

## POTATO DAILY

5<sup>th</sup> MARCH, 2007

### SPOT MARKETS:

Trading activity was thin due to Hoil festival in most of the trading centre. Market remained almost closed in West Bengal due to festival for Holi. In U.P. and Punjab, prices got up slightly on thin trading activity and restricted arrivals. Harvesting remained closed and likely to start after two to three days, traders said. Recent rains have delayed harvesting and damaged the crop too some extent in U.P., Bengal, Bihar and Punjab, traders said. Stockists buying for Cold Storage are providing underline support to the market though consumers demand remained moderate. In M.P., it is reported that around 10% of the potato crop are in the field and harvesting will be completed after mid March. Market prices were noticed almost steady in this state despite no demand from South India as new crop arrivals. However, around 15-20% of the potato crop was affected by the late blight disease in Bengal recently. Burdwan was the main looser followed by Howrah in Bengal. In addition to, Birbhum, Bankura, Jalpaiguri, Hoogly districts in Bengal were also seriously affected by this disease and bad weather. In Punjab also, around 10-20% of potato crops were damaged by late blight in most of the producing regions. Traders said, harvesting is likely to peak up after 4-5 days in Bengal. In Agra, potato prices were steady at Rs.400-450/quintal. In Tarkeshwar, it traded down at Rs.480-490/quintal for Cold Storage delivery with highest arrivals 6400 Mt in Birbhum district.

### FUTURES MARKETS:

MCX Potato futures declined further Saturday on selling pressure amidst profit taking and eased market activity. Market mostly tumbled after weak opening. The entire Potato Tarkeshwar contract breached 4% lower circuit limit. Most active March contract slipped Rs.16.80 at Rs.633.40 after weak opening at Rs.649.80 and traded between Rs.626.70-652 while Potato Tarkeshwar slid Rs.33.90 (5.45%) at Rs.588.30 after mostly weak opening at Rs.612 and moved between Rs585.30-619.90.

### PRICE DRIVERS:

1. Crop damage concerns; Limited arrivals; Clear weather
2. Lower production estimation than earlier one
3. Stockists buying; Thin trading activity on Holi

### WEATHER:

Most of the producing regions are experiencing with clear weather, which is favourable for harvesting and matured crop.

### TECHNICALS: MCX Potato March Contract

Candlestick hints bearish market. Stochastic and RSI favours the bears. MA and MACD are favouring the bulls as medium term. Open interest as well as volume of trade significantly declined. Potato is expected to remain bearish after weak opening with possibility of late upwards movement.



### SUPPORT / RESISTANCES: MCX March Potato

Month	S1	S2	PCP	R1	R2
March	622	612	633.40	645	655

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-March Potato below 638 with target towards 624, second target near 614. Put stop loss above 648.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
March	578	568	588.30	605	620

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-March Potato Tarkeshwar below 595 with target towards 580, second target near 575. Put stop loss above 605.

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

Markets	Variety	03.03.07	02.03.07	Change
Agra- Uttar Pradesh	Fair Average Quality	400-450	400-450	-
Farookhabad- Uttar Pradesh	Fair Average Quality	325-350	300-350	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	470-490	460-480	+10.00
Indore- Madhya Pradesh	Fair Average Quality	510-540	510-540	-
Tarkeswar-West Bengal	Fair Average Quality	480-490	490-500	-10.00
Burdwan- West Bengal	Fair Average Quality	470-480	480-490	-10.00
Ludhiana-Punjab	Fair Average Quality	330-370	320-360	+10.00

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