

## GUAR SEED and GUAR GUM

July 08, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound
- Guar vayda witnessed range bound trade and settled higher

### 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 has changed its curvature, %K line is moving upward, still below %D line and lying in neutral region, expecting marginal weakness in the prices tomorrow.

#### MACD:

The MACD (5-day) is moving upward and lying above its EMA, indicating that prices may crawl higher.

#### Alignment pattern:

The alignment pattern of moving averages is still not confirming the movement in prices.

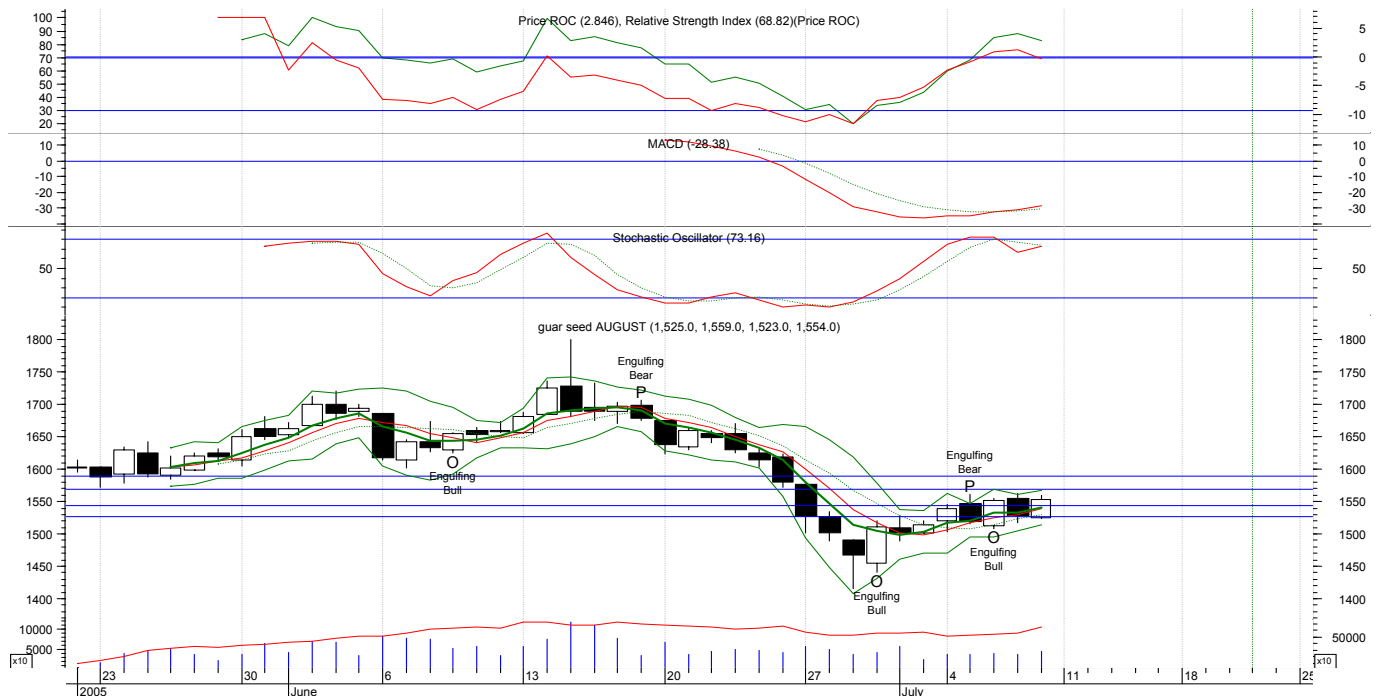
Guar seed future traded range bound and settled higher. It is expected to open steady and trade range bound next day.

#### Market outlook:

- Guar seed prices are expected to open firm and witness range bound trade, upward initially and range bound thereafter on Saturday. Once it reaches near to 2<sup>nd</sup> resistance level, prices may come down sharply.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1544	1427	1570	1589
Sept.	1559	1545	1587	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 slightly changing its curvature, %K line is lying below %D line, expecting marginally 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 hinting for higher prices on next day.

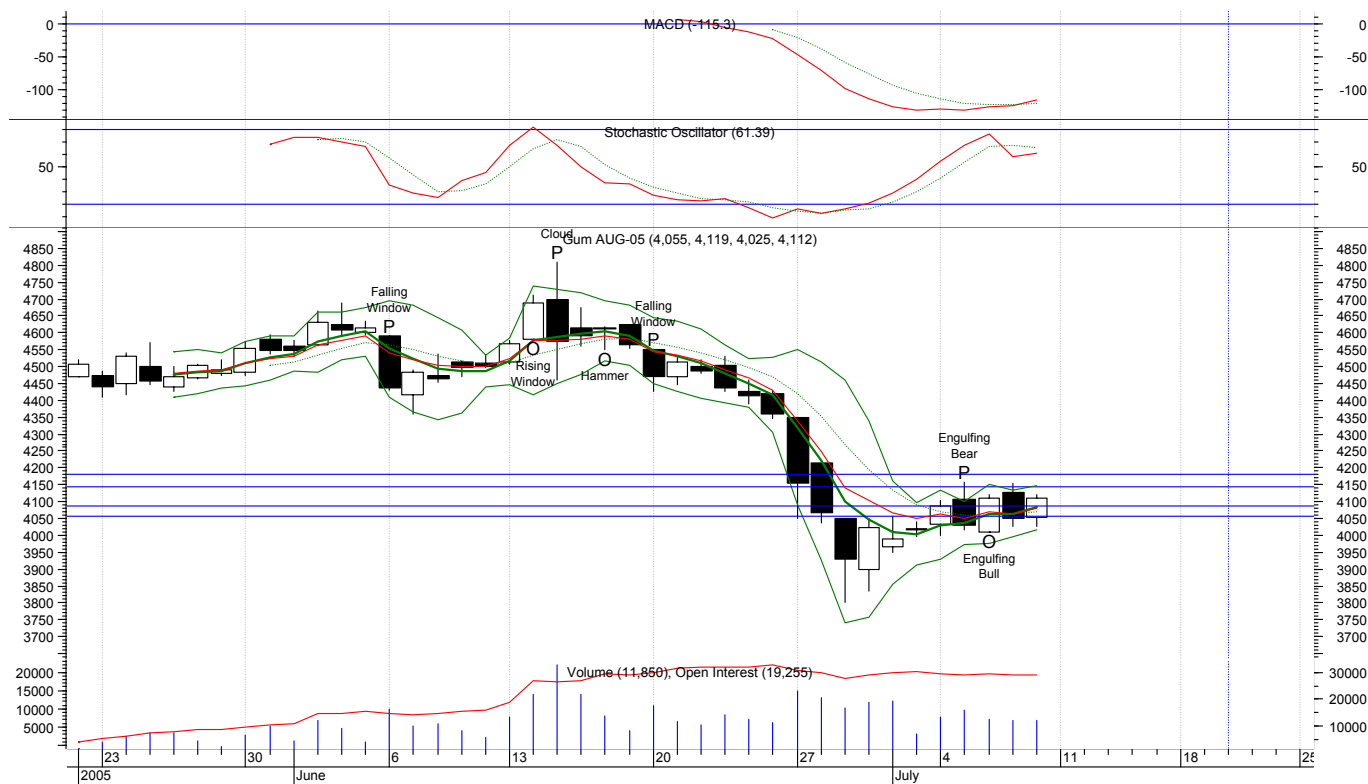
Guar gum July contract traded range bound and settled at higher level. Guar gum is expected to open steady and trade in range bound next day.

**Market outlook:**

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

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	4085	4057	4145	4181
Sept.	4162	4125	4224	4264



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX traded range bound towards lower side almost for all trading sessions but moved upward during last hour of the trade and settled at higher level at the end. It was almost clear to very light clouds all over the Rajasthan and surrounding states except M.P., and amid this, guar seed took a higher step today. Physical markets also followed the futures and moved higher. Slight buying supports were also being witnessed in cash markets. Bikaner line 98% whitish guar seed was available at Rs.1580 per quintal in Jodhpur market during evening today. In Bikaner market, guar seed was marginally firm and was sold at Rs.1500 per quintal. Other markets also witnessed marginally higher ground today as compared to previous day price level.

Guar gum futures traded range bound in narrow range through out the day and finally closed at higher level after it moved upward during last hour of trade. Guar gum was available at Rs.4475 per quintal during evening today in Jodhpur market.

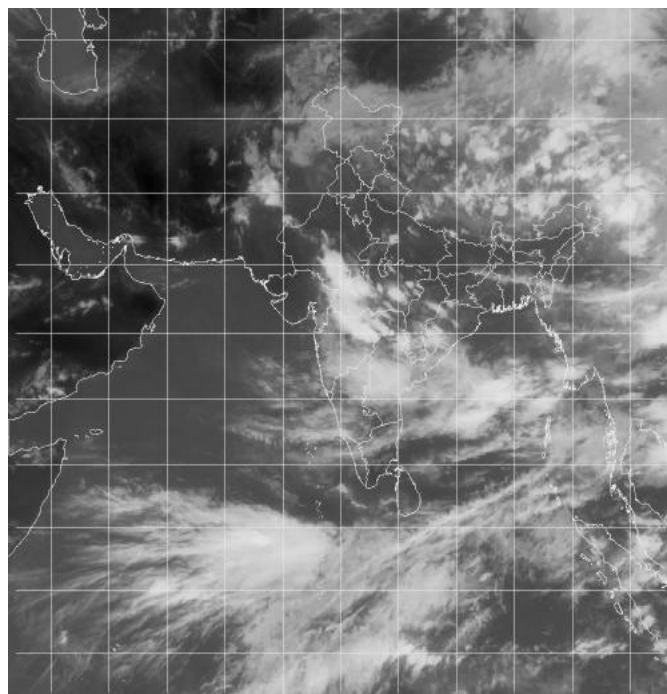
Guar markets were hesitant in taking any confirm move and were moving in narrow range through out the day. Amid the sentiment that the weather was clear almost during whole day and no heavy rains was witnessed in any guar growing areas, market took firm steps and crawled higher towards evening. If tomorrow also, clear weather is observed in western Rajasthan, prices may move further upward but now it is appearing to take downward moves thereafter. It may take higher moves tomorrow and may go marginally upward on Monday morning also but after that it is expected to come down.

### Salient points of the day

- Almost clear weather in the Rajasthan for whole day except in Kota, Bundi and Bhilwara areas where slight rainfall were witnessed during afternoon.
- Guar seed as well as guar gum traded range bound upward.
- Poor arrival of guar seed in cash markets at these lower prices.
- During evening, slight buying support is being witnessed in cash markets of guar seed and gum.

Commodity Centres	07.07.05	08.07.05	Change
Guar seed: Bikaner	1480	1500	+20
Jodhpur-B line	1550	1580	+30
Jodhpur-M line	1520	1550	+30
Nokha	1390	1400	+10
Alwar	Closed	1310	-
Khairthal	Closed	1310	-
Ganganagar	1440	1450-55	+15
Guar Gum:	4000	4075	+75

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
Sep.	302	302.6	306.4	+4.4

#### Price movements at Bikaner Vayda

Bikaner guar vayda today opened steady to firm and after initial downward moves, it traded range bound throughout the day and settled finally at higher level. September contract today opened firm at 302.6 and closed at 306.4, higher by Rs.22.5 per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (08-07-05)

#### PROGRESS OF MONSOON;

Yesterday's low pressure area over northeast Rajasthan and adjoining Haryana has become less marked. However, associated upper air cyclonic circulation now lies over northwest Rajasthan & neighbourhood and extends upto 5.8 km above sea level. The increased rainfall activity over northwest India has decreased considerably. The upper air cyclonic circulation over northwest Bay of Bengal off

Gangetic West Bengal-Orissa coast now lies over northwest and adjoining westcentral Bay of Bengal off Orissa-Andhra Pradesh coast extending upto 5.8 km above sea level tilting southwestwards with height. The axis of the monsoon trough at sea level passes through Ganganagar, Alwar, Gwalior, Rewa, Ambikapur, Chandbali and thence southeastwards to eastcentral Bay of Bengal. During past 24 hours, outhwest monsoon has been vigorous over Jammu & Kashmir and active over West Rajasthan, East Madhya Pradesh, Chhattisgarh and Vidarbha. Rain/Thundershower occurred at most places over Haryana, Telangana and Kerala; at many places over Sub-Himalayan West Bengal & Sikkim, Orissa, Punjab and West Madhya Pradesh; at a few places over Andaman & Nicobar Islands, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Mizoram, Manipur & Tripura, Gangetic West Bengal, Himachal Pradesh, East Rajasthan, Konkan & Goa, Madhya Maharashtra, Marathawada and Coastal Andhra Pradesh. It was isolated over rest regions of the country outside Bihar, Jharkhand, Saurashtra & Kutch, Rayalaseema and Lakshadweep where weather was mainly dry.

#### Forecast for Next 24 Hours

Rain/thundershowers are likely at many places over Orissa, north Coastal Andhra Pradesh and Telangana at a few places over Andaman & Nicobar Islands, Northeastern States, West Bengal & Sikkim, Chhattisgarh, Jammu & Kashmir, Himachal Pradesh, Madhya Pradesh, Konkan and Goa, Madhya Maharashtra, Marathawada, Vidarbha, Rayalaseema, Coastal & North Interior Karnataka, Kerala and Lakshadweep. It may be isolated over the remaining parts of the country. The rainfall activity over Orissa,

Chhattisgarh, Coastal Andhra Pradesh and Telangana is likely to increase during next 48-72 hours.

#### Outlook for subsequent two days :

Rainfall activity over peninsular India including Maharashtra is likely to increase. It is likely to remain subdued over plains of northwest and northern India whereas it may increase over the northeastern States.

#### Heavy Rainfall Warning

Isolated Heavy rainfall likely over North Coastal Andhra Pradesh, Orissa and Telangana.

Source: GOI

#### EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.63
European Union	Euro	52.02
United Kingdom	GBP	75.99
Japan	100 Yen	38.85

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