

**Domestic Fundamentals:**

- Mentha products including mentha oil continued to trade weak except Chandausi on Friday due to weak inner tone prevalent in the market just ahead of new crop. Demand for mentha products and oil remains subdued. Mentha oil may extend its loss in the weeks ahead. Synthetic mentha has affected natural mentha oil demand.
- Harvesting of mentha crop is expected to start in a week time and inner tone in the market turns weaker despite news of crop loss due to pest attack in some major growing pockets. Availability of stock is said to be ample to cater the current demand.
- Near term outlook is bearish and cash market may touch Rs 800 per kg once the arrival peaks up. July onward prices may recover.
- This year mentha coverage is likely to be down by around 20-25% from last year due to crop shift and also lower price realization in previous year. However, growing of mentha crop in some new area has minimized the impact of lower crop size in traditional area. Overall crop loss may not be more than 10 percent, a nominal phenomenon every year.
- Weather condition is not very favourable for standing crop. More rains may increase the percentage of loss. Light rains in the growing region have been predicted in next two –three days.

**International Market Update:**

- On a global front, mint consuming segments are shifting towards synthetic mentha oil, wide price fluctuations in natural mentha have encouraged bulk consumer to reduce their use and turn to Synthetic one as it is cheaper to natural mentha.
- On a Week basis, the PVOI analysis reflects that the prices are falling along with the volumes while the open interest is slightly up. However, on an average basis, these three are on a weaker note and might result in a further fall in Mentha oil prices. Therefore, based on the above-mentioned market scenarios, Mentha oil prices are expected to continue in its negative bias in the short term.
- International quotes (FOB) for Mentha oil in Shanghai are in the range of USD 1550-1565/Quintal.

**Domestic market Outlook:** Mentha Oil prices are likely to stay steady to slightly weak on the back of ample availability and new crop expectation.

| MCX Mentha Oil Futures |       |        |        |        |        |        |        | Date: 23.05.2014 |        |
|------------------------|-------|--------|--------|--------|--------|--------|--------|------------------|--------|
| Contract               | +/-   | Open   | High   | Low    | Close  | Volume | Change | OI               | Change |
| Jun-14                 | +5.60 | 850.00 | 859.90 | 847.50 | 854.00 | 872    | -123   | 1746             | 526    |
| July-14                | +7.60 | 862.40 | 871.50 | 862.40 | 866.80 | 144    | 100    | 299              | 111    |
| Aug-14                 | +6.40 | 876.00 | 883.70 | 875.00 | 879.10 | 28     | 28     | 178              | 88     |

No change

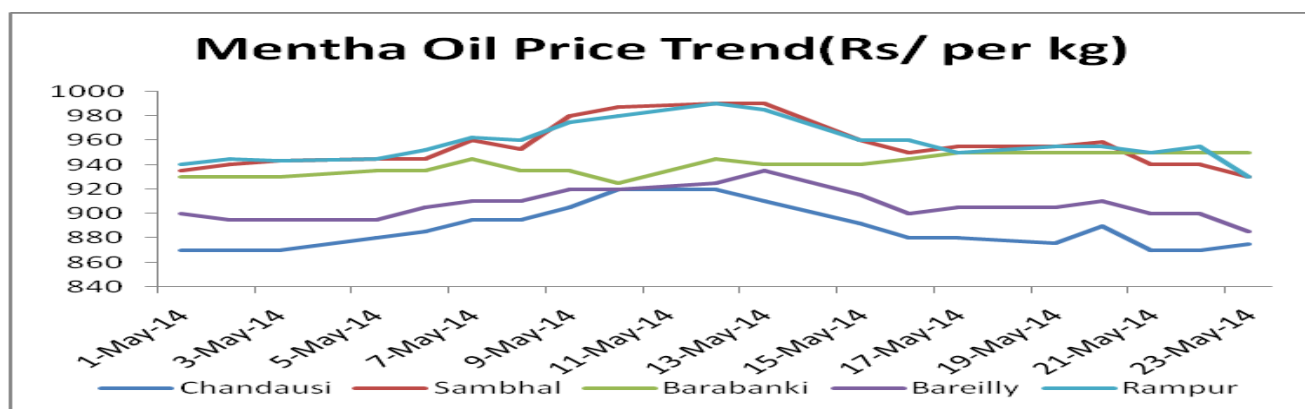
**Spreads:**

| Spread         |        |         |         |
|----------------|--------|---------|---------|
| Spot/Chandausi | 14-May | 14-June | July-14 |
| May-14         |        |         |         |
| June-14        |        |         |         |
| July-14        |        |         |         |
|                | -      | -       | -       |

**Stock Position at MCX Warehouses:**

| Centre    | Stock Eligible for Exchange Delivery (kgs) | Final Expiry Date |
|-----------|--|-------------------|
| Chandausi | 57878.65                                   | 15-Feb-15         |
|           | 2159.000                                   | 15-Feb-15         |
|           | 359.750                                    | 15-Mar-15         |
|           | 15107.350                                  | 15-Sep-15         |
| Barabanki | 5402.200                                   | 15-Nov-14         |
|           | 19464.950                                  | 15-Mar-15         |
|           | 2161.600                                   | 15-Apr-15         |
|           | 20542.850                                  | 15-May-15         |
|           | 19418.400                                  | 15-Sep-15         |

Mentha Oil Spot Chandausi Price Chart:-



Mentha Oil Daily Prices

| Commodity  | Center    | Mentha Oil |           | Change |
|------------|-----------|------------|-----------|--------|
| Mentha Oil |           | 5/23/2014  | 5/22/2014 |        |
|            | Chandausi | 875        | 870       | 5      |
|            | Sambhal   | 930        | 940       | -10    |
|            | Barabanki | 950        | 950       | Unch   |
|            | Bareilly  | 885        | 900       | -15    |
|            | Rampur    | 930        | 955       | -25    |

| Commodity | Center    | DMO       |           | Change |
|-----------|-----------|-----------|-----------|--------|
| DMO       |           | 5/23/2014 | 5/22/2014 |        |
|           | Chandausi | 765       | 765       | Unch   |
|           | Sambhal   | 640       | 645       | -5     |

| Commodity | Center    | Flakes    |           | Change |
|-----------|-----------|-----------|-----------|--------|
| Flakes    |           | 5/23/2014 | 5/22/2014 |        |
|           | Chandausi | 980       | 980       | Unch   |
|           | Sambhal   | 970       | 985       | -15    |

| Commodity | Center    | Crystal   |           | Change |
|-----------|-----------|-----------|-----------|--------|
| Crystal   |           | 5/23/2014 | 5/22/2014 |        |
|           | Chandausi | 1005      | 1005      | Unch   |
|           | Sambhal   | 1025      | 1035      | -10    |

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