

GUAR SEED and GUAR GUM

July 07, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded downward
- Guar vayda witnessed range bound downward trade

TECHNICAL ANALYSIS

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

Candlestick:

Formation of Candlestick pattern is indicating towards marginally weaker opening and range bound trade on Friday.

Stochastic:

The stochastic has come down from overbought region, %K has crossed %D line from above and expecting slight weakness in the prices tomorrow.

MACD:

The MACD (5-day) is moving upward, and now has crossed its EMA from below, indicating that prices may go marginally upward.

Alignment pattern:

The alignment pattern of moving averages is not giving any clear cut indication for further movement in prices.

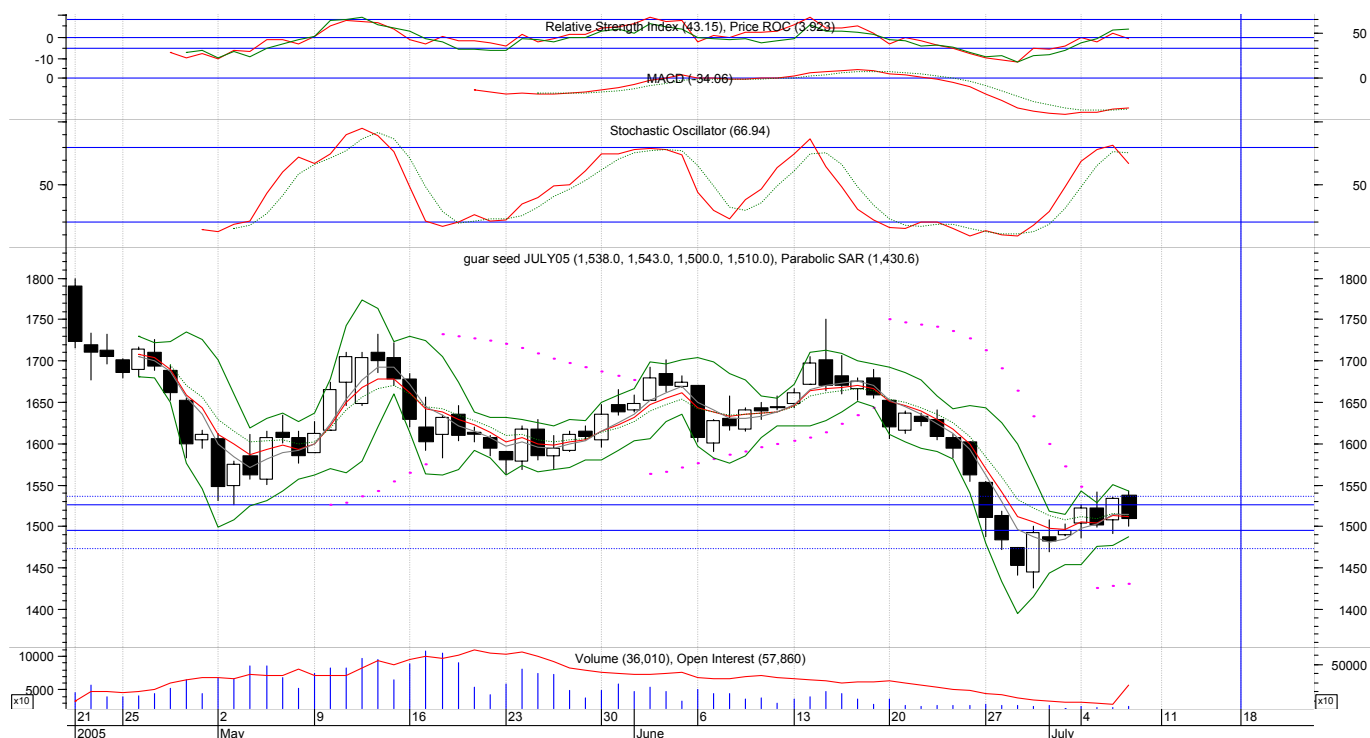
Guar seed future traded range bound and settled slightly lower. It is expected to open steady and trade marginally downward next day.

Market outlook:

- Guar seed prices are expected to open weaker and witness range bound trade, downward initially and marginally upward thereafter on Friday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1495	1473	1526	1536
August	1513	1489	1545	1559



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

NCDEX July Contract

Candlestick:

Formation of Candlestick pattern is indicating towards weaker opening and range bound trade on Friday.

Stochastic:

The stochastic coming down, %K has crossed %D line from above, expecting downward move in prices.

MACD:

The MACD (5-day), has crossed its EMA from below, and moving upward and still expecting marginally upward movements.

Alignment pattern:

The alignment pattern of moving averages is slightly hinting for marginal improvement tomorrow.

Guar gum July contract traded range bound downward and settled at lower level. Guar gum is expected to open steady and trade in range bound marginally downward next day.

Market outlook:

- Guar gum is expected to open weaker and move downward initially and range bound upward thereafter on Friday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3947	3894	4025	4061
August	4010	3965	4091	4123



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened firm, traded range bound downward throughout the day and finished lower at the end. There was light rainfall in Jodhpur during day. Physical markets traded behind futures and finished lower though witnessing slight buying support. Guar seed is not arriving to the markets at these low prices and hence gum is witnessing the demand. Guar seed in Jodhpur market, was available at Rs.1550 per quintal during evening today. In Bikaner market, it fluctuated in narrow range and was sold at Rs.1480 per quintal today evening. All other markets also witnessed slightly lower prices of guar seed. Alwar and Khairthal markets were closed amid protest against recent terrorist attack in Ayodhya. Alwar and Khairthal and surrounding areas were witnessing heavy rainfall since yesterday.

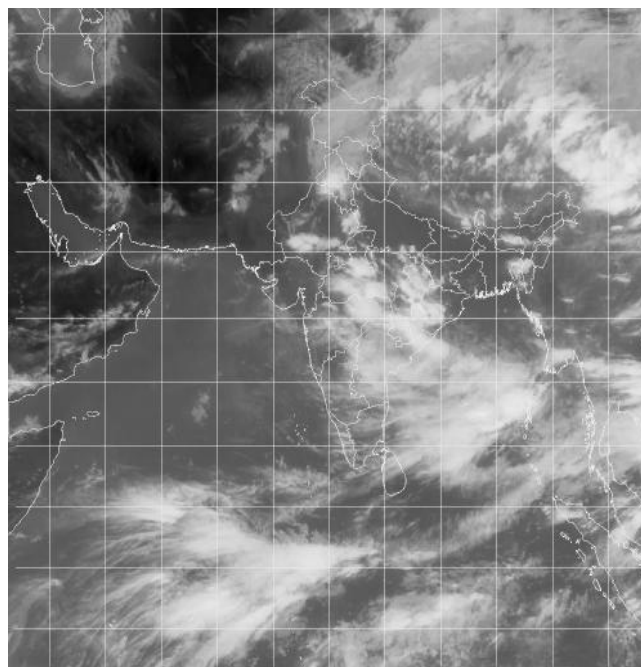
Guar gum futures at NCDEX traded range bound downward through out the day after a firm opening and closed at lower level. Guar gum physical markets also traded on the same path and in Jodhpur market, guar gum was sold at Rs.4000 per quintal during evening hours, though it was sold at Rs.4075 per quintal in the morning.

Salient points of the day

- Heavy rainfall in parts of Eastern Rajasthan, light showers in Jodhpur.
- Guar seed as well as guar gum traded range bound downward.
- Poor arrival of guar seed in cash markets at these lower prices.
- Slight buying support is being witnessed in cash markets of guar seed and gum

Commodity Centres	06.07.05	07.07.05	Change
Guar seed: Bikaner	1490	1480	-10
Jodhpur-B line	1480	1450	-30
Jodhpur-M line	1450	1520	-30
Nokha	1410	1390	-20
Alwar	1310	Closed	-
Khairthal	1310	Closed	-
Ganganagar	1465	1440	-25
Guar Gum:	4050-60	4000	-60

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	303.6	304.6	298.6	-5
Sep.	307.1	306.8	302	-5.1

Price movements at Bikaner Vayda

Bikaner guar vayda today opened firm and after initial higher moves, it traded range bound downward and settled at lower level. July contract of Bikaner guar vayda opened at 304.6 and closed at 298.6, down by Rs.30 per quintal from previous close. September contract opened at 306.8 and closed at 302, again down by Rs.30.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (07-07-05)

PROGRESS OF MONSOON;

Yesterday's well marked low pressure area over southwest Uttar Pradesh and adjoining East Rajasthan further weakened into a low pressure area over north-east Rajasthan and adjoining Haryana. It is likely to move in a west northwesterly direction and weaken further. Associated cyclonic circulation extends upto 5.8km above sea level. The upper air cyclonic circulation over Northwest Rajasthan and neighbourhood has merged with above system. The upper air cyclonic circulation over north-west Bay of Bengal off Gangetic West Bengal-Orissa coast persists and now extends upto 5.8 km above sea level tilting south-westwards with height. The axis of the monsoon trough at sea level passes through Anupgarh, centre of the low, Banda, Daltonganj, Jamshepur, Balasore and thence south-eastwards to north Bay of Bengal. During past 24 hours, Southwest monsoon has been vigorous over Haryana, Punjab, Himachal Pradesh and Jammu & Kashmir and active over West Uttar Pradesh and East Rajasthan. Rain/Thundershowers occurred at most places over Andaman & Nicobar Islands, Coastal Karnataka and Kerala; at many places over Assam & Meghalaya, Nagaland, Mizoram, Manipur & Tripura, Gangetic West Bengal, Orissa, East Uttar Pradesh, Uttaranchal, Madhya Pradesh and Vidarbha and at a few places over Arunachal Pradesh, Jharkhand, West Rajasthan, Chhattisgarh, Konkan & Goa, Madhya Maharashtra, Coastal Andhra Pradesh Telangana and South Interior Karnataka. It was isolated over rest regions of the country outside Saurashtra & Kutch and Lakshadweep where weather was mainly dry dry.

Forecast for Next 24 Hours

NORTH : rain/thundershowers likely at most places over Haryana including Chandigarh & Delhi, Punjab, Himachal Pradesh and Jammu & Kashmir; at many places in the rest region outside east Uttar Pradesh where it may be isolated at a few places with decrease in rainfall activity over these areas after 8th July.

EAST : rain/thundershowers likely at many places over Gangetic West Bengal, Orissa and at a few places in the rest region. Increase in rainfall activity over Gangetic West Bengal, Orissa and Chhattisgarh and decrease over northeastern states on 9th & 10th July.

SOUTH : rain/thundershowers likely at many places over coastal Karnataka and Kerala and at a few places in the rest region outside Tamil Nadu & Pondicherry where it may be isolated. Increase in rainfall over Telangana and coastal Andhra Pradesh on 8th onwards.

WEST : rain/thundershowers likely at most places over east Rajasthan at many places over west Rajasthan and Konkan & Goa and at a few places over rest of the region outside Gujarat state and Marathwada where it may be isolated.

Outlook for subsequent two days :

Rainfall activity over peninsular India and interior Maharashtra is likely to increase slightly. It is also likely to increase over northeastern States, Sub-Himalayan West Bengal & Sikkim and Bihar. No large change is expected over the central parts of the country.

Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Haryana including Chandigarh & Delhi and Punjab and isolated over West Uttar Pradesh and north Rajasthan until 8th evening. Isolated heavy rainfall also likely over West Bengal & Sikkim, Orissa, Konkan & Goa, Coastal Karnataka and Kerala during next 48 hours.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.64
European Union	Euro	52.01
United Kingdom	GBP	76.43
Japan	100 Yen	38.88

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