

## GUAR SEED and GUAR GUM

August 10, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded upward
- Guar vayda settled higher

### 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 Thursday.

**Stochastic:** The stochastic has again turned upward; %K line is lying above the %D line in the overbought region, expecting the possibility of technical correction towards lower side very soon.

**MACD:** The MACD (5-day) is moving upward and lying above its EMA hinting further strength in prices.

**Alignment pattern:** The alignment pattern of moving averages is confirming the upward price movement.

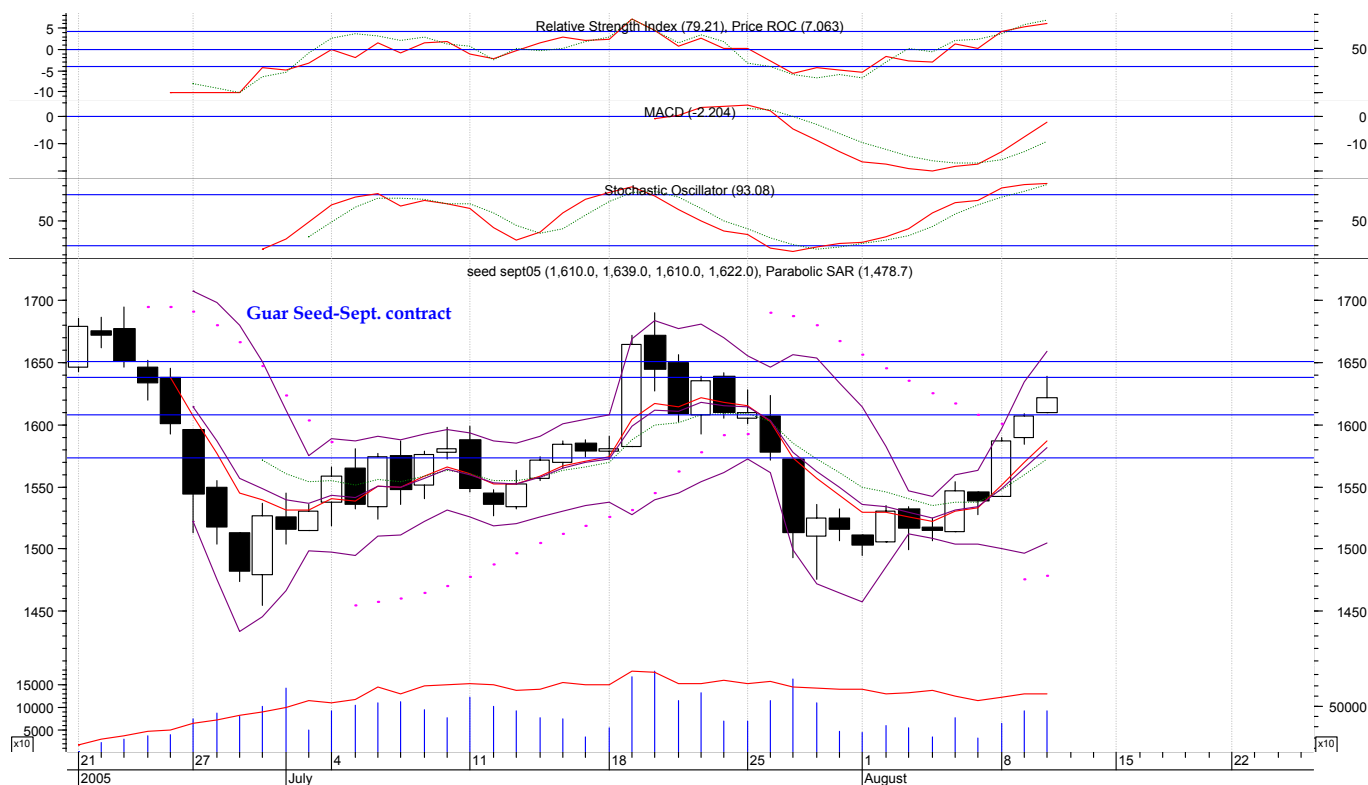
Guar seed future traded upward and settled marginally higher. It is expected to open steady and trade range bound upward next day.

### Market outlook:

- Guar seed prices are expected to open steady and trade range bound upward tomorrow also. But, if cloud cover appeared in Madhya Pradesh during late evening produces any rain in western M.P., prices may slip steeply down.
- Trade with very short-term outlook.

### Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	1569	1547	1598	1612
Sept.	1608	1573	1638	1651
Oct.	1631	1607	1660	1673



**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 Thursday.

**Stochastic:** The stochastic is moving in overbought region, %K is lying above %D line and again started moving upward, but possibility of technical correction can not be ignored.

**MACD:** The MACD (5-day), is moving upward in negative zone and lying above its EMA, hinting the firmness yet.

**Alignment pattern:** The alignment pattern of moving average is confirming the higher price movement.

Guar gum traded upward and settle higher. It is expected to open firm and trade upward tomorrow.

### Market outlook:

- Guar gum is expected to open steady and trade range bound upward on Thursday. But, if cloud cover appeared in Madhya Pradesh during late evening produces any rain in western M.P., prices may slip steeply down.
- Trade with very short-term outlook.

### Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Aug.	4049	3973	4104	4143
Sept.	4138	4060	4232	4268
Oct.	4244	4170	4305	4340



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX continued their upward movement amid clear and dry weather in Rajasthan and Haryana today also and they traded range bound upward. Cash markets also moved higher and prices of guar seed witnessed firmness today. Bikaner line 98% whitish guar seed was available at Rs.1630-40 per quintal in Jodhpur market during whole day. Bikaner market also improved to Rs.1560 per quintal from previous day's price of Rs.1530 per quintal. All other markets witnessed firmness in the guar seed.

Guar gum futures at NCDEX witnessed range bound upward trade. Cash markets moved higher and guar gum was available at a price of Rs.4150 per quintal in Jodhpur during late evening today though it had reached to Rs.4200 per quintal today afternoon.

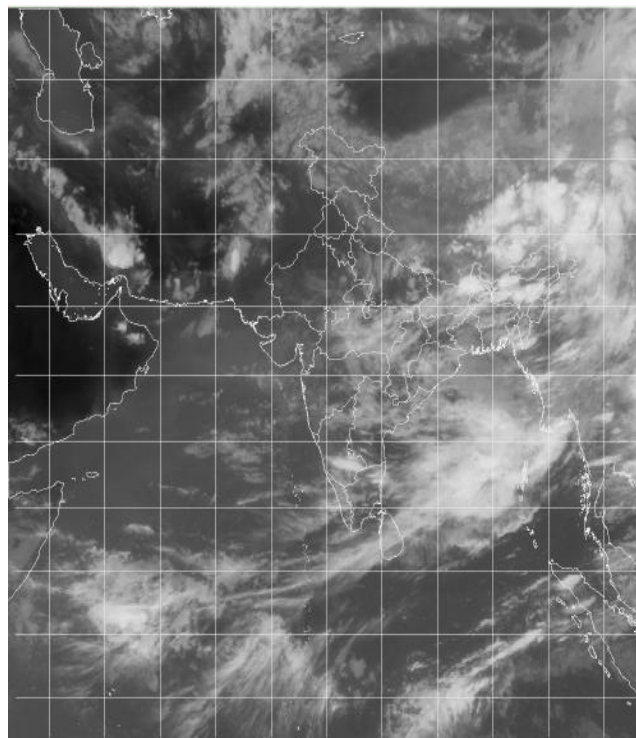
Continued dry weather conditions in western and northwest India helped guar seed and gum to move upward. Further, according to weather forecasts, this dry weather will continue for next 2-3 days also. So, it is expected to witness upward trade tomorrow also. And if there are no rains during next 7-10 days, prices will soar to 1800 level where as any news or even rumour regarding rains in Rajasthan and Haryana will pull the prices down.

Commodity	Centres	09.08.05	10.08.05	Change
	Bikaner	1535	1560	+25
	Ganganagar	1500	1525	+25
Guar Seed	Jodhpur-B line	1610	1630-40	+30
	Jodhpur-M line	1575	1600	+25
	Nokha	1420	1440-50	+30
	Alwar	1370	1385	+15
	Khairthal	1370	1380	+10
Guar Gum:		4100-25	4150-4200	+75

### Salient points of the day

- Clear weather in Rajasthan and Haryana and Punjab.
- The rainfall activity over plains of North-west India viz., Punjab, Haryana and west Uttar Pradesh may be quiet during next 2-3 days. (IMD)
- Guar seed as well as guar gum witnessed upward trade and finished higher at the end.
- Prices are expected to witness marginal upward trade tomorrow also.

### Satellite Image Showing Latest Cloud Cover (IMD-6:30PM)



### Bikaner Guar Vayda

#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	308.6	312.2	310.8	2.2

#### Price movements at Bikaner Vayda

Bikaner September guar vayda today opened firm at 312.2 traded upward with range bound throughout the and closed firm at 310.8, marginally up by Rs.11 per quintal from previous close.

### WEATHER WATCH (10-08-05)

#### PROGRESS OF MONSOON;

Yesterday's upper air cyclonic circulation over northeastern States extending upto 3.1 km above sea level persists. A trough from this system runs upto central Bay of Bengal. The other upper air cyclonic circulation between 4.5 & 5.8 km above sea level over northwest Bay of Bengal off Orissa-West Bengal coast also persists. The off-shore trough running off Konkan coast has become less marked. The axis of the monsoon trough at sea level continues to lie close to the foothills of Himalayas. Under this scenario, fairly widespread rainfall with isolated heavy falls likely over northeastern States, West Bengal & Sikkim and Bihar during next 2-3 days. Rainfall activity is likely to remain subdued over most parts of the remaining country. Southwest monsoon has been active over Bihar and

Rayalaseema. Rain/ thundershowers occurred at most places over south Konkan & Goa and Coastal Karnataka; at many places over Sub- Himalayan West Bengal & Sikkim, north Konkan & Goa, South Interior Karnataka, Kerala and Lakshadweep and at a few places over Andaman & Nicobar Islands, Arunachal Pradesh, Nagaland, Manipur, Mizoram & Tripura, Assam & Meghalaya, Gangetic West Bengal, East Rajasthan, Gujarat Region, Madhya Maharashtra, Telangana, and North Interior Karnataka. It was isolated over the rest regions of the country outside Jharkhand, Uttar Pradesh, Uttaranchal, Haryana and Coastal Andhra Pradesh where weather was mainly dry.

#### **Zone Wise Rainfall Forecast**

##### **North & North-West India:**

Isolated rainfall activity is likely over the hilly region of northwest India during next 2-3 days. Himachal Pradesh and Uttaranchal are expected to receive isolated rains during the above period.

##### **East and NE India:**

West Bengal & Sikkim and NE states are likely to receive fairly widespread to widespread rains with isolated heavy falls during next 2 days. Remaining parts of East India are likely to receive scattered rains during this period. The rainfall activity over Orissa and Jharkhand is likely to enhance after 2 days.

##### **Central India:**

Chattisgarh, Madhya Pradesh and Vidarbha are likely to receive isolated to scattered rains during next 2-3 days. Subsequently, rainfall activity is likely to increase in these areas.

##### **South India:**

Coastal Karnataka, Kerala and coastal Andhra Pradesh are likely to receive isolated to scattered rainfall activity during next 2-3 days. Rest areas of the region are likely to receive isolated rains during this period.

##### **West India:**

Konkan & Goa and Madhya Maharashtra may receive scattered to fairly widespread rains during next 2-3 days. Rest areas of the region are likely to receive isolated to scattered rains during this period.

**Source: GOI**

#### **EXCHANGE RATE**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.53
European Union	Euro	53.90
United Kingdom	GBP	77.92
Japan	100 Yen	39.16

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