

GUAR SEED and GUAR GUM

August 02, 2005

MAJOR ACTIVITY HIGHLIGHTS

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

TECHNICAL ANALYSIS

Commodity: **Guar Seed**

Perspective: **Very Short Term**

NCDEX August Contract

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

Stochastic: The stochastic is moving in neutral region, %K line is lying above the %D line and moving upward, expecting further upward movement tomorrow.

MACD: The MACD (5-day) is still moving downward, lying below its EMA but slightly flattened today, expecting a check in weaker moves.

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

Guar seed future traded range bound and closed firm. It is expected to open steady and trade range bound upward next day.

Market outlook:

- Guar seed prices are expected to open steady/firm and trade range bound upward on Wednesday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1501	1495	1522	1529
Sept.	1523	1515	1546	1555



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

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

Stochastic: The stochastic has crossed the oversold line, %K is lying above %D line, hinting upward move in prices on next day.

MACD: The MACD (5-day), is moving downward and lying above its EMA, expecting price movement towards higher side next day.

Alignment pattern: The alignment pattern of moving average is indicating towards weakness in the market.

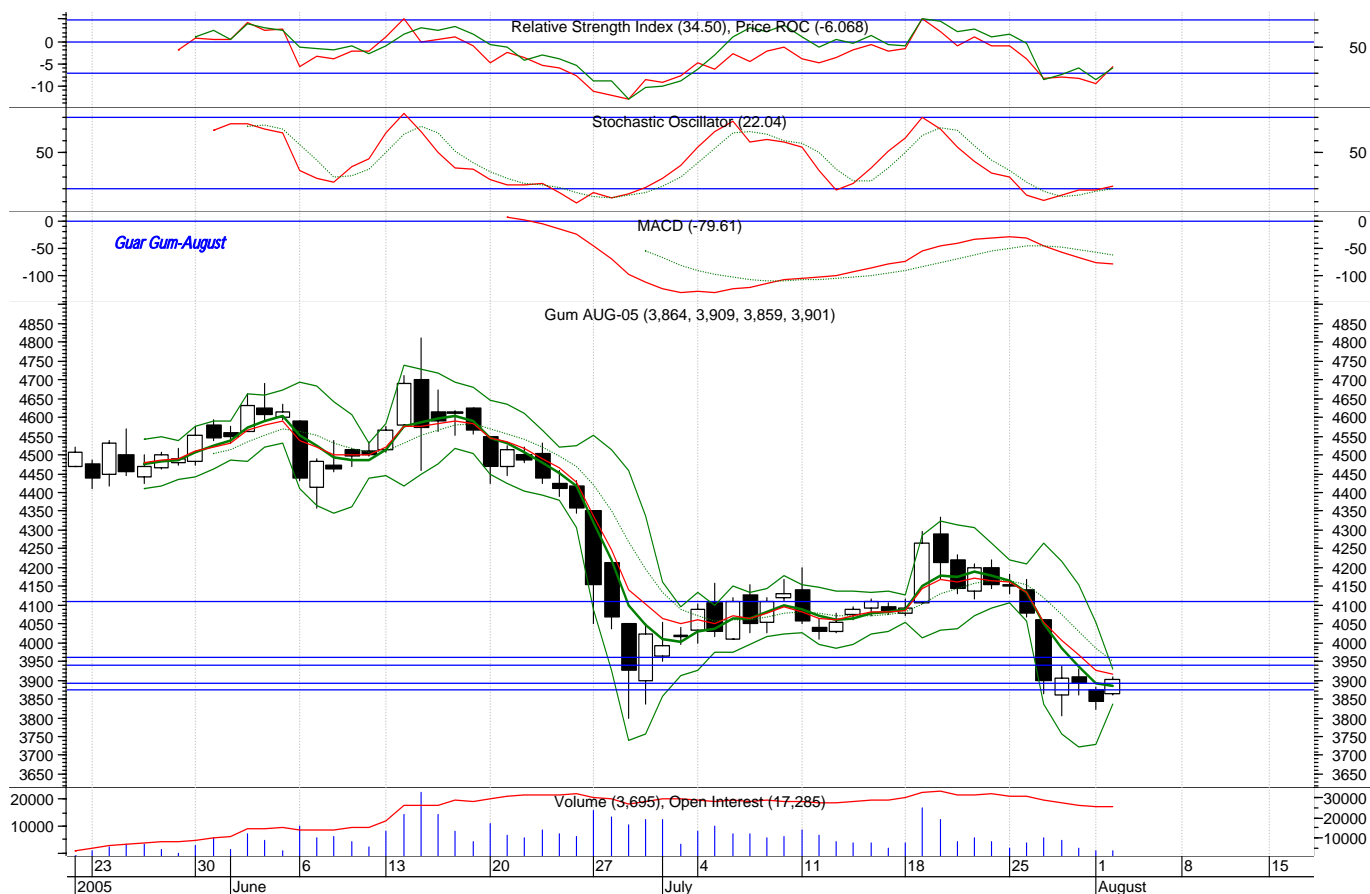
Guar gum witnessed range bound upward trade and finished firm. It is expected to open steady and trade range bound upward on Wednesday.

Market outlook:

- Guar gum is expected to open firm/steady and trade range bound upward on Wednesday.
- Trade with very short-term outlook.

Support and Resistance level for Guar Gum:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	3893	3875	3939	3961
Sept.	3963	3945	4028	4052



MARKET COMMENTARY OF MAJOR MARKETS

After rains and cloudy sky in western Rajasthan, it was clear weather today in all over the Rajasthan except partly cloudy sky in parts of Barmer and this helped the guar seed future at NCDEX to show marginal upward steps though in range bound and narrow range. Cash markets of guar seed also witnessed slight strength in the prices and it moved slightly towards higher side. In Jodhpur market, Bikaner line 98% whitish guar seed improved slightly and was asked at Rs.1550-75 per quintal during whole day. In Bikaner market, guar seed was priced at Rs.1450 Per quintal where as Nokha market did not witness any arrival at all. Other markets of guar seed witnessed almost steady to marginal upward trade today.

The downfall in guar gum futures at NCDEX witnessed a check and it felt marginal strength today. Cash markets of guar gum also improved slightly and guar gum was sold at Rs.3925-50 per quintal in Jodhpur market towards end of the day.

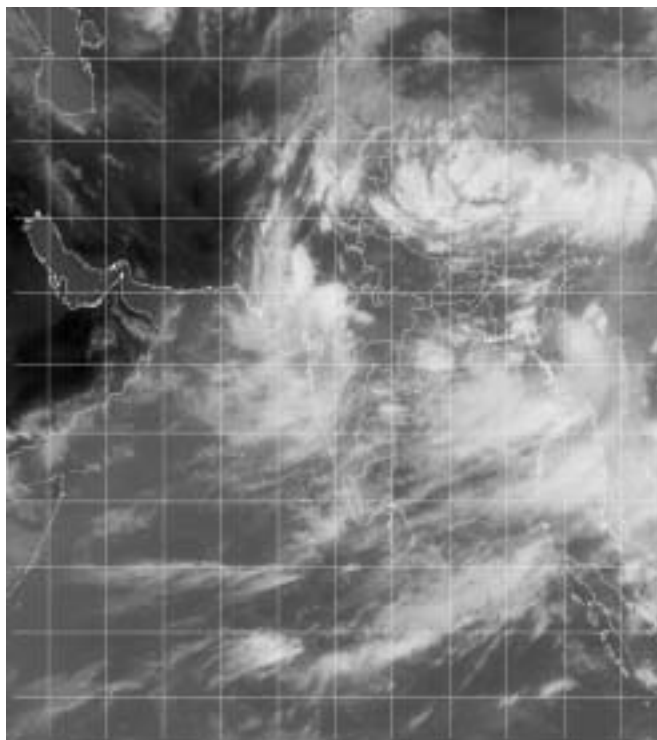
Clear sky was witnessed in whole Rajasthan after many days of cloudy weather and isolated rains. Though it was partly cloudy weather in Barmer but it was unable to stop taking the higher steps by guar seed and gum and they moved upward. The strength in the market is not so promising that it may push the prices to a great extent, so market of guar moved upward but in narrow range. If there will be this type of weather for next 2-3 days also, prices may go further upward.

Commodity	Centres	01.08.05	02.08.05	Change
Guar Seed	Bikaner	1440	1450	+10
	Ganganagar	1410	1425	+15
	Jodhpur-B line	1525-40	1550-75	+35
	Jodhpur-M line	1520	1530-40	+20
	Nokha	1350	1380	+30
	Alwar	1300	1310	+10
	Khairthal	1300	1310	+10
Guar Gum:		3850-3900	3925-50	+50

Salient points of the day

- Almost clear weather in Rajasthan except parts of Barmer.
- Guar seed as well as guar gum witnessed range bound trade and settled marginally higher.
- Prices are expected to move marginally upward with range bound movements tomorrow, still 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.	289.5	292.5	293.8	+4.3

Price movements at Bikaner Vayda

Bikaner September guar vayda today opened firm at 292.5 traded range bound upward and finally closed slightly higher at 293.8, up by Rs.21.5 per quintal from previous close.

WEATHER WATCH

Current Weather Situation (02-08-05)

PROGRESS OF MONSOON;

low pressure area has formed over North Bay of Bengal off Gangetic West Bengal coast and is likely to become well marked. Yesterday's well marked low pressure area over central parts of Madhya Pradesh further weakened into a low pressure area and now lies over northwest Madhya Pradesh and adjoining east Rajasthan. The system is likely to move in a west-northwesterly direction and weaken further. The off-shore trough running from Konkan & Goa to Kerala Coast now runs from Goa to Karnataka coast. The axis of the monsoon trough at sea level passes through Phalodi, centre of the low pressure area, Jabalpur,

Ambikapur, Balasore and thence eastwards to north Bay of Bengal. Southwest monsoon has been vigorous over Gujarat State, Rajasthan and south interior Karnataka and active over Konkan & Goa, madhya Maharashtra, coastal & north interior Karnataka and Kerala. Rain/thundershowers occurred at most places over Andaman & Nicobar Islands; at many places over Nagaland, Manipur, Mizoram & Tripura, Chhattisgarh, Uttaranchal, Marathawada, Vidarbha and Lakshadweep; at a few places over Assam & Meghalaya, Orissa, west Madhya Pradesh, Jammu & Kashmir, Himachal Pradesh, coastal Andhra Pradesh and Telangana. It was isolated over the rest regions of the country outside Bihar where weather was mainly dry.

Forecast for Next 24 Hours

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, northeastern States, Orissa, south Chhattisgarh, South Rajasthan, Gujarat state, Konkan & Goa, madhya Maharashtra, coastal Andhra Pradesh, coastal Karnataka and Kerala and at a few places over the rest regions of the country outside Haryana, Chandigarh & Delhi, Punjab, Jammu & Kashmir and Tamil Nadu & Pondicherry where it may be isolated. Decrease in rainfall activity over south Rajasthan, Gujarat state, Konkan & Goa and madhya Maharashtra and increase over Bihar,

Orissa, Jharkhand, Chhattisgarh, Punjab, Haryana, Uttar Pradesh and western Himalayas from 4th August.

Outlook for subsequent two days :

Increase in rainfall activity over east-central India, Gangetic plains and western Himalayan region.

Heavy Rainfall Warning

Isolated heavy rainfall likely over Orissa, south Rajasthan, Saurashtra & Kutch, Konkan & Goa, Madhya Maharashtra, north coastal Andhra Pradesh and coastal Karnataka.

Source: GOI

EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.46
European Union	Euro	53.08
United Kingdom	GBP	76.93
Japan	100 Yen	38.94

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