

## MENTHA OIL ( MCX )

30<sup>th</sup> March 2007

### SPOT MARKETS

Spot markets opened with lower demand from locals, however prices on MCX were not so influential enough to drive spot prices.

Chandusi experienced adequate arrivals which was compatible with the existing local demand in the markets. Exporters demand was not seen in the markets. Chandusi touched an intraday high of Rs.566. Sambhal received lower arrivals from farmers and stockist. Local demand was adequate, with lower buying from exporters. Sambhal experienced intraday high of Rs.563.

Rampur received adequate arrivals from farmers and stockist. Local demand was compatible with arrivals, while demand from exporters was not seen in Rampur. Barabanki received adequate arrivals from farmers and stockist. Exporters were bargaining at Rs.540, consistence from previous trading session. Local demand was not located in Barabanki.

### FUTURES MARKETS

MCX April contract opened at Rs.559 reached a intraday high of Rs.565.5 and then tumbled only to touch a low of Rs.554 before closing at Rs.555.8. While May contract opened at Rs.548.5, traded volatile and closed in a bearish sentiment at Rs.544.5.

### PRICE DRIVERS

1. Lower 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	411815.670	2287.865

### TECHNICALS

Candlesticks is indicating bearish pattern. MACD indicate markets slightly bearish tendency as the difference between DAV and MA line is narrowing. RSI has kinked from below and is moving parallel with the MA line indicating slightly bearish tendency. Volume was low compared with the previous trading session while open interest continued to be higher. Prices closed on the moving averages.



### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-April Contract	548	539	555.8	573	579

### TRADE RECOMMENDATION:

**Safe strategy:** wait and watch

**Risky Strategy:** sell at current level.

**Epilogue:** Bearish Phase.

### Spot Market Prices

Origin/Grade	Center	29. 03. 07	28. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	557	560	-3.00
Mentha Oil	Chandusi	560	564	-4.00
Mentha Oil	Rampur	555	556	-1.00
Mentha Oil	Barabanki	550	553	-3.00

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