

## MENTHA OIL ( MCX )

13<sup>th</sup> February 2007

### SPOT MARKETS

Spot markets opened firm but lower trading activity took place in spot markets due to less demand from exporters. However spot prices were following MCX trail. Rampur experienced lower arrivals with the rising prices in spot markets. Exporter's presence was not seen in Rampur. Local buying was taking place in Rampur. Chandusi experienced adequate arrivals with lower demand from exporters. However local demand continued to flavour the markets. Arrivals from farmers were reported to be less: traders reported. Sambhal received adequate arrivals from farmers. Local demand was seen in the markets but exporters presence was absent in the spot markets. Barabanki received lower demand from exporters with lower arrivals. Lower influx of arrivals was seen in the markets from farmers. Stockists were supporting the markets in Barabanki. Exporters were buying at bargaining rates at Rs.590/kg.

### FUTURES MARKETS

February contract at MCX opened in a firm node at Rs.607 and continued to trade with the firm sentiments in the later trading session markets slashed and closed at Rs.599. while March contract which opened at Rs.613.9 and slashed with a low of 603.5 before closing at Rs.605

### PRICE DRIVERS

1. Exporters demand in the spot markets.
2. Higher arrivals in spot markets.
3. Local demand in the spot markets
4. Speculation cannot be ignored.

### TECHNICALS

Candlesticks is indicating bearish pattern. MACD indicate bullish markets as DAV runs parallel with the MACD with a greater difference. RSI line indicating trend to be bearish as the RSI cuts the MA line from above. 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	593	58	599	614	625

### TRADE RECOMMENDATION:

**Safe strategy:** wait and watch

**Risky Strategy:** buy at current level with the stop loss near S1 and target near R1

**Epilogue:** Covering Phase.

### Spot Market Prices

Origin/Grade	Center	12. 02. 07	10. 02. 07	Rs/Kg Change
Mentha Oil	Sambhal	615	620	-5.00
Mentha Oil	Chandusi	615	622	-7.00
Mentha Oil	Rampur	611	618	-7.00
Mentha Oil	Barabanki	605	610	-5.00

### 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.