

GUAR SEED and GUAR GUM

August 30, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound
- Guar vayda stood firm

TECHNICAL ANALYSIS

Commodity: Guar Seed
Perspective: Very Short Term
NCDEX October Contract

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

Stochastic: The stochastic is moving downward in overbought region; % -K line has crossed the % -D line from above, hinting slightly towards downward technical correction.

MACD: The MACD (5-day) is moving upward above its EMA in positive zone, hinting towards further upward movement.

Alignment pattern: The alignment pattern of moving averages is indicating the upward market tomorrow.

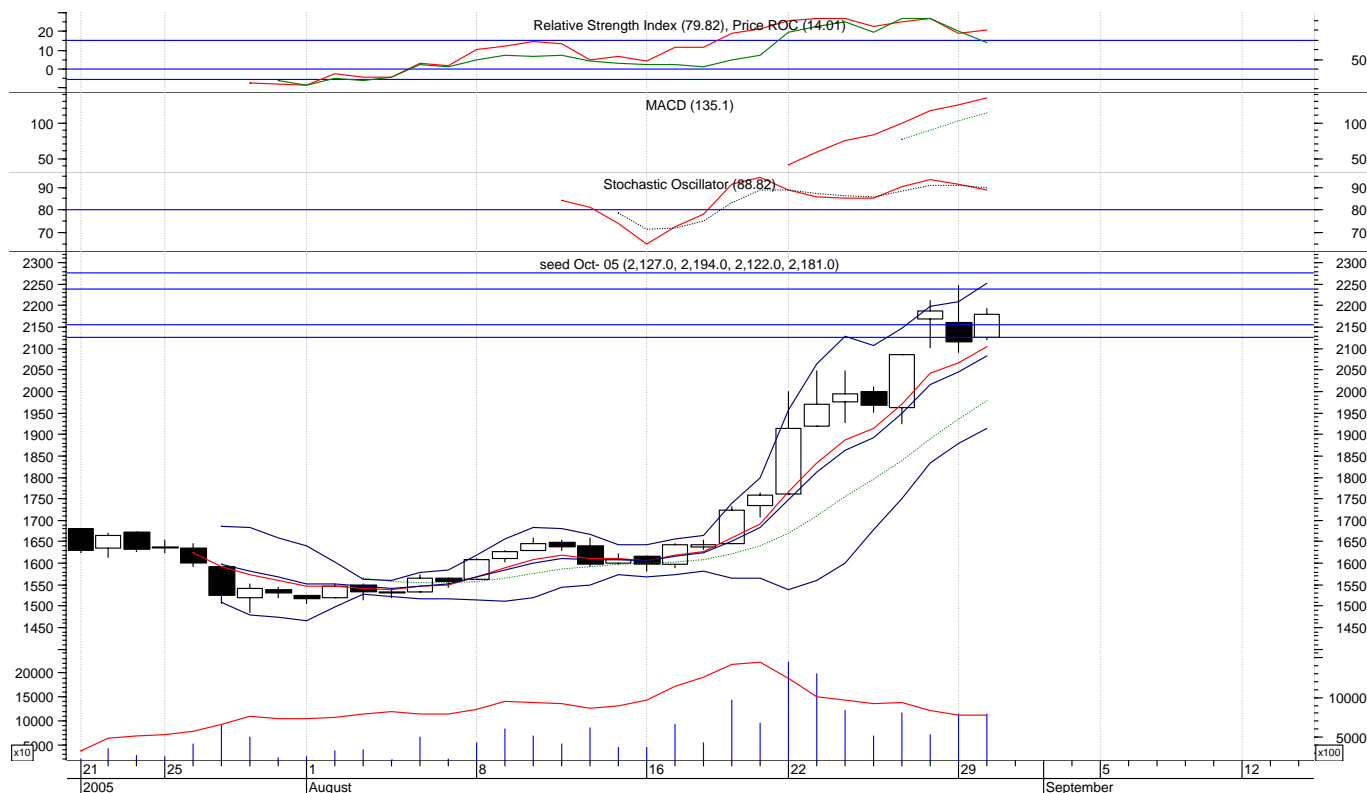
Guar seed future traded range bound and finished higher. It is expected to open firm and trade range bound next day.

Market outlook:

- Guar seed prices are expected to open firm and trade range bound initially and upward thereafter on Wednesday. Prices may move steeply upward tomorrow.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	2070	2038	2137	2171
Oct.	2154	2127	2239	2275



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

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

Stochastic: The stochastic is moving lower in overbought zone, %K line is lying below the %D line after crossing it in overbought region and expecting weakness in the market.

MACD: The MACD (5-day), is moving upward and lying above its EMA, hinting towards firmness.

Alignment pattern: The alignment pattern of moving average is hinting towards the higher prices.

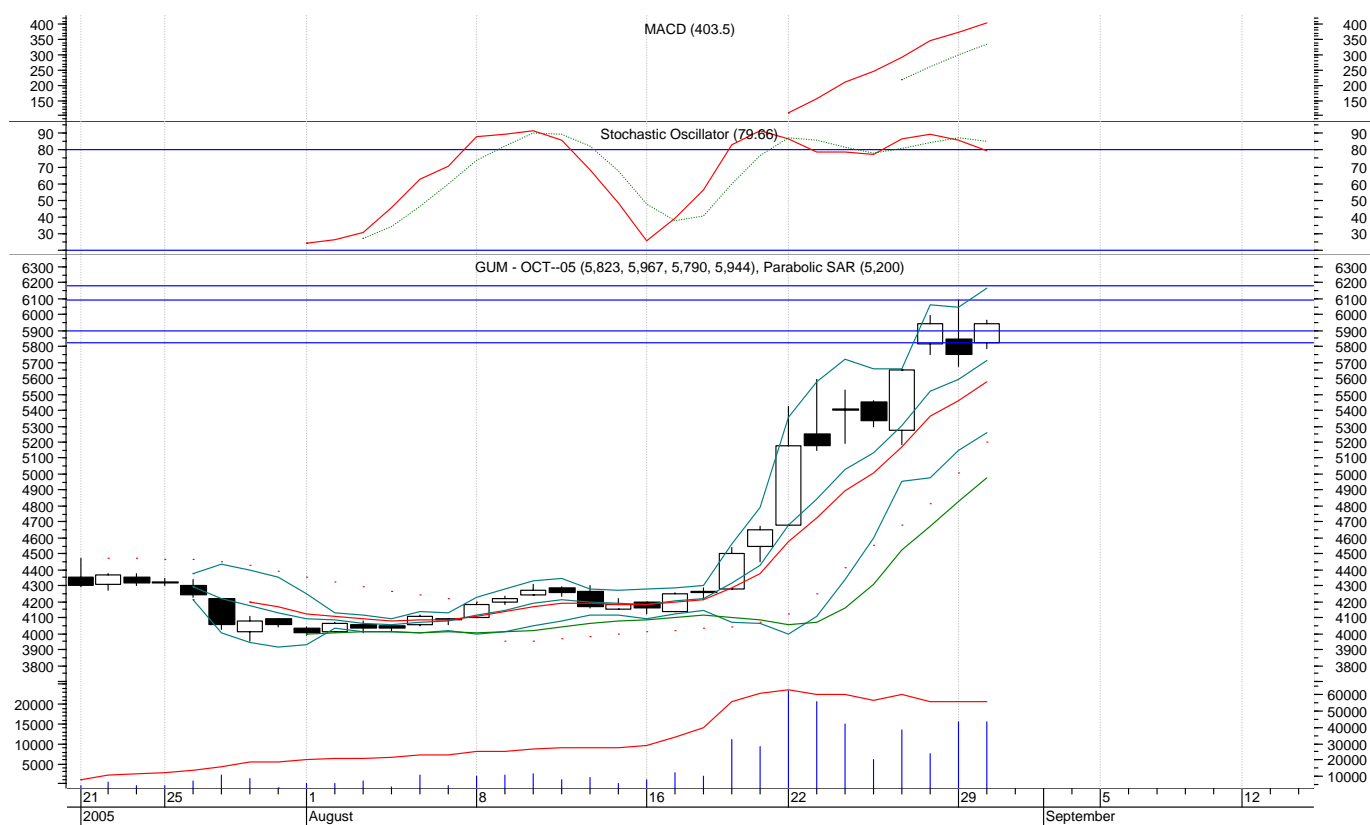
Guar gum traded range bound during day moved higher towards the end. It is expected to open firm and trade range bound upward on Wednesday.

Market outlook:

- Guar gum is expected to open firm and trade range bound initially and upward thereafter on Wednesday. Market sentiments are firm and prices may move steeply upward.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	5737	5655	5908	6002
Oct.	5895	5822	6092	6180



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened firm, moved upward initially, downward during midday and steeply upward again towards the end of the day and closed higher than previous close. Cash markets witnessed range bound trade and Bikaner line 98% whitish guar seed was available in the range of Rs.1950-2050 per quintal throughout the day. Guar seed was sold at Rs.1975-2000 per quintal in Bikaner market during evening today.

Guar gum futures at NCDEX finished the day at higher level than previous close after witnessing range bound trade during day. In cash markets, guar gum fluctuated in the range of Rs.5525-5650 per quintal in Jodhpur market.

Guar seed and guar gum are moving higher continuously and are not witnessing halt. Tomorrow, new contract will be started in Bikaner exchange and the maximum probability is there to move the prices towards higher side with steep momentum. Also as per NCMRWF's forecast, there are chances of withdrawal of South-west Monsoon from extreme West Rajasthan during next 4-5 days as well as there is no possibility of revival of monsoon flow and hence no large change in the situation is expected during next 3-4 days. All these conditions together are catalysing the price movement.

Commodity	Centres	28.08.05	30.08.05	Change
	Bikaner	1975	2000	+25
	Ganganagar	1925-50	1975	+25
Guar Seed	Jodhpur-B line	2025	2025	0
	Jodhpur-M line	2000	2000	0
Guar Gum:		5550	5625	+75

Sallent points of the day

- Guar seed as well as guar gum crawled up.
- Subdued rainfall activity is expected over NW regions of the country during next 2-3 days.
- The other upper air cyclonic circulation extending between 2.1 to 4.5 km above sea level over Gujarat & neighbourhood persists.
- Prices are expected to witness range bound trade initially and upward later on for next trading day.

Bikaner Guar Vayda

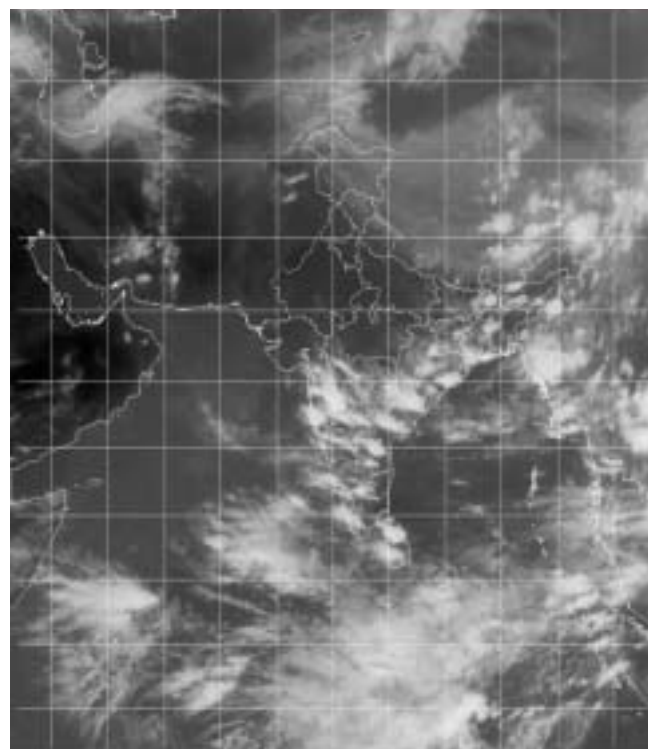
Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	349.7	350.1	351.1	+1.4

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened firm at 350.1 witnessed range bound upward trade throughout the day and closed at 351.1, up by Rs.7 per quintal from previous close.

Satellite Image Showing Latest Cloud Cover (IMD, 6:30PM)



WEATHER WATCH (30-08-05)

PROGRESS OF MONSOON;

During past 24 hours, monsoon activity remained subdued over most parts of the country as break monsoon conditions continue to prevail. The monsoon trough continues to remain close to foothills of Himalayas. This condition is likely to prevail during next 2-3 days. Yesterday's upper air cyclonic circulation over Lakshadweep area persists & extends between 3.6 and 5.8 km a.s.l.. The upper air cyclonic circulation over south interior Karnataka and neighbourhood now lies over southeast Tamil Nadu and adjoining southwest Bay of Bengal extending between 2.1 and 3.6 km a.s.l. These systems likely to cause moderate rainfall activity over south peninsular India during next two days. The upper air cyclonic circulation extending between 2.1 to 4.5 km above sea level over Gujarat & neighbourhood persists. The

north-south trough running from sub Himalayan West Bengal to north Bay of Bengal extending upto 1.5 km a.s.l now runs from northeastern states to north Bay of Bengal. During past 24 hours, southwest monsoon was vigorous over Rayalaseema. Rain/ thundershowers occurred at a few places over Andaman & Nicobar Islands, West Bengal & Sikkim, coastal Andhra Pradesh, south interior Karnataka, Kerala and Lakshadweep and isolated over rest regions of the country outside Jharkhand, Uttar Pradesh, Haryana, Punjab, Uttaranchal, Himachal Pradesh, Jammu & Kashmir, Rajasthan, Uttar Pradesh, Gujarat region and Vidarbha where the weather was mainly dry

Zone-Wise Rainfall Forecast for Next Week

North & North-West India: [J&K, HP, Uttranchal, Punjab, Haryana, Delhi, West UP]
Mainly dry weather is likely to prevail over most parts of the region.

East and NE India: [East UP, Bihar, Jharkhand, West Bengal, Orissa, NE states]
Scattered rainfall activity is likely to continue over Sub-Himalayan West Bengal & Sikkim, and NE States during next 3 days. Isolated rains are likely over rest areas of the region.

Central India: [MP, Chattisgarh, Vidarbha]
Isolated rainfall activity is likely over the region for next 3-4 days except over West Madhya Pradesh where mainly dry weather is likely to prevail.

South India: [TamilNadu, AP, Kerala, Karnataka, Andaman & Nicobar Islands, Lakshadweep]
Isolated to scattered rainfall activity is expected over the region during next 4-5 days.

West India: [Maharashtra other than Vidarbha, Gujarat, Rajasthan]
Konkan & Goa, Madhya Maharashtra, Marathwada are likely to experience isolated to scattered rains during next 3-4 days. Remaining parts of the region are expected to experience mainly dry weather during this period.

Source: GOI (IMD & NCMRWF)

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.02
United Kingdom	GBP	78.94
European Union	Euro	53.79
Japan	100 Yen	39.68

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