

POTATO DAILY

30th MARCH, 2007

SPOT MARKETS:

Market sentiment for potato prices remained steady on Thursday amidst stable demand supply scenario in U.P., Punjab and other North Indian markets. However it strengthened in West Bengal due to reduced supply and stockists demand. Around 75% of the cold storages in Bengal are fulfilled with potato during this marketing year and harvesting almost completed. According to trade estimates, around 70-75 lakh Mt of potato is produced during this year in the State as compared to 75 lakh Mt in last year. Therefore the demand is likely to remain strong in this year, traders said. In contrast, around 90-95% of the cold storages have occupied in U.P. and 100% in M.P., Gujarat and Rajasthan. Therefore the demand is expected to remain weak in the rest of months, they noted. Traders said, the crop losses in U.P. due to bad weather at the harvesting stage are unlikely to have much effect on the total production in this state due to higher acreage this year. Again, the extent of crop damage may not be as high as stated earlier. Government estimated the potato output will be at 25-27 MMt as compared to the consumption of around 24 MMt. In Agra, potato traded down at Rs.320-350/quintal. In Tarkeshwar, it traded up at Rs.520-560/quintal for Cold Storage delivery. In Burdwan district, highest arrivals around 14000 tonnes were observed. In Indore mandis of M.P., around 20-25 trucks of potato are arriving from Agra on daily basis, therefore market prices are remaining down, traders said.

FUTURES MARKETS:

On the MCX platform, potato futures settled slight up on Thursday. Market hovered up after firm opening on buying support and short covering but tumbled thereafter on selling pressure and at last settled at positive territory. Most active Agra April contract added Rs.1 at Rs.569 after firm opening at Rs.569 and hovered at Rs.562.10-575.90. But, Potato Tarkeshwar April contract lost Rs.0.30 at Rs.590.60 after weak opening at Rs.585 and soared between Rs.577.40-599.

PRICE DRIVERS:

1. Steady arrivals; Weak demand from the cold storages in U.P.
2. Stockists demand in West Bengal

WEATHER:

Most of the potato producing areas are experiencing with clear weather at present, favouring in harvesting.

TECHNICALS: MCX Potato April Contract

Candlestick hints indecisive market for the next trading day. Stochastic and RSI favors the bulls. But MA and MACD, hinting weak market as medium term. Open interest decreased but volume of trade significantly increased. Potato is expected to trade up after slight strong opening with possibility of late downwards movement.



SUPPORT / RESISTANCES: MCX April Potato

Month	S1	S2	PCP	R1	R2
April	560	555	569	580	590

TRADE RECOMMENDATION: (Intraday)

Buy MCX-April Potato above 565 with target towards 577, second target near 582. Put stop loss below 557.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
April	580	574	590.60	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX-April Potato Tarkeshwar above 585 with target towards 597, second target near 602. Put stop loss below 577.

SPOT MARKET PRICE FOR WHEAT (Rs./Quintal)

Markets	Variety	29.03.07	28.03.07	Change
Agra- Uttar Pradesh	Fair Average Quality	320-350	340-380	-20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	300-350	300-350	-
Meerut- Uttar Pradesh	Fair Average Quality	400-420	400-420	-
Indore- Madhya Pradesh	Fair Average Quality	550-650	600-650	-50.00
Tarkeshwar-West Bengal	Fair Average Quality	520-560	500-510	+20.00
Burdwan- West Bengal	Fair Average Quality	500-510	480-500	+20.00
Ludhiana-Punjab	Fair Average Quality	380-410	380-410	-

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