

MENTHA OIL

Agriwatch
DAILY

MENTHA

May 03, 2007

SPOT MARKETS

Spot markets witnessed slender increase in prices on the back of lower arrivals and unchanged demand in the market on Wednesday. Demands in the market were mainly from the locals, but some exporters demands were also observed in Barabanki. Chandausi and Sambhal experienced the lower arrivals of 70 barrels and 50 barrels respectively. Rampur and Barabanki also witnessed lower arrivals of 40 barrels each. Except Barabanki exporters presences in the markets were not found today mainly due to recent depreciation of Dollar against Rupee. Present arrivals are mainly coming from the stockists. Thus, prices are expected to remain slightly firm in coming days due to declining arrivals coupled with some demand from locals.

FUTURES MARKETS

MCX Mentha oil May contracts observed firm sentiment with bullish tone. May contract, opened firm at Rs.576.50 against the previous closing price of Rs. 575.70 and traded downward initially, testing a low of Rs.571.80 but on the back of higher buying pressure futures finally settled at positive side. May contract traded in range of Rs.571.80 - 585.40. Volume declined sharply while open interest had a marginal decline.

PRICE DRIVERS

1. Less Exporters demand due to Dollar depreciation against Rupee.
2. Lower local demand
3. Decrease in arrivals

WAREHOUSE STOCKS

Exchange	Stock
MCX	2,65,135.320 Kg

TECHNICALS

Charts are showing firmness in the market. The prices closed above short term EMAs that indicate short-term firmness. MACD is moving upward in neutral region. Stochastic is moving upward in over bought region. Market is expected to trade up following a steady to slightly weak opening.



SUPPORT / RESISTANCES

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-May Contract	576	572	584.3	597	600

TRADE RECOMMENDATION

BUY MCX Mentha Oil May contract above 583 with target of 591, then 593. Put stop loss at 579. Trade cautiously with intraday outlook.

Spot Market Prices

(in Rs/Kg)

Origin/Grade	Centre	02.05.07	30.04.07	Change
Mentha Oil	Sambhal	593	590	+3
	Chandausi	595	594-595	0
	Rampur	587-588	585-586	+2
	Barabanki	575	575	0

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.

COMMODITIES RESEARCH