

GUAR SEED and GUAR GUM

September 02, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum improved during late hours
- Guar vayda recovered slightly

TECHNICAL ANALYSIS

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

Guar seed futures at NCDEX witnessed steep downward trade during morning but recovered and closed at higher level at the end. October future contract at NCDEX traded in range of Rs.2178-2268 per quintal.

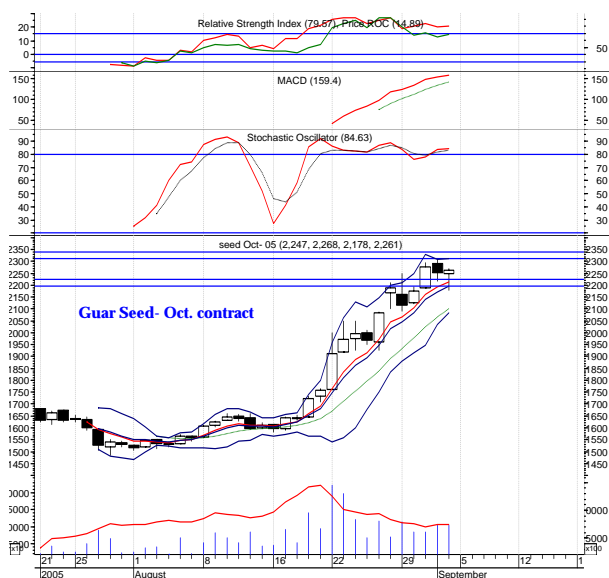
Technical indicators are indicating further firmness in the market.

Market outlook:

Guar seed prices are expected to open firm and trade range bound upward initially and witness slight correction thereafter. Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	2137	2114	2195	2226
Oct.	2222	2194	2313	2341



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

Guar gum futures at NCDEX recovered towards the end of the day after witnessing downfall for almost whole day. Guar gum October contract witnessed the trade in the range of Rs.6001-6270 per quintal.

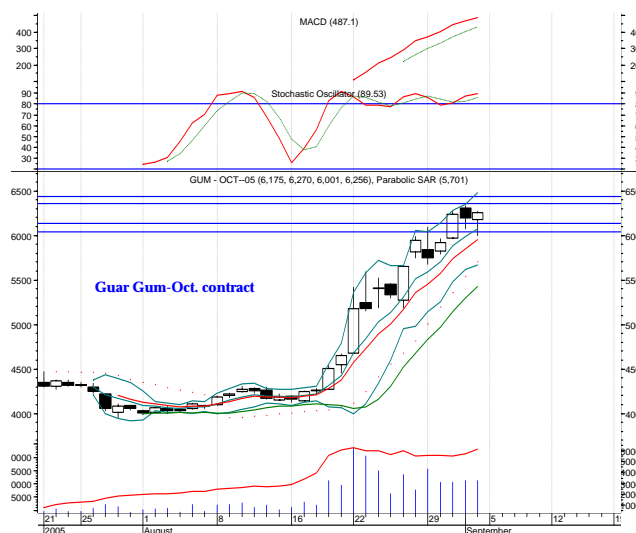
Technical indicators are expecting slight upward moves tomorrow.

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.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	5927	5854	6129	6202
Oct.	6133	6039	6363	6435



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened weaker and started falling down steeply, traded range bound downward for almost whole day but recovered and closed marginally higher at the end. Physical markets witnessed similar sentiments and Bikaner line 98% whitish guar seed was sold at Rs.2150 per quintal during evening in Jodhpur market. Other markets also traded after future prices and witnessed large fluctuations. Guar gum fluctuated in between Rs5700-5925 per quintal during whole day in Jodhpur market.

The news regarding withdrawal of monsoon from extreme west Rajasthan (Sriganganagar, Bikaner and Barmer) spread in the markets during afternoon that resulted into increased speculative buying interest and hence improving the future prices. Though this news is coming continuously from last few days but it generated the reaction in the markets today only. Now market sentiment has turned again towards slight firmness and prices may go firm during coming 1-2 days.

Commodity	Centres	01.09.05	02.09.05	Change
Guar Seed	Bikaner	2050	2050	0
	Jodhpur-B line	2150	2150	0
	Jodhpur-M line	2110	2110	0
	Nokha	1925-50	1975	+25
Guar Gum:		5900	5900	0

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	352.6	352.5	352.6	0
Nov.	453.5	449.7	457	+3.5

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened almost steady, witnessed range bound trade and closed at 352.6 i.e. at the same level to previous close. November contract opened weaker and closed at 457, up by Rs,17.5 per quintal from last day close.

Sallient points of the day

Guar seed as well as guar gum fell steeply but recovered

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later.

Southwest monsoon has withdrawn from parts of West Rajasthan.

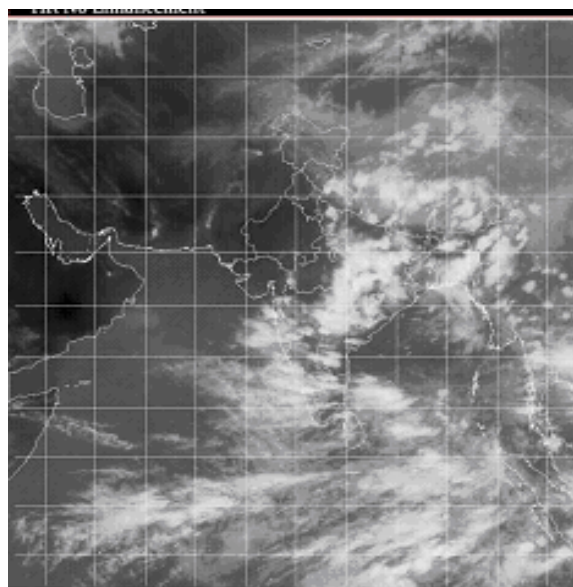
Prices are expected to open firm and witness range bound upward trade initially and slight correction later on.

WEATHER HIGHLIGHTS (02-09-05)

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

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 48 hours leading to **revival of monsoon from south peninsular India.**

Cloud Cover at 6:30 pm today (IMD):



EXCHANGE RATE

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.12
United Kingdom	GBP	79.53
European Union	Euro	54.38
Japan	100 Yen	39.81