

Domestic Fundamentals:

- Mentha oil continued to traded almost unchanged at the fag end of the week with weak bias likely to continue. Weak inner tone just ahead of new crop would continue to pressurize cash market. 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 menthe have encouraged bulk consumer to reduce their use and turn to Synthetic one as it is cheaper to natural menthe.
- 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

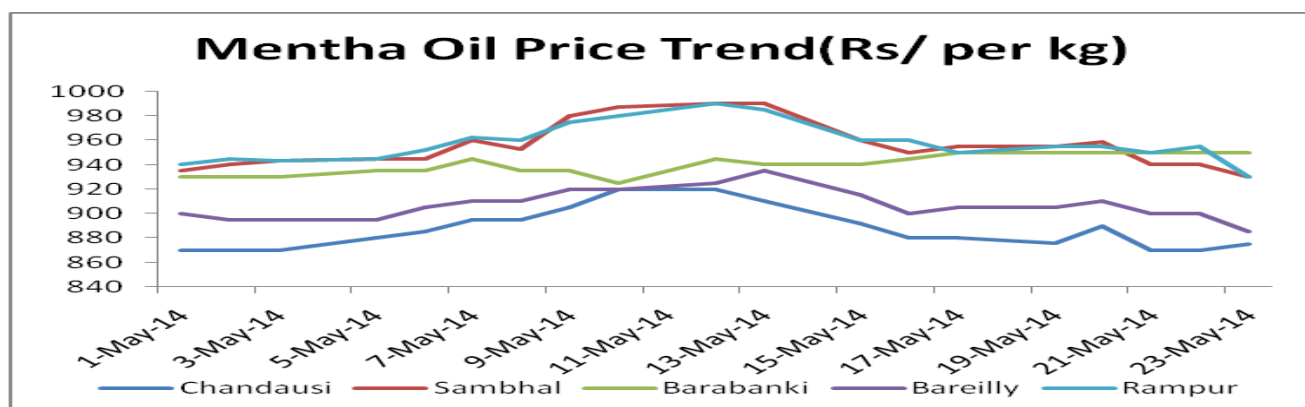
Spreads:

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		5/24/2014	5/23/2014	
	Chandausi	872	875	-3
	Sambhal	930	930	Unch
	Barabanki	950	950	Unch
	Bareilly	885	885	Unch
	Rampur	935	930	5

Commodity	Center	DMO		Change
DMO		5/24/2014	5/23/2014	
	Chandausi	750	765	-15
	Sambhal	640	640	Unch

Commodity	Center	Flakes		Change
Flakes		5/24/2014	5/23/2014	
	Chandausi	970	980	-10
	Sambhal	970	970	Unch

Commodity	Center	Crystal		Change
Crystal		5/24/2014	5/23/2014	
	Chandausi	1000	1005	-5
	Sambhal	1025	1025	Unch

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