

## POTATO DAILY

15<sup>th</sup> JANUARY 2007

### SPOT MARKETS:

Potato traded steady at most of the trading centre due to declined in arrivals and lack of sellers as mostly lower prices levels. Consumer's demands for vegetable potato are providing underlying support to the market. Farmers are hoarding their products as the prices remains low therefore supplies are declining, traders said. Some stockists have started to buy potato from the farmers in U.P., traders said. They also reported that various industries, stockists and exporters are likely to become appear in the market at the end of January to February. Acreage under potato cultivation has surged to 16 lakh hectares over 15.5 lakh hectare of last year, according to the government's estimation. In U.P., the area has increased to 4.7 lakh hectares, exceeded the targeted area. The area has increased also in West Bengal and Bihar. Meanwhile, Potato growers in Punjab have been hit by late blight coupled with ground frost condition which has damaged 40% crop in the region. With 75,000-hectare under potato cultivation, the government is expecting 15 lakh tonnes yield this year. The late crop has been considerably damaged in the Jalandhar, Kapurthala and Hoshiarpur by blight. Potato quoted slight down at Rs.260-300/qrtl in Agra mandis. The other major market Tarkeshwar, potato traded steady at Rs.280-300/qrtl.

### FUTURES MARKETS:

MCX Potato futures continued to trade bearish Saturday amidst strong selling pressure and expectation of higher production. Futures market opened mostly strong but tumbled thereafter. Most active Potato March contract lost Rs.4.50 at Rs.459.80 after firm opening at Rs.470 and made new contract low at Rs.455.10 and hovered between Rs.455.10-470. Potato Tarkeshwar lost Rs.1.30 at Rs.357.90 after made new contract low at Rs.354.10 and traded between Rs.354.10-361.60.

### PRICE DRIVERS:

1. Consumer's demands; Farmers hoarding
2. 40% potato crop damaged due to late blight in Punjab
3. Expectation of higher production amidst higher acreage

### WEATHER:

Dip in night temperature and almost dry weather at most of the producing region, favoring development of potato. But fog in some parts may hamper the crop.

### TECHNICALS: MCX Potato March Contract

Candlesticks indicate downward market. RSI, stochastic and MACD favours for the bears but markets are in oversold condition. MA hints downward market. Open interest increases but volume of trade remains steady. Potato is expected to trade weak after steady to strong opening with possibility of late upwards movement.



### SUPPORT / RESISTANCES: MCX March Potato

Month	S1	S2	PCP	R1	R2
March	450	442	459.80	467	475

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-March potato below 466 with target towards 456, second target near 449. Put stop loss above 472.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
March	353	349	357.90	362	366

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-March Potato Tarkeshwar below 360 with target towards 354, second target near 350. Put stop loss above 364.

### SPOT MARKET PRICE FOR WHEAT (Rs./Quintal )

Markets	Variety	13.01.07	12.01.07	Change
Agra- Uttar Pradesh	Fair Average Quality	260-300	275-300	-15.00
Farukhabad- Uttar Pradesh	Fair Average Quality	160-180	160-180	-
Meerut- Uttar Pradesh	Fair Average Quality	250-270	250-280	-
Indore- Madhya Pradesh	Fair Average Quality	400-450	390-440	+10.00
Tarkeshwar-West Bengal	Fair Average Quality	280-300	280-300	-
Burdwan- West Bengal	Fair Average Quality	260-300	260-280	-
Ludhiana-Punjab	Fair Average Quality	230-300	230-290	-

## Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.