

## GUAR SEED and GUAR GUM

July 16, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound
- Guar vayda gained marginally

### TECHNICAL ANALYSIS

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

#### Candlestick:

Formation of Candlestick pattern is indicating towards weaker opening and range bound trade on Monday.

#### Stochastic:

The stochastic is moving upward, %K line is lying above %D line and approaching towards overbought line, still expecting marginal 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 has started indicating firmness in market prices.

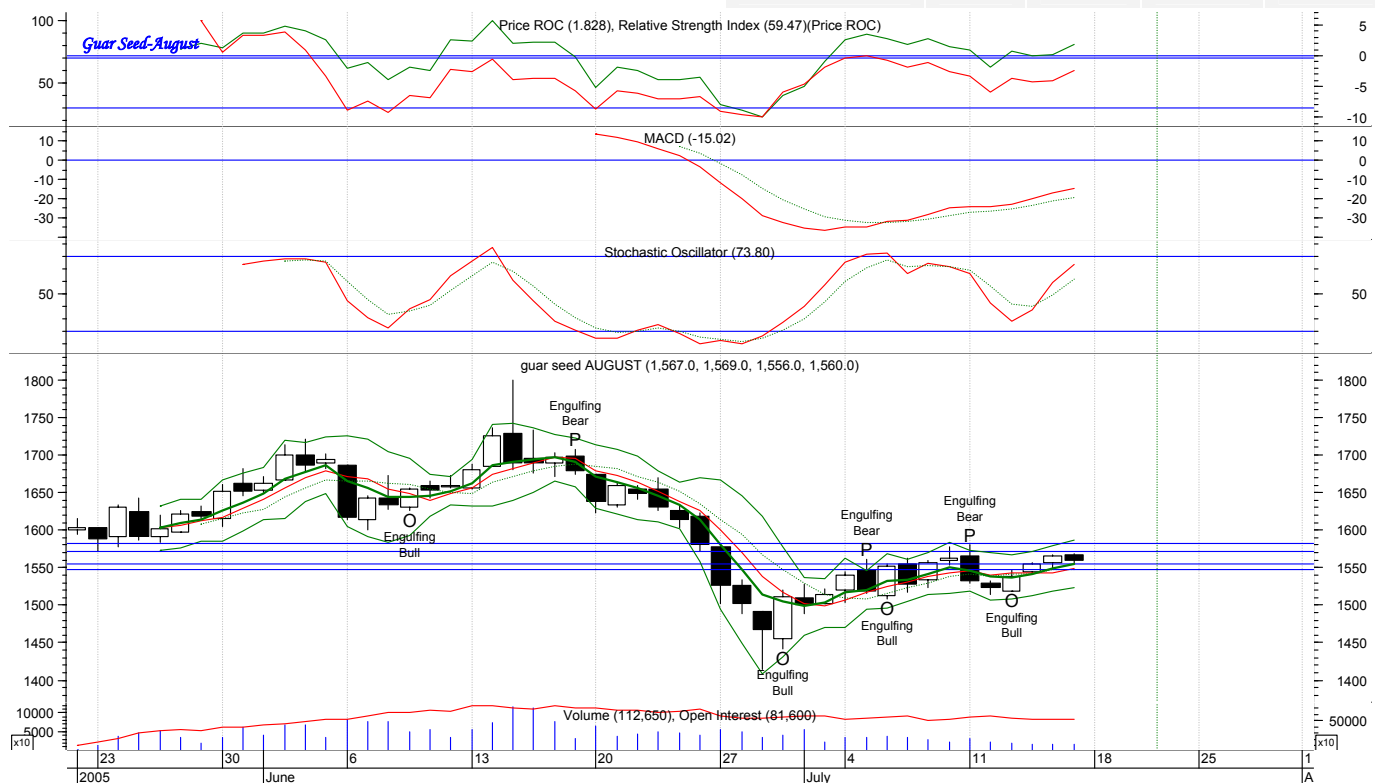
Guar seed future traded range bound and settled marginally lower than previous close. It is expected to open weaker and trade range bound next day.

#### Market outlook:

- Guar seed prices are expected to open weaker/steady, trade marginally upward in range bound on Monday.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	1540	1533	1555	1562
August	1555	1547	1572	1582
Sept.	1572	1565	1593	1602



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

#### Candlestick:

Formation of Candlestick pattern is indicating towards weaker opening and range bound trade on Monday.

#### Stochastic:

The stochastic is moving upward, %K line is lying above %D line and moving upward and now approaching towards overbought line, indicating further upward move in 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 slightly hinting towards higher price movement for next day.

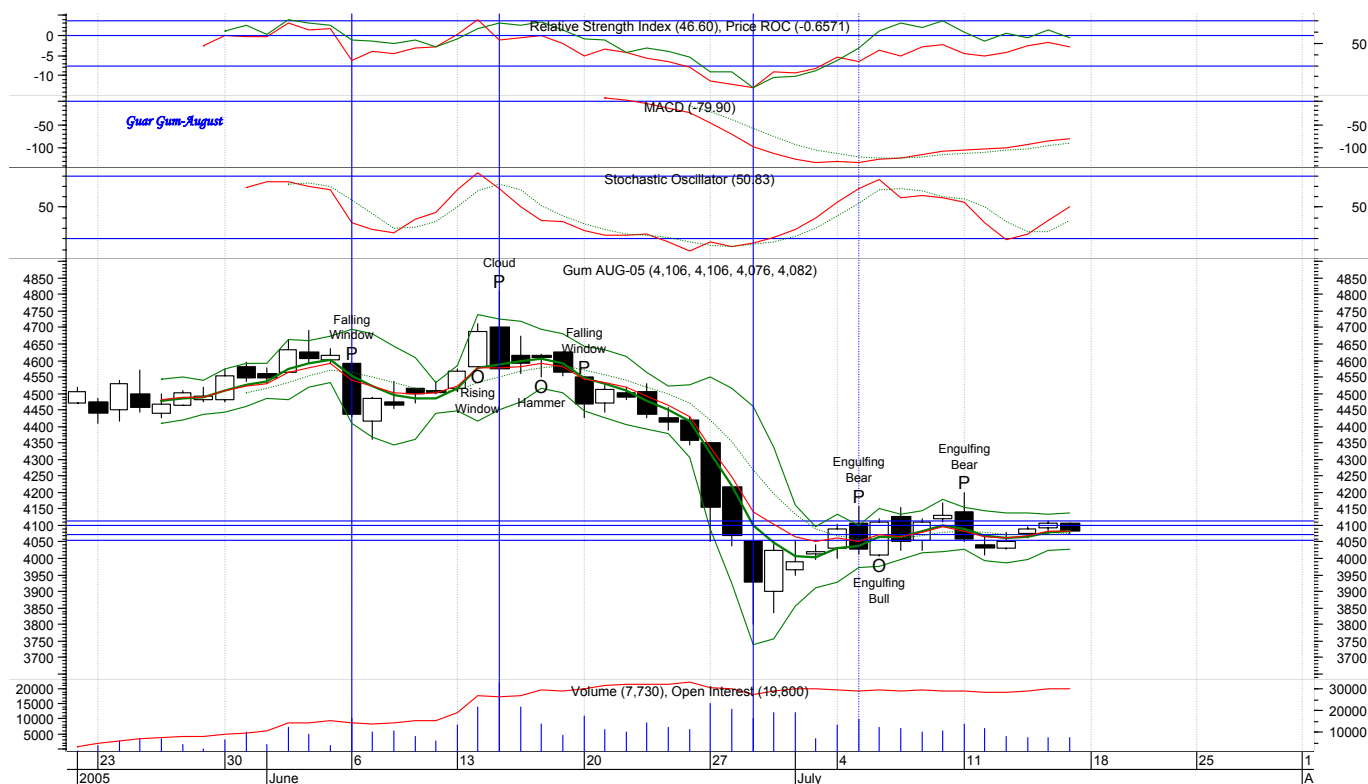
Guar gum traded range bound and settled lower at the end. It is expected to open weak and trade range bound upward further.

#### Market outlook:

- Guar gum is expected to open weaker/ steady and trade marginally upward with range bound movements on Monday.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
July	3975	3960	4012	4025
August	4072	4056	4101	4114
Sept.	4148	4128	4183	4198



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened almost steady to marginally weaker and moved downward with range bound movements, which finally ended lower at the end. Physical markets of guar seed witnessed downward movement and in Jodhpur, Bikaner line 98% whitish guar seed was available at Rs.1585 per quintal, marginally lower from previous day price level. Bikaner market too followed the futures and witnessed the price of guar seed at Rs.1490 per quintal during evening. Guar seed traded marginally weaker in other markets also.

Guar gum NCDEX vayda today traded range bound downward and finished the day at lower than previous day close. Following future markets, cash markets of guar gum also witnessed downfall and was sold at Rs.4025 per quintal in Jodhpur market today.

It was partly cloudy weather in Jodhpur and Bikaner today and scattered light drizzle occurred at isolated places in Bikaner. Clouds over eastern Rajasthan are still persisting and according to IMD, isolated rains are expected during next 24 hours. Amid cloudy weather in Jodhpur and Bikaner, and scattered drizzles in Bikaner, guar prices took marginally weaker tone today but if it remains clear and windy weather on Sunday and afterwards prices may move further upward, though with slow pace, for next two days.

### Salient points of the day

- Guar seed as well as guar gum opened steady and traded range bound downward in a narrow range.
- Scattered light drizzle in parts of Bikaner.
- Partly cloudy weather in western Rajasthan, isolated rains in eastern Rajasthan.
- Prices are expected to move range bound upward further for Monday's trade.

Commodity	Centres	15.07.05	16.07.05	Change
Guar seed: Bikaner		1500	1490	-10
	Jodhpur-B line	1600	1585	-15
	Jodhpur-M line	1575-80	1560	-20
	Nokha	1410	1400	-10
	Alwar	1315	1300	-15
	Khairthal	1315	1300	-15
	Ganganagar	1460	1450	-10
Guar Gum:		4075	4025	-50

### Bikaner Guar Vayda

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
July	304.9	305	305.4	+0.5
Sep.	307.9	306.5	306.3	-1.6

### Price movements at Bikaner Vayda

Bikaner guar vayda traded range bound through out the day and closed almost steady to lower at the end. July contract opened at 305 and closed almost steady at 305.4 where as September contract which opened at 306.5, closed at 306.3, down by Rs.8 per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (16-07-05)

#### PROGRESS OF MONSOON;

Yesterday's upper air cyclonic circulation over southwest Bay of Bengal extending upto mid-tropospheric levels now lies over southwest Bay of Bengal off Tamil Nadu coast tilting south-westwards with height. The upper air cyclonic circulation over west Uttar Pradesh and neighbourhood has reappeared and extends upto 4.5 km above sea level. The other upper air cyclonic circulation over northwest Rajasthan and adjoining Pakistan persists and now extends upto 0.9km above sea level. Yesterday's upper air cyclonic circulation over Bangladesh and neighbourhood has become less marked. The axis of the monsoon trough at sea level passes through Ganganagar, Alwar, Kanpur, Allahabad, Gaya and thence southeastwards to eastcentral Bay of Bengal. Southwest monsoon has been vigorous over Bihar and active over East Uttar Pradesh, Haryana, Himachal Pradesh, East Rajasthan, West Madhya Pradesh, Rayalaseema and Interior Karnataka. Rain/thundershowers occurred at most places over Arunachal Pradesh, Nagaland, Manipur, Mizoram & Tripura, Sub-Himalayan West Bengal & Sikkim, East Madhya Pradesh, Marathwada and Lakshadweep; at many places over Assam & Meghalaya, Orissa, Jharkhand, Uttaranchal, Vidarbha, Chhattisgarh, Telangana and Coastal Karnataka and at a few places over Gangetic West Bengal, West Uttar Pradesh, Jammu & Kashmir, West Rajasthan, Gujarat region, Konkan & Goa and Kerala. It was isolated over rest regions of the country outside Andaman & Nicobar Islands where weather was mainly dry.

#### Forecast for Next 24 Hours

Rain/thundershowers are likely at most places over Northeastern States, West Bengal & Sikkim and Bihar; at many places over Orissa, Jharkhand, Chhattisgarh, Madhya Pradesh, East Uttar Pradesh, Uttaranchal, Himachal Pradesh, Jammu & Kashmir, East Rajasthan, Konkan & Goa, Andhra Pradesh, Tamil Nadu & Pondicherry, Karnataka, Kerala and Lakshadweep. It may be at a few places over rest region of the country outside West Rajasthan where it may be isolated. Rainfall activity likely to decrease in western Himalayan Region, West Uttar Pradesh, Haryana, Punjab, East Rajasthan and West Madhya Pradesh and increase over south Maharashtra after 18th.

Outlook for subsequent two days :

Ongoing rainfall activity over Northeastern States, West Bengal & Sikkim, Bihar, East Uttar Pradesh and peninsular India is likely to continue.

Further decrease in current rainfall activity over plains of northwest India and western Himalayan Region.

#### **Heavy Rainfall Warning**

Heavy to very heavy rainfall likely at a few places over West Bengal & Sikkim. Isolated heavy rainfall also likely over Northeastern States, Bihar, Jharkhand, Orissa, East Rajasthan, West Madhya Pradesh, Goa, Kerala, Lakshadweep and Coastal Karnataka.

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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