

GUAR SEED and GUAR GUM

July 29, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum witnessed range bound trade
- 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 upward trade on Saturday.

Stochastic:

The stochastic is moving in oversold region, %K has just crossed %D line in neutral region, expecting the technical correction towards higher side.

MACD:

The MACD (5-day) is moving downward, lying below its EMA and expecting the trade towards lower side.

Alignment pattern:

The alignment pattern of moving averages is indicating slight strength in the market.

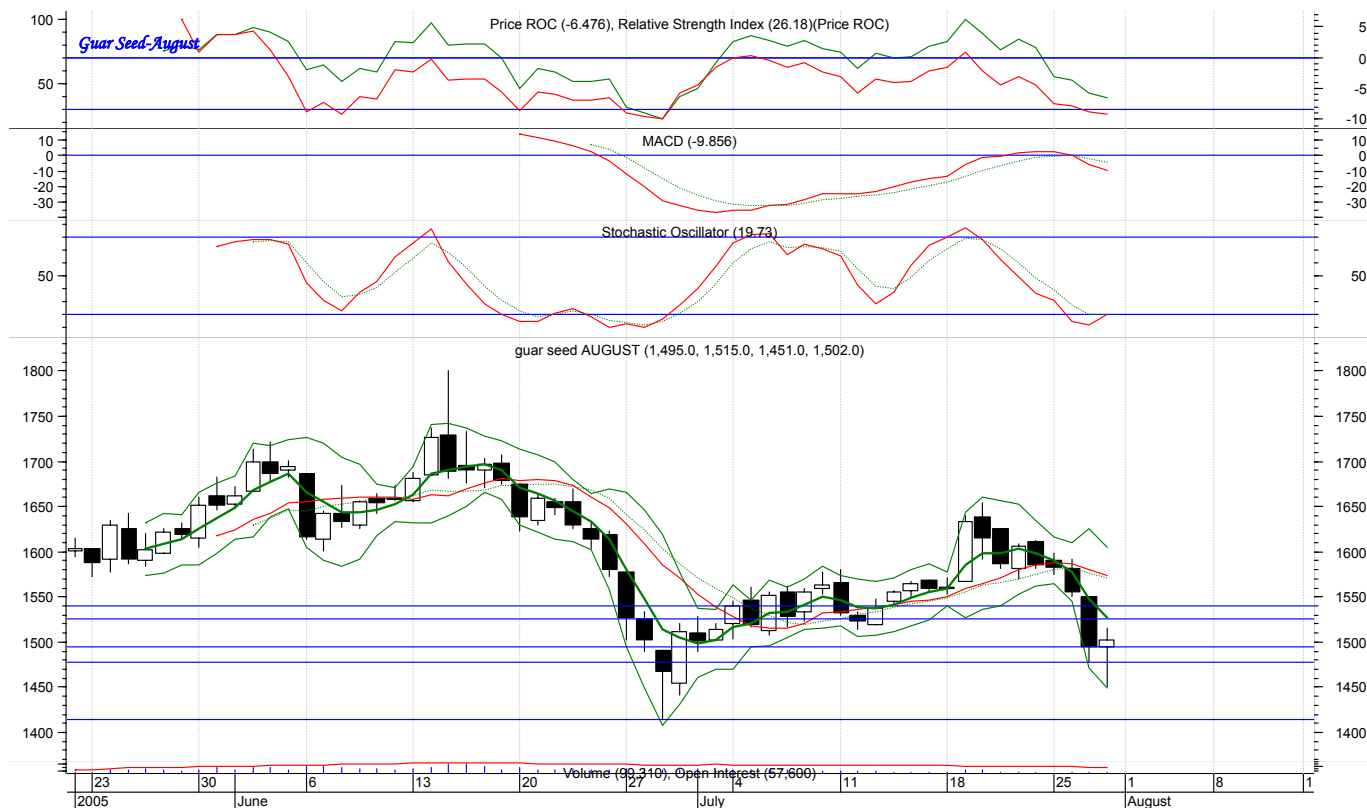
Guar seed future traded range bound in a wide range and closed marginally higher. It is expected to open steady and trade range bound upward next day.

Market outlook:

- Guar seed prices are expected to open steady/firm and trade upward with range bound movements on Saturday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1495	1478	1526	1540
Sept.	1513	1498	1552	1566



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

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

Stochastic:

The stochastic is moving in oversold region, but has changed its curvature; %K line has crossed %D line from below and moving upward in oversold region, expecting technical correction towards higher side.

MACD:

The MACD (5-day), has cut its EMA from above and now expecting price movement towards weaker side.

Alignment pattern:

The alignment pattern of moving is not giving any confirm signal for price movement.

Guar gum witnessed range bound trade and finished slightly higher. It is expected to open steady and trade range bound upward on Saturday.

Market outlook:

- Guar gum is expected to open firm/steady and trade upward range bound with range bound movements on Saturday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	3868	3838	3965	4002
Sept.	3973	3943	4067	4100



MARKET COMMENTARY OF MAJOR MARKETS

Amid the rains in Jodhpur, Bikaner and other western parts Rajasthan previous day, guar seed future at NCDEX witnessed steep downward trade just after the opening today but recovered immediately and closed marginally higher. Cash markets of guar seed traded range bound and followed the futures. Bikaner line 98% whitish guar seed slipped to Rs.1525 today morning, recovered thereafter and was sold at Rs.1550-60 per quintal during evening today. Physical transaction are almost nil at these lower prices. In Bikaner market, guar prices moved from Rs.1420 per quintal during morning to Rs.1455-60 per quintal towards evening today.

After initial steep downward movements today morning, guar gum at futures at NCDEX traded range bound and closed slightly firm. Following futures, physical markets of guar gum also traded on the same path. In Jodhpur market, guar gum has touched the price of Rs.3825 per quintal in the morning but was available at Rs.3950-75 per quintal towards evening today.

According to IMD, the low pressure area over north-west Madhya Pradesh and neighbourhood has moved west-northwestwards and merged with the seasonal low over Pakistan. The cyclonic circulation over west Rajasthan and adjoining Pakistan has also merged with the above system. These conditions are indicating towards good rainfall in Kutch and surrounding areas. Western parts of Rajasthan will also be affected by this and they may also witness rains tonight or tomorrow. If there are really very good rainfall in Barmer and Jaisalmer areas, then only prices of guar seed may be affected slightly adversely otherwise prices are showing an upward movement tomorrow onwards, at least for next few days.

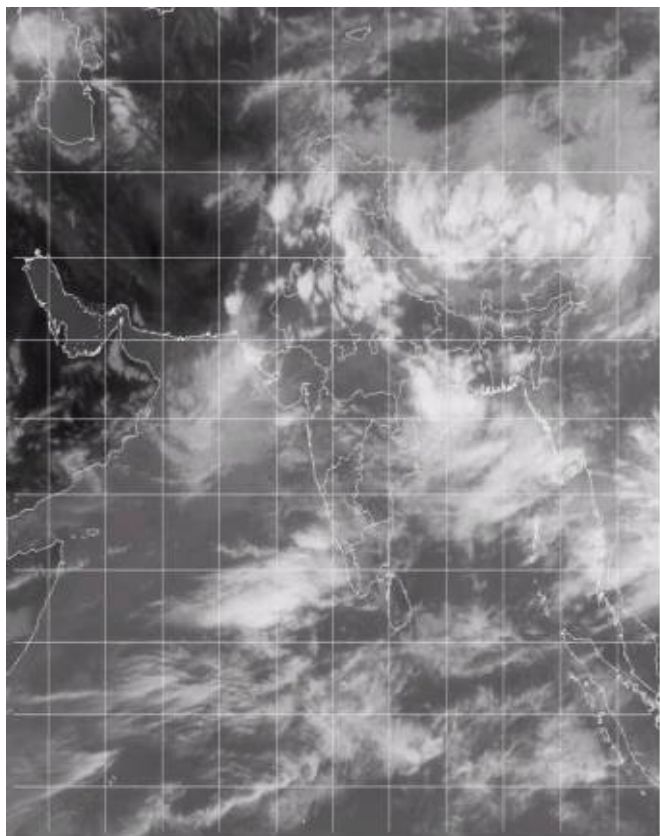
Commodity	Centres	27.07.05	29.07.05	Change
Guar Seed	Bikaner	1455	1460	+5
	Ganganagar	1445	1425	-25
	Jodhpur-B line	1540-50	1560	+10
	Jodhpur-M line	1430	1535	+5
	Nokha	Rains	1400	-
	Alwar	Closed	1325	-
Guar Gum:	Khairthal	1335	1325	-10
		3950	3950-75	+25

Salient points of the day

- Barmer witnessed rains today afternoon where as jodhpur and Bikaner felt light rains yesterday .
- Western Rajasthan witnessed cloudy weather for whole day.
- Guar seed as well as guar gum traded steep downward initially but closed at higher level.

- Prices are expected to move range bound marginally upward tomorrow.

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.	289.9	289.9	292.2	+2.3

Price movements at Bikaner Vayda

Bikaner guar vayda today opened steady at 289.9, traded downward initially, recovered later on and closed at 292.2, up by Rs.11.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (29-07-05)

PROGRESS OF MONSOON;

Yesterday's low pressure area over northwest Bay of Bengal off Gangetic West Bengal coast has concentrated into a depression and now lies over northwest Bay of Bengal off Orissa coast today morning at 0830 hours IST with its centre close to Balasore. The system remained practically stationary with its centre close to Balasore at 1430 hrs IST of today and is likely to move in a west-

northwesterly direction. The other low pressure area over Northwest Madhya Pradesh and neighbourhood moved west-northwestwards and merged with the seasonal low over Pakistan. The associated upper air cyclonic circulation now lies over north Gujarat & adjoining southwest Rajasthan and extends between 0.9 & 5.8 km a.s.l. The cyclonic circulation over west Rajasthan and adjoining Pakistan has merged with the above system. The off-shore trough now runs from Goa to north Kerala coast. The axis of the monsoon trough at sea level passes through Bikaner, Jaipur, Kanpur, Ranchi, centre of the depression and thence east-southeastwards. Southwest monsoon has been vigorous over Rajasthan and Gujarat; active over Orissa, Interior Karnataka and Kerala. Rain/thundershowers occurred at most places over Andaman & Nicobar Islands, Konkan & Goa, madhya Maharashtra and coastal Karnataka; at many places over Nagaland, Manipur, Mizoram & Tripura, Gangetic West Bengal, Jammu & Kashmir, Vidarbha, Telangana and Lakshadweep and at a few places over Arunachal Pradesh, Assam & Meghalaya, West Uttar Pradesh, Uttaranchal, Madhya Pradesh, Chhattisgarh and Rayalaseema. It was isolated over rest regions of the country.

Forecast for Next 24 Hours

Rain/thundershowers are likely at most places over Orissa, Chhattisgarh and Saurashtra & Kutch; at many places over Gangetic West Bengal, Jharkhand, south Rajasthan, Gujarat Region, Konkan & Goa, Madhya Maharashtra, north coastal Andhra Pradesh, coastal Karnataka and Kerala and at a few places over rest regions of the country

outside Tamil Nadu & Pondicherry where it may be isolated. Increase in rainfall activity over East Madhya Pradesh after 31st July.

Outlook for subsequent two days :

Rainfall activity over central India and Gangetic Plains is likely to increase. Slight increase in rainfall activity over northwest India is also likely. Subdued rainfall activity is likely over northeastern States.

Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over Orissa, Chhattisgarh and Saurashtra & Kutch. Isolated heavy rainfall also likely over Gujarat region, Konkan & Goa, madhya Maharashtra, coastal Karnataka, Gangetic West Bengal, Jharkhand and Kerala.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.49
European Union	Euro	52.73
United Kingdom	GBP	76.34
Japan	100 Yen	38.82

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