

GUAR SEED and GUAR GUM

September 27, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Steady Amidst Thin Trade
- Guar Futures Remained Within Yesterday's Range

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is indicating a range bound trade with bearish undertone following a weak opening.

Stochastic: The stochastic is moving upwards, the %K line as well as the %D line is moving upwards in the normal region, showing further upward movement.

MACD: The MACD (5-day) is moving downwards and lying below its EMA, showing bearishness in the market.

Alignment pattern: The alignment pattern of moving averages is supporting the weakness in the market.

Market outlook:

Guar seed futures are expected to trade bearishly following a weak opening with possibility of an upward correction. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1520	1504	1560	1573
Nov.	1545	1525	1594	1611



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

Candlestick: Formation of candlestick pattern is showing a range bound trade with bearish undertone following a weak opening.

Stochastic: The stochastic is moving upwards, the %K-line as well as the %D line is moving upwards in the normal region, hinting further uptrend in the market.

MACD: The MACD (5-day) is lying below its EMA and moving downwards, showing weakness in the market.

Alignment pattern: The alignment pattern of moving averages is supporting the weakness in the market.

Market outlook:

Guar gum futures are expected to trade bearishly following a weak opening with possibility of an upward correction. Trade with very-short term outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	3959	3893	4084	4177
Nov.	4042	3976	4171	4242



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX traded range bound following a steady opening today. The October future remained in yesterday's range and traded in the range of 1534.00-1557.00 during today's trade. At the spot markets also guar seed was offered slightly lower at Rs 1580-1600 per quintal in Jodhpur market amidst thin trade at the evening session of trade. At the Bikaner market it was quoted at Rs 1550 per quintal, while at the Nokha market it was available at Rs 1400 per quintal today. The guar gum futures at the NCDEX also witnessed a range bound trade after a firm opening today. The October future remained within yesterday's range and traded in the range of 3989.00-4065.00 today. At the spot markets guar gum was quoted at Rs 4125-4150 per quintal in Jodhpur market at the evening session of trade.

The guar prices remained range bound with a bearish undertone today. The prices remained within yesterday's range amidst thin trade at the physical markets. The circulation features suggest that the southwest monsoon is likely to withdraw from parts of Rajasthan, Punjab, Haryana and Jammu & Kashmir during next 48 hours. Isolated rain/thundershowers likely over Uttar Pradesh, Uttaranchal, Himachal Pradesh and Jammu & Kashmir. Mainly dry weather is likely in the rest region. Isolated rain/thundershowers likely over Konkan & Goa, Madhya Maharashtra and Gujarat. Mainly dry weather is likely in the rest region. The market sentiments remained bearish on an expected higher crop in this year. Under such circumstances the guar prices are expected to maintain the bearish sentiment and trade range bound.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)				
Commodity	Centres	27.09.05	26.09.05	Change
Guar Seed	Bikaner	1550	1550-1575	-
	Jodhpur-B line	1580-1600	1600	-
	Jodhpur-M line	1575	1575	-
	Nokha	1400	-	-
Guar Gum	Jodhpur	4125-4150	4150-4200	-25

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	371.60	371.50	371.80	+0.20

Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda traded bearishly at the early hours of trade after a slightly weak opening. The November future settled marginally higher on increased buying support at the lower price levels.

SALIENT POINTS OF THE DAY

Guar seed and gum prices remained within yesterday's range.

Mostly dry weather over Rajasthan, Haryana and Gujarat.

Prices are likely to witness a bearish trade following a weak opening with a possibility of an upward correction later.

WEATHER HIGHLIGHTS (27-09-05)

During last 24 hours, scattered light to moderate rainfall has occurred over Sub-Himalayan West Bengal & Sikkim. Isolated light rainfall has also occurred over northeastern states, Western Himalayas and south peninsula.

Mainly dry weather prevailed over northwest India and central India.

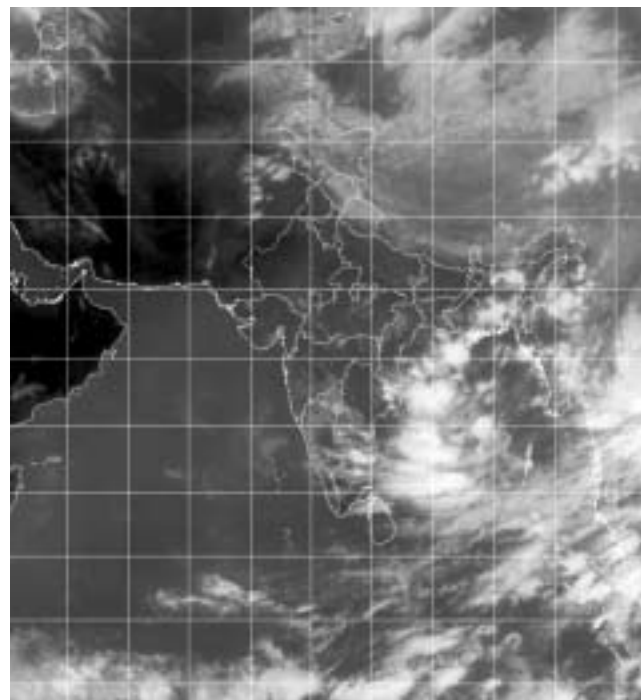
The circulation features suggest that the southwest monsoon is likely to withdraw from parts of Rajasthan, Punjab, Haryana and Jammu & Kashmir during next 48 hours.

An upper air cyclonic circulation over extending between 2.1 and 3.1 km a.s.l. lies over Saurashtra & Kutch and adjoining southeast Pakistan.

The cyclonic circulation over north Bay of Bengal persists extending between 2.1 and 3.6 km a.s.l. A north-south trough runs from Sikkim to center of above circulation.

The western disturbance as an upper air system and the trough in westerlies have moved away northeastwards.

Cloud Cover today (IMD):



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