

## MENTHA OIL ( MCX )

9<sup>th</sup> March 2007

### SPOT MARKETS

Spot markets opened with lackluster behaviour due to past bearish sentiments. Volatile prices on MCX were another reason for lower trading activities in Spot markets. Rampur received lower arrivals with nil presence of exporters. Local demand was adequate. Sambhal received lower arrivals, with adequate demand from locals. Exporter's presence was not noted in Sambhal: traders reported. Barabanki received lower arrivals coming from farmers and stockist. Exporters were bargaining at Rs.570, in the early hours but later with rising prices on MCX, exporters bargained at Rs.580. Higher participation of exporters was seen compared to the previous trading session. Chandusi experienced lower arrivals from farmers and stockist. Exporter's presence was not felt in Chandusi, while local demand was adequate.

### FUTURES MARKETS

March contract at MCX opened at Rs.543 and traded with marginal volatile movements throughout the trading session touching a low of Rs.536.6 and rebounded after that only to close at Rs.544. April contract opened at Rs.545.8 traded with volatile movements and closed at Rs.546.6.

### 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	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 the 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	544	550	560

### TRADE RECOMMENDATION:

**Safe strategy:** Wait and watch

**Risky Strategy:** Hold position with a target of 552 stop loss near 545.

**Epilogue:** Bearish Phase.

### Spot Market Prices

Origin/Grade	Center	08. 03. 07	07. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	602	600	2.00
Mentha Oil	Chandusi	598	595	3.00
Mentha Oil	Rampur	595	591	4.00
Mentha Oil	Barabanki	592	592	0.00

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