

GUAR SEED and GUAR GUM

September 28, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Weak Sentiment
- Guar Futures Slid Further on Speculative Selling

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is showing a bearish trade following a weak opening initially and range bound uptrend thereafter.

Stochastic: The stochastic is moving downwards, the %K line after cutting the %D line from above moving downwards in the normal region, showing further downward movement.

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

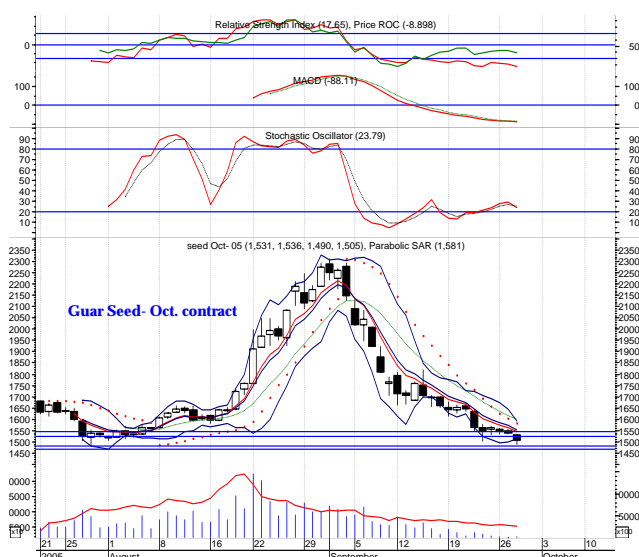
Alignment pattern: The alignment pattern of moving averages is also supporting the bearish sentiment.

Market outlook:

Guar seed futures are expected to trade bearishly following a weak opening initially and range bound upward thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1480	1466	1524	1546
Nov.	1510	1490	1553	1579



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

Candlestick: Formation of candlestick pattern is indicating a bearish trade after a weak opening initially and range bound upward thereafter.

Stochastic: The stochastic is moving downwards, the %K-line after cutting the %D line from above moving downwards in the normal region, hinting further downtrend 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 also supporting the bearish sentiment.

Market outlook:

Guar gum futures are expected to trade bearishly following a weak opening initially and range bound upward thereafter. Trade with very-short term outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	3868	3801	3968	4026
Nov.	3938	3864	4063	4146



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX traded with a highly bearish sentiment following a weak opening today. The October future traded in the range of 1490.00-1536.00 today. At the spot market guar seed was offered lower at Rs 1550-1575 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was quoted lower at Rs 1500-1510 per quintal today, while at the Nokha market it was available steady at Rs 1400 per quintal. The guar gum futures at the NCDEX also witnessed a bearish sentiment following a weak opening today. The October future traded in the range of 3885.00-3989.00 today. At the spot markets guar gum was quoted lower at Rs 4025-4050 per quintal in Jodhpur market at the evening session of trade.

The guar prices remained mostly weak today. The prices slid further today on increased speculative selling pressure at the futures as well as the physical markets. The southwest monsoon has withdrawn from entire West Rajasthan and parts of Jammu & Kashmir, Himachal Pradesh, Punjab, Haryana, East Rajasthan, Gujarat Region and Saurashtra & Kutch. Withdrawal line passes through Srinagar, Dharamshala, Patiala, Jaipur, Udaipur, Ahmedabad and Dwaraka. 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 weakly in the next day. However, some range bound upward movement is also likely in the later session of trade.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)

Commodity	Centres	28.09.05	27.09.05	Change
	Bikaner	1500-1510	1550	-50
Guar Seed	Jodhpur-B line	1550-1575	1580-1600	-30
	Jodhpur-M line	1550	1575	-25
	Nokha	1400	1400	-
Guar Gum	Jodhpur	4025-4050	4125-4150	-100

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	371.80	369.60	367.50	-4.30

Price Movements at Bikaner Vayda

The guar future at the Bikaner vayda witnessed a highly bearish sentiment after a weak opening today. The November future finished significantly lower on speculative selling pressure throughout the day.

SALIENT POINTS OF THE DAY

Guar seed and gum prices settled lower on speculative selling.

Southwest monsoon has withdrawn from Rajasthan, Haryana, Punjab and Gujarat.

Prices are likely to witness a bearish trade following a weak opening with a possibility of range bound upward movement later in the session.

WEATHER HIGHLIGHTS (28-09-05)

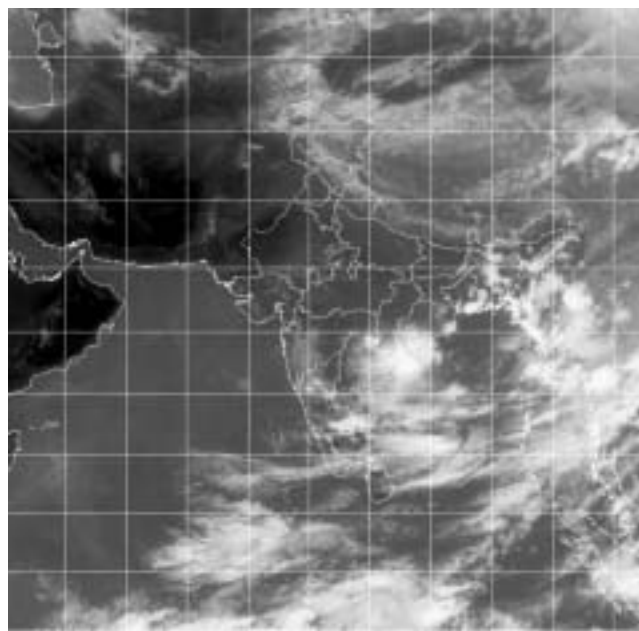
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During last 24 hours, scattered light to moderate rainfall has occurred over Andaman & Nicobar Islands, northeastern States and coastal areas of Orissa, Andhra Pradesh & Tamil Nadu. Chief amounts of rainfall (in cm.) during past 24 hours are: Karaikal-8, Gopalpur-4 and Nellore-3.

The upper air cyclonic circulation over Saurashtra & Kutch and adjoining southeast Pakistan now lies over Saurashtra and adjoining southeast Arabian Sea extending between 1.5 and 3.6 km a.s.l.

The cyclonic circulation over North Bay of Bengal persists and now extends upto mid-tropospheric levels. Under its influence scattered rainfall activity is likely over coastal area of Gangetic West Bengal, Orissa and Andhra Pradesh.

Cloud Cover today (IMD):



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