

# MENTHA OIL

**Agriwatch**  
DAILY

## MENTHA

May 10, 2007

### SPOT MARKETS

Spot markets witnessed a weak sentiment in prices on back of little higher arrival in the market amidst the increasing local and export demand on Wednesday. Chandausi experienced the arrivals of 30 barrels while In Sambhal the arrivals were little bit higher of 70 barrels. Rampur and Barabanki witnessed the arrivals of 20-25 barrels each. Exporter's participation is increasing. Present arrivals are mainly coming from the stockists. Arrivals of fresh crop are expected in mid to end of May. Prices are expected to remain steady to weak in coming days due to increasing arrivals from the stocks and expected arrivals of the fresh crop in the market.

### FUTURES MARKETS

MCX Mentha oil May contracts experienced weak sentiment with bearish undertone. May contract, opened firm at Rs.588.00 against the previous closing price of Rs. 586.80. Futures traded up initially, testing a high of Rs.589.80 and then on the back of increased selling pressure, futures tested a low of Rs.579.50 and finally settled at bearish side at close of Rs.581.00. Open interest declined marginally while volume declined significantly.

### PRICE DRIVERS

1. Increase in Exporters demand
2. Increasing local demand
3. Higher arrivals in the market.

### WAREHOUSE STOCKS

Exchange	Stock
MCX	2,84,567.870 Kg

### TECHNICALS

Charts are showing weakness in market. The prices closed between the short term EMAs. MACD is about to made negative divergence in neutral region while stochastic has made bearish cross over in bought region. Market is expected to trade down following a steady to slightly firm opening.



### SUPPORT / RESISTANCES

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-May Contract	572	570	581	589	591

### TRADE RECOMMENDATION

**SELL** MCX Mentha Oil May contract below 585 with target of 579, then 575. Put stop loss at 583. Trade cautiously with intraday outlook.

### Spot Market Prices

(in Rs/Kg)

Origin/Grade	Centre	09.05.07	08.05.07	Change
Mentha Oil	Sambhal	590	590-591	0
	Chandausi	600	605	-5
	Rampur	595-596	598-600	-3
	Barabanki	575	580	-5

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