

## GUAR SEED and GUAR GUM

July 12, 2005

### MAJOR ACTIVITY HIGHLIGHTS

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

### 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 Wednesday.

#### Stochastic:

The stochastic is moving downward, %K line is moving steeply downward and lying below %D line in neutral region, expecting weaker prices tomorrow also.

#### MACD:

The MACD (5-day) has changed the curvature and has started moving downward though lying above its EMA, weaker prices next day.

#### Alignment pattern:

The alignment pattern of moving averages is now slightly indicating towards downward movement in prices.

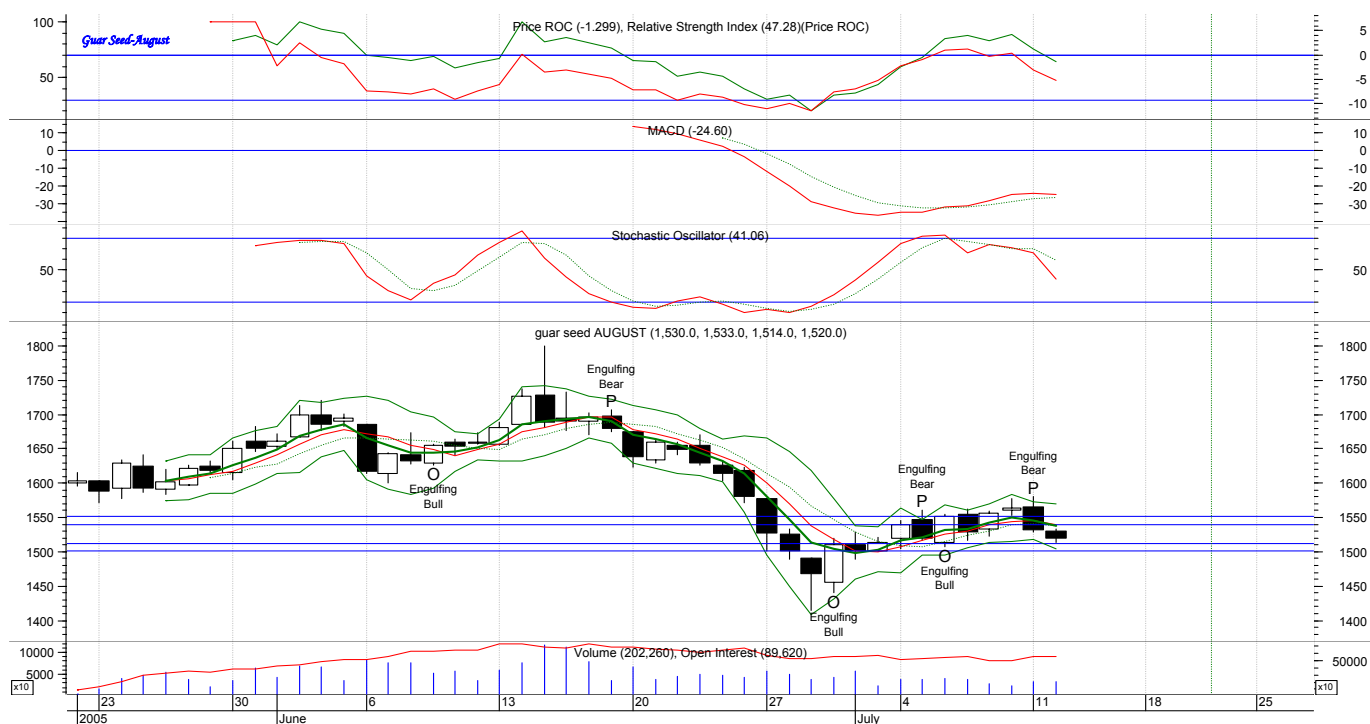
Guar seed future traded range bound and settled lower. It is expected to open steady and trade range bound next day.

#### Market outlook:

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

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1503	1491	1531	1542
August	1512	1501	1542	1552
Sept.	1526	1513	1555	1567



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 Wednesday.

#### Stochastic:

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

#### 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.

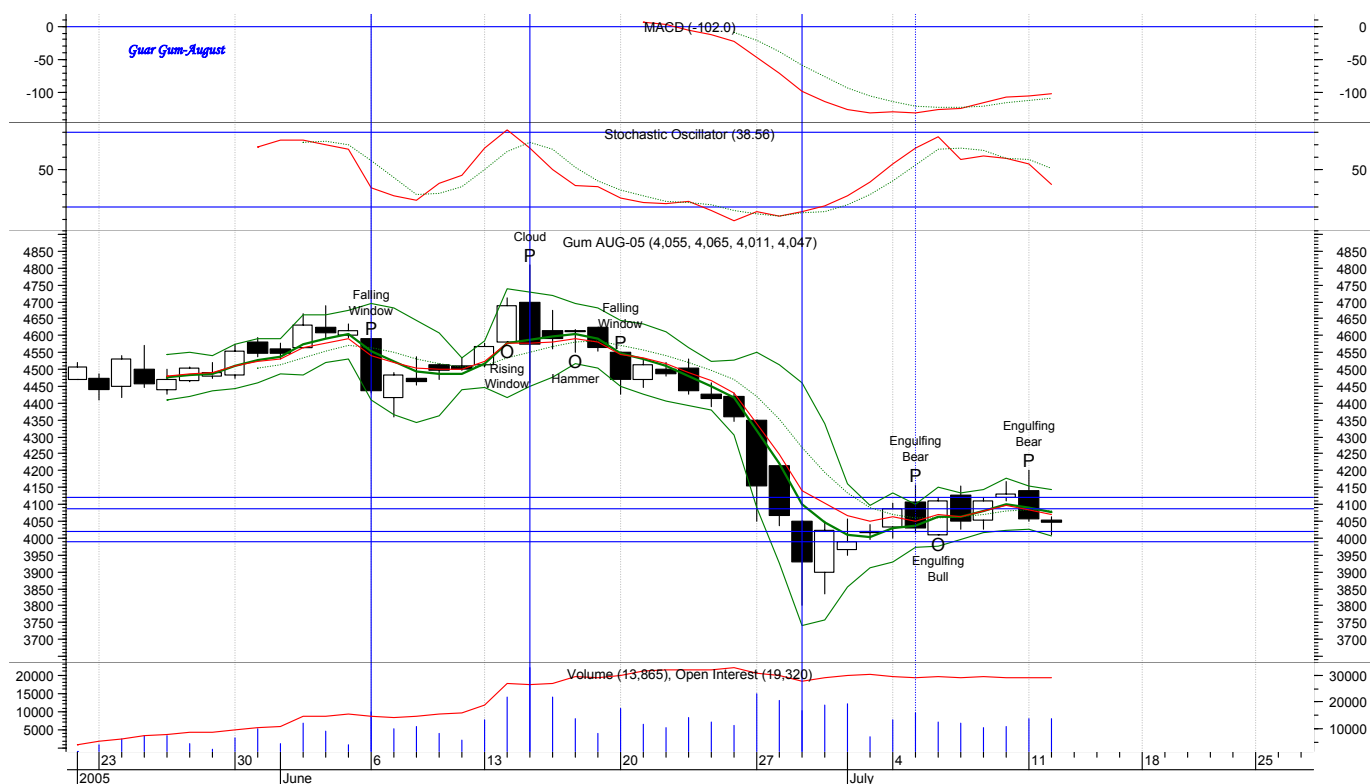
Guar gum traded opened weaker and settled lower at the end. Guar gum is expected to open steady and trade in range bound next day.

#### Market outlook:

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

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3941	3913	3995	4025
August	4021	3991	4088	4121
Sept.	4092	4063	4165	4198



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened weaker and traded range bound in narrow range almost through out the day and finished slightly lower from previous close. Guar physical markets followed the futures and they witnessed range bound trade during whole day. Bikaner line 98% whitish guar seed witnessed slightly weaker trade and was available at Rs.1550 per quintal during evening hours. Guar seed in Bikaner market also witnessed downward trade and was sold at Rs.1460 per quintal. Other markets also witnessed marginally weaker prices of guar seed today.

After weaker opening, guar gum futures at NCDEX traded range bound and closed slightly weaker than previous day's close. Following future markets, cash markets of guar gum also traded in the range of Rs.3975-4025 per quintal and was available at Rs.4000 per quintal in Jodhpur market today evening.

It was almost cloudy weather in whole Rajasthan today. Western Rajasthan witnessed cloudy weather but no rain where as eastern Rajasthan witnessed good rains today. According to IMD's prediction, rainfall activity is expected to reduce in eastern Rajasthan after 13<sup>th</sup> July. During next 24 hours isolated heavy rains are expected in Haryana and eastern Rajasthan. As for as relevance of these rains for guar seed is concerned, heavy rains in Sirsa, Fatehabad, Bhiwani area of Haryana along with eastern and northern Rajasthan, may push the sentiments downward but that too will make a small difference. In all, prices of guar seed are expected to witness slight slippery ground in the morning but upward trade thereafter for Wednesday's trade.

### Salient points of the day

- Guar seed as well as guar gum opened weaker and traded in narrow range.
- Cloudy weather in whole Rajasthan, rains in eastern Rajasthan, western parts are dry.
- Prices are expected to move marginally downward initially and upward later on for tomorrow's trade.

Commodity Centres	11.07.05	12.07.05	Change
Guar seed: Bikaner	1480	1460	-20
Jodhpur-B line	1560	1550	-10
Jodhpur-M line	1540	1530	-10
Nokha	1400	1390	-10
Alwar	1310	1300	0
Khairthal	1310	1300	0
Ganganagar	1435	1430	-5
Guar Gum:	4000	4000	0

## Bikaner Guar Vayda

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	300	296.5	296.5	-3.5
Sep.	300.9	298.9	299.5	-1.4

### Price movements at Bikaner Vayda

Bikaner guar vayda today opened weaker and traded range bound, marginally downwards throughout the day and settled lower. July contract opened at 296.5 and closed at it and witnessed downfall by Rs.17.5 per quintal from previous close. September contract today opened weaker at 298.9 and closed at 299.5, down by Rs.7 Per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (12-07-05)

#### PROGRESS OF MONSOON;

Yesterday's upper air cyclonic circulation over east Uttar Pradesh and adjoining north Madhya Pradesh now lies over west Uttar Pradesh & neighbourhood and extends upto 5.8 km a.s.l. The other upper air cyclonic circulation over Punjab & adjoining Himachal Pradesh now lies over Punjab and adjoining northwest Rajasthan & Pakistan and extends upto 2.1 km above sea level. The axis of the monsoon trough at sea level passes through Anoopgarh, Alwar, Kanpur, Daltonganj, Balasore and thence southeastwards to eastcentral Bay of Bengal. Southwest monsoon has been vigorous over West Uttar Pradesh, Haryana, Chandigarh, including Delhi, Punjab and East Rajasthan and active over Arunachal Pradesh, Chhattisgarh, East Uttar Pradesh, Uttaranchal, Himachal Pradesh, Vidarbha and Coastal Karnataka. Rain/thundershower occurred at most places over Assam & Meghalaya, Nagaland, Mizoram, Manipur & Tripura and Kerala; at many places over Sub-Himalayan West Bengal & Sikkim, Jharkhand, Bihar, Jammu & Kashmir, Madhya Pradesh, Konkan & Goa, South Interior Karnataka and Lakshadweep; at a few places over Gangetic West Bengal, Orissa, Madhya Maharashtra, Marathwada, Telangana and North Interior Karnataka. It was isolated over rest regions of the country.

#### Forecast for Next 24 Hours

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

**East:** Rain/thundershowers likely at many places over northeastern states, Bihar, sub-himalayan West Bengal & Sikkim, east Madhya Pradesh and Chhattisgarh; and at a few places in the rest region.

**South:** Rain/thundershowers likely at many places over coastal Karnataka; at a few places in Rayalseema, south interior Karnataka, Kerala and Lakshadweep and isolated in the rest region.

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

Gujarat state where it may be isolated. Decrease in rainfall activity over west Madhya Pradesh, Vidarbha, Haryana and Rajasthan after 13th July.

**Outlook for subsequent two days :**

Current wet spell over northeastern States, Sub-Himalayan West Bengal & Sikkim, Bihar, Uttar Pradesh and Western Himalayan Region likely to continue.

Rainfall activity over central India likely to decrease further.

Rainfall activity over south interior peninsula likely to remain subdued.

**Heavy Rainfall Warning**

Heavy to very heavy rainfall likely at a few places over Northeastern States, Sub-Himalayan West Bengal & Sikkim, Uttaranchal, Himachal Pradesh and Jammu & Kashmir. Isolated heavy rainfall also likely over Bihar, Uttar Pradesh, Haryana, East Rajasthan, Madhya Pradesh, Goa and Coastal Karnataka.

Source: GOI

**EXCHANGE RATE**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.53
European Union	Euro	52.90
United Kingdom	GBP	76.80
Japan	100 Yen	39.10

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