

GUAR SEED and GUAR GUM

October 13, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar Physical Market: Curbed Early Gains Today
- Guar Futures: Profit Booking Pared Advances

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 after cutting the %D-line from below moving upwards in the normal region, showing further upward movement.

MACD: The MACD (5-day) along with its EMA moving upwards, showing the strength in the market.

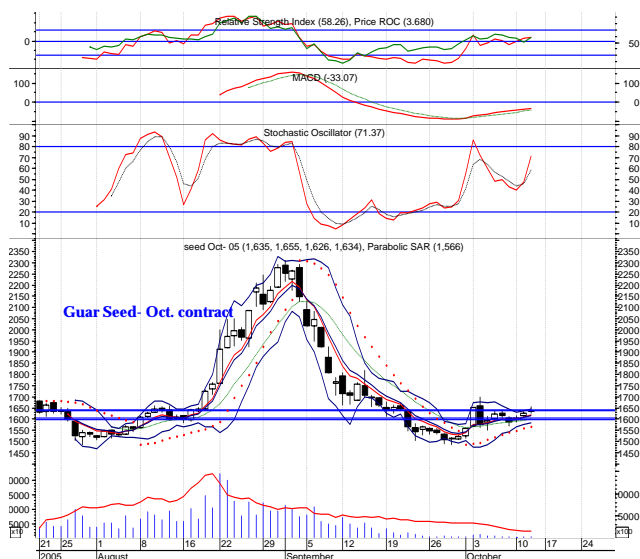
Alignment pattern: The alignment pattern of moving averages is still supporting the uptrend.

Market outlook:

Guar seed futures are expected to trade downwards following a weak opening and range bound upward 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.	1605	1596	1637	1642
Nov.	1646	1639	1673	1680
Dec.	1670	1658	1706	1715



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

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

Stochastic: The %K-line after cutting the %D-line from below moving upwards in the normal region, hinting further upward movement.

MACD: The MACD (5-day) along with its EMA moving upwards, supporting the strength in the market.

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

Market outlook:

Guar gum futures are likely to trade downwards following a weak opening and range bound upward 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.	4188	4164	4287	4304
Nov.	4266	4252	4371	4386
Dec.	4348	4324	4470	4495



MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX extended previous advances following a firm opening at the early hours of trade. However, profit booking at the higher prices capped further advances and the futures settled near to the day's low in final action. The October future traded in the range of 1626.00-1655.00 today. At the spot markets also guar seed was quoted at Rs 1690-1700 per quintal in Jodhpur market at the evening session of trade. At the Bikaner market it was offered at Rs 1620 per quintal, while at the Nokha market it was available at Rs 1520-1525 per quintal today. The guar gum futures at the NCDEX witnessed a similar sentiment after a firm opening initially. However, the futures finished near to the day's low on profit booking at the higher prices. The October future traded in the range of 4270.00-4369.00 today. At the spot markets guar gum was quoted at Rs 4375 per quintal in Jodhpur market at the evening session of trade.

The guar physical markets remained strong at the early hours of trade today. However, profit booking at the higher price levels pulled down the prices again in late action. Speculative selling was the main feature of trade today. The arrival of the guar crop at the markets of Eastern Rajasthan is yet to pick up significantly. The western disturbance as an upper air system over north Pakistan and adjoining Jammu & Kashmir now lies over Jammu & Kashmir and neighbourhood. It may cause light to moderate scattered rain/snow over Western Himalayas during next 2-3 days. Amidst such situations guar prices are likely to remain weak in the next trading day with possibility of some upward movement later in the session.

Guar Prices at Major Markets in Rajasthan

		(Rs./quintal)		
Commodity	Centres	13.10.05	11.10.05	Change
Guar Seed	Bikaner	1620	1620	-
	Jodhpur-B line	1690-1700	1700-1710	-10
	Jodhpur-M line	1670	1675	-5
Guar Gum	Nokha	1520-1525	1520-1525	-
	Jodhpur	4375	4425	-50

BIKANER GUAR VAYDA

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Nov.	372.90	373.40	372.20	-0.70

Price Movements at Bikaner Vayda

The Bikaner vayda extended early advances initially after a firm opening. However, the November future settled lower today as against previous day. Profit taking at the higher price level pressurised the future today.

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SALIENT POINTS OF THE DAY

Guar seed and gum futures curbed early gains on profit taking in late action.

Southwest monsoon has withdrawn from the entire country.

Prices are likely to move downwards following a weak opening initially and range bound upwards thereafter.

WEATHER HIGHLIGHTS (13-10-05)

During past 24 hours rain/thundershowers have occurred at many places over south Peninsula with isolated heavy rains over Coastal Andhra Pradesh and coastal Tamil Nadu. Scattered light to moderate rainfall has also occurred over coastal Orissa, south Konkan & Goa and south Madhya Maharashtra. Chief amounts of rainfall in (cm) are: Chennai-15, Nellore-12, Chennai (AP)-9, Kochi, Nedumassary & Kozhikode-6 each, Paradip, Tirupathy, Tondi & Trivendrum-5 each.

Yesterday's low-pressure area over southwest Bay of Bengal and adjoining areas of coastal Tamil Nadu persists and is now well marked. The other low-pressure area over southeast Arabian Sea and neighbourhood also persists. Associated upper air cyclonic circulations extend upto mid-tropospheric level. Under this scenario enhanced rainfall activity with heavy to very heavy falls is likely over south peninsula during next 2-3 days.

The western disturbance as an upper air system over north Pakistan and adjoining Jammu & Kashmir now lies over Jammu & Kashmir and neighbourhood. It may cause light to moderate scattered rain/snow over Western Himalayas during next 2-3 days.

Cloud Cover today (IMD):

