

MENTHA OIL (MCX)

12th March 2007

SPOT MARKETS

Spot markets opened on a firm node but due to marginal bullish sentiments on MCX spot followed the futures trend. Rampur received lower arrivals with nil presence of exporters. Local demand was higher compared to previous trading day. Sambhal received lower arrivals, with adequate demand from locals. Exporter's presence was not noted in Sambhal: traders reported. Barabanki continued to receive lower arrivals coming from farmers and stockist. Higher participation from exporters continued to flavour Barabanki. Chandusi experienced adequate arrivals from farmers and lower from stockist. Exporter's presences were not noted in Chandusi, as traders reported exporters were approaching MCX. Spot traders are anticipating, present sentiments to continue till Tuesday as correction is expected on MCX.

FUTURES MARKETS

March contract at MCX opened at Rs.534.3 and traded with bullish sentiments throughout the trading session touching a low of Rs.532.1 before closing at Rs.539.2. April contract opened at Rs.538.9 traded with bullish sentiments and concluded at Rs.542.2.

PRICE DRIVERS

1. Adequate Exporter's demand
2. Lower Local demand in the spot markets
3. Lower arrivals in spot markets
4. Speculation cannot be ignored

Warehouse stock	Kg	Drums
MCX	562880.000	3127.111

TECHNICALS

Candlesticks is indicating bullish pattern. MACD indicate markets show bearish tendency as the difference between MACD and DAV is turning to be negative and MACD tending downwards. RSI line has kinked from below and has cut MA line from below indicating slightly bullish tendency. Volume was lower and open interest was high. Prices closed below the moving averages.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-March Contract	522	509	535.6	550	560

TRADE RECOMMENDATION:

Safe strategy: Wait and watch

Risky Strategy: Buy if market reaches near 545 with stop loss near 541 and a target near 550.

Epilogue: Bearish Phase.

Spot Market Prices

Origin/Grade	Center	10. 03. 07	09. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	598	597	1.00
Mentha Oil	Chandusi	592	592	0.00
Mentha Oil	Rampur	591	590	1.00
Mentha Oil	Barabanki	590	588	2.00

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