

GUAR SEED and GUAR GUM

August 01, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded steady
- Guar vayda settled marginally lower

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 Tuesday.

Stochastic: The stochastic has reached in neutral region, %K line is lying above the %D line and moving upward, expecting upward movement next day.

MACD: The MACD (5-day) is moving downward, lying below its EMA and hinting towards weaker prices.

Alignment pattern: The alignment pattern of moving averages is indicating downward movement in the prices.

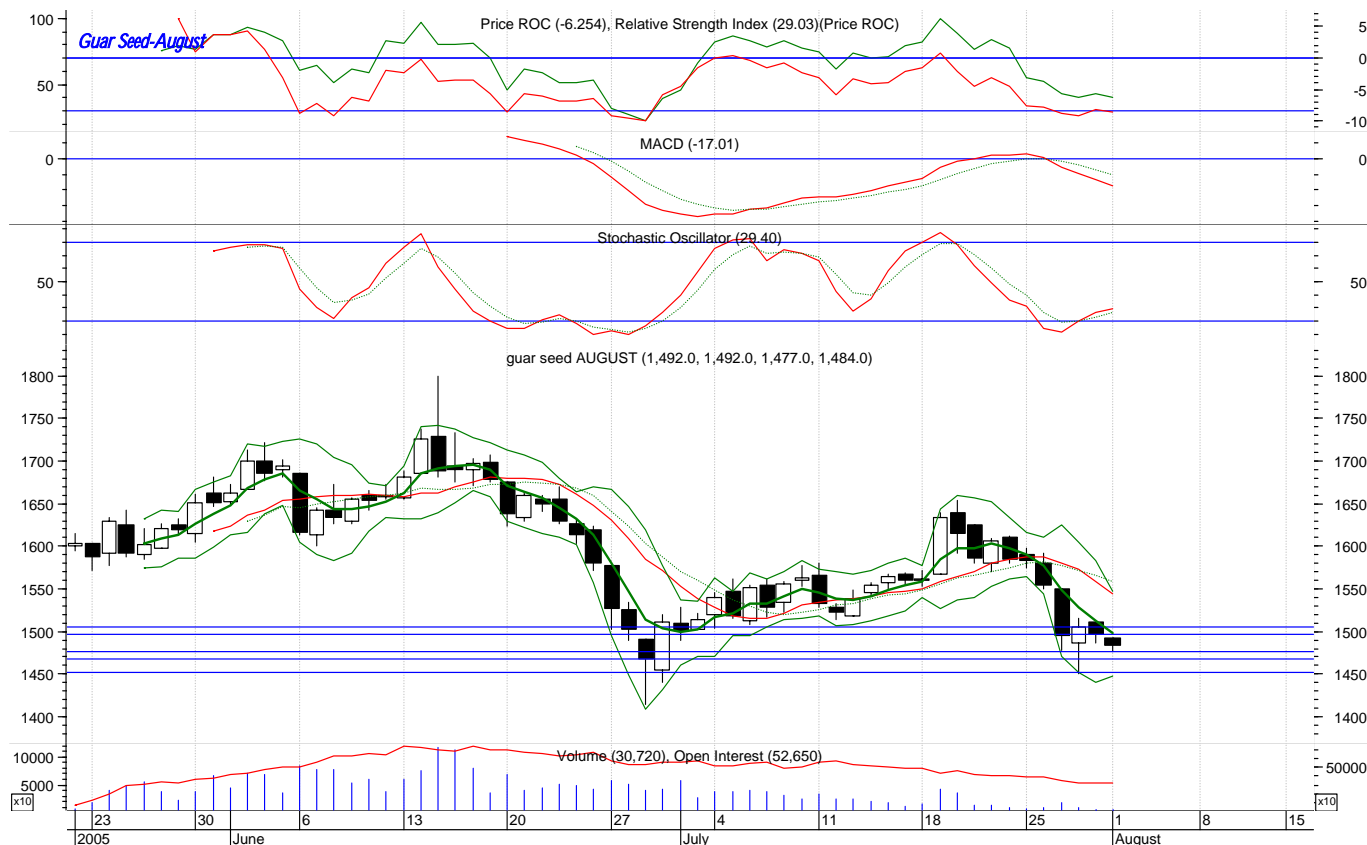
Guar seed future traded range bound and closed marginally lower. It is expected to open weaker and trade range bound upward next day.

Market outlook:

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

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1477	1468	1496	1505
Sept.	1495	1483	1517	1525



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 Tuesday.

Stochastic: The stochastic is still moving in oversold region, %K is lying above %D line but has flattened, hinting marginal weaker prices initially next day.

MACD: The MACD (5-day), has cut its EMA from above and moving downward, expecting price movement towards lower side.

Alignment pattern: The alignment pattern of moving is indicating lower prices next day.

Guar gum witnessed range bound trade and finished marginally weaker. It is expected to open weaker and trade range bound on Tuesday.

Market outlook:

- Guar gum is expected to open weaker and trade range bound initially and should move upward thereafter on Tuesday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	3823	3793	3884	3913
Sept.	3908	3880	3979	4001



MARKET COMMENTARY OF MAJOR MARKETS

Amid cloudy weather continuously persisting cloud cover over western Rajasthan and also scattered rains at few places, guar seed future at NCDEX could not move higher and they traded marginally downward today. Guar seed in cash markets traded steady with total absence of physical arrivals. Bikaner line 98% whitish guar seed was prices by buyers at Rs.1525-50 per quintal during whole day. In Bikaner market also, guar seed traded steady and was available at Rs.1440 per quintal. All other markets of guar seed witnessed almost steady trade today.

Guar gum futures at NCDEX fell down immediately after it opened today morning and settled marginally lower after witnessing range bound trade during whole day. In Jodhpur market, guar gum was available in the range of Rs.3850-3900 per quintal through out the day.

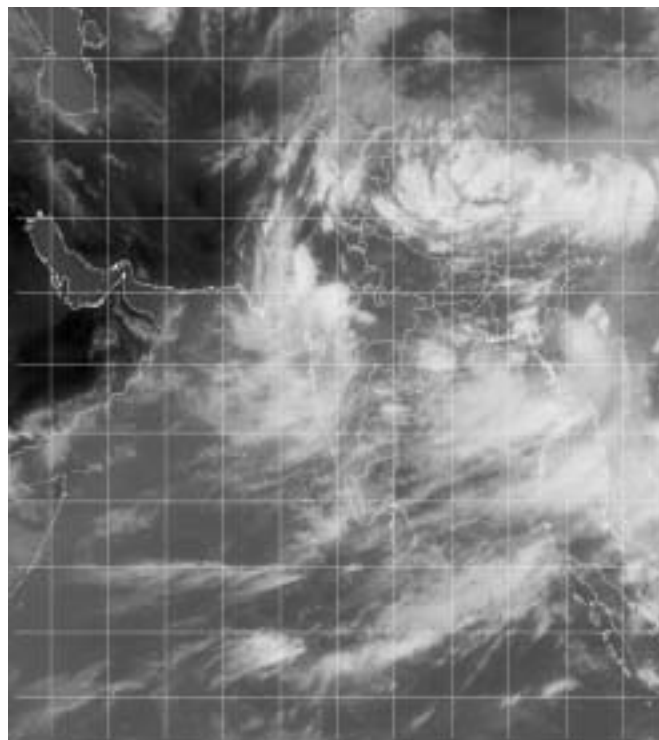
Scattered rains were witnessed in parts of Bikaner, Jaisalmer and Jodhpur areas that kept the prices of guar seed and gum at lower side and still there are chances of rainfall in these areas tonight and tomorrow also. These conditions are indicating towards marginal weakness tomorrow morning but prices are expected to move range bound upward after initial weaker moves.

Commodity	Centres	30.07.05	01.08.05	Change
	Bikaner	1445	1440	-5
	Ganganagar	1410	1410	0
Guar Seed	Jodhpur-B line	1540	1525-40	0
	Jodhpur-M line	1520	1520	0
	Nokha	1370	1350	-20
	Alwar	1300	1300	0
	Khairthal	1300	1300	0
Guar Gum:		3900	3850-3900	0

Salient points of the day

- Isolated scattered rains were witnessed in Bikaner, Jaisalmer, Jodhpur etc. today.
- Western Rajasthan witnessed cloudy weather for whole day.
- Guar seed as well as guar gum traded range bound but settled marginally weaker.
- Prices are expected to move range bound marginally upward tomorrow, depending upon the rains in western Rajasthan.

Satellite Image Showing Latest Cloud Cover in Bay of Bengal (IMD-5:30PM)



Bikaner Guar Vayda

Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	290.8	288.8	289.5	-1.3

Price movements at Bikaner Vayda

Bikaner guar vayda today opened marginally weaker at 288.8 traded marginally upward with range bound and finally closed at 289.5, down by Rs.6.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (01-08-05)

PROGRESS OF MONSOON;

Yesterday's deep depression near Jharsuguda in Orissa has moved in a west-north-westward direction and weakened into a well marked low pressure area over Central parts of Madhya Pradesh close to Sagar. The system is likely to move in a west-northwesterly direction and weaken further. Yesterday's upper air cyclonic circulation over north Gujarat & adjoining southwest Rajasthan between 1.5 & 5.8 km above sea level has merged with seasonal trough. The off-shore trough running from Konkan & Goa to Kerala coast persists. The axis of the monsoon trough at sea level passes through Bikaner,

Kota, centre of the well marked low pressure area, Ambikapur, Balasore and thence east-southeastwards to north Andaman Sea. Southwest monsoon has been vigorous over west Madhya Pradesh, Gujarat region, Konkan & Goa, madhya Maharashtra, south interior Karnataka and Kerala and active over Chhattisgarh, east Rajasthan and east Madhya Pradesh. Rain/thundershowers occurred at most places over Andaman & Nicobar Islands, Marathawada, Vidarbha and coastal Karnataka; at many places over Gangetic West Bengal and Orissa; at a few places over Assam & Meghalaya, Jharkhand, Uttaranchal, Himachal Pradesh, west Rajasthan, coastal Andhra Pradesh, Telangana, north interior Karnataka and Lakshadweep. It was isolated over the rest regions of the country outside Uttar Pradesh and Rayalaseema where weather was mainly dry.

Forecast for Next 24 Hours

Rain/thundershowers are likely at most places over West Madhya Pradesh, Gujarat state, Konkan & Goa, madhya Maharashtra and Marathawada and at many places over Andaman & Nicobar Islands, Orissa, Chhattisgarh, south Rajasthan, Vidarbha, coastal Karnataka and Kerala and at a few places over the rest regions of the country outside northeastern States, Jharkhand, Bihar and Tamil Nadu & Pondicherry where it may be isolated. Increase in rainfall activity over Orissa after 3rd August.

Outlook for subsequent two days :

Slight increase in rainfall activity over Northwest India. Subdued rainfall activity likely to continue over Bihar and Uttar Pradesh. Increase in rainfall activity over east central India.

Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over Konkan & Goa, madhya Maharashtra, Marathawada and Gujarat state. Isolated heavy rainfall also likely over coastal Karnataka, Vidarbha, south Rajasthan and west Madhya Pradesh.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.45
European Union	Euro	52.87
United Kingdom	GBP	76.48
Japan	100 Yen	38.70

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