

GUAR SEED and GUAR GUM

September 03, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum slipped
- Guar vayda fell steeply

TECHNICAL ANALYSIS

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

Guar seed futures at NCDEX witnessed steep downward trade almost throughout the day and closed much lower. October future contract at NCDEX traded in range of Rs.2127-2292 per quintal.

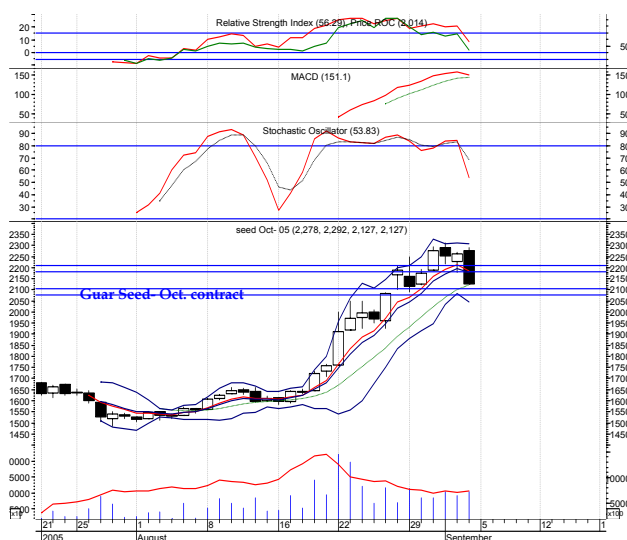
Technical indicators are indicating slight bearishness in the market.

Market outlook:

Guar seed prices are expected to open weaker and trade range bound downward initially and slight upward thereafter. Trade with very short-term outlook keeping in mind the weather conditions.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	2005	1981	2085	2110
Oct.	2104	2076	2181	2212



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

Guar gum futures at NCDEX fell steeply today for whole day and closed much lower. Guar gum October contract witnessed the trade in the range of Rs.5878-6329 per quintal.

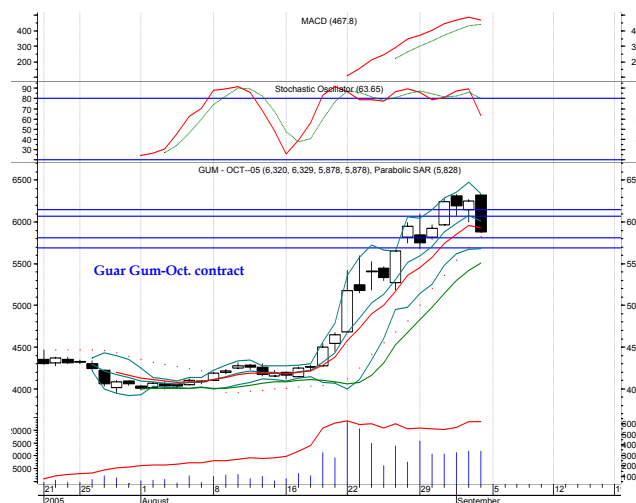
Technical indicators are expecting slight weaker moves next day.

Market outlook:

Guar gum is expected to open firm and trade upward with range bound moves initially and slight downward thereafter tomorrow. Trade with short-term outlook keeping in mind the weather conditions.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	5617	5519	5835	5916
Oct.	5807	5688	6070	6149



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened firm but fell steeply downward especially during last hour of trade and closed much lower. Physical markets could not get rid of the sentiments and slipped too. In Jodhpur market, guar seed was sold at Rs.2050-75 per quintal. Other markets too slipped downward. Guar gum futures at NCDEX fell drastically and closed at lowest level of the day. Guar gum fell in cash markets also and was available at Rs.5700 per quintal in Jodhpur market during evening today.

The weather conditions have changed and good clouds were witnessed in southern as well as central states of the country. Isolated rains were also witnessed in M.P. also. All these conditions helped the bears to play speculative and they pushed the prices of guar seed and guar gum drastically lower. If the weather continues like this and affects the parts of Rajasthan also during coming days, prices may go further lower. But if we believe the weather forecasts from IMD and NCMRWF, there is no hope of rain in western Rajasthan and under this situation prices will go up again after slight downfall on Monday.

Commodity	Centres	02.09.05	03.09.05	Change
Guar Seed	Bikaner	2050	2000	-50
	Jodhpur-B line	2150	2075	-75
	Jodhpur-M line	2110	2050	-60
	Nokha	1975	1925	-50
Guar Gum:		5900	5700	-200

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	352.6	352.2	352.4	-0.2
Nov.	457	456.1	447.4	-9.6

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened marginally weaker, witnessed range bound trade and closed lower. November contract too opened weaker, fell steeply down and closed lower than previous close.

Salient points of the day

Guar seed as well as guar gum fell steeply.

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.

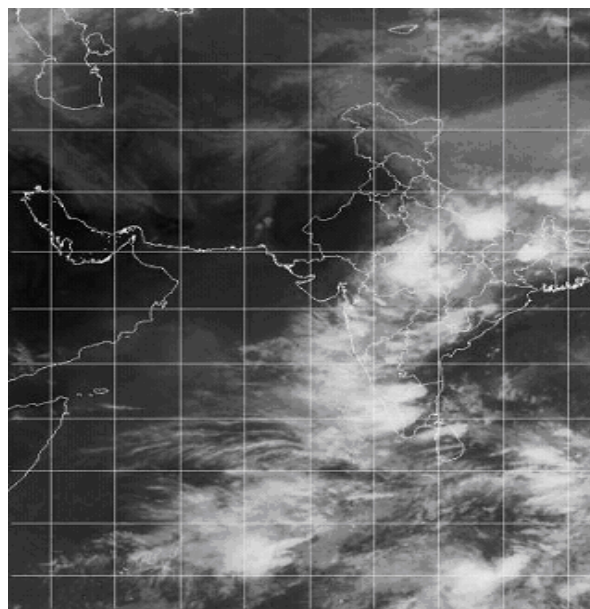
WEATHER HIGHLIGHTS (03-09-05)

Southwest monsoon has withdrawn from parts of West Rajasthan. The line of monsoon withdrawal passes through Sriganganagar, Bikaner and Barmer.

The NW India may continue to witness dry weather amid anti-cyclonic circulation above mean sea level over the region.

NCMRWF's predictions are indicating towards formation of an east-west shear zone across south-peninsular India at 3.1 km above mean sea level within next 24 hours leading to **revival of monsoon from south peninsular India.**

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



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