

## POTATO DAILY

17<sup>th</sup> FEBRUARY, 2007

### SPOT MARKETS:

Potato prices improved Friday at most of the trading centre amidst reduce arrivals and crop loss fear due to late blight and rainfalls. Harvesting of the crop has started due to improved weather conditions. The arrivals remained weak on slow down harvesting. Around 500-1000 bags of arrival is witnessed in Agra, Meerut, Farookhabad in U.P. Potato inflow is likely to increase following improved weather conditions in the entire belt, traders said. Recently, hit by late blight on potato in West Bengal and Punjab due to foggy and cloudy weather damaged the potato crop extensively. This year, potato has cultivated in 4-lakh hectare of land in this state. According to the Agriculture department, around 20% of potato crop has been affected by late blight in this State. The department is expected that the potato production will reach about to 80 lakh metric tonnes in West Bengal. In Punjab, the potato crops were severely damaged by 'Late Blight', a devastating tuber disease in several parts of the State. It is reported that around 10-20% of potato crops have been damaged by Late Blight in Hoshiarpur, Jalandhar, Kapurthala, Amritsar and Gurdaspur districts of Punjab. In Punjab, potato crop is sown over 75,000 hectares of land in the state with an annual produce of 12 lakh tonne. In Agra, potato prices improved at Rs.375-425/quintal and in Tarkeshwar; it traded up at Rs.340-380/quintal. However it traded weak in Ludhiana at Rs.280-320/qlt with average intakes of 7000-8000 bags.

### FUTURES MARKETS:

MCX Potato futures traded volatile Friday and settled mixed. Market opened strong and got down thereafter but buying support at late hour pushed up the prices. Most active March contract lost Rs.1.50 at Rs.560 after firm opening at Rs.565.60 and hovered between Rs.551.50-568 while Potato Tarkeshwar surged Rs.4.50 at Rs.473 after strong opening at Rs.473.80 and moved between Rs.463-474.

### PRICE DRIVERS:

1. Less demand from the stockists; Reduced arrivals
2. Production likely to reduce as compared to early estimates
3. Crop loss due late blight in West Bengal

### WEATHER:

Main producing regions are experiencing with almost clear weather, which will help in harvesting and smoothing arrivals.

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

Markets	Variety	16.02.07	15.02.07	Change
Agra- Uttar Pradesh	Fair Average Quality	375-425	325-370	+50.00
Farookhabad- Uttar Pradesh	Fair Average Quality	300-320	290-320	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	450-500	380-420	+70.00
Indore- Madhya Pradesh	Fair Average Quality	500-550	500-550	-
Tarkeswar-West Bengal	Fair Average Quality	340-380	330-370	+10.00
Burdwan- West Bengal	Fair Average Quality	330-370	320-360	+10.00
Ludhiana-Punjab	Fair Average Quality	280-320	330-370	-50.00

### TECHNICALS: MCX Potato March Contract

Candlesticks hints upward market. But Stochastic and RSI favours the bears. MA and MACD indicate slight strong market for medium term. Open interest increased but volume of trade decreased. Potato is expected to remain volatile with strong after firm opening with possibility of late downwards movement.



### SUPPORT / RESISTANCES: MCX March Potato

Month	S1	S2	PCP	R1	R2
March	550	540	560	575	585

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX-March potato above 555 with target towards 570, second target near 580. Put stop loss below 545.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
March	465	450	473	485	495

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX-March Potato Tarkeshwar above 466 with target towards 476, second target near 484. Put stop loss below 460.

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