

## GUAR SEED and GUAR GUM

July 14, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded upward
- Guar vayda continued its firm steps

### 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 Friday.

#### Stochastic:

The stochastic has changed its direction, %K line, though lying below %D line but today started moving upward in neutral region and expecting marginal firmness in the prices.

#### 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 indicating towards weakness in prices.

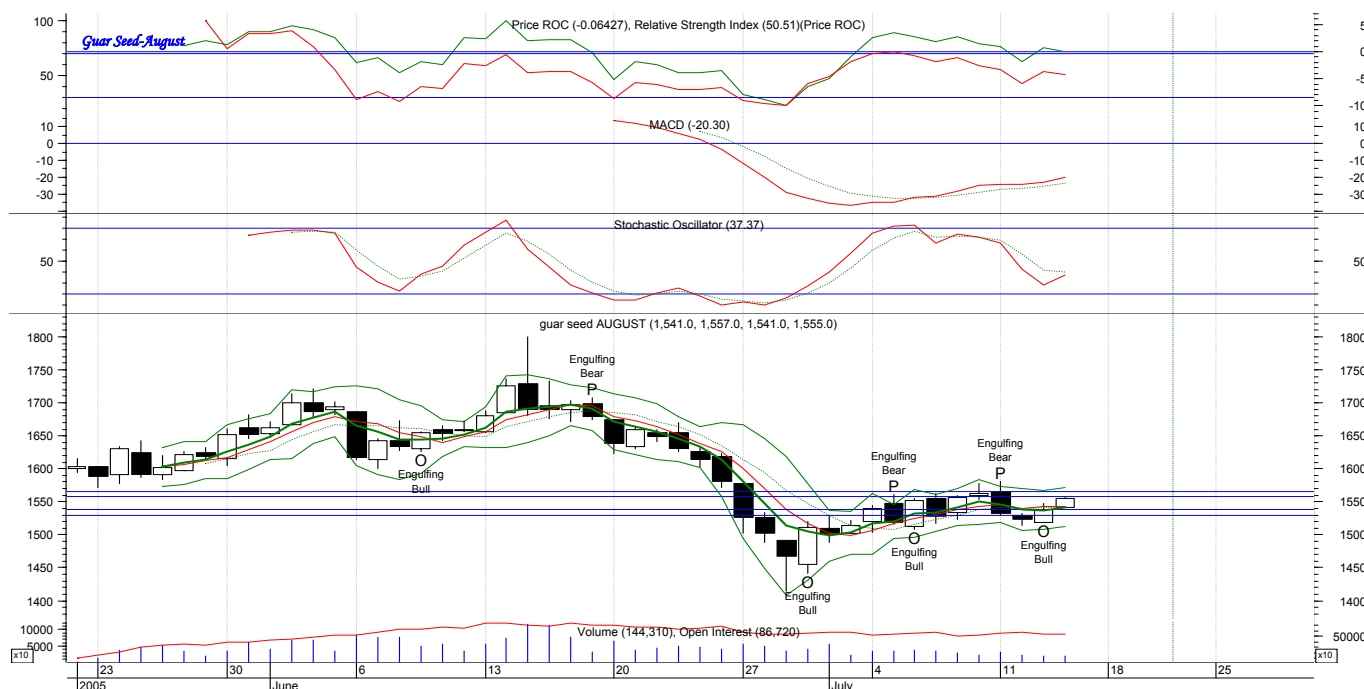
Guar seed future traded range bound and settled higher. It is expected to trade range bound after a firm opening next day.

#### Market outlook:

- Guar seed prices are expected to open firm and trade marginally downward with range bound movements on Friday. It is advisable to watch **initial movements** carefully and take the step accordingly.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1525	1514	1541	1549
August	1538	1530	1559	1566
Sept.	1555	1548	1574	1580



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 Friday.

#### Stochastic:

The stochastic has started moving upward, %K line is lying below %D line but moving upward, expecting marginal firmness in the market prices.

#### MACD:

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

#### Alignment pattern:

The alignment pattern of moving averages is not giving any clear cut signal for price movement for next day.

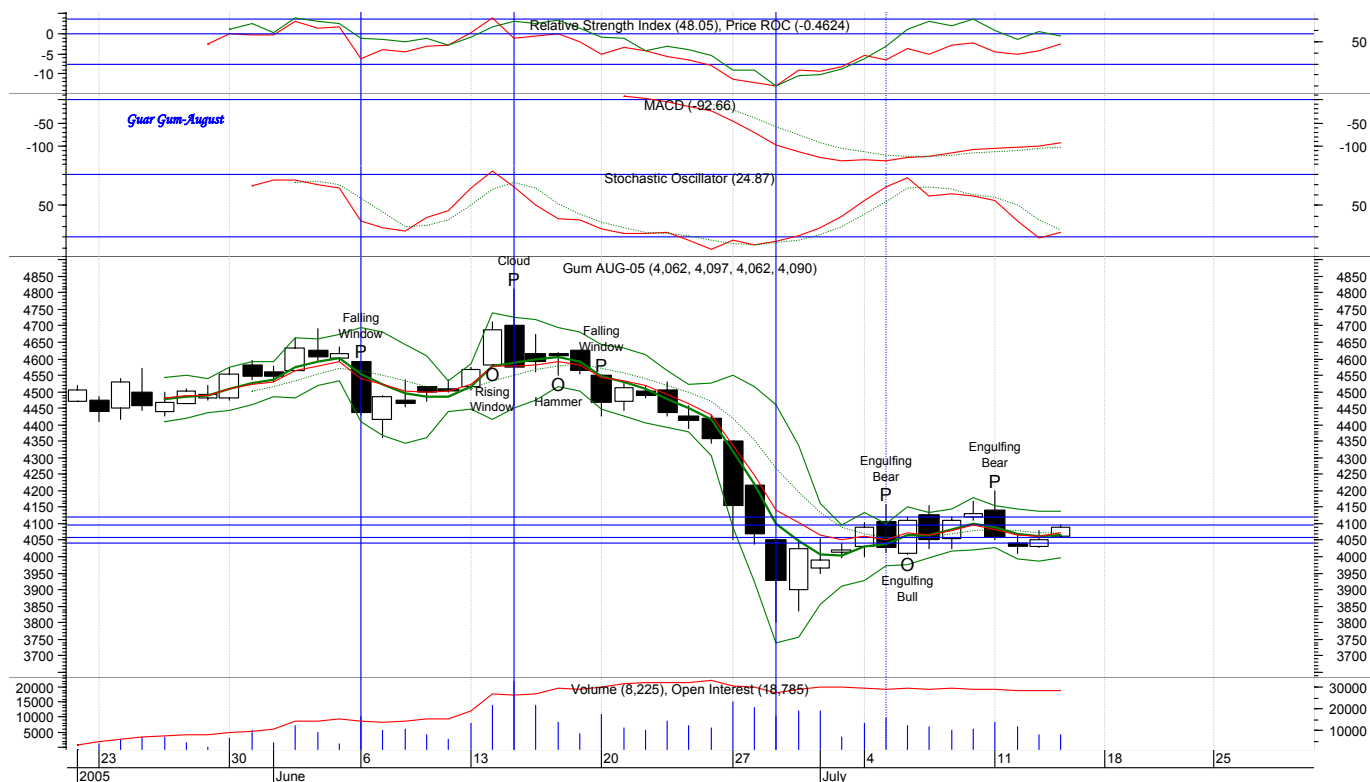
Guar gum traded range bound upward and settled higher. It is expected to open firm and trade range bound downward tomorrow.

#### Market outlook:

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

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3969	3952	4008	4025
August	4058	4040	4097	4120
Sept.	4136	4112	4176	4195



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX witnessed range bound upward trade after a firm opening today morning, and finally ended higher than previous close. Following the futures, physical markets of guar seed also tried to move upward but not much strength was witnessed over there and they traded almost steady today. Bikaner line 98% whitish guar seed moved marginally up and was available at Rs.1580-90 per quintal during evening in Jodhpur today. Bikaner market witnessed firm prices of guar seed where it was sold at Rs.1490 per quintal. Other markets also witnessed marginally higher prices of guar seed today.

Guar gum future contracts at NCDEX opened firm and traded range bound upward before it closed at higher ground. Following future markets, cash markets of guar gum also improved and it was sold at Rs.4050-4075 per quintal in Jodhpur market today.

It rained heavily, though isolated, in some eastern parts of Rajasthan. Jaipur region witnessed heavy rains, Churu also felt good rains where as Ganganagar and Hanumangarh witnessed light showers today. Western parts were dry mostly though light clouds were observed in Jodhpur. There are chances of light drizzles in Jodhpur and Bikaner tonight, as per sources. For tomorrow's trade, prices of guar seed are expected to open firm and trade downward with slight range bound upward moves in between.

### Salient points of the day

- Guar seed as well as guar gum opened firm and traded range bound upward.
- Clear weather in western Rajasthan, isolated heavy rains in eastern Rajasthan.
- Prices are expected to move range bound downward for tomorrow's trade.

Commodity	Centres	13.07.05	14.07.05	Change
Guar seed: Bikaner		1475	1490	+15
	Jodhpur-B line	1580	1580-9	+10
	Jodhpur-M line	1555	1565	+10
	Nokha	1410	1410	0
	Alwar	1310	1315	+5
	Khairthal	1310	1315	+5
	Ganganagar	1450	1460	+10
Guar Gum:		4025	4050-75	+50

## Bikaner Guar Vayda

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	299.9	299.6	300.2	+0.3
Sep.	301.5	301.5	305	+3.5

### Price movements at Bikaner Vayda

Bikaner guar vayda today opened almost steady and traded range bound upward for whole day and closed at higher level. July contract opened at 299.6 and closed at 300.2, almost equal to previous close. September contract opened steady at 301.5 but moved higher and closed at 305, up by Rs.17.5 per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (14-07-05)

#### PROGRESS OF MONSOON;

A cyclonic circulation has formed over Bangladesh and neighbourhood and extends upto 1.5 km above sea level. Another upper air cyclonic circulation lies over southwest Bay of Bengal and extends upto 3.1 km above sea level. Yesterday's upper air cyclonic circulation over west Uttar Pradesh and neighbourhood persists and now extends upto 2.1 km above sea level. The upper air cyclonic circulation over northwest Rajasthan and neighbourhood also persists and extends upto 1.5 km above sea level. The axis of the monsoon trough at sea level passes through Anoopgarh, Pilani, Kanpur, Gaya, Santiniketan and thence southeastwards to east-central Bay of Bengal. Southwest monsoon has been vigorous over Gangetic West Bengal and active over Jharkhand, Bihar and east Rajasthan. Rain/thundershowers occurred at most places over Sub-Himalayan West Bengal & Sikkim, West Uttar Pradesh, Uttaranchal coastal Karnataka and Lakshadweep; at many places over Andaman & Nicobar Islands, Northeastern States, Orissa, east Uttar Pradesh, Himachal Pradesh, Konkan & Goa and Kerala and at a few places over Chhattisgarh, Jammu & Kashmir, Haryana, West Rajasthan, Madhya Pradesh, Gujarat region, Vidarbha and South Interior Karnataka. It was isolated over rest regions of the country.

#### Forecast for Next 24 Hours

Rain/thundershowers are likely at most places over Northeastern States and West Bengal & Sikkim ; at many places over Orissa, Jharkhand, Bihar, Madhya Pradesh, north Uttar Pradesh Uttaranchal, Himachal Pradesh and East Rajasthan. It may be at a few places over rest region of the country outside Gujarat State, interior Maharashtra, Andhra Pradesh, interior Tamil Nadu and Interior Karnataka where it may be isolated. Decrease in rainfall activity likely over Madhya Pradesh, Chhattisgarh, Haryana, Punjab, south Uttar Pradesh, East Rajasthan after 15th while it may increase over Tamil Nadu, south Andhra Pradesh, Kerala and South Interior Karnataka.

#### Outlook for subsequent two days :

Further increase in rainfall activity over southern parts of peninsular India.

Current rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim, Bihar, north Uttar Pradesh and Western Himalayan Region likely to continue. Subdued rainfall activity likely over central and western parts of the country.

#### Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over northeastern States, West Bengal & Sikkim. Isolated heavy rainfall likely over Uttaranchal, Himachal Pradesh, Jammu & Kashmir, Bihar, east Rajasthan and north Uttar Pradesh.

Source: GOI

#### EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.50
European Union	Euro	52.67
United Kingdom	GBP	76.61
Japan	100 Yen	38.79

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