



MENTHA

May 07, 2007

SPOT MARKETS

Spot markets witnessed a steady increase in prices on back of increase in local and export demand while supply remained unchanged on Saturday. Demands in the market were mainly from the locals, but little exporters demands were also observed. Chandausi experienced very low arrivals of 20-25 barrels whereas Sambhal experienced the arrivals of 50 barrels. Rampur and Barabanki also witnessed lower arrivals of 20-25 barrels each. Exporter's participation increased little bit. Present arrivals are mainly coming from the stockists. Thus, prices are expected to remain steady in coming days due to increasing demand in the market. Arrivals of fresh crop are expected in mid May.

FUTURES MARKETS

MCX Mentha oil May contracts experienced firm sentiment with bullish tone. May contract, opened slightly firm at Rs.579.90 against the previous closing price of Rs. 578.10. May contract traded upward initially, testing a high of Rs.590.20 and then on the back of selling pressure futures came down little bit and finally settled at bullish side at close of Rs.587.60. May contract traded between Rs.579.90-579.90. Open interest declined marginally while volume increased significantly.

PRICE DRIVERS

1. Little increase in Exporters demand
2. Increasing local demand
3. Lower arrivals in the market.

WAREHOUSE STOCKS

Exchange	Stock
MCX	2,84,567.870 Kg

TECHNICALS

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

MENTHAOIL 0705(MXMTLK7)2007/05/05 - Daily B:588.50 A:588.70
O 579.90 H 590.20 L 579.90 C 587.60 V 962 T 801 | 2,324 +
EMA(9) 577.64 (18) 573.75



SUPPORT / RESISTANCES

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-May Contract	580	577	587.60	597	600

TRADE RECOMMENDATION

BUY MCX Mentha Oil May contract above 584 with target of 590, then 594. Put stop loss at 581. Trade cautiously with intraday outlook.

Spot Market Prices

(in Rs/Kg)

Origin/Grade	Centre	05.05.07	04.05.07	Change
Mentha Oil	Sambhal	595-596	590-591	+5
	Chandausi	600	590	+10
	Rampur	595-597	590	+6
	Barabanki	570-575	570-575	0

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