

## MENTHA OIL ( MCX )

27<sup>th</sup> December 2006

### SPOT MARKETS

Spot markets were witnessing bullish sentiments however traders were not so responsive at this bullish drive, after a bearish rally in the past days. Chandusi experienced low arrivals with less presence of exporters. However locals were also keeping away from the markets. Sambhal was incorporating fewer exporters with fewer arrivals. Sambhal; traders are anticipating demand in the coming trading session. Sambhal went with an intra-day low of Rs.648. Rampur continued to experience adequate arrivals. Active buyers were local traders, exporters presence were not felt. Barabanki witnessed less arrival with adequate buyers. Spot mentha markets were nodding at MCX tunes.

### FUTURES MARKETS

January contract at MCX opened in a bullish tone. Markets were in bullish sentiments, however future traders were driving the markets anticipating demand from exporters in the coming trading session. However speculative forces cant be ignored in the futures markets. January contract traded in the range of Rs.601.5-619.5, while February contract traded in the range of Rs.611.1-630.5. Markets may open firm.

### PRICE DRIVERS

1. Stockist presence in the markets.
2. Less farmers presence.
3. Active traders participation
4. Speculation cannot be ignored.

### TECHNICALS

Candlesticks is indicating bullish pattern. MACD indicating bearish markets, but if DAV converges with MACD markets might slightly turn bullish. RSI has cut MA from below. Volume and open interest was low, indicating low participation. Prices decline below moving averages. Oscillator indicating trend to be slightly bullish.



### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-January Contract	603	595	619.5	625	631

### TRADE RECOMMENDATION:

**Safe strategy:** Buy near Rs.611 at stop loss at 607 and target of 618.

**Risky strategy:** Buy near Rs.615 at stop loss near S1 and target of Rs.624

### Spot Market Prices

Origin/Grade	Center	26 . 12 . 06	23 . 12 . 06	Rs/Kg Change
Mentha Oil	Sambhal	660	650	10.00
Mentha Oil	Chandusi	650	640	10.00
Mentha Oil	Rampur	648	638	10.00
Mentha Oil	Barabanki	630	610	20.00

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