

## GUAR SEED and GUAR GUM

August 19, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum jumped higher
- Guar vayda soared

### TECHNICAL ANALYSIS

Commodity: **Guar Seed**

Perspective: Very Short Term  
NCDEX September Contract

**Candlestick:** Formation of Candlestick pattern is indicating towards firm opening and range bound trade on Saturday.

**Stochastic:** The stochastic has reached in overbought region, %K line is lying above %D line, still indicating the firmness. Technical correction is also expected now.

**MACD:** The MACD (5-day) is steeply moving upward, lying above its EMA in positive zone, hinting slight strength in prices.

**Alignment pattern:** The alignment pattern of moving averages is indicating the firmness in the market.

Guar seed future traded steep high and finished at much higher level. It is expected to open firm and trade range bound next day.

### Market outlook:

- Guar seed prices are expected to open firm and trade range bound upward initially but may come down slightly thereafter.
- Trade with very short-term outlook.

### Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1670	1656	1705	1719
Oct.	1712	1698	1750	1768



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

**Candlestick:** Formation of Candlestick pattern is indicating towards firm opening and range bound trade on Saturday.

**Stochastic:** The stochastic has crossed overbought line, %K line is lying above the %D line and hinting that firmness is still there though there are slight chances of technical correction also.

**MACD:** The MACD (5-day), is moving upward, now reached to positive zone and lying above its EMA, giving slight indication of higher prices next day.

**Alignment pattern:** The alignment pattern of moving average is hinting towards the higher prices.

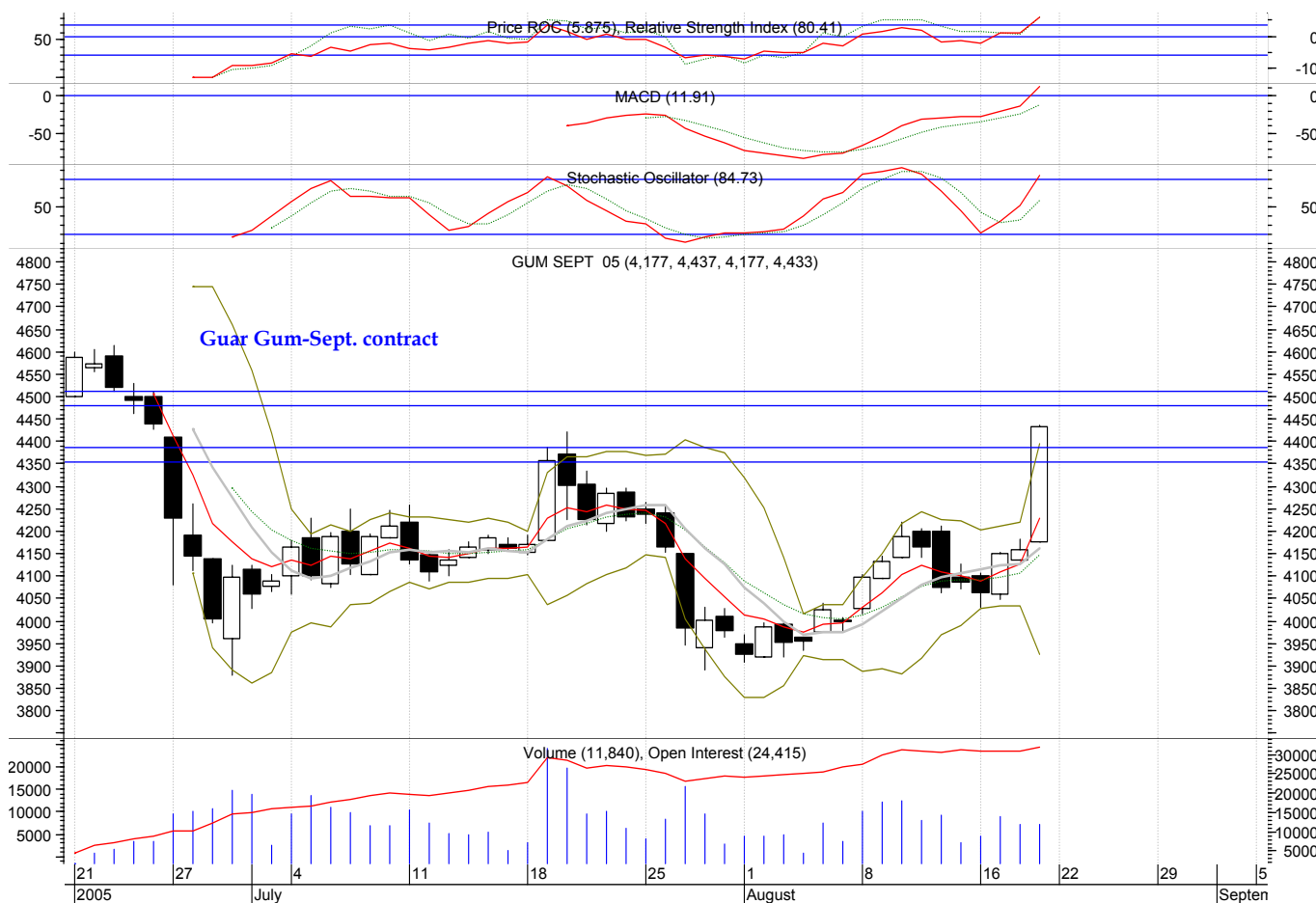
Guar gum traded steep upward and settled higher. It is expected to open firm and trade range bound on Saturday.

**Market outlook:**

- Guar gum is expected to open firm and trade upward initially and come down later on.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	4388	4355	4480	4512
Oct.	4489	4456	4579	4610



## MARKET COMMENTARY OF MAJOR MARKETS

Amid clear weather and westerly wind in western Rajasthan, guar seed futures at NCDEX witnessed steep upward trade and ended its day at much higher ground. Cash markets of guar seed started witnessing demand for and in Jodhpur market, guar seed was available at Rs.1700 per quintal during evening today. Bikaner market also moved higher and guar seed was sold at Rs.1640 per quintal, up by Rs.90 per quintal from previous day's price level. Guar gum also jumped higher in future as well as spot markets. In Jodhpur market, guar gum witnessed demand from exporters and amid combined sentiments of rising future prices and physical demand, it soared up to Rs.4450 per quintal.

Guar seed and gum showed its colour today when prices soared drastically. It was the same reason behind this i.e., speculation regarding poor rains in guar regions. Some of the guar areas need rains immediately and in case of no rains during coming days, yield will be reduced drastically. Speculators picked the sentiments and pushed the prices up. Still there are chances of further higher moves in guar prices in the absence of any rain in guar areas especially western Rajasthan.

Commodity	Centres	18.08.05	19.08.05	Change
	Bikaner	1550	1640	+90
	Ganganagar	1515	1620	+95
	Jodhpur-B line	1625	1700	+75
Guar Seed	Jodhpur-M line	1600	1660	+60
	Nokha	1430-60	1520	+60
Guar Gum:		4150-4175	4425-50	+275

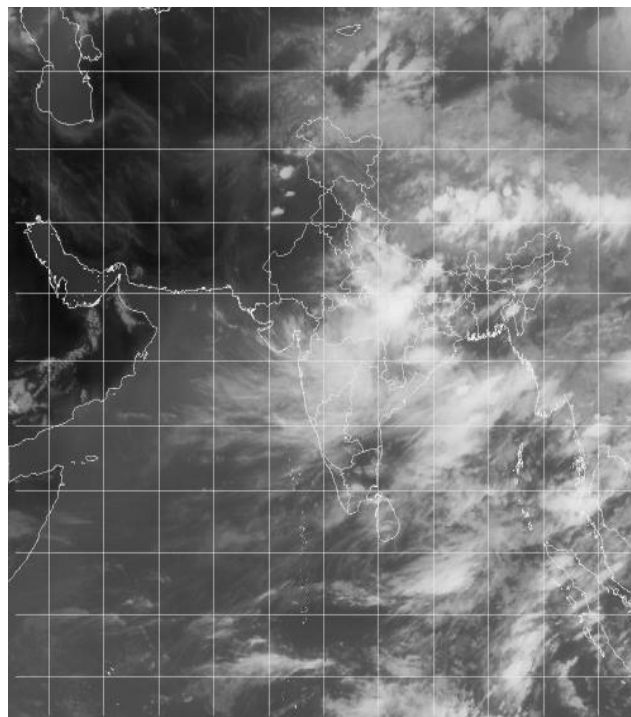
### Salient points of the day

- Guar seed as well as guar gum traded steeply upward amid weather sentiments.
- Clear weather in Guar regions of Rajasthan and Haryana.
- Prices are expected to witness marginal upward trade initially on Saturday.

### Bikaner Guar Vayda

Bikaner exchange was closed today.

### Satellite Image Showing Latest Cloud Cover (IMD-5:30PM)



### WEATHER WATCH (19-08-05)

#### PROGRESS OF MONSOON;

Western end of the axis of monsoon trough remains close to the foothills of Himalayas and eastern end passes through Bareilly, Daltonganj, Paradeep and thence southwards into central Bay of Bengal. Under these conditions the rainfall activity over northwest India is likely to remain subdued during next 2-3 days. Yesterday's upper air cyclonic circulation extending upto 0.9 km a.s.l. over southeast Uttar Pradesh now lies over northeast Uttar Pradesh and adjoining Bihar. The upper air cyclonic circulation over Gujarat & neighbourhood persists and is now seen between 2.1 & 3.1 km a.s.l. only. The upper air cyclonic circulation over north Bay of Bengal now lies over northwest Bay of Bengal and adjoining coastal Orissa extending upto mid-tropospheric levels. Southwest monsoon was active over Assam & Meghalaya, Orissa, east Madhya Pradesh and Chhattisgarh. Rain/thundershowers occurred at most places over east Uttar Pradesh, Konkan & Goa and coastal Karnataka; at many places over Arunachal Pradesh, Uttaranchal, madhya Maharashtra and Vidarbha and at a few places over Nagaland, Manipur, Mizoram & Tripura, sub-Himalayan West Bengal & Sikkim, west Uttar Pradesh, west Madhya Pradesh, Telangana and interior Karnataka. It was isolated over the rest regions of the country outside Punjab, Himachal Pradesh, Jammu & Kashmir, west Rajasthan, Tamil Nadu & Pondicherry and Lakshadweep where weather was mainly dry.

### Zone Wise Rainfall Forecast

**North & North-West India:** [ J&K, HP, Uttranchal, Punjab, Haryana, Delhi, West UP]

Scattered to fairly widespread rains are expected to continue over the Uttaranchal during next 24 hours also and decrease thereafter. Rest areas of the region are likely to receive isolated rains during next 3-4 days.

**East and NE India:** [East UP, Bihar, Jharkhand, West Bengal, Orissa, NE states]

Fairly widespread rains are expected over East U.P., northern Bihar, Jharkhand, Gangetic West Bengal and Orissa during next 48-72 hours. NE States and Sub-Himalayan West Bengal are expected to receive scattered to fairly wide spread rains during the period.

**Central India:** [ MP, Chattisgarh, Vidarbha]

Chattisgarh and Madhya Pradesh are likely to receive fairly wide spread rains with isolated heavy rainfall during next 3 days. Vidarbha may receive scattered to fairly widespread rainfall activity during this period.

**South India:** [TamilNadu, AP, Kerala, Karnataka, Andaman & Nicobar Islands, Lakshadeep]

Most parts of south India are likely to receive fairly widespread rains during next 3 days except over Tamilnadu where isolated rains are expected during the period.

**West India:** [ Maharashtra other than Vidarbha, Gujarat, Rajasthan]

Scattered to fairly widespread rains are expected over Konkan & Goa, Maharashtra, and south Gujarat. Rest of the areas likely to experience isolated rainfall activity during the period.

**Source:** GOI

### EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.56
European Union	Euro	53.47
United Kingdom	GBP	78.62
Japan	100 Yen	39.56

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