

GUAR SEED and GUAR GUM

August 04, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded steady
- Guar vayda witnessed range bound trade

TECHNICAL ANALYSIS

Commodity: **Guar Seed**

Perspective: Very Short Term
NCDEX September Contract

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

Stochastic: The stochastic is moving in neutral region, %K line is moving upward and lying above the %D line, indicating towards slight strength in prices.

MACD: The MACD (5-day) is still moving downward, lying below its EMA, hinting weaker prices tomorrow.

Alignment pattern: The alignment pattern of moving averages is indicating downward movement in the prices.

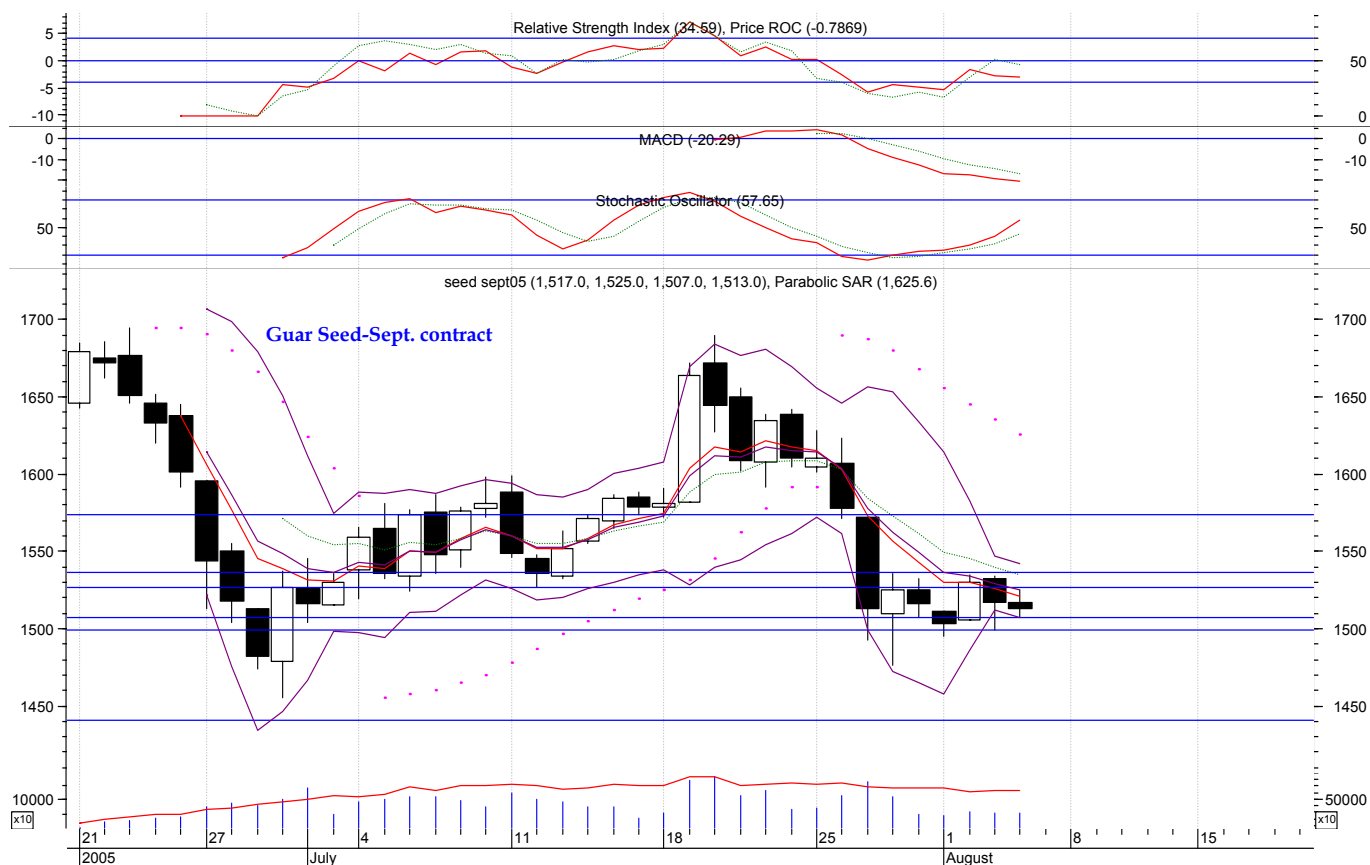
Guar seed future traded range bound and closed almost at previous level. It is expected to open weaker and trade range bound upward next day.

Market outlook:

- Guar seed prices are expected to open weaker and trade range bound upward on Friday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	1481	1475	1507	1515
Sept.	1507	1499	1527	1536
Oct.	1522	1514	1543	1550



Commodity: Guar Gum
Perspective: Very Short Term
NCDEX September Contract

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

Stochastic: The stochastic has just crossed the oversold line, %K is lying above %D line, hinting the higher prices next day.

MACD: The MACD (5-day), is moving downward in negative zone and lying below its EMA, expecting weaker strength in the market.

Alignment pattern: The alignment pattern of moving average is indicating towards downward movement.

Guar gum witnessed range bound trade and ended at same level as previous close. It is expected to open steady and trade range bound upward on Friday.

Market outlook:

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

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	3852	3823	3892	3914
Sept.	3940	3908	3983	3995



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX traded range bound in narrow range through out the day. Cash markets were also witnessed steady trade today. Bikaner line 98% whitish guar seed was steady in Jodhpur and was asked at Rs.1525 per quintal. Bikaner market also traded steady where guar seed was sold at Rs.1430 per quintal. Other markets also did not show any significant movement and prices were steady over there.

Guar gum futures at NCDEX witnessed narrow trade range today and cash markets also followed the same where also movements were very little. In Jodhpur, guar gum was available at around Rs.3900 per quintal today.

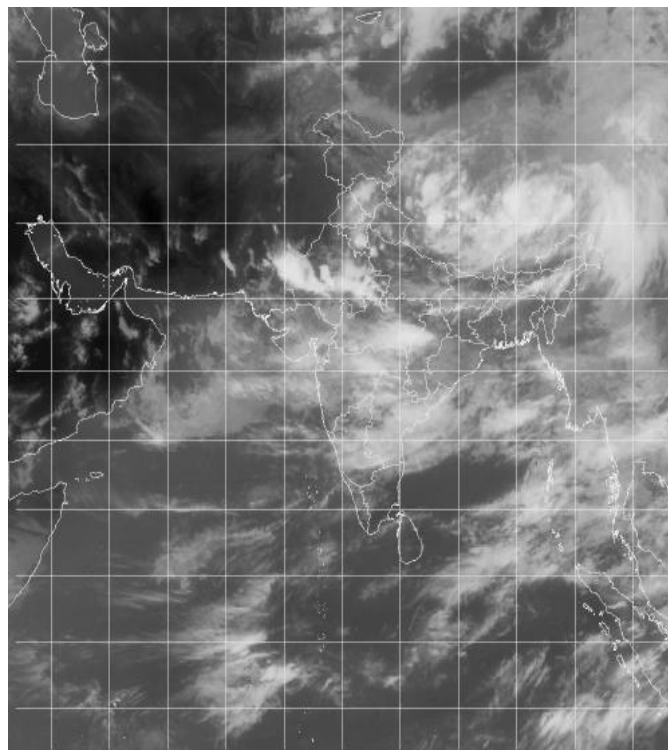
It was partly cloudy to almost clear sky in Rajasthan where as Parts of Haryana witnessed rains today. Delhi also witnessed rains during evening today. Good clouds appeared over Rajasthan during late evening though the IMD is forecasting that rainfall activity will decrease considerably from tomorrow in Gujarat and eastern Rajasthan. Guar prices are not witnessing much movement as markets are lacking the strength in current weather conditions and hence prices could not go up. Similarly, at lower prices, supply in ready markets becomes almost negligible, and prices are not going steep downward amid this. In all, for coming few days we can expect the same situation.

Commodity	Centres	03.08.05	04.08.05	Change
Guar Seed	Bikaner	1430	1430	0
	Ganganagar	1420	1410	-10
	Jodhpur-B line	1525	1525	0
	Jodhpur-M line	1500	1500	0
	Nokha	1370	1365	-5
	Alwar	1300	1300	0
Guar Gum:	Khairthal	1300	1300	0
		3900	3900	0

Salient points of the day

- Clear to partly cloudy weather in many parts Rajasthan during day where as it rained today in parts of Delhi and Haryana.
- Guar seed as well as guar gum witnessed range bound trade during whole day.
- Prices are expected to witness marginal upward trade with range bound movements 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.	292.3	292.2	292.9	+0.6

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened weaker at 292.2 and traded range bound during whole day and finally closed slightly firm at 292.9, up by Rs.3 per quintal from previous close.

WEATHER WATCH (04-08-05)

PROGRESS OF MONSOON;

Yesterday's well marked low pressure area over north Bay of Bengal and adjoining Bangladesh now lies over Jharkhand and adjoining north interior Orissa. The system has caused moderate to heavy rainfall in Gangetic West Bengal, Orissa, Chattisgarh and Jharkhand. The system is expected to move in a north-westward direction and cause widespread rainfall activity with isolated heavy falls over Orissa, Jharkhand, Chhattisgarh and East Madhya Pradesh during next 2 days.

A western disturbance in the form of a trough in upper level westerly flow, is approaching NW India around 5th August.

There is a possibility of interaction of monsoon low pressure system with this approaching western disturbance leading to increased rainfall activity in many parts of north and northwest India viz., Uttar Pradesh, Uttranchal, parts of Haryana (including Delhi), western parts of Bihar and North Madhya Pradesh beginning from 6th August, 2005.

The other low pressure area over East Rajasthan and neighbourhood has become less marked and hence the rainfall activity over Gujarat and Rajasthan is expected to decrease further.

The monsoon flow remained strong during past few days and hence the off shore trough from Goa to Karnataka coasts also continued to persist. The model predictions suggest that the monsoon flow may remain strong for another 2-3 days leading to fairly widespread rains with isolated heavy falls along Konkan & Goa and Karnataka coasts.

Weather Forecast for next 5 days

North & North-West India: Scattered rainfall is likely over the region during next 2 days. Due to possible interaction of monsoon low with the approaching Western disturbance over NW India, the rainfall activity over the region is expected to enhance after 5th August, 2005.

East and NE India: Orissa, Jharkhand and West Bengal are likely to receive fairly widespread to widespread rains with isolated heavy falls during next 2 days. Scattered rainfall is likely over East UP and Bihar during next 2 days and scattered to fairly widespread over NE States. Subsequently the rainfall activity over East UP and Bihar is likely to enhance.

Central India: Under the influence of the low pressure area over Jharkhand & adjoining Orissa, Chattisgarh, East Madhya Pradesh and Vidarbha are likely to receive fairly widespread rains during next 2 days. Subsequently, north Madhya Pradesh is also likely to receive fairly widespread rains.

South India: Coastal Karnataka, Kerala, Telangana and Andaman & Nicobar Islands are likely to receive fairly widespread rainfall activity during next 2-3 days with isolated heavy falls in Coastal Karnataka.. Rest areas of the region are likely to receive isolated to scattered rains during this period.

West India: The low pressure area over East Rajasthan has weakened and as such, Gujarat and East Rajasthan are likely to receive fairly widespread rainfall activity during next 24 hours and reduce thereafter. Scattered rainfall is expected over rest areas of the region during next 2-3 days, except Konkan & Goa and remaining parts of Maharashtra which may receive fairly widespread rains with isolated heavy falls in Konkan & Goa during next 3-4 days.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.51
European Union	Euro	53.66
United Kingdom	GBP	77.35
Japan	100 Yen	39.23

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