

GUAR SEED and GUAR GUM

September 13, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Seed and Gum Remained Weak in Spot Markets
- Guar Futures Traded Range Bound with Bearish Undertone

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is pointing towards a firm opening and slight uptrend initially and downside movement thereafter.

Stochastic: The stochastic is moving upwards in oversold region, the %K line after cutting the %D line from below moving upwards, showing a likely upward movement in the next day.

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

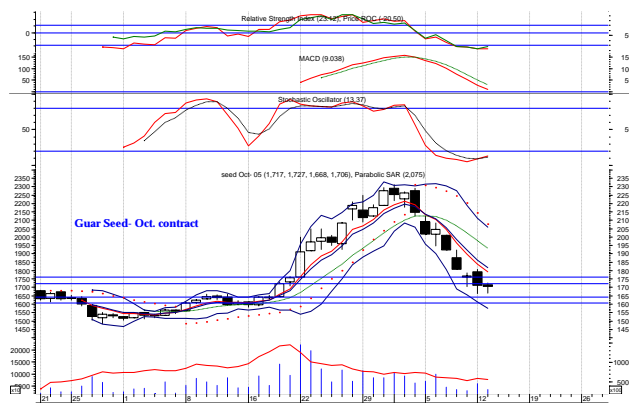
Alignment pattern: The alignment pattern of moving averages is supporting the bearishness in the market.

Market outlook:

Guar seed futures are expected to open firm and trade slight upwards initially, but likely to witness downward movement thereafter. Trade with very-short term outlook following the weather conditions.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1609	1582	1659	1684
Oct.	1642	1606	1722	1760



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

Candlestick: Formation of candlestick pattern is indicating a firm opening and marginal uptrend initially and downside movement thereafter.

Stochastic: The stochastic is moving upwards in oversold region, the %K-line after cutting the %D line from below moving upwards, hinting an upside movement in the next day.

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

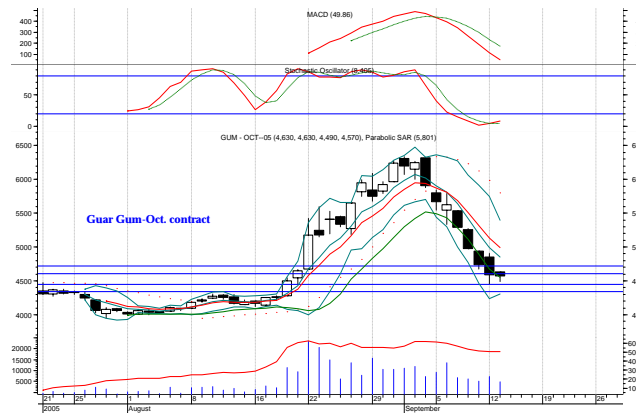
Alignment pattern: The alignment pattern of moving averages is supporting the weakness in the market.

Market outlook:

Guar gum futures are likely to open firm and trade slight upwards initially, but expected to move downwards thereafter. Trade with a very-short term outlook keeping in mind the weather conditions.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	4320	4200	4483	4578
Oct.	4448	4342	4609	4722



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at the NCDEX traded with a bearish sentiment following a steady opening today. The futures went down moderately on heavy selling pressure but managed to cut back some of the losses in final action. The October future traded in the range of 1668-1727 during today's trade. At the spot markets also the guar seed was quoted lower at Rs 1700 per quintal in Jodhpur market today. At the Bikaner market it was offered at Rs 1600 per quintal today, while at the Nokha market it was quoted at Rs 1500 per quintal. The guar gum futures also followed the same bearish sentiment. The October guar gum future at the NCDEX traded in the range of 4490-4630 today. At the spot market guar gum was available at a lower price of Rs 4600 per quintal in Jodhpur market today as against yesterday.

The prevailing weather conditions over parts of Rajasthan, Haryana, Punjab and Gujarat underpinned the downside movement of guar futures for the last couple of days. A low-pressure area has formed over south Gujarat coast & adjoining Saurashtra. The offshore trough at sea level now runs from above system to Karnataka coast. The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood persists. Under such circumstances the guar futures prices are expected to remain firm at the early hours of trade but a downside movement is likely thereafter.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)

Commodity	Centres	13.09.05	12.09.05	Change
Guar Seed	Bikaner	1600	1650	-50
	Jodhpur-B line	1700	1725-1750	-50
	Jodhpur-M line	1675-1700	1700-1725	-25
Guar Gum	Nokha	1500	1550	-50
	Jodhpur	4600	4700	-100

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	C	C	C	-
Nov.	C	C	C	-

C: Closed

Price Movements at Bikaner Vayda

The Bikaner vayda remained closed on festival holiday today.

SALIENT POINTS OF THE DAY

Guar seed and gum prices remained range bound with bearish undertone.

Rains and cloudy weather in Parts of Rajasthan, Haryana and Punjab.

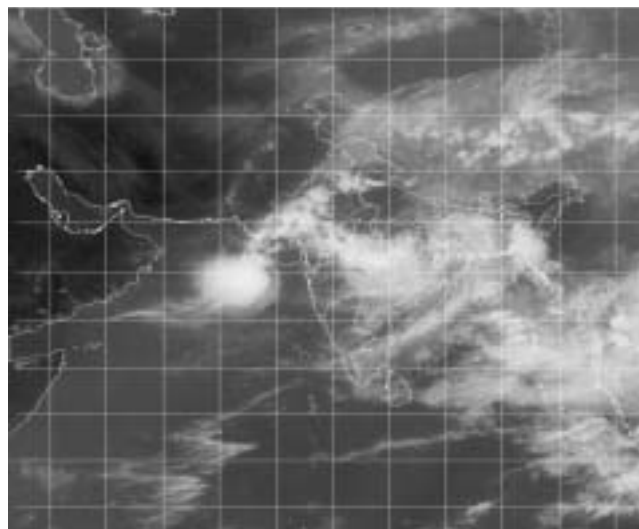
Prices are likely to open firm, slight uptrend initially and downward thereafter.

WEATHER HIGHLIGHTS (13-09-05)

During last 24 hours, fairly widespread rainfall with heavy to very heavy rains at a few places have occurred over Orissa, Chhattisgarh, Konkan & Goa, Madhya Maharashtra, Gujarat and Haryana including Delhi. Scattered light to moderate rainfall has also occurred over remaining parts of India outside Tamil Nadu & Pondicherry, interior Andhra Pradesh, Bihar, East Uttar Pradesh and northeastern States where isolated light rainfall occurred. Yesterday's depression over Orissa moved in a northwesterly direction and lies centered today forenoon of 13th September at 0830 hours IST over north Orissa with its center close to Jharsuguda. The system is likely to move in a westnorthwesterly direction and weaken gradually.

Under influence of the upper air cyclonic circulation over south Gujarat coast and adjoining Konkan & Goa a low-pressure area has formed over south Gujarat coast & adjoining Saurashtra. The offshore trough at sea level now runs from above system to Karnataka coast. The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood persists. Under the influence of above systems, fairly widespread rains with heavy to very heavy falls are likely over Orissa, Chhattisgarh, Gujarat, Konkan & Goa, Madhya Maharashtra, Gangetic West Bengal, Jharkhand, Chhattisgarh, Vidarbha, East Madhya Pradesh, Himachal Pradesh and Uttaranchal.

Cloud Cover today (IMD):



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