

## GUAR SEED and GUAR GUM

September 14, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Guar Seed and Gum Remained Strong in Spot Markets
- Guar Futures Retraced Back on Speculative Buying

### TECHNICAL ANALYSIS

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

**Candlestick:** Formation of candlesticks is showing an upward movement initially following a firm opening and range bound downtrend thereafter.

**Stochastic:** The stochastic is moving upwards in oversold region, the %K line after cutting the %D line from below moving upwards, hinting further uptrend in the next day.

**MACD:** The MACD (5-day) is moving down, lying below its EMA, showing that weakness prevails in the market.

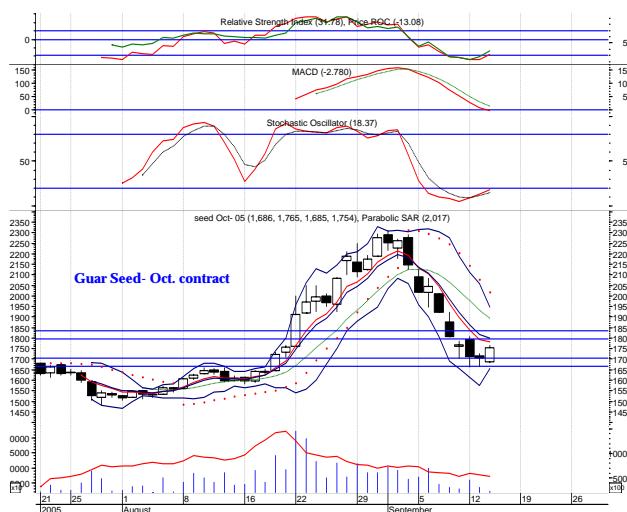
**Alignment pattern:** The alignment pattern of moving averages is still showing weakness in the market.

#### Market outlook:

Guar seed futures are likely to move upwards initially following a firm opening and range bound downward movement thereafter. Trade with very-short term outlook following the weather conditions.

#### Support and Resistance Level for Guar Seed:

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	1642	1617	1714	1734
Oct.	1705	1667	1796	1835



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

**Candlestick:** Formation of candlestick pattern is indicating a firm opening and upward movement initially and range bound downside movement thereafter.

**Stochastic:** The stochastic is moving upwards in oversold region, the %K-line after cutting the %D line from below moving upwards, showing further uptrend in the next day.

**MACD:** The MACD (5-day) is lying below its EMA and moving downwards, showing weakness in the market.

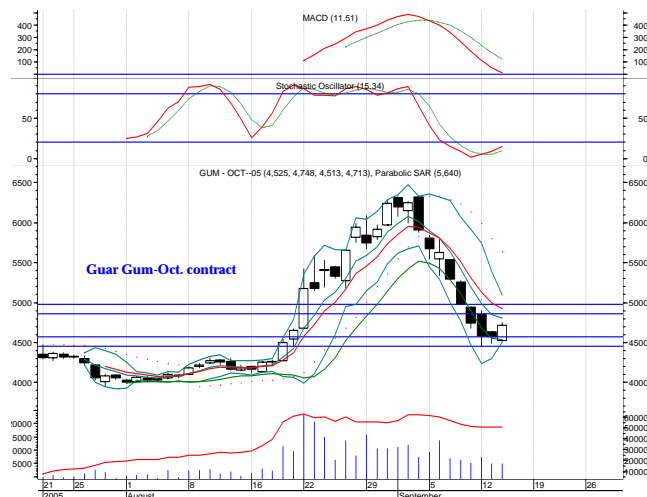
**Alignment pattern:** The alignment pattern of moving averages is hinting towards weakness in the prices.

#### Market outlook:

Guar gum futures are expected to move upwards initially following a firm opening and trade range bound downward movement thereafter. Trade with a very-short term outlook keeping in mind the weather conditions.

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

Contract	Support		Resistance	
	1st	2nd	1st	2nd
Sept.	4440	4320	4749	4827
Oct.	4571	4456	4862	4975



## MARKET COMMENTARY OF MAJOR MARKETS

The guar seed futures at the NCDEX witnessed a strong sentiment following a weak opening today. The futures retraced back again on heavy buying support at the lower price levels. The October future traded in the range of 1685-1765 during today's trade. At the spot markets also the guar seed was offered at a higher price of Rs 1725 per quintal in Jodhpur market today. At the Bikaner market guar seed was quoted higher at Rs 1725 per quintal today, while at the Nokha market it was offered at Rs 1550 per quintal. The guar gum futures also followed the same trend. The October guar gum future at the NCDEX traded in the range of 4513-4748 during today's trade. At the spot market guar gum was offered at Rs 4650-4700 per quintal in Jodhpur market today.

The improved weather conditions over Rajasthan, Punjab and Haryana have supported the upward movement of guar prices today. Yesterday's well marked low pressure area over south Gujarat coast & adjoining Saurashtra has concentrate into a depression and now lies over northeast Arabian Sea and is likely to move in westerly direction. The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood is moving away east-northeastwards. Under such circumstances the guar futures are likely to witness further upside movement at the early hours of trade but a range bound downside movement is expected thereafter.

### Guar Prices at Major Markets in Rajasthan

(Rs./quintal)				
Commodity	Centres	14.09.05	13.09.05	Change
Guar Seed	Bikaner	1725	1600	+125
	Jodhpur-B line	1725	1700	+25
	Jodhpur-M line	1700	1675-1700	+25
	Nokha	1550	1500	+50
Guar Gum	Jodhpur	4650-4700	4600	+100

## BIKANER GUAR VAYDA

### Guar Prices at Bikaner Vayda

Contract	Prev. Close	Open	Close	Change
Sep.	334.20	330.50	336.00	+1.80
Nov.	389.00	386.00	390.20	+1.20

### Price Movements at Bikaner Vayda

The guar futures at the Bikaner vayda witnessed a bullish sentiment today. The September and November future open weaker than previous close, but managed to recover and settled at the positive ground.

## SALIENT POINTS OF THE DAY

Guar seed and gum prices recovered moderately amidst speculative buying support.

Improved weather conditions over guar growing regions in Rajasthan.

Prices are likely to open firm, trade upward initially and range bound downward thereafter.

## WEATHER HIGHLIGHTS (14-09-05)

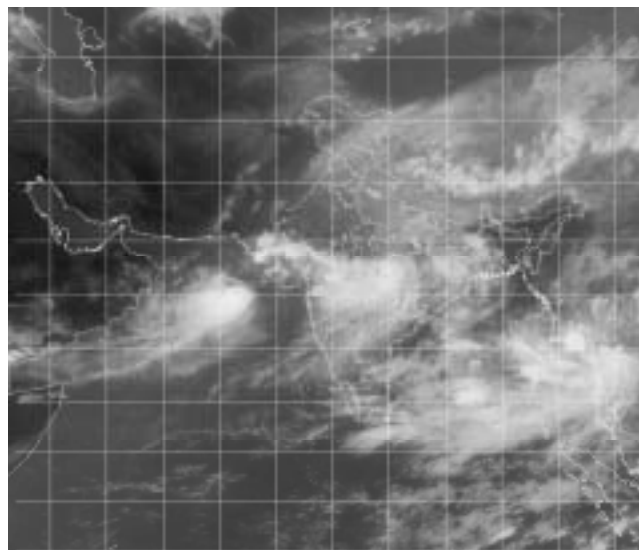
During past 24 hours, fairly widespread with isolated with heavy to very heavy rainfall have occurred over Orissa, Gangetic West Bengal, north Coastal Andhra Pradesh, Chhattisgarh, East Madhya Pradesh and Vidarbha. Fairly widespread moderate rainfall has also occurred over Konkan & Goa, Coastal Karnataka, West Madhya Pradesh, Haryana, Himachal Pradesh and Uttaranchal. Light to moderate scattered rainfall has occurred over rest region of the country outside Tamil Nadu, south Andhra Pradesh and Uttar Pradesh.

Yesterday's well marked low pressure area over south Gujarat coast & adjoining Saurashtra has concentrate into a depression and now lies over northeast Arabian Sea with its centre near Lat 20° N/ Long. 68° E about 200 km southwest of Veraval. The system is likely to move in a westerly direction.

Under the influence of above systems, fairly widespread rains with heavy to very heavy falls are likely over Vidarbha, Chhattisgarh, Madhya Pradesh and Konkan & Goa for next 2-3 days and over Gangetic West Bengal, Orissa and Jharkhand for another 24 hours.

The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood is moving away east-northeastwards.

### Cloud Cover today (IMD):



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