

MENTHA OIL (MCX)

19th March 2007

SPOT MARKETS

Spot markets opened with adequate demand from exporters but with the bullish sentiments on MCX exporters were not actively participating due to higher prices. Rampur received lower arrivals from farmers and stockist. Local demand was adequate in Rampur with lower demand from exporters was seen in Rampur. Sambhal received higher arrivals compared with the previous trading day. Local demand was adequate while exporters demand was lower, as higher prices were quoted. Barabanki received adequate arrivals from farmers and stockist. Exporters continued to bargain at Rs.570, but when there was a rise in MCX prices exporters were keeping mum. Local demand was adequate with the arrivals. Chandusi experienced lower arrivals from farmers and stockist. Lower exporter's presence was seen in Chandusi, while local demand was adequate.

FUTURES MARKETS

MCX April contract opened at Rs.560.1, and traded with bullish sentiments throughout the trading session reaching a high of Rs.574.7 and concluded at Rs.570. May contract opened at Rs.554, traded with bullish sentiment throughout the trading session and closed at 558.7.

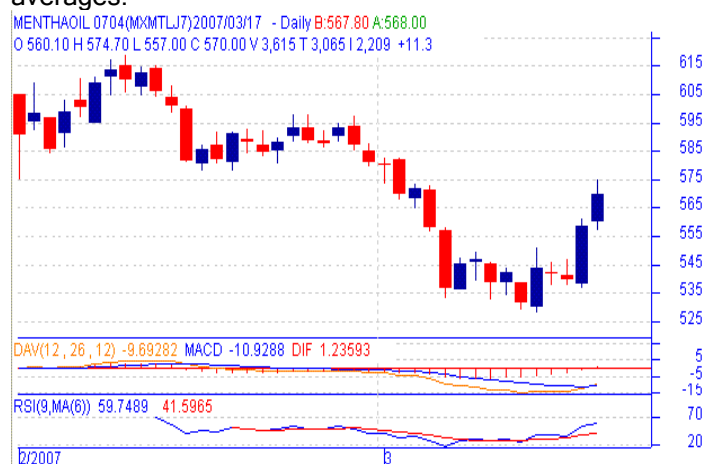
PRICE DRIVERS

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	496741.570	2759.675

TECHNICALS

Candlesticks is indicating bullish pattern. MACD indicate markets slightly bullish tendency as DAV line has cut the MA line from below. RSI line has kinked from above and is tending northwards and hovering into over brought region. Volume was high and open interest was also higher. Prices closed on the eighteen day moving averages.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-April Contract	551	548	570	578	583

TRADE RECOMMENDATION:

Safe strategy: Wait and watch

Risky Strategy: Sell at current level

Epilogue: Correction Phase.

Spot Market Prices

Origin/Grade	Center	17. 03. 07	16. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	592	592	0.00
Mentha Oil	Chandusi	596	597	-1.00
Mentha Oil	Rampur	592	593	-1.00
Mentha Oil	Barabanki	586	585	1.00

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