

## GUAR SEED and GUAR GUM

July 18, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum witnessed almost steady trade
- Guar vayda improved marginally

### TECHNICAL ANALYSIS

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

#### Candlestick:

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

#### Stochastic:

The stochastic has reached in overbought level, %K line is lying above %D line and moving upward, still expecting marginal upward move in prices but technical correction may take place very soon.

#### MACD:

The MACD (5-day) is moving upward and lying above its EMA, expecting for higher moves next day.

#### Alignment pattern:

The alignment pattern of moving averages is giving indication for higher moves in market prices.

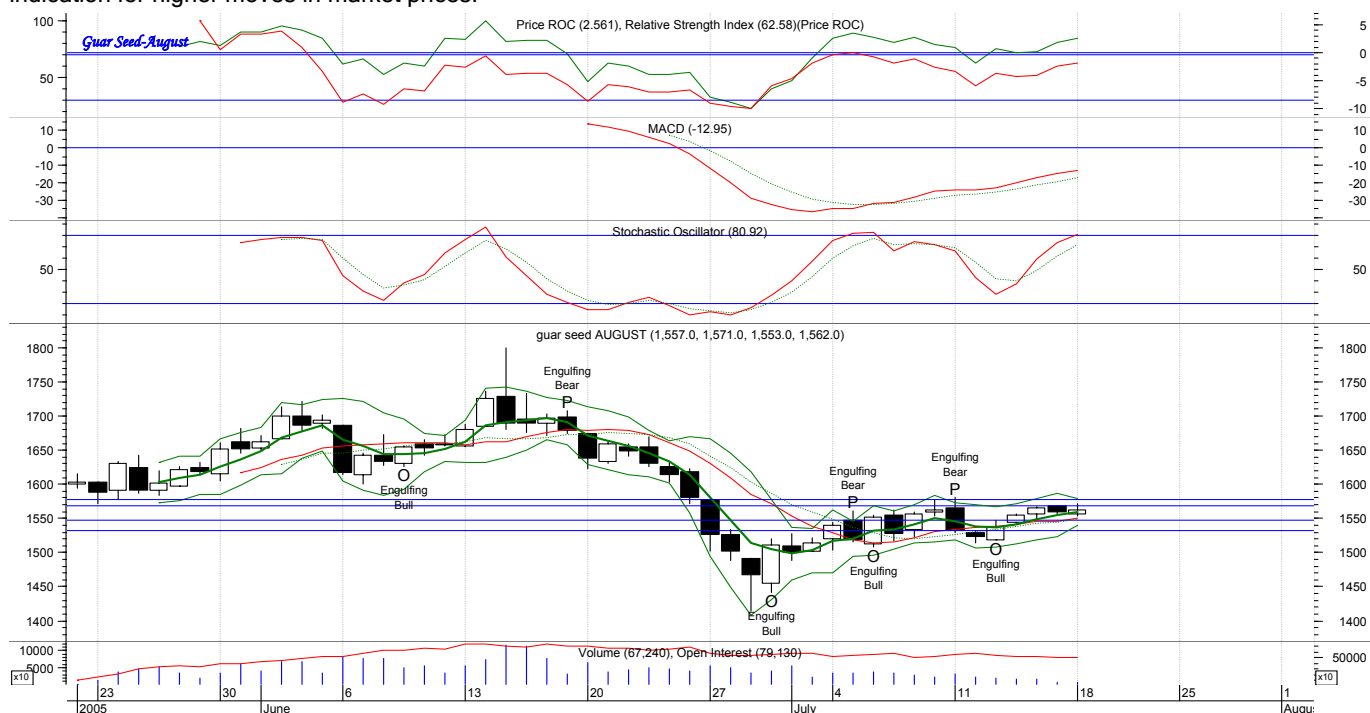
Guar seed future traded range bound and settled higher than previous close. It is expected to open steady and trade range bound upward next day.

#### Market outlook:

- Guar seed prices are expected to open firm, trade marginally upward initially and downward later on for Tuesday's trade. Rains are expected in western Rajasthan during next 1-2 days, and if it remains good, prices may come down slightly greater than normal fluctuations during last few days.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1532	1520	1544	1552
August	1548	1532	1568	1577
Sept.	1567	1559	1589	1598



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

#### Candlestick:

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

#### Stochastic:

The stochastic has reached to over bought region, %K line is lying above %D line and moving upward but indicating that technical correction towards lower side may take place in near future.

#### MACD:

The MACD (5-day), is moving upward and lying above its EMA, indicating towards further strength in the prices.

#### Alignment pattern:

The alignment pattern of moving averages is still hinting towards firm moves in market.

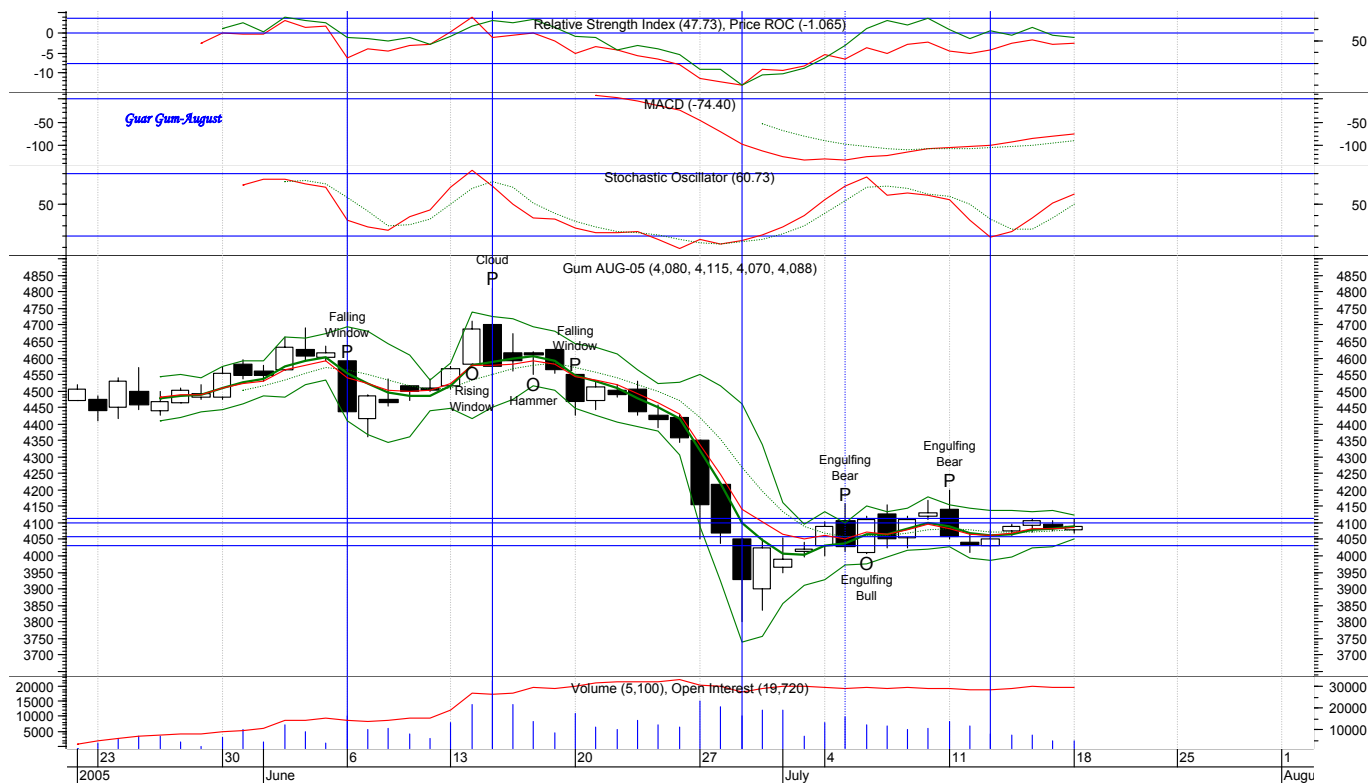
Guar gum traded range bound and finished the day at higher level. It is expected to open firm and trade range bound upward further.

#### Market outlook:

- Guar gum is expected to open firm/ steady and trade marginally upward initially and downward later on. Cautiousness regarding rains is must for next two days as according to Government forecasts, Isolated rains may occur at few places in Western Rajasthan and prices may fall little more than expected in case of good rainfall over there.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3964	3941	4004	4022
August	4057	4032	4101	4114
Sept.	4136	4116	4180	4200



## MARKET COMMENTARY OF MAJOR MARKETS

Range bound upward trade was witnessed in guar seed futures at NCDEX which finally closed Marginally at higher ground. Physical markets of guar seed witnessed steady to marginally lower moves and in Jodhpur market of Rajasthan, Bikaner line 98% whitish guar seed was available at Rs.1575 per quintal, marginally lower from previous day price level. Guar seed was sold at Rs.1475 per quintal in Bikaner market today evening. Other markets of guar seed witnessed almost steady trade.

Guar gum NCDEX vayda traded range bound upward during whole day and finished it at almost previous close. Cash markets of guar gum also did not witness any fluctuation and guar gum was sold at Rs.4025 per quintal in Jodhpur market today.

It was clear weather in Western parts of Rajasthan and amid this, guar seed and guar gum traded marginally higher. It is still expected to move further upward but according to Government's weather forecast, isolated rains are expected at few places in western Rajasthan during next 2 days and if it witness good rains tomorrow, prices may slip slightly down.

### Salient points of the day

- Guar seed as well as guar gum traded range bound upward though in a narrow range.
- Mainly clear weather in western Rajasthan.
- Cloudy and rainy weather at few places in eastern Rajasthan.
- Prices are expected to move range bound marginally downward after initial firm steps in the morning.

Commodity	Centres	16.07.05	18.07.05	Change
Guar seed: Bikaner		1490	1475	-15
	Jodhpur-B line	1585	1575	-10
	Jodhpur-M line	1560	1550	-10
	Nokha	1400	1390	-10
	Alwar	1300	1300	0
	Khairthal	1300	1300	0
	Ganganagar	1450	1450	0
Guar Gum:		4025	4025	0

## Bikaner Guar Vayda

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	305.4	305.5	303	-2.4
Sep.	306.3	307.8	306	-0.3

### Price movements at Bikaner Vayda

Bikaner guar vayda today opened firm and traded upward in range bound through out the day but closed at marginally lower level at last. July contract opened at 305.5 and closed at 303, down by Rs.15 per quintal where as September contract which also opened firm at 307.8, closed at 306.3, witnessed almost similar close as previous one.

## WEATHER WATCH

### Current Weather Situation (18-07-05)

#### PROGRESS OF MONSOON;

Yesterday's upper air cyclonic circulation over north interior Karnataka and neighbourhood now lies over Telangana & neighbourhood and extends between 1.5 & 4.5 km above sea level tilting southwestwards with height. The other upper air cyclonic circulation over west Uttar Pradesh and neighbourhood persists and extends upto 0.9 km above sea level. The upper air cyclonic circulation over Punjab and neighbourhood now lies over central Pakistan and adjoining northwest Rajasthan and extends upto 1.5 km above sea level. The axis of the monsoon trough at sea level passes through Ganganagar, Delhi, Lucknow, Gaya and thence Tejpur of Assam.

#### Forecast for Next 24 Hours

North: Rain/thundershowers likely at many places over Uttaranchal and west Uttar Pradesh; at a few places in the east Uttar Pradesh and isolated in the rest region.

East: Rain/thundershowers likely at many places over northeastern states and sub-himalayan West Bengal & Sikkim and at a few places in the rest of the region outside Chhattisgarh, Jharkhand, gangetic West Bengal and Orissa where it may be at isolated places.

South: Rain/thundershowers likely at a many places in coastal Karnataka and Kerala; at a few places in interior Karnataka and isolated in the rest region.

West: Rain/thundershowers likely at many places over Konkan & Goa, east Rajasthan and west Madhya Pradesh; at a few places in the rest region outside west Rajasthan, Gujarat state, Vidarbha and Marathwada where it may be isolated. Further decrease in rainfall over west Madhya Pradesh and east Rajasthan by 20th July.

#### Outlook for subsequent two days :

Ongoing rainfall activity over northeastern states and sub-himalayan West Bengal & Sikkim is likely to continue. Ongoing rainfall activity over peninsula India is likely to continue and extends further to central India.

**Heavy Rainfall Warning**

Heavy to very heavy rainfall likely at a few places over sub-himalayan West Bengal & Sikkim and northeastern states. Isolated heavy rainfall also likely over Uttaranchal, west Uttar Pradesh and coastal Karnataka.

Source: GOI

**EXCHANGE RATE**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.54
European Union	Euro	52.56
United Kingdom	GBP	76.39
Japan	100 Yen	38.83

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