

## POTATO DAILY

22<sup>nd</sup> MARCH, 2007

### SPOT MARKETS:

Potato prices witnessed steady sentiment at most of the producing regions Wednesday on the back of weaker demand from the cold storage and steady arrivals at the market yards. Harvesting is almost completed in Bengal and nearly 75% of the cold storage is filled up with new produce, traders said. Where as, 85% of the cold storages in Agra and Farookhabad are already filled up with potato. In M.P., Gujarat and Rajasthan, around 100% of the cold storages are filled up, resulting in declining demand in near term. However, in Punjab, it is around 70%. According to the Govt, potato production is estimated to be affected by 20-30% in major producing regions like Punjab, Bengal and Western Uttar Pradesh. It was mainly due to the late blight disease and inclement weather during the harvesting stage. However, the potato production is likely to be higher at around 26-27 MMt in 2007 than last year of 22-23 MMt. But, consumption is around 25 MMt in the country; therefore there will not be much shortage. In W.B., production is slipped by 20% at around 7.5 MMt over earlier estimation of 9.3 MMt. As per the CPRI's estimates, around 10-15% of crops have been damaged due to blight in the North India. In Agra, potato offered steady at Rs.420-465/quintal. In Tarkeshwar, it traded up at Rs.520-530/quintal for Cold Storage delivery. In W.B, potato arrivals are reported to be highest at 76248 tonnes in Burdwan district.

### FUTURES MARKETS:

On MCX platform, potato Agra futures slipped on Wednesday amidst late speculative selling on the back of reduced demand from cold storages. Futures market hovered up after weak opening on profit taking amidst oversold condition but tumbled thereafter on selling pressure. Most active April contract slipped Rs.5.90 at Rs.603.20 after weak opening at Rs.607 and traded between Rs.598.30-618. But Potato Tarkeshwar April contract gained Rs.4.20 at Rs.570 after lower opening at Rs.565.50 and moved between Rs.563.30-576.

### PRICE DRIVERS:

1. Steady arrivals; Higher production estimates than last year
2. Weaker demand from cold storage; Bad weather

### WEATHER:

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

### TECHNICALS: MCX Potato April Contract

Candlestick hints bearish market. Stochastic and RSI favours the bears, but prevails in oversold condition. MA and MACD, hinting bearish market as medium term. Open interest as well as volume of trade decreased. Potato is likely to trade down after slight strong opening with possibility of late upwards movement.



### SUPPORT / RESISTANCES: MCX April Potato

Month	S1	S2	PCP	R1	R2
April	594	584	603.20	612	618

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-April Potato below 610 with target towards 595, second target near 590. Put stop loss above 620.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
April	560	555	570	575	582

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX-April Potato Tarkeshwar below 574 with target towards 562, second target near 558. Put stop loss above 582.

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

Markets	Variety	21.03.07	20.03.07	Change
Agra- Uttar Pradesh	Fair Average Quality	420-450	420-450	-
Farookhabad- Uttar Pradesh	Fair Average Quality	375-400	375-400	-
Meerut- Uttar Pradesh	Fair Average Quality	460-480	460-480	-
Indore- Madhya Pradesh	Fair Average Quality	650-700	650-700	-
Tarkeswar-West Bengal	Fair Average Quality	520-525	500-520	+20.00
Burdwan- West Bengal	Fair Average Quality	510-520	520-540	-10.00
Ludhiana-Punjab	Fair Average Quality	450-500	450-500	-

## 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.