

## MENTHA OIL ( MCX )

30<sup>th</sup> January 2007

### SPOT MARKETS

Spot markets opened firm, but due to MCX bearish sentiments spot markets turned bearish. With the fall in Rs.11.75 on an average in spot markets the fall in MCX prices were down by Rs.9.5 taking averages of all the three contracts. The fall in Spot markets was steeper than the future prices. Rampur experienced adequate arrivals with demand coming from locals. Chandusi witnessed adequate demand from exporters with active local participation. Sambhal reported higher arrivals with greater demand. Exporters demand was seen in Sambhal, local participation was also seen in the markets. Sambhal traders are anticipating markets to show bullish sentiments for the next trading session. Barabanki the hub for exporters were incorporating export demand with negligible arrivals from farmers as stockist were filling the gap. Barabanki traders are anticipating bullish sentiment for the next trading session.

### FUTURES MARKETS

February contract at MCX opened with bearish sentiments after the previous bullish phase however markets are trading in a range bound territory. Speculative forces cant be ignored in the future markets. January contract traded in the range of 563.1-578, while February contract traded in the range of 565-576.2

### PRICE DRIVERS

1. Exporters demand in the spot markets
2. expiration of January contract
3. Speculation cannot be ignored.

### TECHNICALS

Candlesticks is indicating . MACD indicate bullish markets as DAV line cuts the MACD line from below and continues to run parallel. RSI line indicating trend to be bullish as RSI line cuts the MA line from below and has a kinked downwards. Volume was lower and open interest was high. Prices closed above the 9,18 and 27 day moving averages.



### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-February Contract	561	550	567.5	585	590

### TRADE RECOMMENDATION:

**Safe strategy:** wait and watch

**Risky Strategy:** buy at current level with stop loss near 566 and target near 578

**Epilogue:** Consolidation Phase.

### Spot Market Prices

Origin/Grade	Center	29 . 01 . 07	27 . 01 . 07	Rs/Kg Change
Mentha Oil	Sambhal	604	616	12.00
Mentha Oil	Chandusi	601	614	13.00
Mentha Oil	Rampur	603	615	12.00
Mentha Oil	Barabanki	595	610	10.00

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt. Ltd.