

GUAR SEED and GUAR GUM

July 13, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded upward
- Guar vayda rested on firm ground

TECHNICAL ANALYSIS

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

Candlestick:

Formation of Candlestick pattern is indicating towards steady opening and range bound trade on Thursday.

Stochastic:

The stochastic is moving downward, %K line is lying below %D line in neutral region and approaching towards oversold region, expecting marginal weakness in the prices.

MACD:

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

The alignment pattern of moving averages is indicating towards firmness in prices.

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

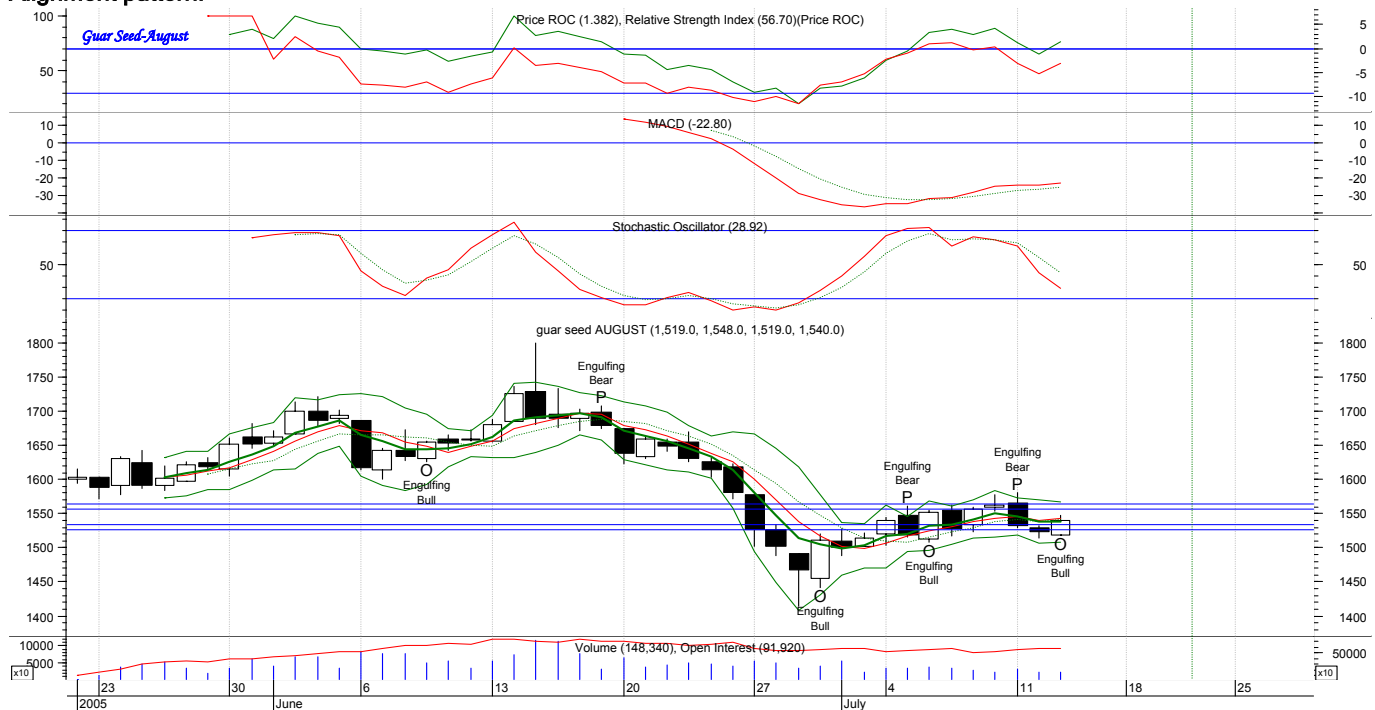
Market outlook:

- Guar seed prices are expected to open steady, trade range bound moves initially and upward thereafter on Thursday. 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	1522	1514	1542	1549
August	1534	1526	1556	1564
Sept.	1548	1538	1572	1581

Alignment pattern:



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

Candlestick:

Formation of Candlestick pattern is indicating towards steady opening and range bound trade on Thursday.

Stochastic:

The stochastic is moving downward, %K line is lying below %D line, still expecting marginal weakness in the market prices.

MACD:

The MACD (5-day), is moving upward above its EMA but has flattened now, still expecting slight strength in prices.

Alignment pattern:

The alignment pattern of moving averages is hinting for weaker prices on next day.

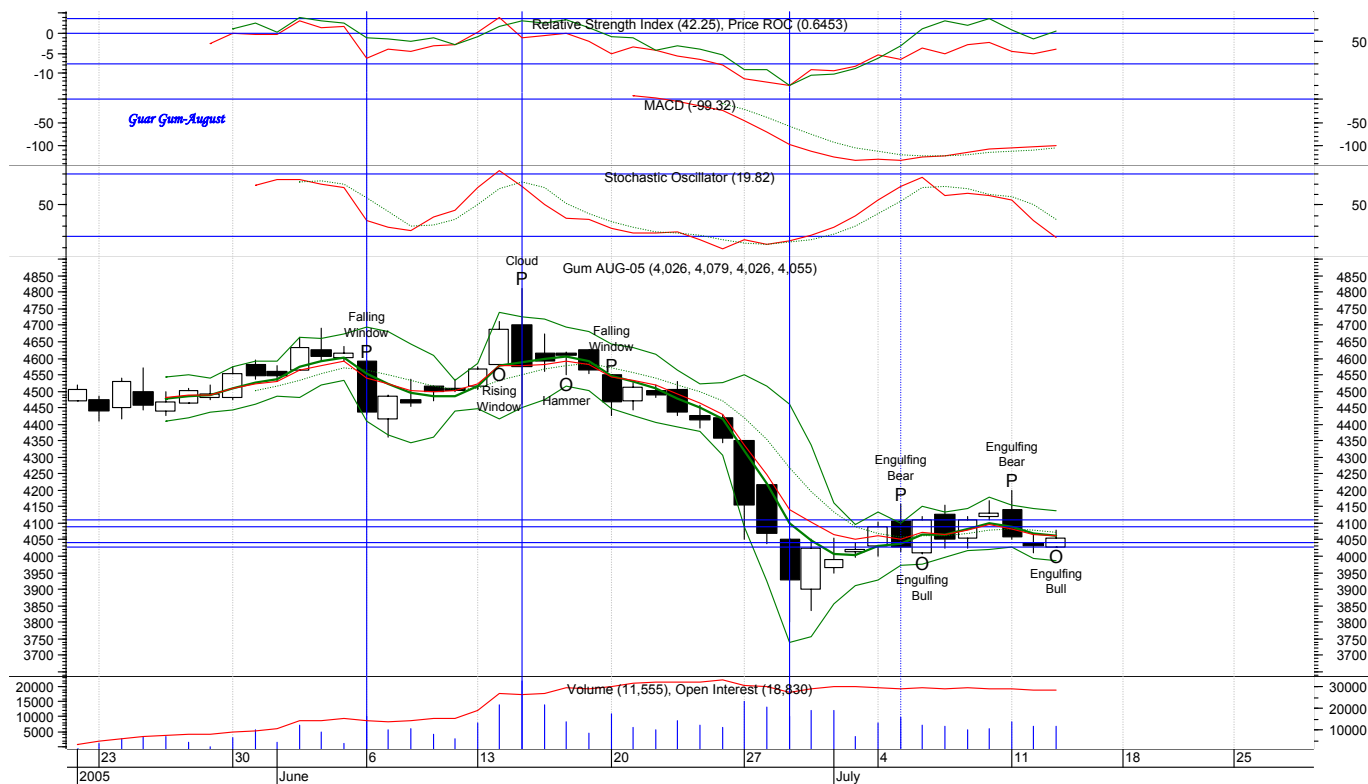
Guar gum traded range bound upward and settled higher. It is expected to open firm and trade in range bound next day.

Market outlook:

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

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3962	3947	4003	4019
August	4042	4029	4088	4109
Sept.	4128	4108	4169	4191



MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened weaker and traded upward with range bound movements, almost through out the day and finished slightly higher than previous close. Physical markets of guar seed followed the futures and witnessed marginal strength in their prices. Bikaner line 98% whitish guar seed moved marginally up and was available at Rs.1580 per quintal during evening in Jodhpur today. Bikaner market witnessed firm prices of guar seed where it was sold at Rs.1475 per quintal. Other markets also witnessed steady to slightly firm prices of guar seed today.

Guar gum futures at NCDEX opened marginally weaker and traded range bound towards higher side and closed higher than previous day's close. Following future markets, cash markets of guar gum improved marginally and in Jodhpur market, it was traded in the range of Rs.4000-4025 per quintal and was available at Rs.4025 per quintal during evening.

Light rain showers were witnessed in Ganganagar and Hanumangarh area where as good rains were witnessed in Jaipur, Alwar, Khairthal etc. where as western parts of Rajasthan viz., Jodhpur, Jaisalmer etc. were dry today. It rained heavily in some parts of Haryana yesterday. According to IMD's prediction rainfall activity is expected to reduce further in eastern parts of Rajasthan from tomorrow onwards. Prices of guar seed are expected to witness slightly higher ground tomorrow also though they may show marginal weakness initially after a firm opening.

Salient points of the day

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

Commodity Centres	12.07.05	13.07.05	Change
Guar seed: Bikaner	1460	1475	+15
Jodhpur-B line	1550-55	1585	+30
Jodhpur-M line	1530	1555	+25
Nokha	1390	1410	+20
Alwar	1300	1310	+10
Khairthal	1300	1310	+10
Ganganagar	1430-40	1450	+10
Guar Gum:	4000	4025	+25

Bikaner Guar Vayda

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	296.5	299	299.9	+3.4
Sep.	299.5	301.5	301.5	+2

Price movements at Bikaner Vayda

Unlike NCDEX, Bikaner guar vayda today opened firm and traded range bound upward for whole day and closed higher at the end. July contract opened at 299 and closed at 299.9, up by Rs.17 per quintal from previous close. September contract also opened firm at 301.5 and closed at 301.5, after witnessing higher ground by Rs.10 Per quintal as compared to previous close.

WEATHER WATCH

Current Weather Situation (13-07-05)

PROGRESS OF MONSOON;

Yesterday's upper air cyclonic circulation over West Uttar Pradesh and neighbourhood extending upto 5.8 km above sea level persists. The other upper air cyclonic circulation over Punjab and adjoining northwest Rajasthan now lies over northwest Rajasthan and neighbourhood and extends upto 3.1 km above sea level. The axis of the monsoon trough at sea level passes through Anoopgarh, Aligarh, Lucknow, Gaya, Sagar Islands and thence southeastwards to eastcentral Bay of Bengal. Southwest monsoon has been active over Arunachal Pradesh, Gangetic West Bengal, Jharkhand, Bihar, Uttar Pradesh, Jammu & Kashmir and Konkan & Goa. Rain/thundershowers occurred at most places over Assam & Meghalaya, Sub-Himalayan West Bengal & Sikkim, Uttaranchal and Coastal Karnataka; at many places over Nagaland, Mizoram, Manipur & Tripura, Orissa, Himachal Pradesh and Lakshadweep and at a few places over Chhattisgarh, Haryana, Chandigarh including Delhi, East Rajasthan, Telangana, Rayalaseema and Interior Karnataka. It was isolated over rest regions of the country outside West Rajasthan and Coastal Andhra Pradesh where weather was mainly dry.

Forecast for Next 24 Hours

North: Rain/thundershowers likely at many places over Uttaranchal, north Uttar Pradesh and Himachal Pradesh and at few places in the rest region. Further decrease in rainfall activity over Haryana, Punjab and south Uttar Pradesh after 14th.

East: Rain/thundershowers likely at many places over northeastern states, Bihar and West Bengal & Sikkim and at a few places in the rest region. Decrease in rainfall activity over gangetic West Bengal, east Madhya Pradesh and Chhattisgarh on 15th.

South: Rain/thundershowers likely at a few places over costal Karnataka; Kerala and Lakshadweep and isolated in the rest region. Increase in rainfall activity over Tamil Nadu and south Andhra Pradesh after 14th.

West: Rain/thundershowers likely at many places over west Madhya Pradesh at a few places over east Rajasthan and Konkan & Goa and at isolated places in the rest region.

Outlook for subsequent two days :

Increase in rainfall activity likely over south Peninsula.

Current rainfall activity along the foothills of Himalayas is likely to continue. Subdued rainfall activity over central and western parts of the country likely to continue.

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 and Jammu Division, Bihar and north Uttar Pradesh.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.52
European Union	Euro	53.16
United Kingdom	GBP	77.22
Japan	100 Yen	39.15

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