

Mentha Oil Weekly



Technical Recommendation:

Commodity	Exchange	Contract	Recommendations
Mentha Oil	MCX	Dec-11	Buy above 1336 TP 1371 SL 1324

Spot Price Performance: (W/W)

Date	Chandausi	Moradabad	Barabanki	MCX Spot- Oil	MCX Spot- Flakes
28-11-2011	1495	1495	1440	1513.5	1630.1
29-11-2011	1485	1490	1430	1508.2	1622.8
30-11-2011	1490	1495	1440	1515	1631.6
01-12-2011	1480	1475	1420	1506.2	1617.6
02-12-2011	1475	1480	1435	1504	1616.9

Note: Since Uttar Pradesh is the major growing state in India, spot prices have taken from various districts of UP

Review:

Mentha oil prices extended down trend with usual volatility during last week. Futures and spot market both started the week on lower note on extended losses. Reports of higher arrivals due to improved prices pulled down the prices. However, later on prices recovered Spot markets across the country also witnessed rise in prices on improved demand. Therefore, on cues from spot prices futures also took smart recovery on short covering. However, later on prices reversed the trend and traded down fresh selling in December contract. Though prices improved a bit on Friday-Saturday with fall in arrivals but this recovery failed to sustain and futures ended the week on lower note with 1.30% W/W losses.

Last week's Price Movement:

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Dec-11	1351.9	1357	1315.8	1331	-1.30	14340	35.31	4152	25.93
Jan-12	1349	1350	1308.9	1318.8	-0.09	3131	-0.99	2376	0.00

Note: Prices are updated till 1:00 pm. On Saturday

Outlook

In the coming week, mentha oil prices are expected to resume positive trend on lower level buying. Arrivals at spot market of Sambhal have reported a slight decline which might also support the prices. According to trade sources, demand from local pharmaceutical companies is supportive for prices. However, exporters are not buying in bulk quantity which might weigh on sentiments later in the week.

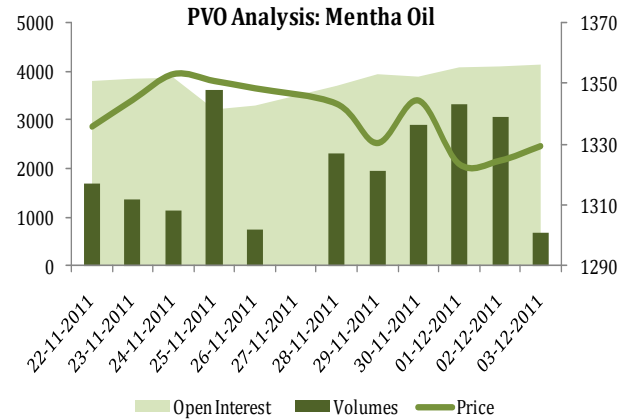
According to data released by Spices Board, mentha export for year 2011-12 is targeted around 17,750 tonnes against estimates exports of 17,450 tonnes during 210-11. However, exports during April- September, 2011 have reported a fall of 4%.

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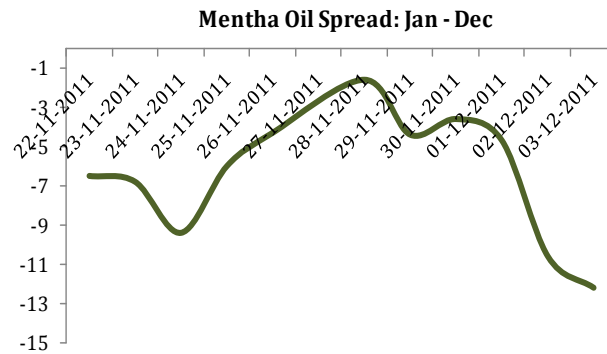


Derivative Analysis (Dec - 11)

Mentha Oil December contact, prices have declined while volumes and open interest have increased. It indicates that new money is coming into the market, showing aggressive new short selling. However, a bounce back is expected in near term.



Calendar Spread



Spread Matrix			
	Dec-11	Jan-12	Feb-12
Dec-11	0		
Jan-12	-12.2	0	
Feb-12	-19.2	-7	0

Spot Price Performance last week: Mint Product

Date	Flakes	Peppermint	DMO	Crystal	Powder
24-11-2011	1575	1215	1095	1630	1580
25-11-2011	1595	1220	1100	1650	1600
28-11-2011	1575	1210	1090	1630	1580
29-11-2011	1570	1200	1085	1630	1575
30-11-2011	1570	1200	1085	1630	1575
01-12-2011	1570	1200	1085	1630	1575

Pivot Table

Exchange	Contract	S3	S2	S1	Previous close	R1	R2	R3
NCDEX	Dec-11	1271	1293	1312	1331	1353	1376	1395
	Jan-12	1261	1285	1302	1319	1343	1367	1384

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Warehouse stock level in Kgs. (as on 03, December 2011)

Commodity	Place	Physical Stocks	Demat Stocks	Total Stocks Eligible for Exchange Delivery
Mentha Oil	Chandausi	39913.95	0	39913.95
Mentha Oil	Barabanki	727110.87	19085.555	746196.425
Mentha Oil	TOTAL			786110.375

Technical



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