



■ MENTHA

■ June 8th, 2007

SPOT MARKETS

Mentha Oil spot prices witnessed slight firmness in prices during the Thursday's trade on the back of increased demand and increased supply, while prices remained unmoved in Barabanki on subdued trading activity. Demand from the locals and exporters reported during the Thursday's trade with some reports of presence of stockiest in the market. Sambhal market experienced the heavy arrival of 200-250 barrels; Chandausi witnessed the arrivals of 200 barrels. Barabanki received the arrival of 200 barrels and Rampur received the arrival of 125 barrels. As the fresh arrivals started coming in the markets the prices is likely to remain weak in the short term to medium term.

FUTURES MARKETS

MCX Mentha oil witnessed firm sentiment with bullish tone. June contract opened weak at Rs.498.0 against the previous closing price of Rs. 499.2 and traded down initially testing a low of Rs 496.6. However, prices recovered thereafter on increased buying interest and settled in the positive side. June contract traded in the range of Rs 496.6-509.1.

PRICE DRIVERS

1. Normal demand from locals as well as from exporters
2. Normal arrivals in the market.
3. Expected bumper production this year

WAREHOUSE STOCKS

Exchange	Stock as on 05.06.07
MCX	171,233,600Kg

TECHNICALS:

Charts are showing firmness in market. Closing price is between the 9 and 18 days EMA. MACD is moving upward in negative region. Stochastic is moving upward in neutral region. Market is expected to trade upward following a steady to slightly firm opening with possibility of late downward movement.



SUPPORT / RESISTANCES

Contract	S1	S2	PCP	R1	R2
MCX-Mentha Oil-June Contract	507	506	508.9	520	521

TRADE RECOMMENDATION

BUY MCX Mentha Oil June contract below 509 with target of 515, then 519. Put stop loss at 506. Trade cautiously with intraday outlook.

Spot Market Prices

Origin/Grade	Centre	07.06.07	06.06.07	Change
Mentha Oil	Sambhal	522	520	+2
	Chandausi	520	518	+2
	Rampur	525	518	+7
	Barabanki	500	500	-

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