

TECHNO FUNDA REPORT ON

20 August 2015

MENTHA OIL FUTURES

September



**Presented by:
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TECHNO FUNDA REPORT ON MENTHA OIL FUTURES (SEPTEMBER) – BUY



Source: Reuters

Recommendation: Investors are advised to take fundamental positional BUY call in Mentha Oil futures (September) at current market price for the target of 1000 in long-term, with a closing stop loss below 940 levels.

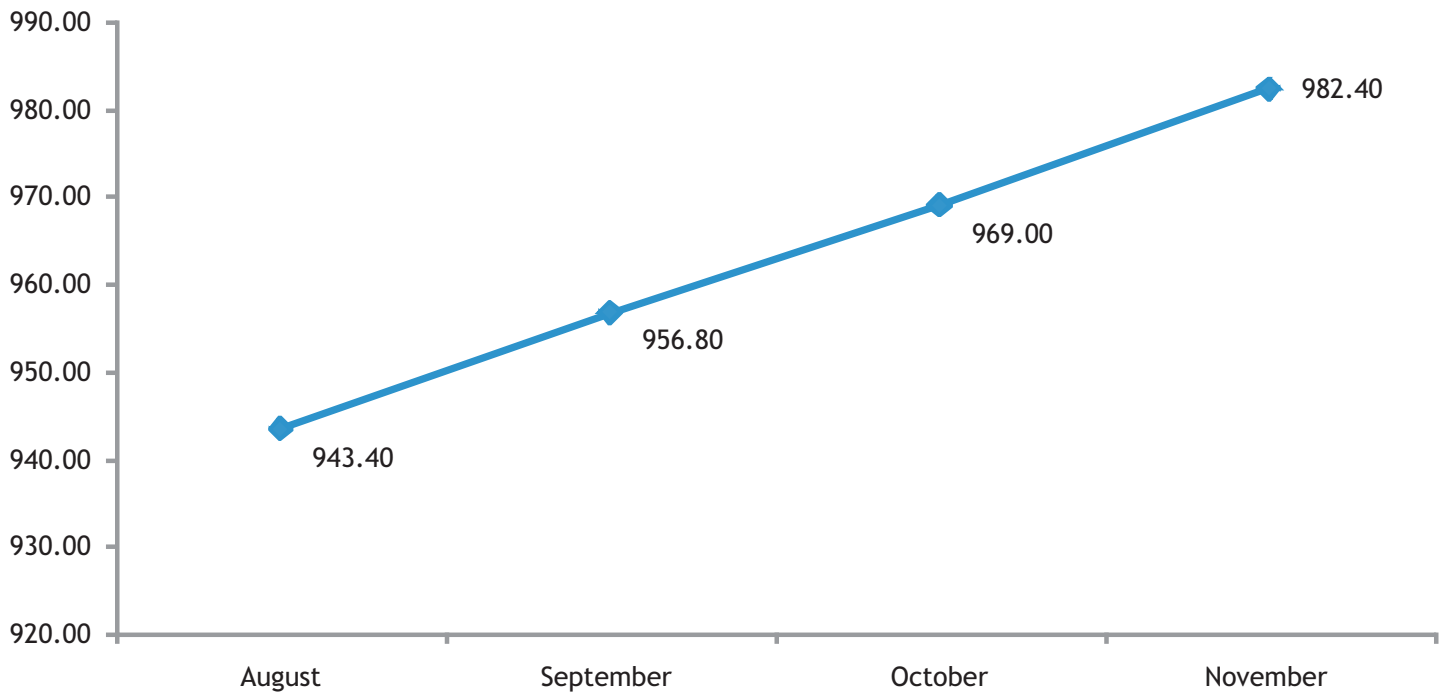
Note:

- These long term fundamental calls are for duration of one to three weeks time frame and do not confuse these with intraday calls.
- It is assumed that investor takes position in two lots and square off position in one lot on partial profit booking and trail stop loss to buying/selling price for second lot.

Fundamental

- This season it is estimated the total production in the range of 35000-37000 tonnes, which is likely to be reducing to 30000 tonnes. The overall production is still 70% lower from the previous year of 50,000 tons.
- Mentha oil prices are gaining in various markets of major producing state Uttar Pradesh due to local demand.
- Steady to firm sentiments recorded in all spot markets of mentha oil.
- There is demand from consuming industries at spot markets and tight supplies from producing belts.
- India's mentha oil has its very high considering & it has extensive usage for a wide range of products within the namely hygiene products, FMCG, pharmaceutical, perfumery and confectionery.
- Significant part of Indian production is exported in the form of oil and various derivative products of mentha oil like menthol, crystals etc.
- Total Mentha products exported in the period August 10-16th is approx 367.8 tonnes with average FOB of USD 19104/MT. Major imported countries are China, USA, Singapore, France and Philippines. For above given period major export destination port were Harasaru gari ICD, JNPT Sea and Tughlakabad ICD.

Forward curve of Mentha oil futures



Source: NCDEX

Mentha Oil Daily Prices

Commodity	Center	Mentha Oil		Change
		8/19/2015	8/18/2015	
Mentha Oil		990	975	15
	Chandausi	1040	1040	Unch
	Sambhal	1010	1015	-5
	Barabanki	960	955	5
	Bareilly	1035	1030	5
	Rampur			

Commodity	Center	DMO		Change
		8/19/2015	8/18/2015	
DMO		900	890	10
	Chandausi	725	725	Unch
	Sambhal			

Commodity	Center	Flakes		Change
		8/19/2015	8/18/2015	
Flakes		1090	1080	10
	Chandausi	1075	1075	Unch
	Sambhal			

Commodity	Center	Crystal		Change
		8/19/2015	8/18/2015	
Crystal	Chandausi	1135	1100	35
	Sambhal	1110	1110	Unch

Mentha Oil Arrival

Commodity	Center	Mentha Oil Arrival		Change
		8/19/2015	8/18/2015	
Mentha Oil	Chandausi	NA	NA	-
	Sambhal	60	50	10
	Barabanki	300	300	Unch
	Bareilly	1	1	Unch
	Rampur	7	7	Unch
	Total	368	358	10

For further any queries, please contact

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SMC Global Securities Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, a further public issue of its equity shares and has filed a Draft Red Herring Prospectus (DRHP) with the Securities and Exchange Board of India (SEBI). The DRHP is available on the website of the SEBI at www.sebi.gov.in and the website of the Book Running Lead Managers i.e. Tata Securities Limited at www.tatacapital.com and IL&FS Capital Advisors Limited at www.ilfscapital.com. Investors should note that investment in equity shares involves a high degree of risk. For details please refer to the DRHP and particularly the section titled Risk Factors in the Draft Red Herring Prospectus.

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