

## POTATO DAILY

2<sup>nd</sup> APRIL, 2007

### SPOT MARKETS:

Most of the spot market remained closed for Mahavir Jayanti on Saturday across the country. Therefore trading activity remained lacklustre. At present, the demands from the cold storages are witnessed weak due to higher arrivals at the cold store. However, prices strengthened in West Bengal on dull trading activity amidst reduced arrivals against the strong demand from the cold storages. Around 75% of the cold storages in Bengal are fulfilled with potato during this marketing year and harvesting is 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, over 90% of the cold storages have occupied in U.P. and about 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 Tarkeshwar, it traded up at Rs.560-590/quintal for Cold Storage delivery.

### FUTURES MARKETS:

MCX Futures market remained closed for Mahavir Jayanti. Therefore no trading activity observed.

### PRICE DRIVERS:

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

### WEATHER:

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

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

Markets	Variety	31.03.07	30.03.07	Change
Agra- Uttar Pradesh	Fair Average Quality	Closed	320-350	-
Farookhabad- Uttar Pradesh	Fair Average Quality	Closed	300-350	-
Meerut- Uttar Pradesh	Fair Average Quality	Closed	400-420	-
Indore- Madhya Pradesh	Fair Average Quality	Closed	500-550	-
Tarkeswar-West Bengal	Fair Average Quality	560-590	550-580	+10.00
Burdwan- West Bengal	Fair Average Quality	560-600	550-600	+10.00
Ludhiana-Punjab	Fair Average Quality	Closed	390-410	-

### TECHNICALS: MCX Potato April Contract

Candlestick favours the bears for the next trading day. But Stochastic favours the bulls. However, MA and MACD hinting bearish market as medium term. Open interest increased but volume of trade significantly decreased. Potato is likely to trade weak after slight firm opening with possibility of late upwards movement.



### SUPPORT / RESISTANCES: MCX April Potato

Month	S1	S2	PCP	R1	R2
April	555	550	563	570	580

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-April Potato below 569 with target towards 557, second target near 552. Put stop loss above 577.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
April	575	570	586	593	599

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-April Potato Tarkeshwar below 592 with target towards 580, second target near 575. Put stop loss above 600.

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