



■ MENTHA

■ June 14th, 2007

SPOT MARKETS

In most of the major markets, spot prices of Mentha Oil remained steady during Wednesday's trade in the back of heavy fresh arrivals coupled with good demand from the exporters, locals as well as stockiest. The stock of Mentha Oil in MCX has also been drastically decreased. Moreover, the firmness in future market also supported spot prices. Sambhal market witnessed a further increase of Mentha Oil prices amidst heavy arrivals. It received 400 barrels, a high of 250 barrels from the previous day. In Barabanki market, the prices remained unchanged in the back of a good demand against tight supply. Due to uninterrupted rain in Barabanki, the market received 100 barrels less than the Tuesday's trading. The fresh arrival at Chandausi market is 350 barrels and at Rampur, 300 barrels. In the short term, the prices may remain steady depending upon the buying factor. In the medium term, the prices are likely to decline, as the markets will be full of heavy fresh arrivals.

FUTURES MARKETS

MCX Mentha oil witnessed weak sentiment with bearish undertone. June contract opened firm at Rs.508.0 against the previous closing price of Rs. 504.4 and traded up initially testing a high of Rs 511.0. However, prices traded down thereafter on increased selling pressure and settled in the negative side. June contract traded in the range of Rs 498.0-511.0.

PRICE DRIVERS

1. Good demand from locals as well as from stockists
2. Heavy fresh arrivals in the market.
3. Expected bumper production this year

WAREHOUSE STOCKS

Exchange	Stock as on 12.06.07
MCX	83,794,800Kg

TECHNICALS:

Candlestick chart are showing weakness in market. Closing price is below the short term EMA, which show weakness in market. MACD is moving up in negative region. Stochastic is moving downward in neutral region. Market is expected to trade down following a steady to slightly firm opening with possibility of late upward movement.



SUPPORT / RESISTANCES

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-June Contract	492	491	499.3	503	504

TRADE RECOMMENDATION

SELL MCX Mentha Oil June contract below 502 with target of 497, then 494. Put stop loss at 504.5. Trade cautiously with intraday outlook.

Spot Market Prices

(in Rs/Kg)

Origin/Grade	Centre	13.06.07	12.06.07	Change
Mentha Oil	Sambhal	517	515	+2
	Chandausi	520	520	-
	Rampur	522	522	-
	Barabanki	500	500	-

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