

GUAR SEED and GUAR GUM

October 04, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Witnessed Downtrend Today
- Guar Futures Settled Down Amidst Profit Booking

TECHNICAL ANALYSIS

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

Candlestick: Formation of candlesticks is showing a bearish pattern and weak opening.

Stochastic: The %K-line has started moving downwards and it has entered the normal region, showing downtrend. However, the %D-line is still moving upwards, leaving scope for upside movement.

MACD: The MACD (5-day) has made a bullish crossover with its EMA and moving upwards, indicating strength in the market.

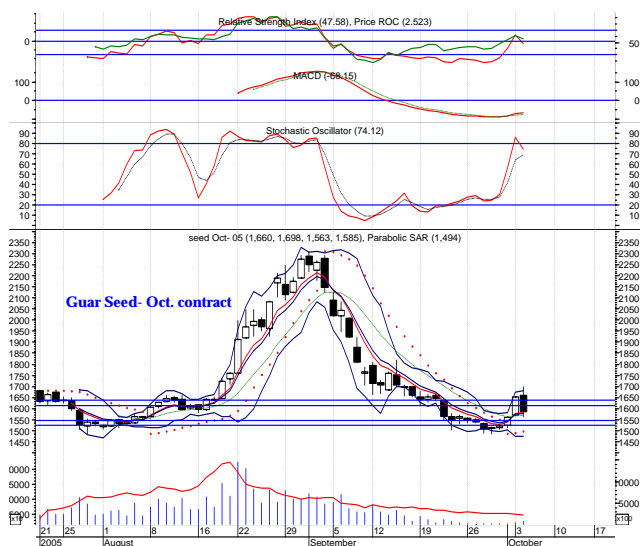
Alignment pattern: The alignment pattern of moving averages is hinting for upside movement.

Market outlook:

Guar seed futures are expected to move downwards at the early hours of trade but likely to trade range bound upwards later in the session. Trade with very-short term outlook.

Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	1547	1525	1612	1637
Nov.	1568	1546	1646	1669



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

Candlestick: Formation of candlestick is showing a bearish pattern and weak opening.

Stochastic: The %K-line has started moving downwards and it has entered the normal region, showing downtrend. However, the %D-line is still moving upwards, leaving scope for upside movement.

MACD: The MACD (5-day) has made a bullish crossover with its EMA and moving upwards, showing strength in the market.

Alignment pattern: The alignment pattern of moving averages is still supporting the upside movement.

Market outlook:

Guar gum futures are expected to move downwards at the early hours of trade but likely to trade range bound upwards later in the session. Trade with very-short term outlook.

Support and Resistance Level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Oct.	4000	3947	4246	4321
Nov.	4053	3979	4315	4398



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX extended previous advances at the early hours of trade following a firm opening. However, profit taking pulled down the prices significantly. The October future traded in the range of 1563.00-1698.00 today. At the spot markets guar seed was quoted at Rs 1625-1650 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered lower at Rs 1550 per quintal, while at the Nokha market it was quoted at Rs 1450 per quintal today. The guar gum futures at the NCDEX also extended previous advances after a firm opening at the early hours of trade. However, the futures went down significantly on heavy selling pressure. The October future traded in the range of 4075.00-4479.00 today. At the spot markets guar gum was quoted at Rs 4200 per quintal in Jodhpur market at the evening session of trade.

The guar prices started the day with positive note but failed to carry the advances further. Heavy selling pressure on profit taking pulled down the prices drastically. Another upper air cyclonic circulation lies over southeast Arabian Sea and neighbourhood extend between 1.5 and 3.1 km a.s.l. The western disturbance as an upper air system lies over north Pakistan and neighbourhood persists. Mainly dry weather prevailed over guar growing regions. Amidst such circumstances the guar prices are expected to move downwards at the early hours of trade but likely to trade range bound upwards later in the session.

Guar Prices at Major Markets in Rajasthan

(Rs./quintal)				
Commodity	Centres	04.10.05	03.10.05	Change
Guar Seed	Bikaner	1550	1625-1650	-100
	Jodhpur-B line	1625-1650	1700-1725	-75
	Jodhpur-M line	1600-1625	1675-1700	-75
	Nokha	1450	1525-1550	-100
Guar Gum	Jodhpur	4200	4400	-200

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	374.60	-	-	-

Price Movements at Bikaner Vayda

The Bikaner vayda remained closed today for Navratra celebration.

SALIENT POINTS OF THE DAY

Guar seed and gum prices slid on heavy selling pressure due to profit taking.

Mainly dry weather prevailed over Rajasthan, Haryana, Punjab and Gujarat.

Prices are expected to move downwards at the early hours of trade but likely to trade range bound upwards later in the session.

WEATHER HIGHLIGHTS (04-10-05)

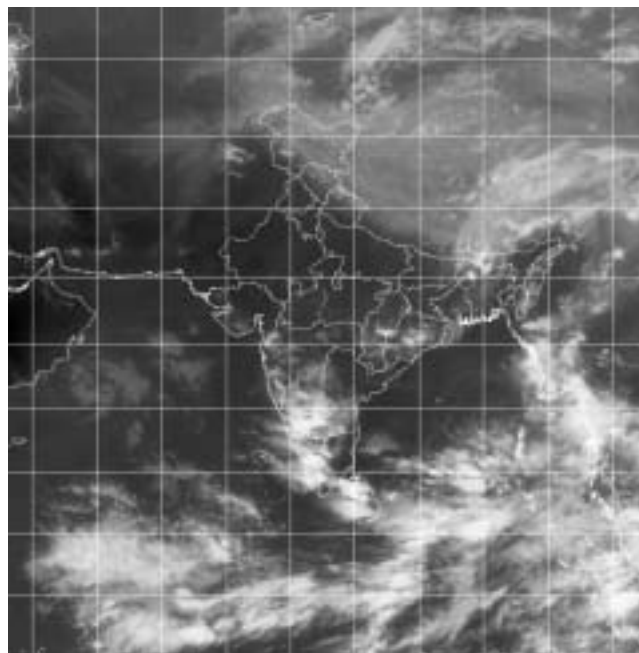
Yesterday's well marked low-pressure area over Gangetic West Bengal and adjoining Bangladesh now lies as a low pressure area over Gangetic West Bengal. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence fairly widespread rainfall with heavy falls is likely over West Bengal & Sikkim and Assam & Meghalaya during next 2-3 days. Some increase in rainfall also likely over Bihar and Jharkhand.

The upper air cyclonic circulation extending in the middle tropospheric levels over southeast Bay of Bengal persists.

Another upper air cyclonic circulation lies over southeast Arabian Sea and neighbourhood extend between 1.5 and 3.1 km a.s.l.

The western disturbance as an upper air system lies over north Pakistan and neighbourhood persists.

Cloud Cover today (IMD):



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