Bikaner Vayda

Bikaner guar vayda today opened weaker, traded range bound downward and closed lower at the end. September contract today opened at 310.3, closed at 308.5, down by Rs.16.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (23-07-05)

PROGRESS OF MONSOON;

Under the influence of yesterday's upper air cyclonic circulation over north and adjoining central Bay of Bengal, a low pressure area has formed over north Bay of Bengal of Gangetic West Bengal-Orissa Coast. The associated upper air circulation extends upto mid-tropospheric levels tilting southwestwards with height. A fresh upper air cyclonic circulation has formed over southwest Rajasthan and neighbourhood and extends upto 2.1 km a.s.l. The off-shore trough runs from Karnataka coast to Kerala coast. The axis of the monsoon trough at sea level passes through Ferozpur, Karnal, Aligarh, Allahabad, Ranchi,

Sagar Islands and centre of low pressure area. Southwest monsoon has been active over Nagaland, Manipur, Mizoram & Tripura, West Uttar Pradesh, Uttaranchal, Chhattisgarh, Telangana and Rayalaseema. Rain/thundershowers occurred at most places over Andaman & Nicobar Islands, Konkan & Goa, Coastal Karnataka and Kerala; at many places over Assam & Meghalaya, Orissa, East Uttar Pradesh, Madhya Maharashtra, Coastal Andhra Pradesh and Interior Karnataka and at a few places over Arunachal Pradesh, Sub-Himalayan West Bengal & Sikkim, Bihar, Punjab, Himachal Pradesh, Marathawada and Lakshadweep. It was isolated over rest regions of the country outside West Madhya Pradesh, West Rajasthan and Gujarat State where the weather was mainly dry.

Forecast for Next 24 Hours

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, West Bengal & Sikkim, Orissa, Bihar, Jharkhand, Chhattisgarh, Uttaranchal, Himachal Pradesh, Konkan & Goa, Vidarbha, Andhra Pradesh, Karnataka, Kerala and at a few places over rest

regions of the country outside Rajasthan and Gujarat State where it may be isolated.

Outlook for subsequent two days :

Ongoing rainfall activity likely to increase over central and adjoining peninsular India including Maharashtra. Ongoing rainfall activity along West coast is likely to continue.

Heavy Rainfall Warning

Heavy rainfall likely over Gangetic West Bengal, Orissa, Coastal Andhra Pradesh, Telangana, Konkan & Goa, Coastal Karnataka and Uttaranchal.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.39
European Union	Euro	52.37
United Kingdom	GBP	75.55
Japan	100 Yen	38.97

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