

## GUAR SEED and GUAR GUM

July 04, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded upward
- Guar vayda settled higher

### TECHNICAL ANALYSIS

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

#### Candlestick:

Formation of Candlestick pattern is indicating towards firm opening and range bound trade on Tuesday.

#### Stochastic:

The stochastic is moving towards overbought line, %K is lying above %D line and expecting the movement towards higher side.

#### MACD:

The MACD (5-day) has changed the curvature and is moving upward, still lying below its EMA, indicating that prices may move towards higher side.

The alignment pattern of moving averages is yet not confirming upward trade completely.

Guar seed future traded range bound and settled higher. It is expected to open firm/steady and trade range next day.

#### Market outlook:

- Guar seed prices are expected to open firm and witness range bound upward movement tomorrow.
- Trade with very short-term outlook.

#### Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1511	1492	1542	1556
August	1528	1513	1565	1580

#### Alignment pattern:



The alignment pattern of moving averages is not yet confirming the trend.

Commodity: **Guar Gum**  
 Perspective: Very Short Term

### NCDEX July Contract

#### Candlestick:

Formation of Candlestick pattern is indicating towards firm opening and range bound upward trade on Tuesday.

#### Stochastic:

The stochastic is moving towards overbought line, %K line is lying above %D line in the neutral region, expecting marginally higher trade next day.

#### MACD:

The MACD (5-day) has started changing its curvature, still lying below its EMA, expecting marginally upward movements.

#### Alignment pattern:



#### Market outlook:

- Guar gum is expected to open firm and move towards higher side with range bound movements on Tuesday.
- Trade with very short-term outlook.

#### Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3983	3958	4079	4115
August	4058	4020	4155	4195

## MARKET COMMENTARY OF MAJOR MARKETS

It was the day of witnessing higher ground for guar seed futures at NCDEX which traded range bound upward and settled higher at the end. Guar seed in physical markets also followed the futures and witnessed slight higher prices. Bikaner line 98% whitish guar seed in Jodhpur market, was sold at Rs.1535 per quintal in the morning which came down to Rs.1525 per quintal during day and finally it was available at Rs.1535-40 per quintal at the end of the day. In Bikaner market, guar seed crawled up and was available at Rs.1480 per quintal. All other markets viz., Nokha, Alwar, Khairthal etc also showed slight strength in guar seed prices today.

Guar gum futures at NCDEX traded range bound upward and ended higher. Prices of guar gum fluctuated in cash markets In Jodhpur market, it ranged from Rs.3925 per quintal to Rs.4025 per quintal during whole day and was available at Rs.4000 per quintal at the end.

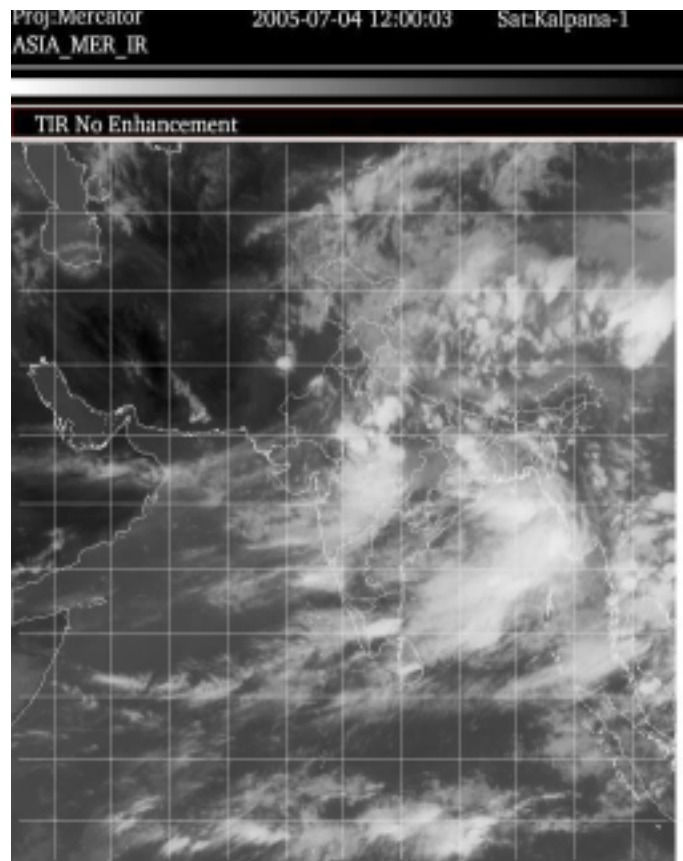
During last two days, many places witnessed isolated rainfall in Rajasthan. Jodhpur witnessed rains on Saturday night and Ganganagar witnessed it today morning. Bikaner also felt rainy weather yesterday. But not much effect of these rains was seen on guar prices today and it moved upward. Though it came slightly down after rains in Ganganagar, but within short span of time it moved up again. Rainfall in Gujarat is still continuing but according to IMD, upper air cyclonic circulation over Gujarat has become less marked, the rainfall activity over Gujarat has reduced considerably and expected to reduce further. But according to NCMRWF, there is another new 'low' expected to take shape in the Bay of Bengal on coming Wednesday and there are chances that it may lead to a second spell of heavy rain in the region. More clear view about this will be emerging in next 1-2 days.

### Salient points of the day

- Guar seed and gum traded upward in range bound.
- Almost clear to partly cloudy sky in major guar growing areas of Rajasthan.
- Ganganagar and few other places witnessed isolated rainfall today.
- Heavy rains are expected in eastern Rajasthan and isolated rains in western parts of the state.

CommodityCentres	02.07.05	04.07.05	Change
Guar seed: Bikaner	1475	1480	+5
Jodhpur-B line	1530	1540	+10
Jodhpur-M line	1500	1520	+20
Nokha	1380	1400	+20
Alwar	1290	1300	+10
Khairthal	1280-90	1300	+10

Satellite Image Showing Monsoon Cloud Cover Over Indian Continent at 5:30PM  
(Source:IMD)



### Bikaner Guar Vayda

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	293	294.7	300.5	+7.5
Sep.	296.1	297	303.8	+7.7

#### Price movements at Bikaner Vayda

Bikaner guar vayda today opened firm and settled higher after trading range bound. July contract of Bikaner guar vayda opened at 294.7 and closed at 300.5, up by Rs.37.5 per quintal from previous close. September contract opened at 297, and closed at 303.5, up by Rs.38.5 per quintal.

### WEATHER WATCH

#### Current Weather Situation (04-07-05)

#### PROGRESS OF MONSOON;

The depression over north Madhya Pradesh and adjoining east Uttar Pradesh remained practically stationary with its

centre at 0830 hours IST of today close to Khajuraho. The system is likely to move slowly in a northwesterly direction. Sagar and Jabalpur in Madhya Pradesh reported 48 and 17 cms. rainfall respectively. The upper air cyclonic circulation over Gujarat and neighbourhood in the middle troposphere has become less marked and the rainfall activity over Gujarat has reduced considerably. A fresh upper air cyclonic circulation has formed over Bangladesh and neighbourhood extending upto mid tropospheric levels. The upper air cyclonic circulation over Punjab and neighbourhood now lies over west Uttar Pradesh and neighbourhood and extends upto 0.9 km above sea level. The axis of the monsoon trough at sea level passes through Ferozpur, Delhi, Agra, centre of the depression, Dhanbad, Kolkata and thence east southeastwards to north Bay of Bengal.

#### Forecast for Next 24 Hours

**NORTH :** rain/thundershowers likely at many places in the region outside Jammu & Kashmir where it may be at a few places .

**EAST :** rain/thundershowers likely at most places in east Madhya Pradesh and at many places over the rest region outside Jharkhand and interior Orissa where it may be at a few places.

**SOUTH :** rain/thundershowers likely at many places over Andaman & Nicobar islands, coastal Karnataka, Kerala and Lakshadweep and at few places in the rest region outside Andhra Pradesh and Tamil Nadu & Pondicherry where it may be isolated.

**WEST :** rain/thundershowers likely at most places over Konkan & Goa and west Madhya Pradesh, at many places over rest of the region outside west Rajasthan and Saurashtra & Kutch where it may be at a few places.

#### Outlook for subsequent two days :

Ongoing rainfall activity over central parts of the country is likely to continue and may extend to northwestern parts of the country. The heavy rainfall activity over Gujarat state is likely to decrease further. Rainfall activity over Gangetic West Bengal is likely to increase.

#### Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over east Rajasthan and Madhya Pradesh. Isolated heavy rainfall also likely over west Uttar Pradesh, Haryana, Himachal Pradesh, Uttaranchal, Gujarat region, Konkan & Goa, madhya Maharashtra, Kerala and Andaman & Nicobar islands.

#### (Medium Term Forecast as on June 27, 2005- for next 5 days)

##### Weather Systems:

Southwest monsoon has advanced over some more parts of Gujarat, entire east Madhya Pradesh and east Uttar Pradesh; most parts of west Madhya Pradesh and Uttaranchal and some parts of south east Rajasthan, west Uttar Pradesh and Himachal Pradesh. The northern limit of

monsoon passes through Nalia, Ahmedabad, Kota, Gwalior, Bareilly, Dehradun, Sundernagar, 32 deg. N/79 deg. E.

An upper air cyclonic circulation is developing over north Bay of Bengal. The circulation is likely to descend down and concentrate into a low pressure system within next 24 Hrs. With the formation of low pressure system, monsoon activity over Central India is likely to enhance during next 3 days.

Conditions are favourable for further advancement of monsoon over remaining parts of West Uttar Pradesh, Uttaranchal, West Madhya Pradesh, Gujarat, Saurashtra and Kutch, and some more parts of east Rajasthan, Himachal Pradesh and parts of Haryana (including Delhi), Punjab and Jammu & Kashmir during next 2-3 days.

A weak western disturbance is likely to approach J&K and adjoining area by during 30 June -1July05. Under the combined influence of this and monsoonal winds, scattered to fairly wide spread rainfall may occur over certain parts of hilly regions of NW India during 30June-1July.

#### Rainfall:

Fairly widespread rainfall is likely over Uttaranchal, West Uttar Pradesh during next 24 hours. Scattered rains are also likely over Himachal Pradesh during next 24 hours.

Fairly wide spread to Widespread rains are expected over Konkan & Goa, Vidarbha, East Madhya Pradesh, Chattisgarh, Orissa, West Bengal and Northeastern States during next 3-4 days.

Fairly wide spread rainfall is likely over Andaman & Nicobar Islands, Coastal and North Interior Karnataka, Kerala, North Coastal Andhra Pradesh, North Telanagana, Lakshadeep during the week.

Scattered to fairly wide spread rainfall is likely over West Madhya Pradesh, Jharkhand and Bihar, Madhya Maharashtra, Marathawada, Gujarat region, Saurashtra & Kutch and East Rajasthan and Haryana during later part of the week.

Isolated to Scattered rainfall is likely over Tamilnadu, Rayalaseema , South Interior Karnataka.

## EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.56
European Union	Euro	51.95
United Kingdom	GBP	76.72
Japan	100 Yen	39.03

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