



MENTHA

July 31st, 2007

SPOT MARKETS

Mentha Oil prices improved at most of the major markets on normal demand and lower arrivals while remained unchanged in Barabanki on normal demand-supply situation. Rains over the Mentha growing region supported the market sentiment as it obstructed the arrivals into the market. Further, farmers are holding back stocks in anticipation price rise, which further imparted bullishness in the market, sources reported. They are confident of the price rise, as there is growing overseas demand for India's mint products. India is the largest producer as well as exporter of mint products in the world market. Normal demand from exporters and locals reported in the market. During Monday's trade, Chandausi received the arrival of 100-125 barrels, Sambhal, 170 barrels. Rampur and Barabanki received the arrivals of 100 and 150 barrels respectively.

FUTURES MARKETS

MCX Mentha oil witnessed firm sentiment with bullish tone. August contract opened slightly firm at Rs.509.1 against the previous close of Rs. 508.0 and traded down initially testing a low of Rs. 507.6. However, prices recovered thereafter on increased buying interest and finally settled in the positive side. August contract traded in the range of Rs. 507.6-513.8 with increasing volume and open interest.

PRICE DRIVERS

1. Normal demand from exporters and locals
2. Restricted arrivals in the Markets
3. Expected bumper production this year

WAREHOUSE STOCKS

| Exchange | Stock as on 27.07.07 |
|----------|----------------------|
| MCX | 217, 666,000 Kg |

TECHNICALS:

Candlestick chart shows firmness in market. Closing prices is above the 9 days and 18 days EMA. MACD is moving upward in the neutral region. Stochastic and RSI is moving up in the neutral region indicating further firmness in prices. Prices are expected to trade up following steady to slightly firm opening.

MENTHAOIL 0708(MXMTLQ7)2007/07/30 - Daily B:513.60 A:513.90
O 509.10 H 514.00 L 507.60 C 513.80 V 741 T 136,490 I 1,200 +5.8



SUPPORT / RESISTANCES

| Contract | S1 | S2 | PCP | R1 | R2 |
|--------------------------------|-----|-----|-------|-----|-----|
| MCX-Mentha Oil-August Contract | 511 | 509 | 513.8 | 525 | 527 |

TRADE RECOMMENDATION

BUY MCX Mentha Oil August contract above 514 with target of 520, then 522. Put stop loss at 511. Trade cautiously with intraday outlook.

Spot Market Prices

| Origin/Grade | Centre | 30.07.07 | 28.07.07 | Change |
|--------------|-----------|----------|----------|--------|
| Mentha Oil | Sambhal | 515 | 511 | +4 |
| | Chandausi | 518 | 515 | +3 |
| | Rampur | 515 | 510 | +5 |
| | Barabanki | 490 | 490 | - |

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