

GUAR SEED and GUAR GUM

August 22, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum fly high
- Guar vayda touches the sky

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 Tuesday.

Stochastic: The stochastic is moving in overbought region; %K line is turning down though still lying above %D line, indicating towards downward technical correction tomorrow.

MACD: The MACD (5-day) is still moving upward in positive zone, lying above its EMA and hinting towards higher moves.

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

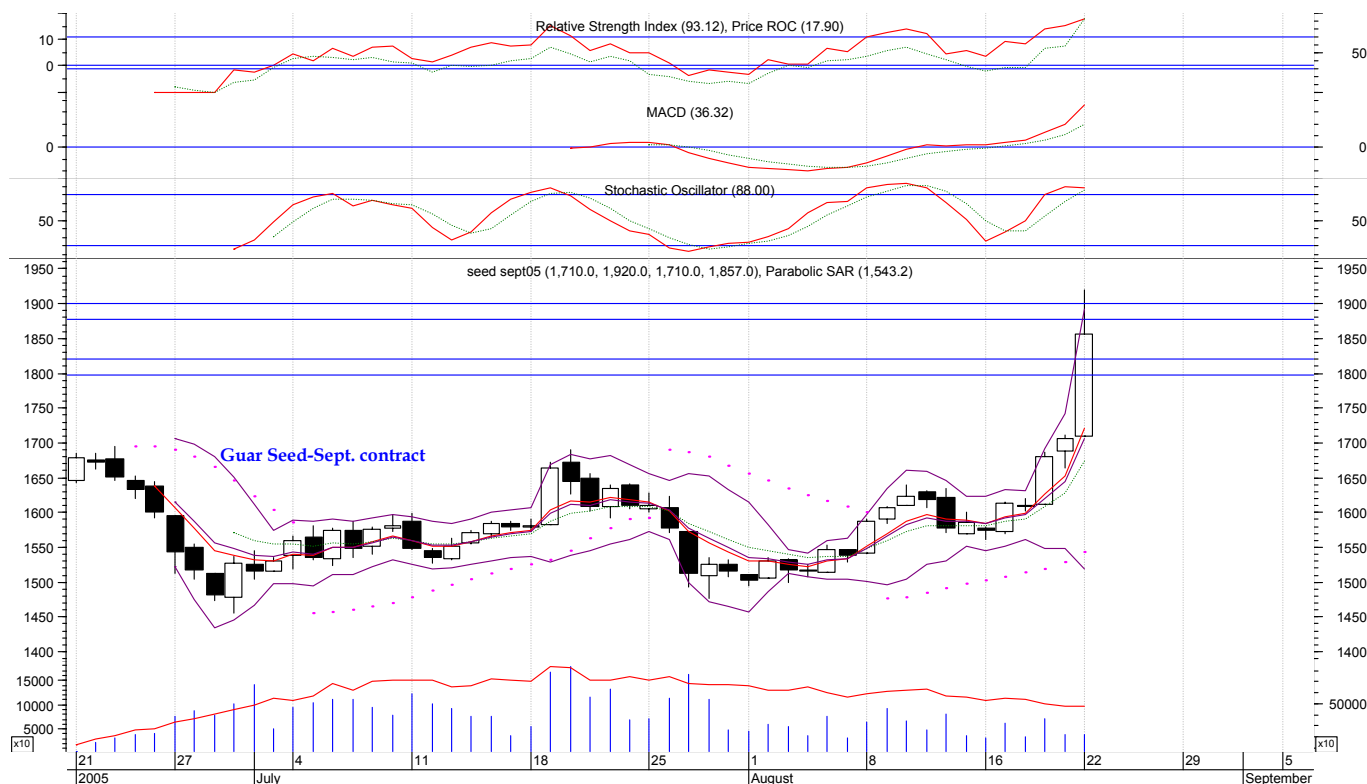
Guar seed future traded upward and ended higher. It is expected to open firm and trade range bound downward next day.

Market outlook:

- Guar seed prices are expected to open firm and trade range bound marginally downward on Tuesday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1820	1797	1877	1900
Oct.	1877	1849	1936	1965



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

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

Stochastic: The stochastic is moving in overbought zone, %K line, though lying above the %D line but turning downward, expecting the downward technical correction tomorrow.

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

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

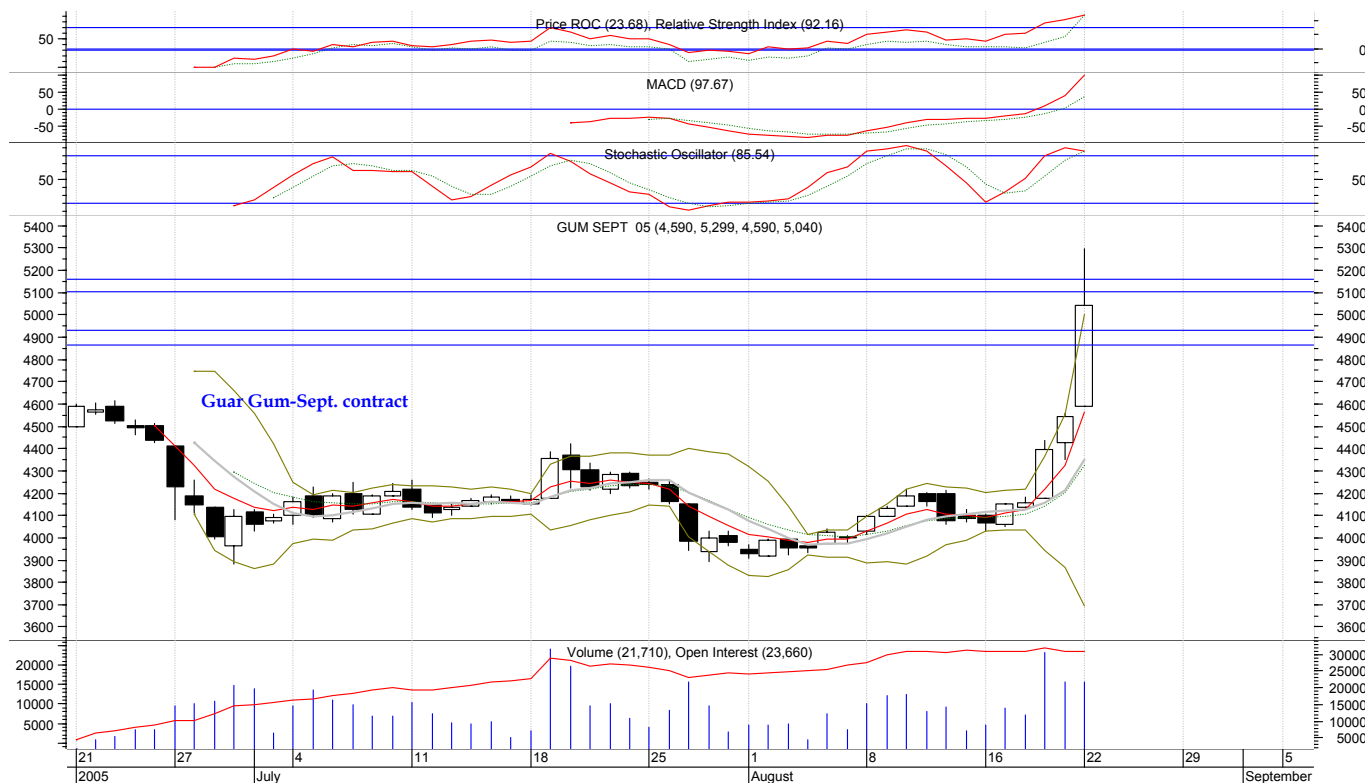
Guar gum traded steeply and settled higher. It is expected to open firm and trade range bound downward on Tuesday.

Market outlook:

- Guar gum is expected to open firm and trade downward with range bound on Tuesday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	4933	4862	5102	5158
Oct.	5039	4969	5222	5279



MARKET COMMENTARY OF MAJOR MARKETS

November contract was started at NCDEX today, which opened firm and started flying immediately along with other contracts of guar seed. Amid clear weather in western Rajasthan, prices of guar seed flied high and tried to touch the sky. Cash markets also followed the same. Bikaner line 98% whitish guar seed reached a new high of this year and fetched the price of Rs.1900 per quintal in Jodhpur market. Bikaner and Ganganagar markets also touched the Rs.1820 and Rs.1850 per quintal respectively, and it was sold at Rs.1790-1800 per quintal in Bikaner and Rs.1750 per quintal in Ganganagar market during late evening.

Guar gum at NCDEX roared like anything and the prices kept on rising almost throughout the day though came slightly down during last hour. Amid the activeness of stockists, cash markets also got the wings and prices crossed figure of Rs.5000 today. In Jodhpur market, guar gum was available at Rs.5100 per quintal during day but came slightly down during evening and was available at Rs.5000 per quintal during late evening.

Guar seed and gum showed their actual colour today only. Stockists were vigorously active in the physical markets of guar seed and gum. Today morning it started rising and kept on rising almost for the whole day even after facing circuits also. The whole trading done today was purely speculative, fuelled by stockists and speculators. Still there is no change in weather sentiments and prices may go further upward and could touch Rs.2200 per quintal but, before that, they might face a temporary check in their momentum and for next two days, it may slip slightly down but they will move up again thereafter.

Commodity	Centres	20.08.05	22.08.05	Change
	Bikaner	1650	1820-1800	+150
	Ganganagar	1635	1850-1750	+115
Guar Seed	Jodhpur-B line	1725-30	1900	+170
	Jodhpur-M line	1675	1850	+175
Guar Gum:		4450-4500	5100-5025	+525

Salient points of the day

- Guar seed as well as guar gum flied high amid speculative trade and activeness of stockists in various physical markets of guar seed and guar gum.
- Clear weather in western Rajasthan.
- Prices are expected to witness marginal downward trade on Tuesday.
- The rainfall activity over plains of northwest India is likely to remain subdued during next 2-3 days.

Bikaner Guar Vayda

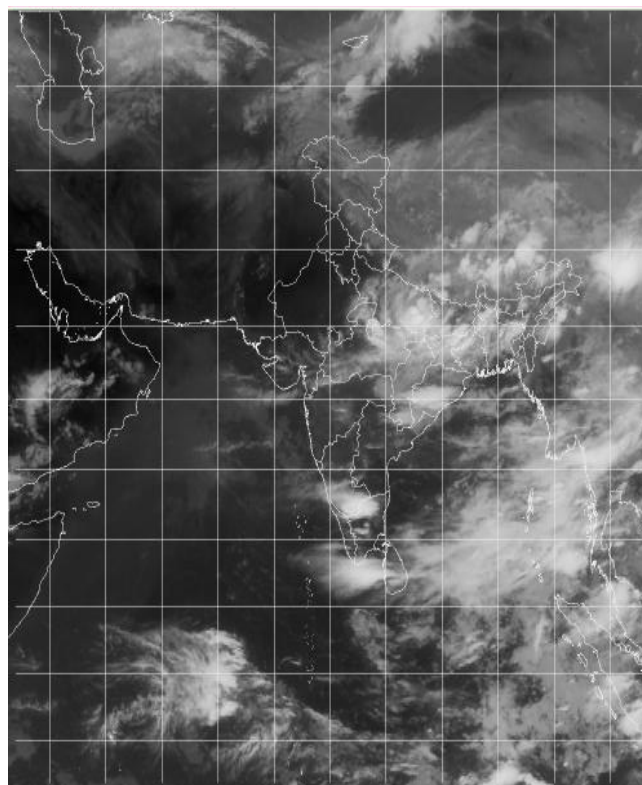
Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	320.20	32737	327.7	-

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened so high as it faced circuit immediately and was closed at 327.7.

Satellite Image Showing Latest Cloud Cover (IMD-9:30PM)



WEATHER WATCH (22-08-05)

PROGRESS OF MONSOON;

Fairly widespread rain with isolated heavy rainfall has occurred over northeastern states, Sub-Himalayan West Bengal & Sikkim, Bihar, East Uttar Pradesh, East Madhya Pradesh and Nepal. Chief amounts of rainfall (in cms) are: Cooch Behar-10, Allahabad-9, Khajuraho-8, Satara-7 and Pokhra Airport (Nepal)-9.

Axis of the monsoon trough passes through Ferozepur, Ambala, Bareilly, Varanasi, Gaya, Kharagpur thence east-southeast into northeast Bay of Bengal.

Yesterday's upper air cyclonic circulation over central Uttar Pradesh has become less marked.

The other upper air cyclonic circulation over Bihar and neighbourhood persists and extends upto mid-tropospheric levels

Under this scenario enhanced rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim, Bihar, north Madhya Pradesh and East Uttar Pradesh is likely to continue during next 2-3 days.

Zone Wise Rainfall Forecast

North & North-West India: [J&K, HP, Uttranchal, Punjab, Haryana, Delhi, West UP]

Isolated rains are expected over the region during the period.

East and NE India: [East UP, Bihar, Jharkhand, West Bengal, Orissa, NE states]

Fairly widespread rainfall activity with isolated heavy showers are likely over East U.P., Bihar, Orissa, West Bengal, Jharkhand and NE States.

Central India: [MP, Chattisgarh, Vidarbha]

Chattisgarh and East Madhya Pradesh regions are expected to receive fairly widespread rainfall activity with isolated heavy showers. Vidarbha and West M.P. is likely to receive scattered rains.

South India: [TamilNadu, AP, Kerala, Karnataka, Andaman & Nicobar Islands, Lakshadweep]

Scattered rainfall is expected over Karnataka, Telangana, Coastal Andhra Pradesh and Andaman & Nicobar Islands. Isolated showers are expected over rest areas of the regions.

West India: [Maharashtra other than Vidarbha, Gujarat, Rajasthan]

Konkan & Goa and Madhya Maharashtra are likely to receive scattered rains during next 3-4 days. Isolated scattered rainfall is expected over the rest of the regions outside West Rajasthan and Saurashtra & Kutch where weather is expected to be mainly dry during next 3-4 days.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.59
European Union	Euro	53.06
United Kingdom	GBP	78.35
Japan	100 Yen	39.56

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.