

## GUAR SEED and GUAR GUM

August 29, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar seed and gum traded range bound
- Guar vayda slipped down

### TECHNICAL ANALYSIS

**Commodity:** Guar Seed  
**Perspective:** Very Short Term  
**NCDEX October Contract**

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

**Stochastic:** The stochastic is moving towards downward in overbought region; % -K line has crossed the % -D line from above, hinting slightly towards downward technical correction.

**MACD:** The MACD (5-day) is still moving upward above its EMA in positive zone, hinting towards further upward movement.

**Alignment pattern:** The alignment pattern of moving averages is indicating the upward market tomorrow.

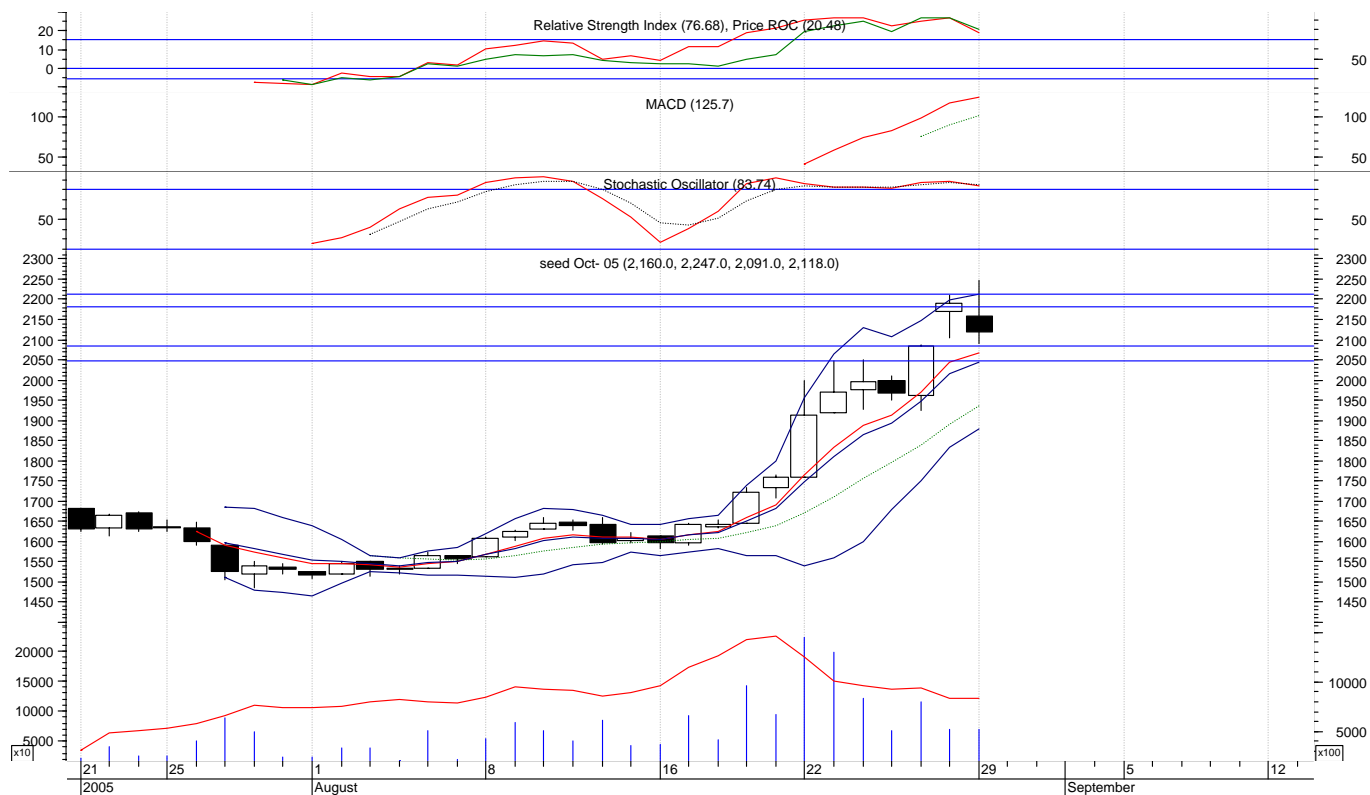
Guar seed future traded range bound and finished at much lower level. It is expected to open weaker and trade range bound next day.

### Market outlook:

- Guar seed prices are expected to open weaker and trade range bound, downward initially and upward thereafter on Tuesday. Large fluctuation is expected daily during coming days. Market is expected to move toward higher limit once more during this week
- Trade with very short-term outlook.

### Support and Resistance level for Guar Seed :

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1994	1959	2082	2114
Oct.	2085	2049	2182	2212



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

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

**Stochastic:** The stochastic is turning down in overbought zone, %K line is lying below the %D line after crossing it in overbought region and expecting weakness in the market now.

**MACD:** The MACD (5-day), is still moving upward and lying above its EMA, hinting towards firm moves.

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

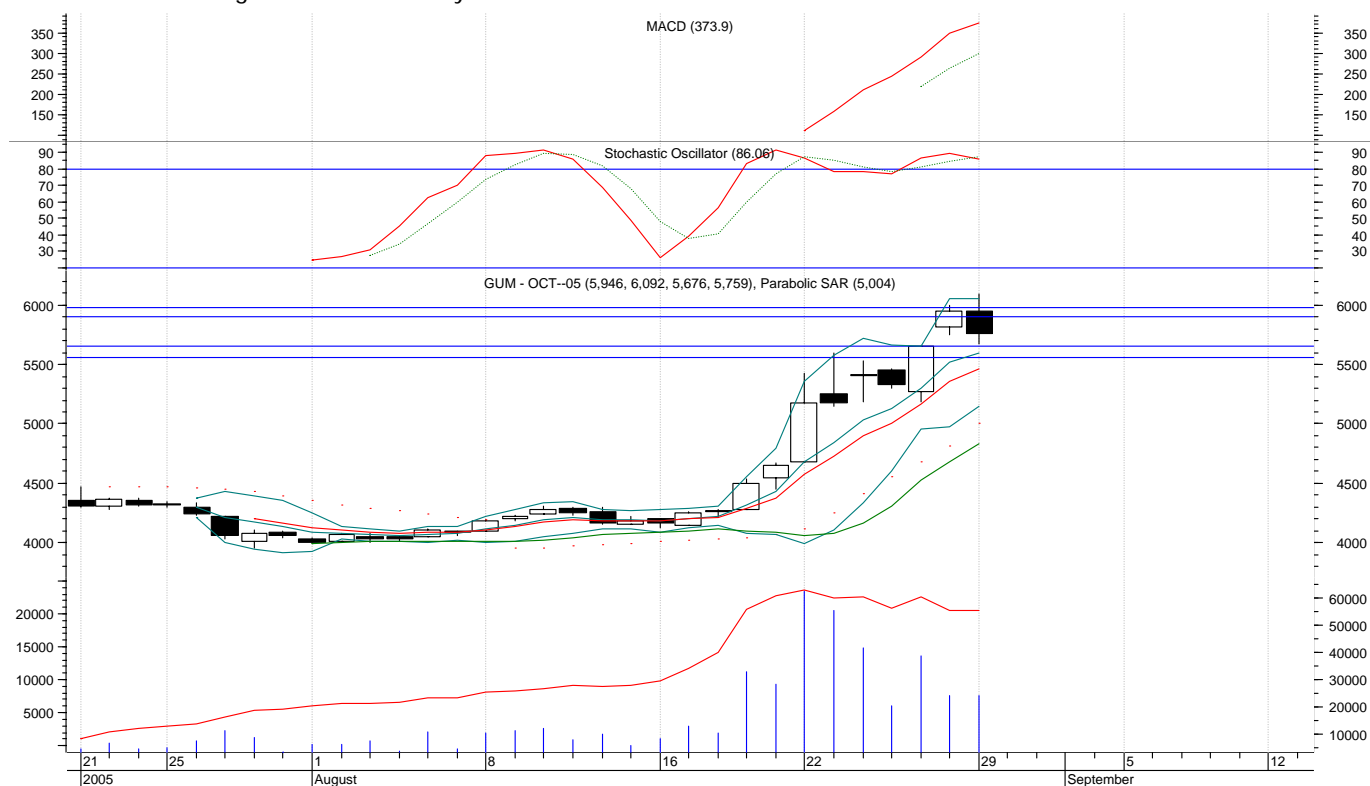
Guar gum traded range bound during day but slipped steeply during last hour of the trade. It is expected to open weaker and trade range bound on Tuesday.

#### Market outlook:

- Guar gum is expected to open weaker and trade downward initially and upward thereafter on Tuesday. Market sentiments are still firm and prices are expected to move towards higher limits once more during this week. Large fluctuation is expected during coming days.
- Trade with very short-term outlook.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	5510	5425	5728	5817
Oct.	5652	5762	5899	5980



## MARKET COMMENTARY OF MAJOR MARKETS

Guar seed futures at NCDEX opened weaker and traded range bound upward during day but slipped steeply towards the end of the day amid speculative selling interests. Cash markets witnessed range bound trade and followed the futures but moved higher again during late evening. In Jodhpur market, Bikaner line 98% whitish guar seed was available at Rs.2100 per quintal during day, slipped to Rs.2000 per quintal but moved to Rs.2050 per quintal during late evening today. Bikaner market witnessed the guar seed in the range of Rs.1950-2050 per quintal today. Other cash markets also followed the futures traded range bound.

Guar gum futures at NCDEX fell steeply during last hour of trade and cash markets followed the same. Guar gum was traded in the range of Rs.5500-5700 per quintal in Jodhpur market.

The prices of guar seed and gum are fluctuating to a large extent now days as the prices are in moving in upper range and at these levels, profit booking through speculative selling is very common. As per weather forecasts, chances of rain in western Rajasthan are poor and market sentiments are still firm. Under this situation, prices may move towards higher limits once more during this week and may be expected to come down thereafter.

Commodity	Centres	27.08.05	29.08.05	Change
	Bikaner	2000	1975	-25
	Ganganagar	1975	1925-50	-25
Guar Seed	Jodhpur-B line	2025	2025	0
	Jodhpur-M line	2000	2000	0
Guar Gum:		5650	5550	-100

### Salient points of the day

- Guar seed as well as guar gum slipped slightly.
- Subdued rainfall activity is expected over NW regions of the country during next 2-3 days.
- The other upper air cyclonic circulation extending between 2.1 to 4.5 km above sea level over Gujarat & neighbourhood persists.
- Moderate rainfall activity over south peninsular India is expected during next two days.
- Prices are expected to witness downward trade initially and upward later on for next trading day.

### Bikaner Guar Vayda

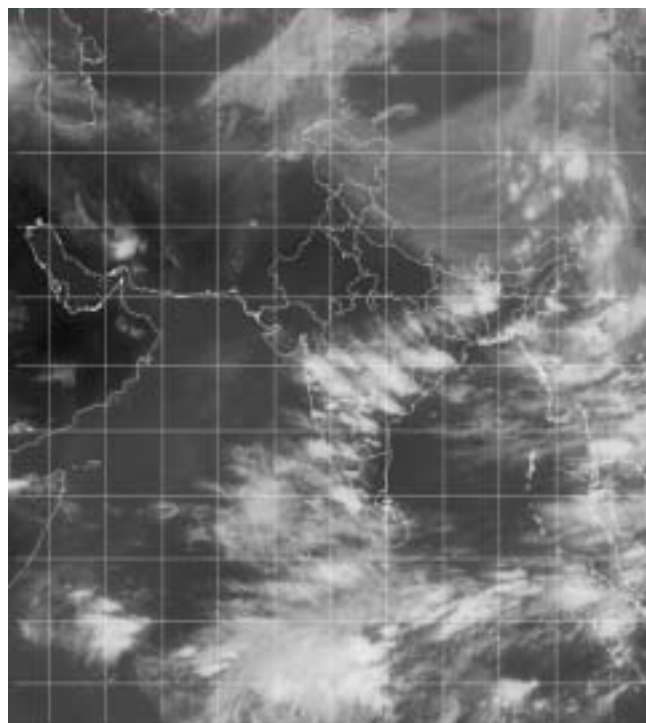
#### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	350	349.2	349.7	-0.3

#### Price movements at Bikaner Vayda

Bikaner September guar vayda today opened weaker at 349.2, witnessed range bound upward trade throughout the day but fell slightly towards the end and closed at 349.7, down by Rs.1.5 per quintal from previous close.

#### Satellite Image Showing Latest Cloud Cover (IMD, 7:30PM)



### WEATHER WATCH (29-08-05)

#### PROGRESS OF MONSOON;

During last 24 hours, monsoon rainfall activity remained subdued over most parts of the country as break monsoon conditions continue to prevail with the monsoon trough remaining close to foothills of Himalayas. This condition is likely to prevail with Scattered moderate rainfall over North eastern states and Sub-Himalayan West Bengal & Sikkim and south peninsular India for next two days. Yesterday's upper air cyclonic circulation over Kerala & neighbourhood between 2.1 & 4.5 km has moved westwards and now lies over Lakshadweep area. A fresh upper air cyclonic circulation over south Interior Karnataka and

neighbourhood extending upto 2.1 km a.s.l. tilting southeastwards with height. These systems likely to cause moderate rainfall activity over south peninsular India during next two days. The other upper air cyclonic circulation extending between 2.1 to 4.5 km above sea level over Gujarat & neighbourhood persists. The north-south trough runs from Sub Himalayan West Bengal to north Bay of Bengal extending upto 1.5 km a.s.l. Yesterday's western disturbance as an upper air cyclonic circulation extending upto 2.1 km a.s.l. over north Pakistan and adjoining Jammu & Kashmir has moved away northeastwards. Rain/thundershowers occurred at most places over Arunachal Pradesh; at many places over Sub-Himalayan West Bengal & Sikkim and Himachal Pradesh; at a few places over Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura, Uttaranchal, Bihar, East Uttar Pradesh, Orissa, Konkan & Goa; Rayalaseema, south Interior Karnataka, Tamil Nadu & Pondicherry and Lakshadweep and isolated over rest regions of the country outside Jharkhand, West Uttar Pradesh, West Rajasthan, East Madhya Pradesh and Telangana where the weather was mainly dry.

#### FORECAST VALID FOR NEXT 72 HOURS

Rain/thundershowers are likely at many places over Tamil Nadu & Pondicherry, Karnataka, Lakshadweep and at a few places over Andaman & Nicobar Islands, northeastern States, Sub-Himalayan West Bengal & Sikkim, Coastal

Andhra Pradesh and Kerala. It may be isolated over Gangetic West Bengal, Orissa, Bihar, Uttaranchal, Punjab, Himachal Pradesh, Jammu & Kashmir, Gujarat State, Konkan & Goa, Madhya Maharashtra, Telangana and Rayalaseema. Weather may be mainly dry in the rest regions of the country.

Source: GOI (IMD & NCMRWF)

#### EXCHANGE RATE

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.78
United Kingdom	GBP	79.09
European Union	Euro	53.99
Japan	100 Yen	39.69

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