

GUAR SEED and GUAR GUM

September 24, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Prices Retrace Back on Buying Support
- Guar Futures Settled Up on Speculative Buying

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is indicating an uptrend following a firm opening and range bound downward trade thereafter.

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 bearishly below its EMA, hinting weakness in the market.

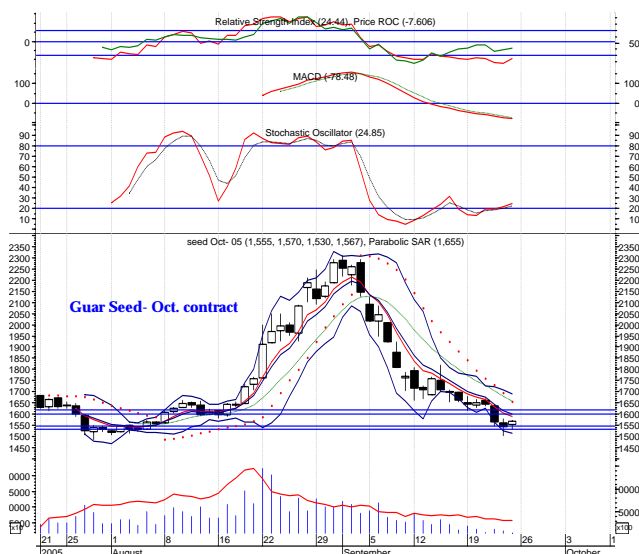
Alignment pattern: The alignment pattern of moving averages is showing further weakness in the market.

Market outlook:

Guar seed futures are likely to trade upward following a firm opening and range bound downward thereafter. Trade with very-short term outlook following weather outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1546	1532	1598	1618
Nov.	1572	1549	1640	1665



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

Candlestick: Formation of candlestick pattern is indicating an upward trade following a firm opening initially and range bound downward movement thereafter.

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

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

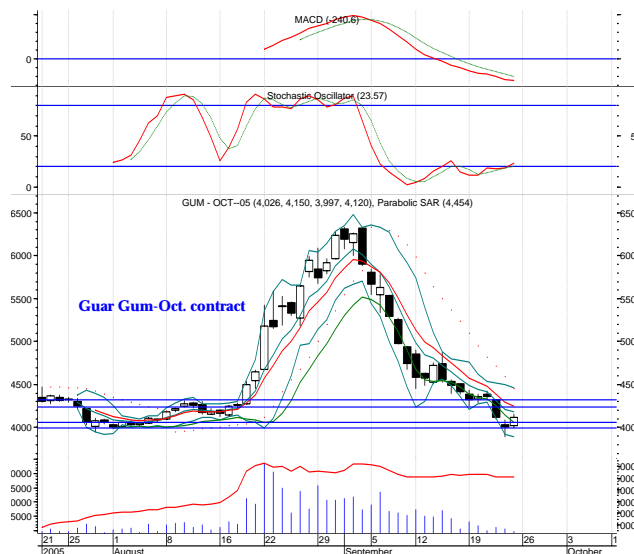
Alignment pattern: The alignment pattern of moving averages is hinting further weakness in the market.

Market outlook:

Guar gum futures are likely to trade upward following a firm opening and range bound downward thereafter. Trade with very-short term outlook following weather outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	4062	3999	4241	4324
Nov.	4122	4061	4304	4393



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed a slightly bullish sentiment today and remained in yesterday's range. The futures finished higher on increased buying interest at the lower price levels. The October future traded in the range of 1530.00-1570.00 during today's trade. At the spot markets also guar seed was quoted higher at Rs 1600 per quintal in Jodhpur market today. At the Bikaner market it was quoted at Rs 1575-1600 per quintal today. The guar gum futures at the NCDEX also witnessed a similar sentiment today and moved in a higher range. The October future traded in the range of 3997.00-4150.00 during today's trade. At the spot markets guar gum was offered at a higher price of Rs 4200 per quintal in Jodhpur market today.

The guar prices recovered slightly today on increased buying interest at the lower price levels. Despite cloudy weather and rainfalls in parts of Rajasthan and moderate to heavy rainfalls in Haryana and Gujarat, the guar prices extended yesterday's late advances today. Rain/thundershowers likely at many places over Konkan & Goa, west Madhya Pradesh, east Rajasthan and Gujarat region; at a few places over the rest region. Rainfall activity is likely to decrease over Gujarat region and Konkan & Goa from 25th September. Amidst such situations the guar prices are expected to trade moderately upwards following a firm opening and range bound downward thereafter in the next trading day.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)				
Commodity	Centres	24.09.05	23.09.05	Change
Guar Seed	Bikaner	1575-1600	1530-1540	+65
	Jodhpur-B line	1600	1575	+25
	Jodhpur-M line	1575	1550	+25
	Nokha	-	1400	-
Guar Gum	Jodhpur	4200	4050	+150

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	371.70	372.40	373.50	+1.80

Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda extended previous day's advances following a firm opening today. The November future settled higher on increased buying interest at the lower price levels today.

SALIENT POINTS OF THE DAY

Guar seed and gum prices settled higher on increased buying support.

Rainfalls over parts of Rajasthan, Haryana and Gujarat.

Prices are likely to witness an upward movement following a firm opening and trade downwards thereafter.

WEATHER HIGHLIGHTS (24-09-05)

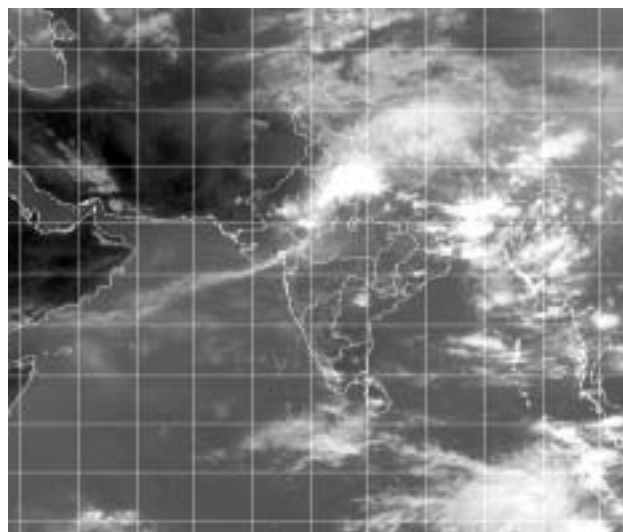
During last 24 hours, widespread rain with heavy to very heavy falls have occurred over Gujarat region. Fairly widespread rain with isolated heavy falls also occurred over Konkan & Goa, Madhya Maharashtra, southeast Rajasthan and Haryana. Scattered moderate rainfall also occurred over west Madhya Pradesh, Punjab, Himachal Pradesh, Uttaranchal, Telangana and Northeastern states.

Yesterday's low pressure area over southeast Rajasthan, adjoining Gujarat and southwest Madhya Pradesh moved north-northeastwards and now lies over northeast Rajasthan and adjoining northwest Madhya Pradesh. The associated upper air cyclonic circulation extends upto 4.5 km a.s.l. The system is likely to move northeastwards and weaken further.

Yesterday's western disturbance as an upper air system extending upto 3.1 km a.s.l. over north Pakistan now lies over Jammu & Kashmir and neighbourhood with a deep westerly trough aloft along longitude 720 East and north of latitude 200 North.

Under this scenario of interaction of the above system, rainfall activity is likely to enhance with heavy to very heavy falls at a few places over Himachal Pradesh, Uttaranchal, West Uttar Pradesh, East Rajasthan, Haryana, Delhi and Northwest Madhya Pradesh during next 48 hours. This rainfall activity will decrease subsequently. Also the ongoing heavy rainfall activity over Gujarat region and Konkan & Goa is likely to decrease considerably during next 24 hours.

Cloud Cover today (IMD):



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