

## MENTHA OIL ( MCX )

3<sup>rd</sup> March 2007

### SPOT MARKETS

Spot markets opened on a firm note with the presence of demand. Spot prices were not weakening with the MCX prices, as presence of demand was seen. Chandusi experienced lower arrivals from farmers and stockist due to festive season. Exporters demand was adequate in Chandusi while local demand was higher. Rampur received lower arrivals with lower presence of exporters. Local demand was higher in Rampur. Arrivals in Rampur were mainly noted from farmers. Barabanki received adequate arrivals coming from farmers and stockist. Exporters were bargaining at Rs.590, in the early hours but with the rising demand, exporters bargained at Rs.595. Sambhal experienced lower arrivals coming from farmers and stockist. Exporter's presence was lower while higher local demand existed in Sambhal.

### FUTURES MARKETS

March contract at MCX opened at Rs.577 and traded with bearish sentiment reaching a low of Rs.565.5 before closing at Rs.566.4. April contract opened at Rs.582.3 traded with bearish sentiment throughout the trading session and reached a low of Rs.567.7 before closing at Rs.569.1.

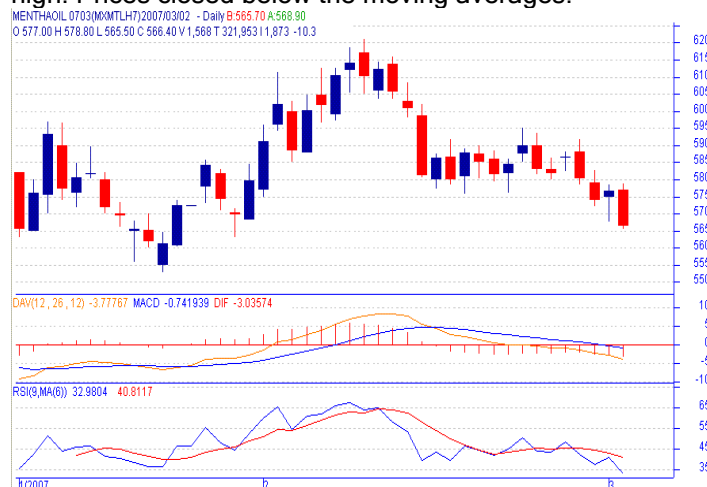
### PRICE DRIVERS

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

Warehouse stock	Kg	Drums
MCX	570072.170	3167.068

### TECHNICALS

Candlesticks is indicating bearish pattern. MACD indicate markets show bearish tendency as the difference between MACD and DAV is turning to be negative. RSI line has kinked away from the MA line indicating bearish tendency in the markets. 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	561	556	566.4	582	588

### TRADE RECOMMENDATION:

**Safe strategy:** Wait and watch {sell at current level}

**Risky Strategy:** Sell at current Level

**Epilogue:** Bearish Phase.

### Spot Market Prices

Origin/Grade	Center	02 03. 07	01. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	606	612	-6.00
Mentha Oil	Chandusi	605	614	-9.00
Mentha Oil	Rampur	600	603	-3.00
Mentha Oil	Barabanki	601	601	0.00

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