

GUAR SEED and GUAR GUM

August 11, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded weaker
- Guar vayda settled marginally lower

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 has turned downward; %K line has crossed %D line from above in the overbought region, expecting the technical correction towards lower side.

MACD: The MACD (5-day) is moving upward, reached in positive zone and lying above its EMA hinting further strength in prices.

Alignment pattern: The alignment pattern of moving averages is confirming the upward price movement.

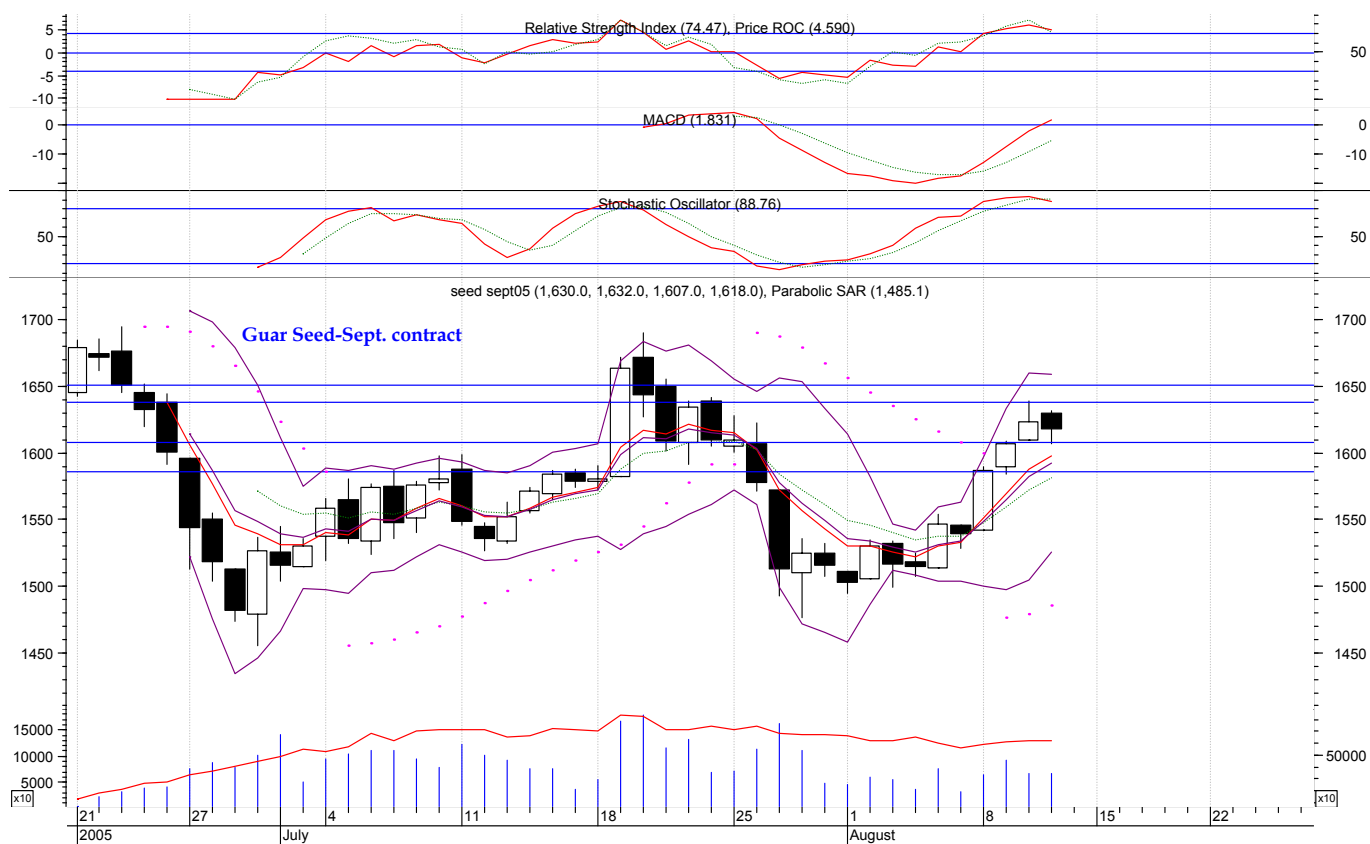
Guar seed future traded range bound and settled marginally lower. It is expected to open weaker and trade range bound upward next day.

Market outlook:

- Guar seed prices are expected to open steady and trade range bound initially and upward later on tomorrow.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	1569	1553	1598	1612
Sept.	1608	1589	1638	1651
Oct.	1631	1619	1660	1673



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 is moving in overbought region but %K line has crossed %D line and technical correction may be expected.

MACD: The MACD (5-day), is moving upward in negative zone and lying above its EMA, still indicating the firmness.

Alignment pattern: The alignment pattern of moving average is confirming the higher price movement.

Guar gum traded range bound and settled lower. It is expected to open weaker and trade marginally upward tomorrow.

Market outlook:

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

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	4036	4002	4096	4132
Sept.	4141	4098	4232	4268
Oct.	4240	4200	4314	4350



MARKET COMMENTARY OF MAJOR MARKETS

It was partly cloudy weather in Gujarat which helped the bears today and they were able to keep the prices of guar seed futures at NCDEX under control. Cash markets were also marginally weaker today with Bikaner line 98% whitish guar seed fetched a prices of Rs.1610 per quintal in Jodhpur market. Bikaner market witnessed weakness of Rs.25 per quintal and guar seed was priced at Rs.1535 per quintal today evening. Other markets also traded marginally downward today.

Guar gum futures at NCDEX witnessed range bound downward trade and settled lower at the end. In Jodhpur market, guar gum was available at Rs.4100 per quintal during evening today.

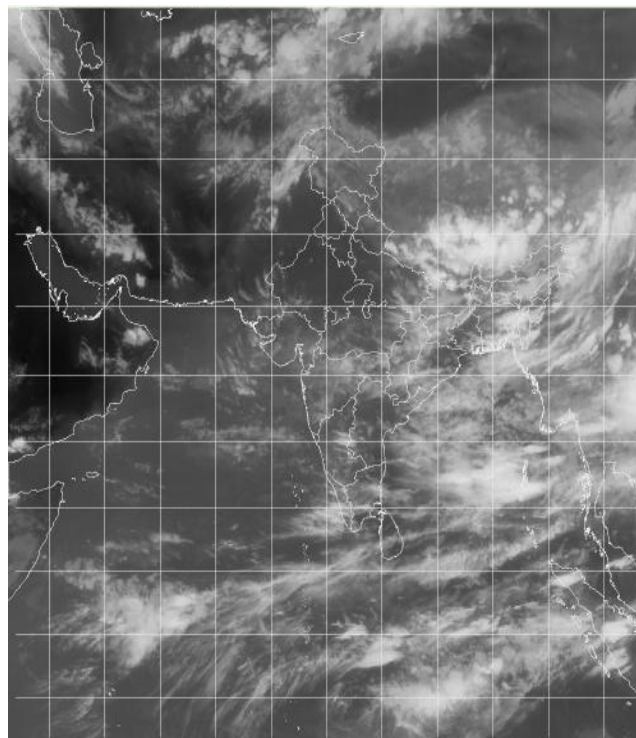
Weather conditions in western India including Rajasthan, Haryana and Punjab are still indicating towards dry weather for next two days but today there were light clouds in Gujarat, which checked the prices of guar seed and gum. According to IMD, still there is no possibility of any rains in these areas, though formation of one new cyclonic circulation is expected on 14th August that may lead to increase in rainfall activity in central India viz., Chhattisgarh and Eastern MP etc. Under this scenario, prices of guar seed and gum may rise slightly more.

Commodity	Centres	10.08.05	11.08.05	Change
	Bikaner	1560	1535	-25
	Ganganagar	1525	1510	-15
Guar Seed	Jodhpur-B line	1630-40	1610	-30
	Jodhpur-M line	1600	1580	-20
	Nokha	1440-50	1425	-25
	Alwar	1385	1370	-15
	Khairthal	1380	1370	-10
Guar Gum:		4150-4200	410-25	-75

Salient points of the day

- Partly cloudy weather in Northern Gujarat where as clear weather in Rajasthan and Haryana and Punjab.
- The rainfall activity over plains of North-west India viz., Punjab, Haryana and west Uttar Pradesh may be quiet during next 2 days. (IMD)
- Guar seed as well as guar gum witnessed marginally downward trade today.
- Prices are expected to witness marginal upward trade tomorrow.

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



Bikaner Guar Vayda

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	310.8	310.9	311.7	0.7

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened almost steady at 310.9 traded range bound throughout the day and closed marginally firm at 311.7, marginally up by Rs.3.5 per quintal from previous close.

WEATHER WATCH (11-08-05)

PROGRESS OF MONSOON;

Weak monsoon conditions continued to prevail over most parts of the country outside northeastern states and sub-Himalayan West Bengal & Sikkim during past 24 hours. Yesterday's upper air cyclonic circulation over northeastern states extending upto 3.1 km a.s.l. persists. The upper air cyclonic circulation over northwest Bay of Bengal off Orissa-West Bengal coast persists and now extends between 5.8 & 7.6 km a.s.l. The axis of the monsoon trough at sea level continues to lie close to the foothills of Himalayas. Under this scenario, fairly widespread rainfall with isolated heavy falls likely to continue over northeastern states, Sub-Himalayan West Bengal & Sikkim and Bihar during next 2-3 days. Rainfall activity is likely to remain subdued over most parts of the remaining country for next

48-hours. Southwest monsoon has been active over Sub-Himalayan West Bengal & Sikkim, and south interior Karnataka. Rain/thundershowers occurred at most places over coastal Karnataka and Kerala; at many places over Andaman & Nicobar Islands, northeastern states, Konkan & Goa, madhya Maharashtra and Telangana. It was isolated over the rest regions of the country outside West Uttar Pradesh, Haryana, Chandigarh & Delhi, Punjab, Jammu & Kashmir, west Rajasthan, Madhya Pradesh and Lakshadweep where weather was mainly dry.

Zone Wise Rainfall Forecast

North & North-West India:

Isolated rainfall activity is likely over the hilly region of northwest India during next 2 days. Himachal Pradesh and Uttranchal are expected to receive isolated rains during the above period.

East and NE India:

West Bengal & Sikkim and NE states are likely to receive fairly widespread to widespread rains with isolated heavy falls during next 1-2 days. Remaining parts of East India are likely to receive scattered to fairly widespread rains during this period. The rainfall activity over Orissa and Jharkahnd is likely to enhance around 14th August, 2005.

Central India:

Chattisgarh, Madhya Pradesh and Vidarbha are likely to receive isolated to scattered rains during next 2-3 days.

Subsequently, rainfall activity is likely to increase especially over Chattisgarh, East MP.

South India:

Coastal Karnataka and Kerala are likely to receive isolated to scattered rainfall activity during next 2-3 days. Coastal Andhra Pradesh might receive scattered to fairly widespread rains. Rest areas of the region are likely to receive isolated rains during this period.

West India:

Konkan & Goa and Madhya Maharashtra may receive scattered to fairly widespread rains during next 2-3 days. Rest areas of the region are likely to receive isolated to scattered rains during this period.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.58
European Union	Euro	54.03
United Kingdom	GBP	78.33
Japan	100 Yen	39.49

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.