

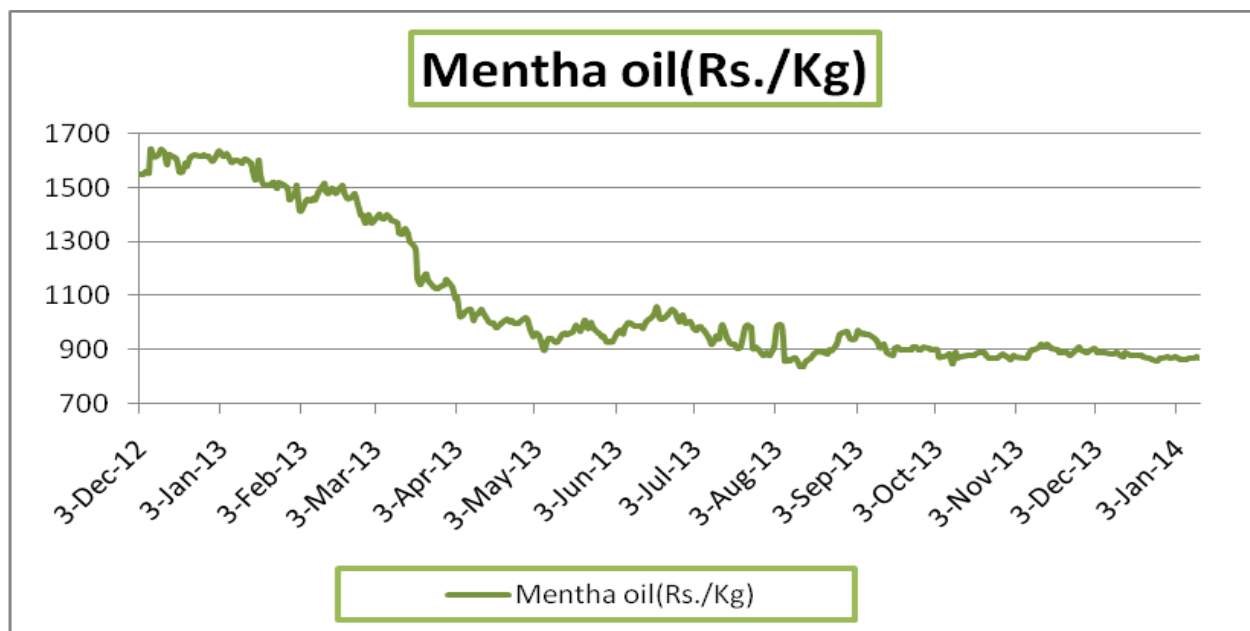
***Domestic Fundamentals:***

- Mentha Oil Prices showed mixed trend from previous week owing to steady demand from industrial purposes. Mentha cash market is likely to trade bullish in short term due to fresh positions driven by rising demand from consuming industries in the spot market against less arrivals from Chandausi in Uttar Pradesh that led to rise in Mentha oil prices at futures trade.
- Mentha crop sowing season starts during mid of January, February and March every year. Usually the crop takes 90 days to mature and produces first flowers. This is the best stage to harvest. The crop harvesting is done during May & June. Farmers in Uttar Pradesh are engaged in preparing of fields for Mentha crop. According to the IMD forecast, dense fog with isolated rains could occur in Uttar Pradesh which included the Mentha growing regions and that can lead to subdued arrivals in the local mandis.
- Area under Mentha crop in upcoming Rabi season is likely to decrease due to shifting of area from Mentha to other crops. Lower area coverage by farmers is mainly attributed to lower price realization.
- Mentha sowing is likely to start in January end to mid February in major producing regions like Sambhal, Chandausi, Barabanki, and Moradabad. As per farmers' feedback, Area under Mentha crop is expected to fall by 20-25% this year (2013-14).
- Dense to moderate fog would occur at a few places over north Madhya Pradesh, Uttar Pradesh, Bihar, Sub-Himalayan West Bengal, Assam and Tripura and moderate fog at a few places over Haryana & Delhi, Jharkhand and Rajasthan.

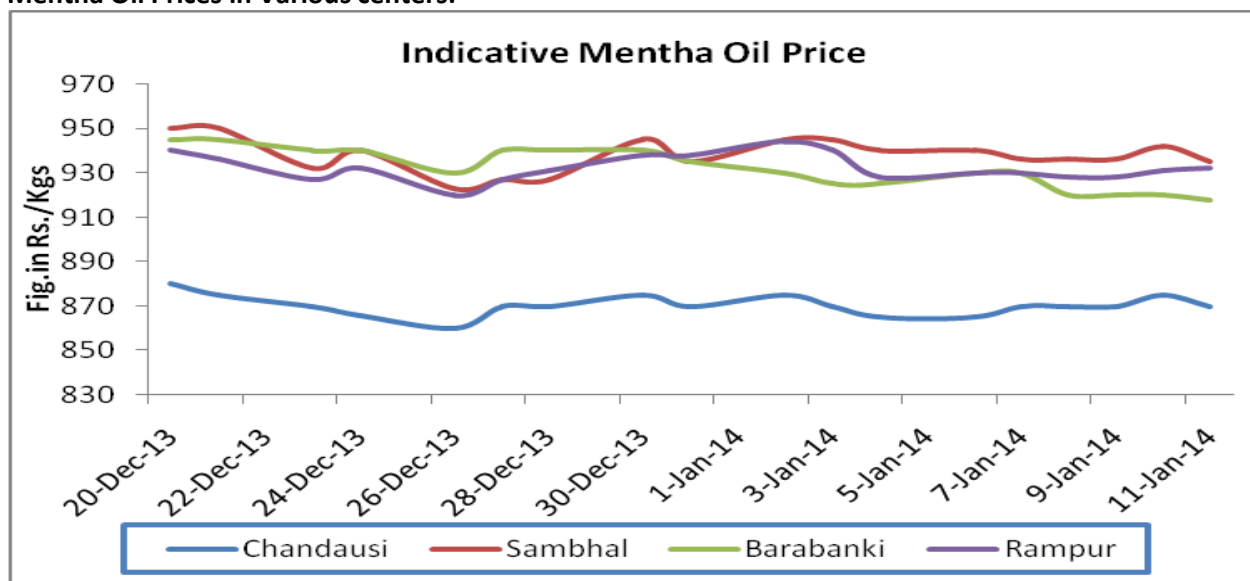
***International Market Update:***

- Major overseas buyers are engaged in need-based buying and they are avoiding building up stocks in the current bearish market.
- International quotes (FOB) for Mentha oil are in the range of USD 1520-1525/Quintal.
- At present Synthetic Mentha prices are quoted in the range of USD 14-15/Kgs against Mentha oil of USD 15-17/Kgs depending upon quality of Mentha oil.
- Buyers are waiting for stabilization in the cash markets. Major buyers like China, USA, and Singapore etc. are in wait and watch mood in expectation of lower prices.

***Domestic market Outlook:*** Market is likely to trade range bound with slightly firm outlook expected to continue in coming week.

**Mentha Oil Spot Chandausi Price Chart (1 year):-**


Mentha oil prices in Chandausi market showed range bound trend due to steady demand from major consuming industries, however we expect market will move in the steady to slightly firm in the week ahead as farmers are not taking arrival in anticipation of higher prices.

**Mentha Oil Prices in Various centers:-**


Above given chart showed prices of Mentha oil in major mandi, mentha oil price in Chandausi, Sambhal and Barabanki move downwards due to sufficient stocks with steady demand however Rampur price showed slightly up from last week owing to lesser arrival.

**Mentha Oil Technical Analysis (Weekly):-**

**Commodity: Mentha Oil**  
**Contract: January**

**Exchange: MCX**  
**Expiry: Jan 20<sup>th</sup>, 2014**



**Technical Commentary:**

- Market is moving in the range bound as candlesticks depicts.
- Oscillator RSI is in neutral zone.
- Prices closed between 9 days EMA and above 18 days EM.
- Rise in price along with fall in Volume and OI indicates weak market.

**Strategy: Sell on Rise**

| Intraday Supports & Resistances |       |     | S2          | S1        | PCP | R1  | R2  |
|---------------------------------|-------|-----|-------------|-----------|-----|-----|-----|
| Mentha Oil                      | NCDEX | Jan | -           | 819       | 832 | 850 | 868 |
| Intraday Trade Call*            |       |     | Call        | Entry     | T1  | T2  | SL  |
| Mentha Oil                      | NCDEX | Jan | <b>Sell</b> | Below 834 | 828 | 823 | 828 |

\*Do not carry forward the position until the next day.

**Mentha Oil Weekly Prices:-**

| Commodity  | Center    | Mentha Oil |          | Change |
|------------|-----------|------------|----------|--------|
|            |           | 10.1.2014  | 3.1.2014 |        |
| Mentha Oil | Chandausi | 875        | 870      | +5     |
|            | Sambhal   | 942        | 945      | -3     |
|            | Barabanki | 920        | 925      | -5     |
|            | Bareilly  | 905        | -        | -      |
|            | Rampur    | 931        | 940      | -9     |

| Commodity | Center    | DMO       |          | Change |
|-----------|-----------|-----------|----------|--------|
|           |           | 10.1.2014 | 3.1.2014 |        |
| DMO       | Chandausi | 680       | 685      | -5     |
|           | Sambhal   | 660       | 655      | +5     |

| Commodity | Center    | Flakes    |          | Change |
|-----------|-----------|-----------|----------|--------|
|           |           | 10.1.2014 | 3.1.2014 |        |
| Flakes    | Chandausi | 975       | 965      | +10    |
|           | Sambhal   | 990       | 990      | Unch   |

| Commodity | Center    | Crystal   |          | Change |
|-----------|-----------|-----------|----------|--------|
|           |           | 10.1.2014 | 3.1.2014 |        |
| Crystal   | Chandausi | 1000      | 995      | +5     |
|           | Sambhal   | 1025      | 1035     | -10    |

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