

## GUAR SEED and GUAR GUM

August 03, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded weaker
- Guar vayda witnessed downward moves

### 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 Thursday.

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

**MACD:** The MACD (5-day) is still moving downward, lying below its EMA, hinting weaker market strength.

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

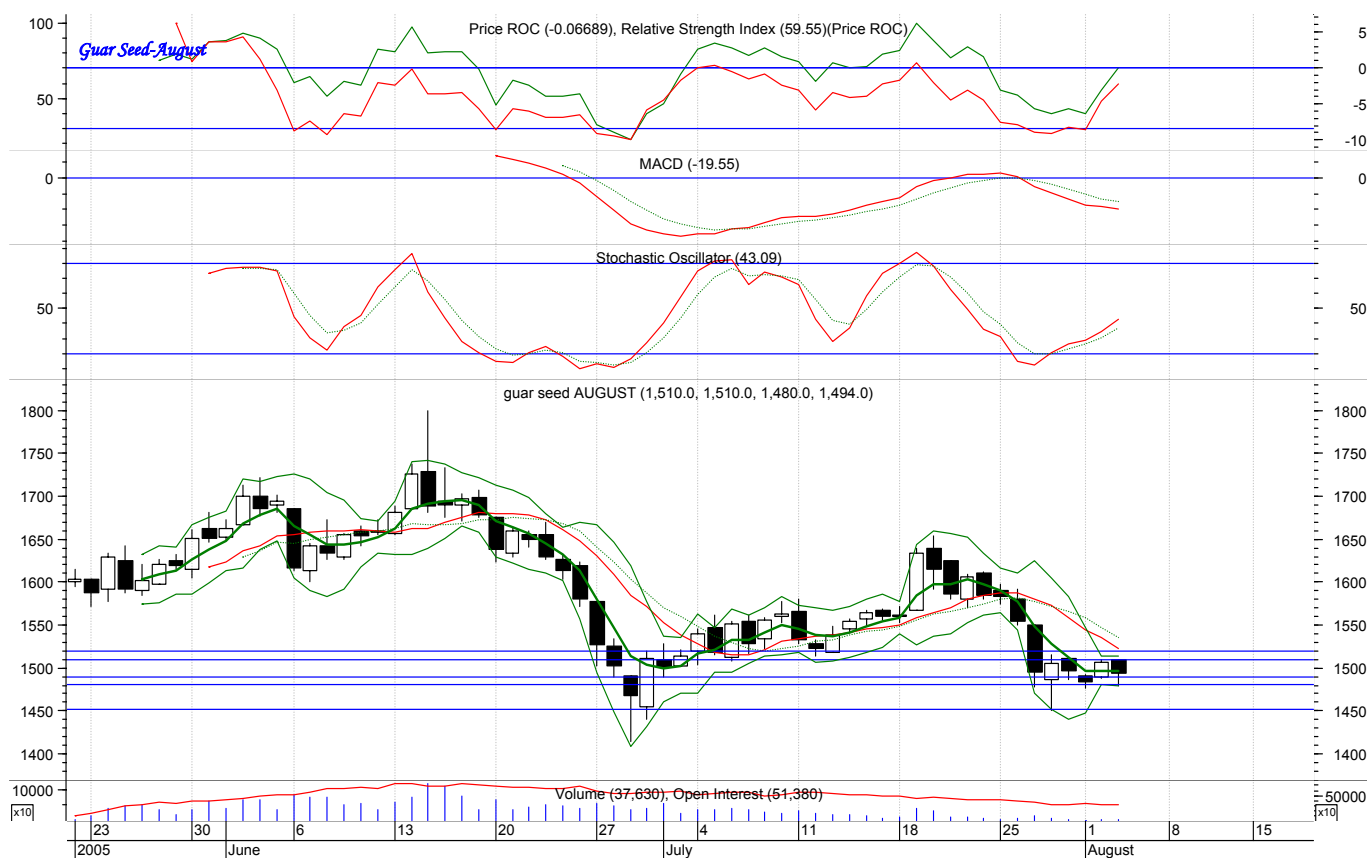
Guar seed future traded downward and closed lower. It is expected to open steady and trade range bound upward next day.

### Market outlook:

- Guar seed prices are expected to open steady/weaker and trade range bound upward on Thursday. It may move temporarily downward also in case of the rains in Bikaner and Jodhpur.
- Trade with very short-term outlook.

### Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	1490	1481	1510	1519
Sept.	1512	1503	1533	1542



**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 Thursday.

**Stochastic:** The stochastic is now moving in neutral region, %K is lying above %D line, hinting the higher prices next day.

**MACD:** The MACD (5-day), is moving downward and lying below its EMA, expecting weaker strength in the market.

**Alignment pattern:** The alignment pattern of moving average is indicating towards downward moves in prices.

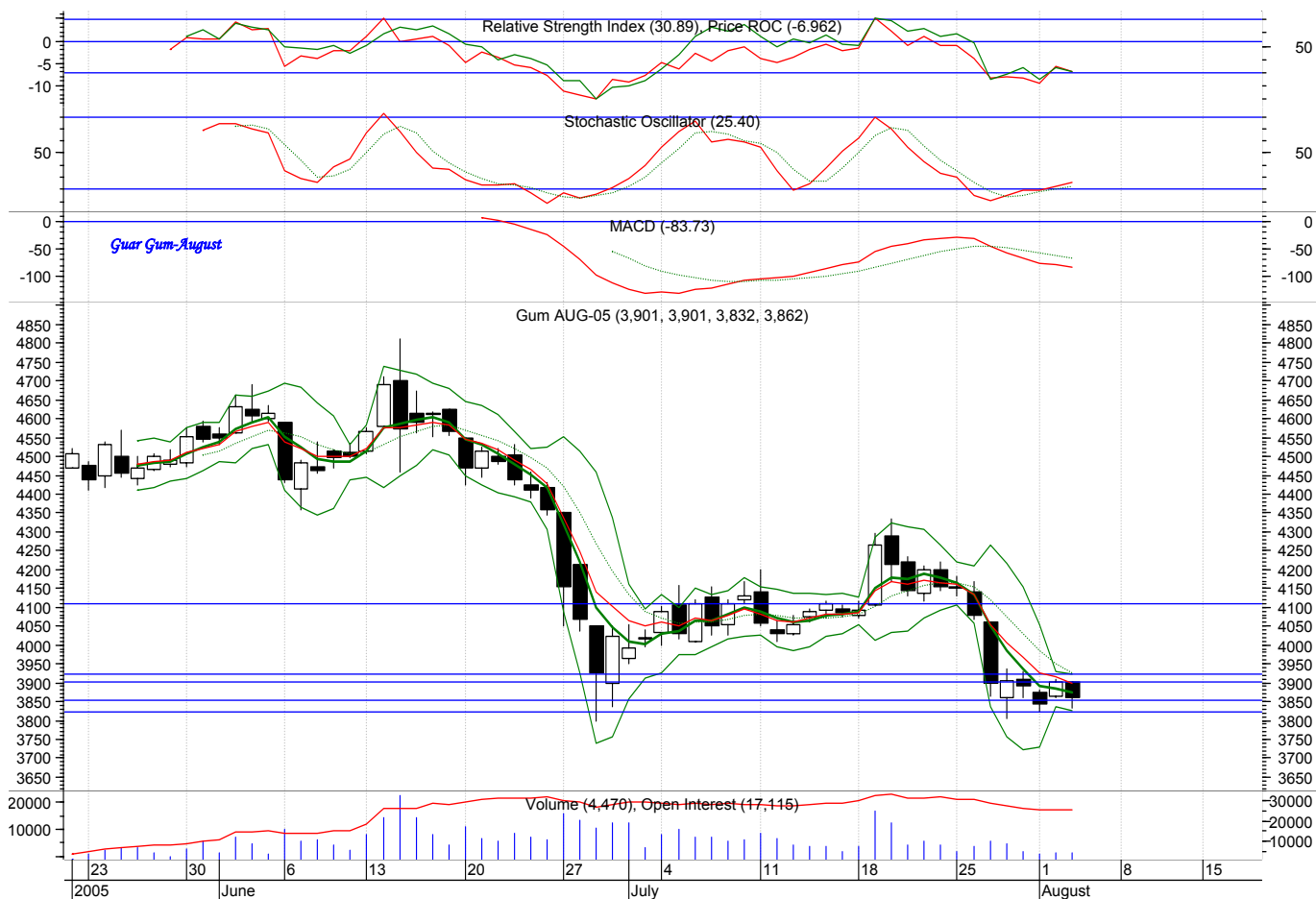
Guar gum witnessed lower moves and closed at lower level. It is expected to open steady and trade range bound upward on Thursday.

**Market outlook:**

- Guar gum is expected to open weaker/steady and trade range bound upward on Thursday. Though it may move initially downward also in case of the rains in Bikaner and Jodhpur.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
August	3852	3823	3901	3923
Sept.	3940	3908	3997	4016



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX traded speculative downward with partial recovery towards the end of the day and it finally finished at lower level. Following the futures, cash markets of guar seed went down and witnessed lack of demand. Bikaner line 98% whitish guar seed slipped down and was asked at Rs.1525 per quintal in Jodhpur market. Bikaner market witnessed marginal lower moves and guar seed was priced at Rs.1430 per quintal over there. Nokha market witnessed poor arrivals of around 100 bags and guar seed was priced at Rs.1370-80 per quintal today. Other markets of guar seed witnessed slightly slippery day today.

Contrary to previous day's trade, guar gum futures at NCDEX fell down amid speculative sentiments. Cash markets of guar gum witnessed downfall today and guar gum was sold at Rs.3900 per quintal in Jodhpur market towards evening.

Parts of Barmer witnessed rains last night. Clear sky was observed in almost whole Rajasthan during forenoon though few clouds entered in eastern Rajasthan during afternoon today. During late evening, after closing of NCDEX today, rains were witnessed in parts of Jodhpur and Pali regions of Rajasthan. The downward trade today was totally speculative amid the artificial sentiments created by big speculators. According to IMD, rainfall activity in eastern Rajasthan will decrease gradually from tomorrow onwards and the chances of rains in western Rajasthan during coming few days are also lesser, so all these conditions clubbed together, are indicating towards slight upward move in guar seed and gum for next two days.

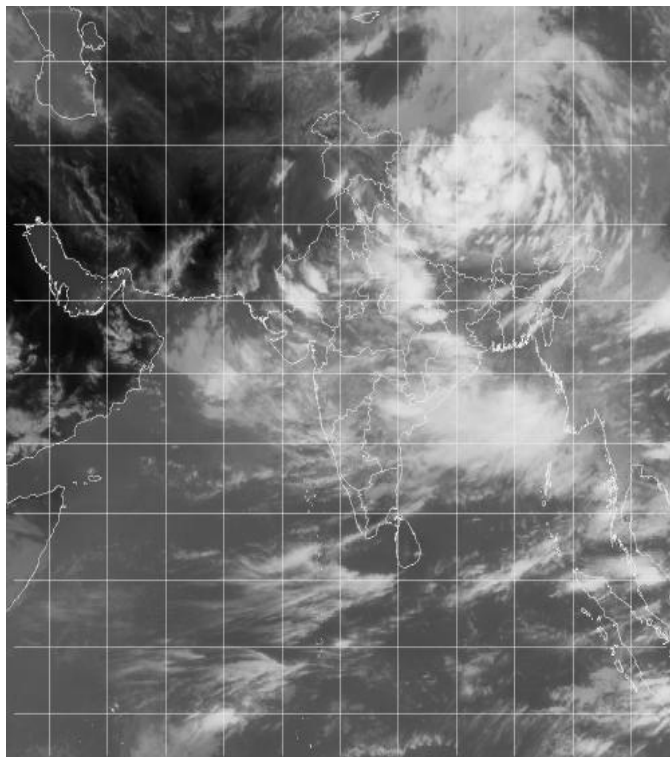
Commodity	Centres	02.08.05	03.08.05	Change
Guar Seed	Bikaner	1450	1430	-20
	Ganganagar	1425	1420	-5
	Jodhpur-B line	1550	1525	-25
	Jodhpur-M line	1530	1500	-30
	Nokha	1380	1370	-10
	Alwar	1310	1300	0
	Khairthal	1310	1300	0
Guar Gum:		3925-50	3900	-50

### Salient points of the day

- Cloudy weather in eastern Rajasthan where as clear sky in western parts of the state during day.
- Rains were witnessed in parts of Jodhpur and Pali regions of Rajasthan during late evening today.
- Guar seed as well as guar gum witnessed speculative downward trade during whole day.

- Prices are expected to witness marginally upward recovery with range bound movements tomorrow.

### 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.	293.8	293.9	292.3	-1.5

#### Price movements at Bikaner Vayda

Bikaner September guar vayda today opened firm at 293.9 but traded downward during whole day except slight recovery towards the end of the day and finally closed slightly higher at 292.3, down by Rs.7.5 per quintal from previous close.

## WEATHER WATCH

### Current Weather Situation (03-08-05)

#### PROGRESS OF MONSOON;

Yesterday's low pressure area over north Bay of Bengal off Gangetic West Bengal coast now lies over north Bay of Bengal and adjoining Bangladesh has become well marked. Associated upper air cyclonic circulation extends upto mid tropospheric levels. The other low pressure area over northwest Madhya Pradesh and adjoining east Rajasthan now lies over east Rajasthan and is becoming

less marked. Associated upper air cyclonic circulation extends upto mid tropospheric levels. The off-shore trough running from Goa to Karnataka coast persists. The axis of the monsoon trough at sea level passes through Phalodi, centre of the low pressure area, Fatehpur, Hazaribagh, centre of other low pressure area over Bay of Bengal and thence southeastwards to north Andaman Sea. Southwest monsoon has been vigorous over Gujarat region and active over Gangetic West Bengal, Jharkhand, Rajasthan, coastal Karnataka and Konkan & Goa. Rain/thundershowers occurred at most places over Saurashtra & Kutch, madhya Maharashtra and Kerala; at many places over Nagaland, Manipur, Mizoram & Tripura, sub-Himalayan West Bengal & Sikkim and Orissa and at a few places over the rest regions of the country outside Haryana, Chandigarh & Delhi, Marathawada, Telangana, Rayalaseema, Tamil Nadu & Pondicherry and Lakshadweep where it was isolated.

#### Forecast for Next 24 Hours

Rain/thundershowers are likely at most places over Gangetic West Bengal and Orissa; at many places over northeastern States, sub-Himalayan West Bengal & Sikkim, Jharkhand, Bihar, Chhattisgarh, Uttar Pradesh, East Rajasthan, Gujarat state, Madhya Pradesh, Konkan & Goa and coastal Karnataka and at a few places over the rest regions of the country outside Jammu & Kashmir, Punjab, south Andhra Pradesh and Tamil Nadu & Pondicherry

where it may be isolated. Increase in rainfall activity over Chhattisgarh and east Madhya Pradesh from 5<sup>th</sup> August.

#### Outlook for subsequent two days :

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

#### Heavy Rainfall Warning

Heavy to very heavy rainfall likely at a few places over Gangetic West Bengal and Orissa. Isolated heavy rainfall also likely over Jharkhand, Chhattisgarh, East Rajasthan, Gujarat, Konkan & Goa and Coastal Karnataka.

Source: GOI (IMD)

#### EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.51
European Union	Euro	53.04
United Kingdom	GBP	77.06
Japan	100 Yen	38.98

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