

MENTHA OIL (MCX)

29th March 2007

SPOT MARKETS

Spot markets opened with lower demand from locals, however bullish 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 is was higher compared to the previous trading session. Sambhal received adequate arrivals from farmers and stockist. Local demand was adequate, with lower buying from exporters. 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, lower from the previous trading session. Local demand was not located in Barabanki.

FUTURES MARKETS

MCX April contract opened at Rs.552, and traded with bullish sentiment throughout the trading session touching a high of Rs.561 before concluding at Rs.560. While May contract opened at Rs.540.6, traded with bullish drive in the entire trading session and arrived at Rs.547.9

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	414693.570	2303.853

TECHNICALS

Candlesticks is indicating bullish pattern. MACD indicate markets slightly bearish tendency as the difference between DAV and MA line is narrowing. RSI has kinked from below and is converging the MA line from below indicating Slightly bullish tendency in the markets. Volume was high 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	560	573	579

TRADE RECOMMENDATION:

Safe strategy: wait and watch

Risky Strategy: buy at current level with a stop loss near 557 an a target near 565

Epilogue: Bearish Phase.

Spot Market Prices

Origin/Grade	Center	28. 03. 07	27. 03. 07	Rs/Kg Change
Mentha Oil	Sambhal	560	559	1.00
Mentha Oil	Chandusi	564	560	4.00
Mentha Oil	Rampur	556	555	1.00
Mentha Oil	Barabanki	553	553	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.