



## ■ MENTHA

■ June 13<sup>th</sup>, 2007

### SPOT MARKETS

Spot market prices of Mentha Oil witnessed firm sentiment during the Tuesday's trade. In all major markets, the prices of Mentha Oil increased in a range of Rs 5-10 than the Monday's price level on the back of restricted supply against a good demand. Demand from the locals as well as stockiest imparted bullishness in the market. Moreover, the firmness in futures market also supported the spot market sentiment. All major markets except Barabanki received lower fresh arrivals of 50 barrels than on Monday's arrival. Both Sambhal and Barabanki markets received 150 barrels each whereas Chandausi received 200 barrels. Barabanki market received a highest arrival of 400 barrels, 100 barrels more than the previous day's trading. However, as the country expects bumper production this year and fresh arrivals picking up its pace in the markets, these may put pressure on the falling of Mentha Oil prices in the short to medium term.

### FUTURES MARKETS

MCX Mentha oil witnessed firm sentiment with bullish undertone. June contract opened firm at Rs. 499.3 against the previous closing price of Rs. 497.1 and traded down initially testing a low of Rs 497.8. However, prices recovered on increased buying interest and settled the positive side. June contract traded in the range of Rs 497.8-509.4 with declining open interest and volume.

### PRICE DRIVERS

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

### WAREHOUSE STOCKS

Exchange	Stock as on 07.06.07
MCX	171,234,150Kg

### Spot Market Prices

Origin/Grade	Centre	12.06.07	11.06.07	Change
Mentha Oil	Sambhal	515	510	+5
	Chandausi	520	512	+8
	Rampur	522	515	+7
	Barabanki	500	490	+10

### TECHNICALS:

Candlestick chart are showing firmness in market. Closing price is between the 9 and 18 days EMA. MACD is moving upward in negative region, which shows decrease in bearishness. Stochastic is moving downward in neutral region. Market is expected to trade up initially 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	502	500	505.5	516	517

### TRADE RECOMMENDATION

**BUY** MCX Mentha Oil June contract above 506 with target of 511, then 514. Put stop loss at 503.5. Trade cautiously with intraday outlook.

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