

GUAR SEED and GUAR GUM

July 22, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound upward
- Guar vayda settled higher

TECHNICAL ANALYSIS

Commodity: **Guar Seed**

Perspective: **Very Short Term**

NCDEX August Contract

Candlestick:

Formation of Candlestick pattern is indicating towards firm opening and range bound trade on Saturday.

Stochastic:

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

MACD:

The MACD (5-day) has crossed zero line and is moving upward, expecting the trade towards higher side.

Alignment pattern:

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

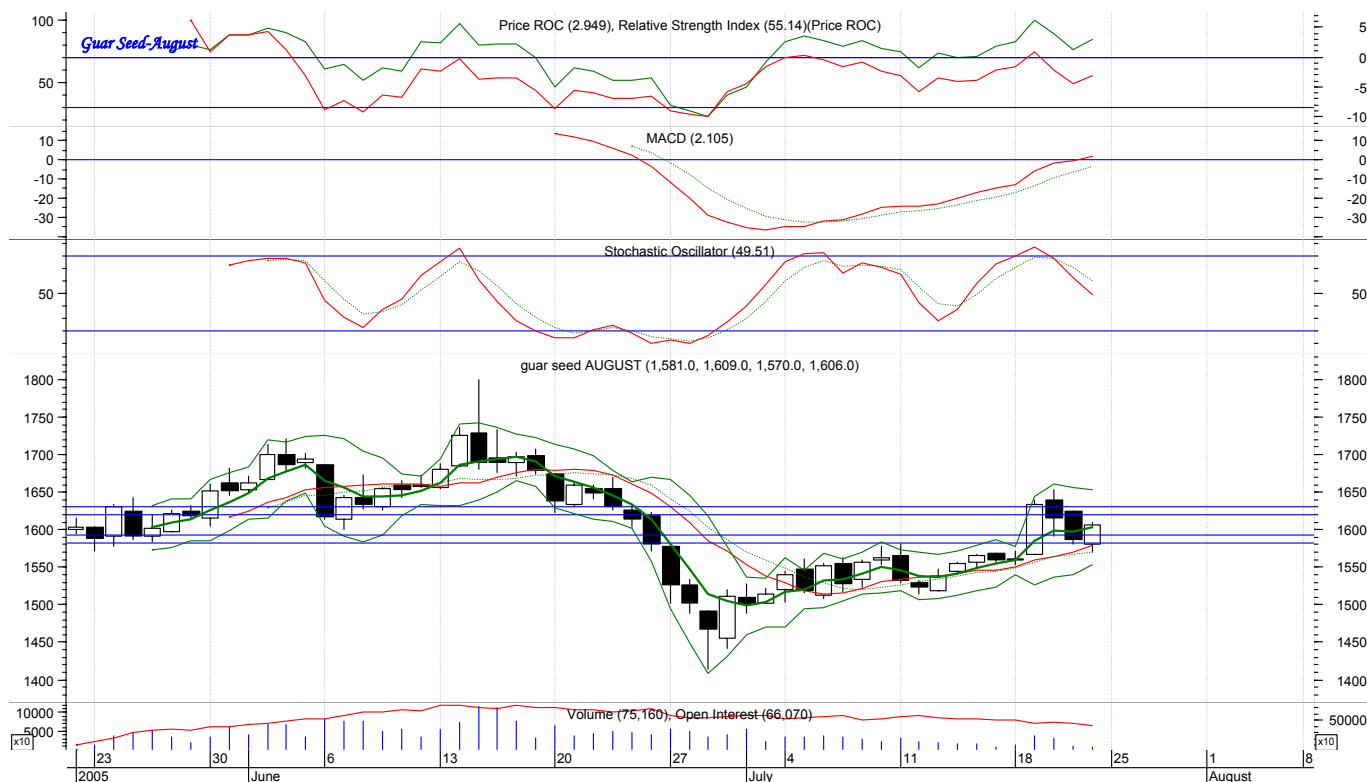
Guar seed future traded range bound downward initially and settled higher than previous close. It is expected to open firm and trade range bound next day.

Market outlook:

- Guar seed prices are expected to open firm and trade upward initially and downward later on for Saturday's trade.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1595	1583	1620	1631
Sept.	1623	1610	1651	1662



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

Candlestick:

Formation of Candlestick pattern is indicating towards firm opening and range bound trade on Saturday.

Stochastic:

The stochastic is lying in neutral region, %K line has crossed %D line from above and moving downward, expecting lower trades next day.

MACD:

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

Alignment pattern:

The alignment pattern of moving averages is indicating further upward moves in prices.

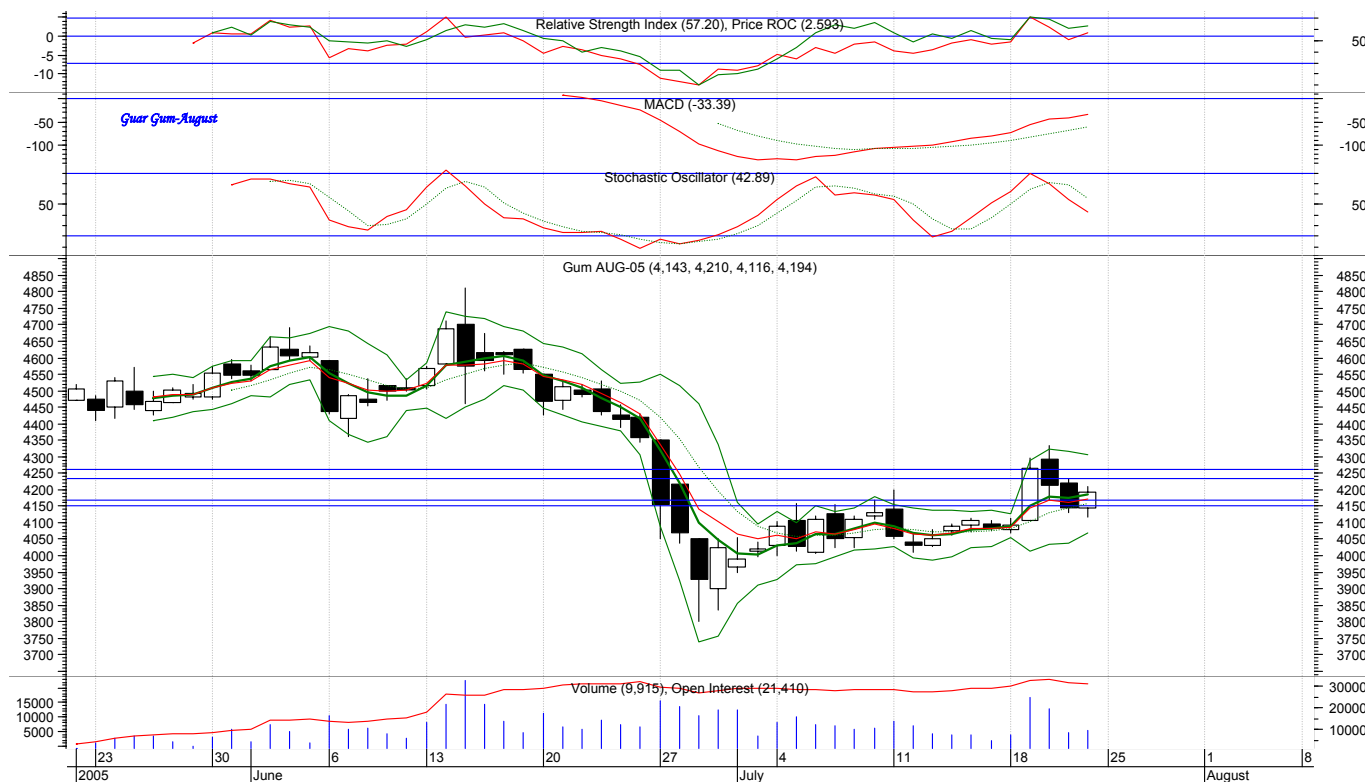
Guar gum traded range bound and finished at higher level. It is expected to open firm and trade range bound marginally downward on Saturday.

Market outlook:

- Guar gum is expected to open firm and move upward initially and come down slightly later on.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	4170	4150	4235	4260
Sept.	4259	4232	4318	4346



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed future contracts at NCDEX opened weaker, traded upward initially, downward quickly thereafter and range bound upward for rest of the day before it closed at higher ground at the end. Following this, guar seed in physical markets also traded like that and witnessed downward move in the morning and closed at much higher ground at last. Bikaner line 98% whitish guar seed was traded in the range of Rs.1580-1625 per quintal during whole day at Jodhpur market. Bikaner market also witnessed higher grounds and guar seed was sold at Rs.1540-50 per quintal during evening today. Today also, physical buying was witnessed in Nokha market where guar seed was quoted at Rs.1470-75 per quintal. Other markets traded steady to marginally higher today.

Guar gum futures at NCDEX traded range bound downward in the morning but recovered greatly and closed at higher ground at the end of the day. Physical markets followed the same track and guar gum was quoted at Rs.4250 per quintal during in Jodhpur where it was sold at Rs.4100 per quintal in the morning today.

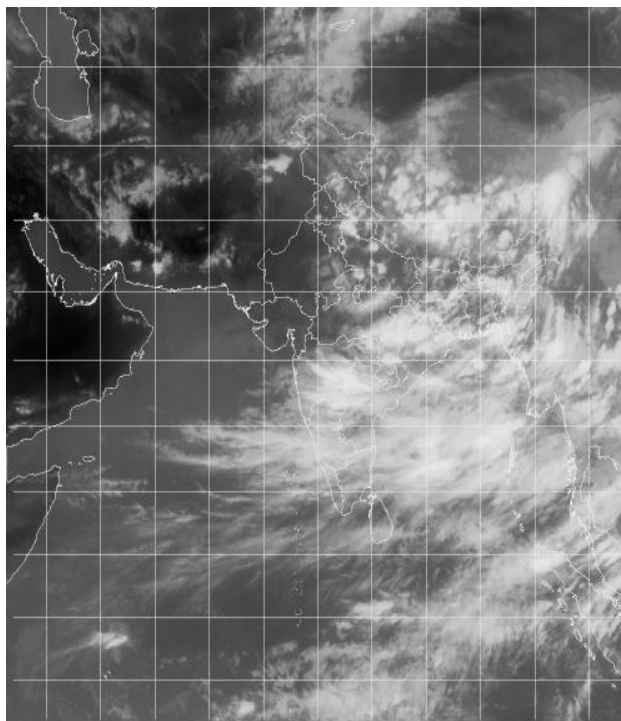
It was purely speculative buying at NCDEX today which turned the sentiments firm during afternoon's trade but again according to physical market's sentiments, which is not witnessing good enough demand to hold these prices, it has to come down again. Also according to latest development in Bay of Bengal, new cyclonic circulation is being formed, which later on, may influence the market negatively in tomorrow's trade itself or at the most on Monday's trade.

Salient points of the day

- Guar seed as well as guar gum traded range bound upward.
- Sunny and windy weather in whole Rajasthan.
- An upper air cyclonic circulation lies over north and adjoining central Bay of Bengal extending between 5.8 and 7.6 km above sea level (IMD).
- Prices are expected to move marginally higher initially tomorrow morning and come down slightly later on.

Commodity	Centres	21.07.05	22.07.05	Change
Guar seed: Bikaner		1520	1540	+20
	Jodhpur-B line	1580-1600	1625	+25
	Jodhpur-M line	1575	1600	+25
	Nokha	1460	1670	+10
	Alwar	1400	1400	0
	Khairthal	1400	1400	0
	Ganganagar	1500	1520	+20
Guar Gum:		4150	4250	+100

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.	308.9	309	311.8	+2.9

Price movements at Bikaner Vayda

Bikaner guar vayda today opened weaker, traded upward initially, range bound downward thereafter and upward finally before it closed higher at the end. September contract today opened at 309, closed at 311.8, up by Rs.14.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (22-07-05)

PROGRESS OF MONSOON;

The off-shore trough running from Konkan Coast to Kerala Coast persists. A north-south trough runs from Sub-Himalayan West Bengal & Sikkim to northwest Bay of Bengal in the lower tropospheric levels. An upper air cyclonic circulation lies over north and adjoining central Bay of Bengal extending between 5.8 and 7.6 km above sea level. The axis of the monsoon trough at sea level passes through Ferozpur, Bareilly, Lucknow, Gaya, Sagar Islands and thence southeastwards to northeast Bay of Bengal.

Southwest monsoon has been active over East Uttar Pradesh and Konkan & Goa. Rain/thundershowers occurred at most places over Orissa and Coastal Karnataka; at many places over Andaman & Nicobar Islands, Sub-Himalayan West Bengal & Sikkim, Uttaranchal, Madhya Maharashtra, Marathwada, Telangana and Lakshadweep and at a few places over Assam & Meghalaya, Gangetic West Bengal, Chhattisgarh, West Uttar Pradesh, Punjab, East Madhya Pradesh, South Interior Karnataka and Kerala. It was isolated over rest regions of the country outside Rajasthan, West Madhya Pradesh and Rayalaseema where weather was mainly dry.

Forecast for Next 24 Hours

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, Konkan & Goa, Madhya Maharashtra, Coastal Andhra Pradesh, Telangana and Coastal Karnataka and at a few places over northeastern States, Uttaranchal, Himachal Pradesh, Uttar Pradesh, interior Karnataka, Rayalaseema, Kerala and Lakshadweep. It may be isolated over rest regions of the country.

Outlook for subsequent two days :

A low pressure area is likely to form over north Bay of Bengal. Under its influence rainfall activity is likely to increase over eastcentral and adjoining Peninsular India. Ongoing rainfall activity along West coast is likely to continue.

Heavy Rainfall Warning

Heavy to very heavy rainfall likely at isolated places over Konkan & Goa and coastal Karnataka. Isolated heavy rainfall also likely over coastal Andhra Pradesh and Andaman & Nicobar Islands.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.39
European Union	Euro	52.85
United Kingdom	GBP	76.14
Japan	100 Yen	39.11

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.