

## GUAR SEED and GUAR GUM

July 15, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded upward
- Guar vayda continued the momentum

### 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 Saturday.

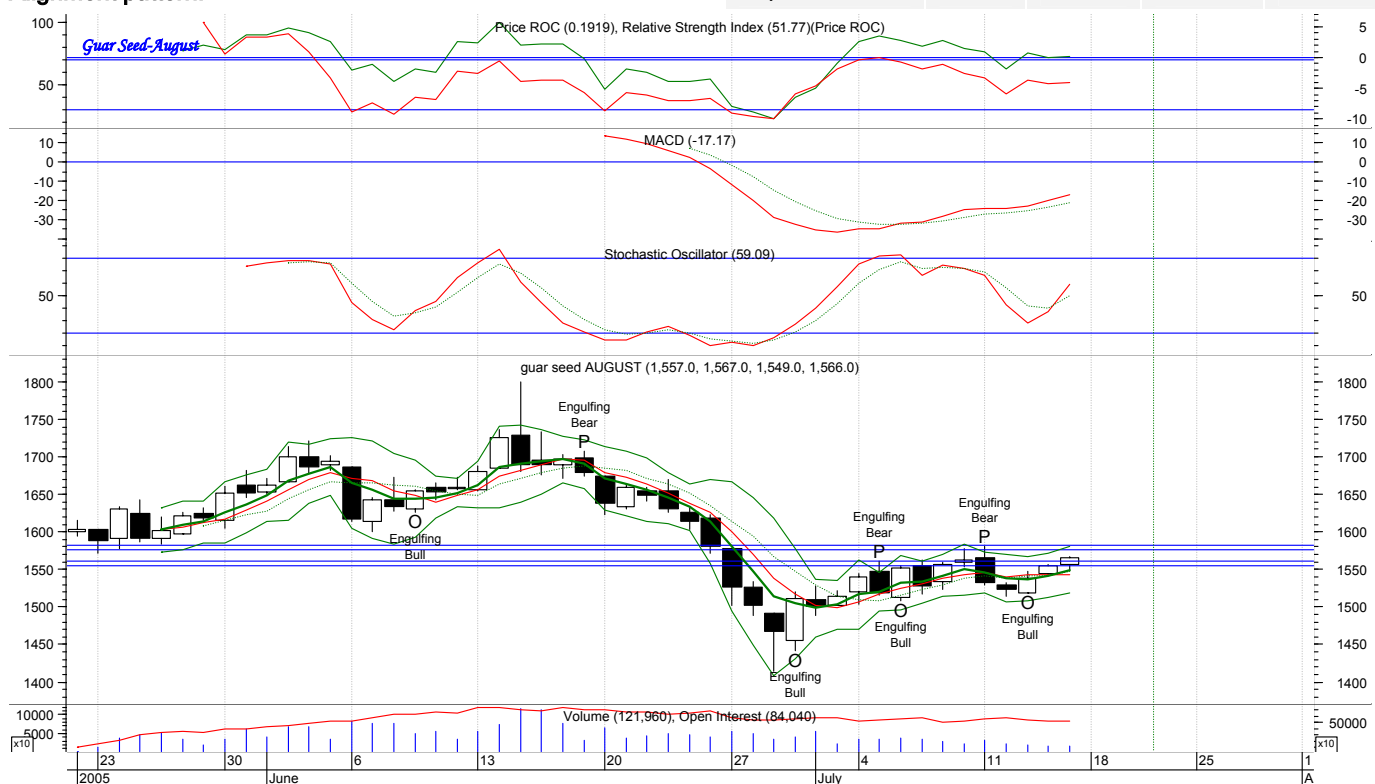
#### Stochastic:

The stochastic is moving upward, %K line is lying above %D line and moving upward in neutral region, expecting upward move in 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 open firm and trade range bound next day.

#### Market outlook:

- Guar seed prices are expected to open firm, trade marginally upward initially and come down later on for Saturday's trade.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1543	1536	1556	1562
August	1561	1555	1576	1582
Sept.	1580	1570	1595	1602

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 Saturday.

#### Stochastic:

The stochastic is moving upward, %K line is lying above %D line and moving upward, expecting marginal firmness in the market prices.

#### 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 indicating towards higher price movement for next day.

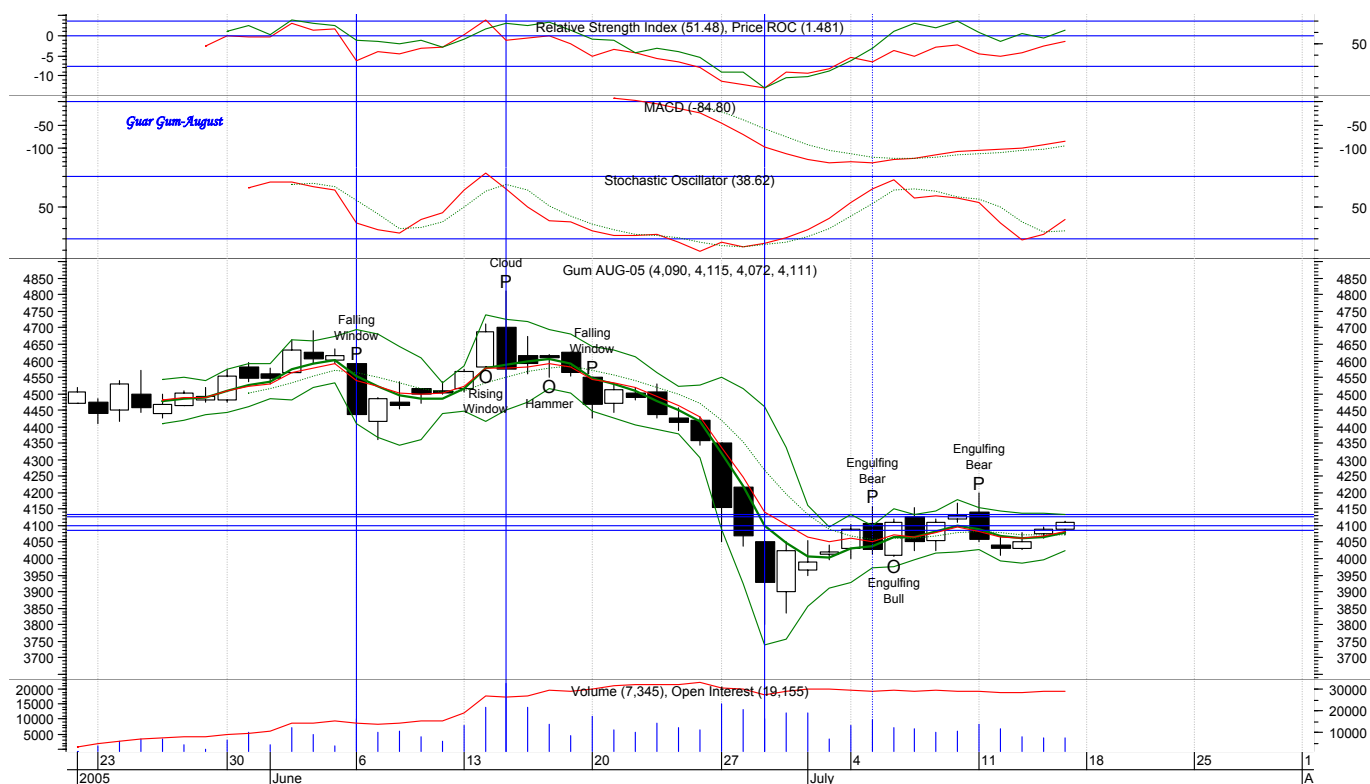
Guar gum traded range bound upward and settled higher. It is expected to open firm and trade range bound upward further.

#### Market outlook:

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

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	4005	3993	4033	4045
August	4098	4087	4125	4135
Sept.	4176	4161	4200	4211



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX continued gaining the momentum though with slow pace and finished at higher ground for 3rd consecutive day. Physical markets of guar seed also traded marginally upward in few major markets and almost steady in other markets. In Jodhpur market, Bikaner line 98% whitish guar seed moved upward and was available at Rs.1600 per quintal during evening trades today. Bikaner market also witnessed marginal strength in guar seed prices and it was sold at Rs.1500 per quintal over there. Other markets of guar seed traded almost steady today.

Guar gum NCDEX vayda opened firm and traded range bound upward and witnessed higher ground. Following future markets, cash markets of guar gum also improved and it was sold at Rs.4075 per quintal in Jodhpur market today. If it remains clear weather still, prices are expected to move further upward.

It was clear weather in Jodhpur and Bikaner and other parts of western Rajasthan, though in Bikaner very light drizzle was witnessed at isolated places during evening after closing of future trades. Clouds over eastern Rajasthan are still there and may produce isolated rains during next 24 hours but rainfall activity is expected to decrease gradually as per IMD forecast. Now guar prices are taking critical movement and if clear and windy weather persists further for next few days, prices may move upward continuously till expiry of the July contract. So, movement during Saturday's and Monday's 1st session of trade are very crucial.

### Salient points of the day

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

Commodity	Centres	14.07.05	15.07.05	Change
Guar seed: Bikaner		1490	1500	+10
	Jodhpur-B line	1580-90	1600	+10
	Jodhpur-M line	1565	1575-80	+15
	Nokha	1410	1410	0
	Alwar	1315	1315	0
	Khairthal	1315	1315	0
	Ganganagar	1460	1460	0
Guar Gum:		4050-75	4075	0

## Bikaner Guar Vayda

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	300.2	302.7	304.9	+4.7
Sep.	305	305.2	307.9	+2.9

### Price movements at Bikaner Vayda

Bikaner guar vayda today opened firm and traded range bound upward for whole day and closed also at higher ground. July contract opened at 302.7 and closed at 304.9, higher by Rs23.5 per quintal from previous close. September contract opened almost steady at 305.2 and moved upward and closed at 307.9, up by Rs.14.5 per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (15-07-05)

#### PROGRESS OF MONSOON;

Yesterday's cyclonic circulation over Bangladesh and neighbourhood persists and now extends upto 3.1 km above sea level. The upper air cyclonic circulation over southwest Bay of Bengal persists and now extends upto mid-tropospheric level. The axis of the monsoon trough at sea level passes through Anoopgarh, Alwar, Kanpur, Gaya, Calcutta and thence southeastwards to eastcentral Bay of Bengal. Yesterday's upper air cyclonic circulation over west Uttar Pradesh and neighbourhood merged with seasonal trough. The upper air cyclonic circulation over northwest Rajasthan and adjoining Pakistan persists and now extends upto 3.1km above sea level.

#### Forecast for Next 24 Hours

North: Rain/thundershowers likely at many places over Uttaranchal, east Uttar Pradesh and Himachal Pradesh and at few places in the rest region.

East: Rain/thundershowers likely at most places over northeastern state, Bihar, Jharkhand and West Bengal & Sikkim and at many places in the rest of the region.

South: Rain/thundershowers likely at a many places in the region outside Telangana, coastal Andhra Pradesh, north interior Karnataka where it may be at a few places.

West: Rain/thundershowers likely at many places over east Rajasthan and west Madhya Pradesh at a few places in the rest region outside Gujarat state and west Rajasthan where it may be at isolated places.

#### 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 and Bihar likely to continue. Current rainfall activity over plains of northwestern parts of India and western himalayan region likely to decrease.

**Heavy Rainfall Warning**

Heavy to very heavy rainfall likely at a few places over northeastern states, West Bengal & Sikkim. Isolated heavy rainfall also likely over Uttaranchal, Himachal Pradesh, Bihar, Jharkhand, Orissa, west Madhya Pradesh and east Rajasthan.

Source: GOI

**EXCHANGE RATE**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.52
European Union	Euro	52.78
United Kingdom	GBP	76.69
Japan	100 Yen	38.83

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