

Domestic Fundamentals:

- Mentha oil and its products continued to trade under pressure ahead of new crop, almost ready to be harvested. Subdued demand, ample availability of synthetic mentha oil amid expected arrivals of new crop from next week have pressurized cash market. Market is expected to continue its down ward trend in the weeks ahead.
- 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. Light support is expected as recent rains may delay harvesting by three-four days.
- Near term outlook is bearish and cash market may touch to 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 1540-1550/Quintal.

Domestic market Outlook: Mentha Oil prices are likely to stay steady to slightly weak on the back of ample availability and expected arrivals from new crop in the first week of June..

MCX Mentha Oil Futures								Date: 26.05.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	-1.20	836.60	846	827	841.10	1632	823	2685	1226
July-14	-1.50	844.50	857.30	842.70	852.50	305	516	350	111
Aug-14	-1.90	851.20	868.20	851.20	864.108	48	23	182	75

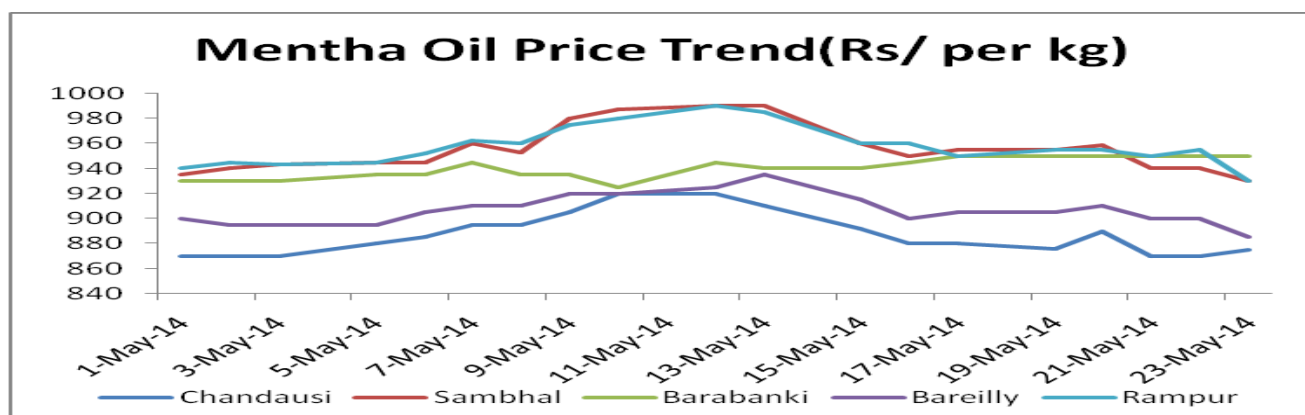
No change

Spreads:

Spread				
Spot/Chandausi	14-June	July-14	Aug-14	Sept-14
June-14	15			
July-14		12		
Aug-14			12.40	
Sept-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		5/26/2014	5/24/2014	
	Chandausi	855	872	-17
	Sambhal	916	930	-14
	Barabanki	950	950	Unch
	Bareilly	880	885	-5
	Rampur	930	935	-5

Commodity	Center	DMO		Change
DMO		5/26/2014	5/24/2014	
	Chandausi	740	750	-10
	Sambhal	640	640	Unch

Commodity	Center	Flakes		Change
Flakes		5/26/2014	5/24/2014	
	Chandausi	950	970	-20
	Sambhal	965	970	-5

Commodity	Center	Crystal		Change
Crystal		5/26/2014	5/24/2014	
	Chandausi	975	1000	-25
	Sambhal	1005	1025	-20

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