

MENTHA OIL (MCX)

2nd April 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 lower arrivals which was compatible with the existing local demand in the markets. Exporters demand was not seen in the markets. Chandusi touched an intraday low of Rs.559. Sambhal received lower arrivals from farmers and stockist. Local demand was lower, with adequate buying from exporters. Rampur received lower arrivals from farmers and stockist. Local demand was compatible with arrivals, while demand from exporters was not seen in Rampur. Barabanki experienced lower arrivals from farmers and stockist. Exporters were bargaining at Rs.535, with depreciation Rs.5 vis-à-vis with previous day. Local demand was not located in Barabanki.

FUTURES MARKETS

MCX April contract opened at Rs.555 and traded bearish throughout the trading session touching a low of Rs.550.7. Later in the closing hours market inversed and closed at Rs.557.5. While May contract opened at Rs.544.5, traded in bearish mood but in concluding hours walked a bullish path and closed at Rs.545.5.

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	410375.670	2279.865

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. Oscillator indicated trend to be consolidated.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-April Contract	548	539	557.5	573	579

TRADE RECOMMENDATION:

Safe strategy: wait and watch

Risky Strategy: sell at current level.

Epilogue: Bearish Phase.

Spot Market Prices

Origin/Grade	Center	30. 03. 07	29. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	560	557	3.00
Mentha Oil	Chandusi	564	560	4.00
Mentha Oil	Rampur	554	555	-1.00
Mentha Oil	Barabanki	550	550	0.00

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.