

GUAR SEED and GUAR GUM

September 05, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum slipped further
- Guar vayda fell steeply

TECHNICAL ANALYSIS

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

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

Stochastic: The stochastic has come down from overbought region, %K line is lying below %D line, moving towards oversold line, indicating the weakness in the market.

MACD: The MACD (5-day) is moving down, lying below its EMA in positive zone, hinting the weakness in prices.

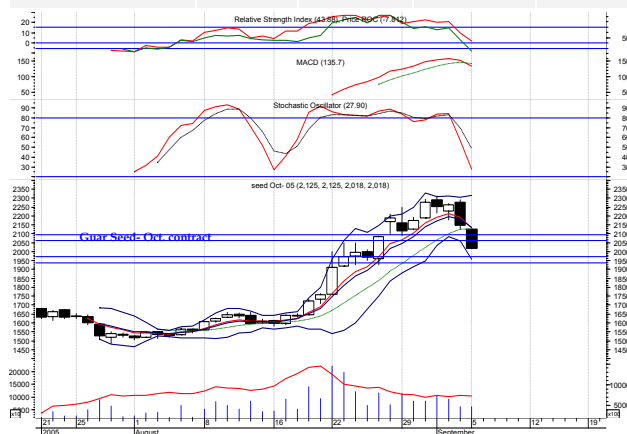
Alignment pattern: The alignment pattern of moving averages is not confirming the weakness in the market.

Market outlook:

Guar seed prices are expected to open weaker and trade range bound downward and recover slightly during later half of the day. Trade with very short-term outlook **keeping in mind the weather conditions**. If clear sky is witnessed in Rajasthan, prices may recover today.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1888	1859	1960	1988
Oct.	1972	1937	2062	2093



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

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

Stochastic: The stochastic is moving in neutral region, %K line is lying below the %D line and expecting further weakness.

MACD: The MACD (5-day), is moving downward, now lying below its EMA, giving slight indication of weaker prices next day.

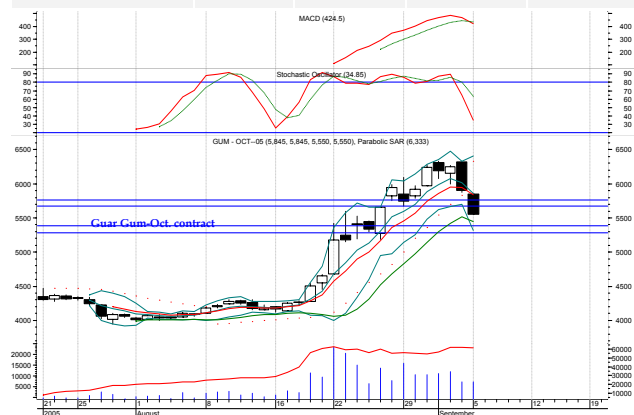
Alignment pattern: The alignment pattern of moving average is not confirming the moves.

Market outlook:

Guar gum is expected to open weaker and trade downward with range bound moves initially and slight recovery thereafter. Trade with short-term outlook **keeping in mind the weather conditions**. In case of clear weather, prices may go up.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	5238	5131	5504	5594
Oct.	5390	5280	5678	5758



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened weaker, fell steeply during the day and closed much lower. Following this, physical markets slipped too and in Jodhpur market, guar seed was available at Rs.1925-50 per quintal. Other markets also witnessed weaker trade today. Guar gum futures at NCDEX fell drastically and closed at lowest level of the day. Guar gum in cash markets also fell down and in Jodhpur market, it was available at Rs.5350 per quintal during evening today.

Amid cloudy weather in southeast areas of Rajasthan and rains in parts of western MP and Gujarat, bears dominated today also, and guar seed fell steeply down and witnessed circuit close. There are clouds in Gujarat and surrounding border areas of Rajasthan and if it rains in Rajasthan, prices may go steep down tomorrow also otherwise they will recover after initial downward movements.

Commodity	Centres	03.09.05	04.09.05	Change
Guar Seed	Bikaner	2000	1900	-100
	Jodhpur-B line	2075	1925-50	-125
	Jodhpur-M line	2050	1925	-125
	Nokha	1925	1850	-75
Guar Gum:		5700	5350	-350

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	352.4	352.5	350.6	-1.8
Nov.	447.4	439.9	439.9	-7.5

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened almost steady, witnessed range bound trade and closed lower. November yavda opened weaker, fell steeply down and closed much lower than previous close.

Salient points of the day

Guar seed as well as guar gum fell steeply on second consecutive day.

Partly cloudy weather in parts of Rajasthan, good clouds in M.P. and Gujarat.

Southwest monsoon has withdrawn from parts of West Rajasthan.

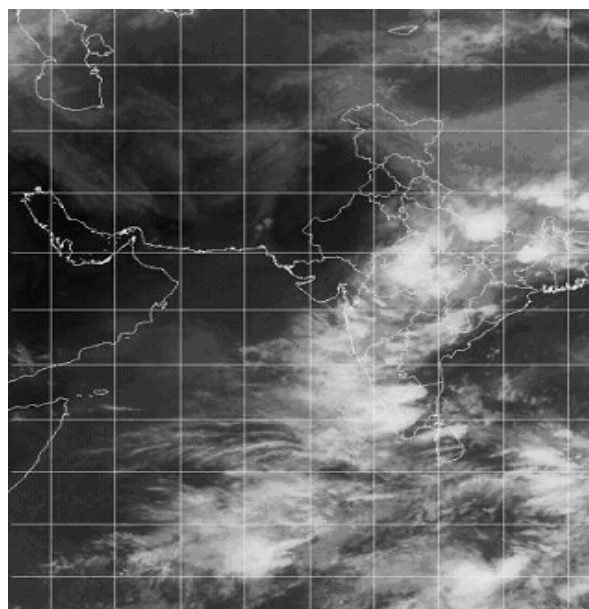
Prices are expected to open weaker and witness range bound downward trade initially and upward later on.

WEATHER HIGHLIGHTS (05-09-05)

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, northeastern states, sub-Himalayan West Bengal & Sikkim, Bihar, Uttar Pradesh, Konkan & Goa, coastal Karnataka, coastal Tamil Nadu & Pondicherry, Kerala and Lakshadweep, at a few places over rest regions of the country outside Haryana, Punjab, Jammu & Kashmir, Rajasthan, Gujarat State, Marathwada and Vidarbha where it may be isolated.

Southwest monsoon has withdrawn from parts of Extreme West Rajasthan. The NW India may continue to witness dry weather amid anti-cyclonic circulation above mean sea level over the region.

Cloud Cover at 9:30 pm today (IMD):



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