

POTATO DAILY

APRIL 28, 2007

SPOT MARKETS:

Potato showed a mixed sentiment on Friday amidst dwindling supplies and rising demand in Western part of the country. Arrivals are declining at most of the market. However the prices declined slightly in North India on increasing of mercury, which reduced the market demand. Stocks are releasing from the Cold Storages in some pockets of U.P., but it is not sufficient to suppress the market pulse as short term. In Agra market, daily 1800-3000 tonnes of potato are releasing and it is supplying to various mandis of U.P. and South Indian market also. In West Bengal, the stocks are likely to release in first week of May, traders said. They also reported that it is not likely to dampen the prices as lower production in the State and around 75% of the Cold Stores have fulfilled with new produce during this marketing year. However, cold stores are likely to determine the price action in the potato markets as most of the stocks in the market are depleted. If the stockists hold their produce in cold storages in anticipation of higher prices, it might create a temporary shortage in the market, supporting the prices to get up. As the cold storages charge fixed amount for storing for a definite time span, the stockists would use the tenure judiciously to get better price. However, they will have a keen eye on the financing cost too, which will keep rising with time. On Thursday, in Agra, potato traded weak at Rs.590-610/quintal where it remained steady in Tarkeshwar and quoted at Rs.640-675/quintal.

FUTURES MARKETS:

MCX potato futures settled slight down on thin trading activity Friday amidst profit booking. Futures market traded up after weak opening but declined thereafter on selling interest. Most active Agra May contract lost Rs.0.10 at Rs.592.80 after weak opening at Rs.590 and moved in the range of Rs.590-598. Potato (Tarkeshwar) for May delivery lost Rs.0.40 at Rs.586 after firm opening at Rs.589.50 and traded in the thin range of Rs.586-589.90.

PRICE DRIVERS:

1. Sluggish arrivals at most of the markets; Rising demand
2. Releasing stocks by the cold storages in some pockets

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	27.04.07	26.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	590-610	600-620	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	475-525	480-520	-5.00
Meerut- Uttar Pradesh	Fair Average Quality	570-600	560-600	+10.00
Indore- Madhya Pradesh	Fair Average Quality	700-750	685-735	+15.00
Tarkeshwar-West Bengal	Fair Average Quality	640-675	640-675	-
Burdwan- West Bengal	Fair Average Quality	610-630	610-630	-
Ludhiana-Punjab	Fair Average Quality	540-590	500-550	+40.00

TECHNICALS: MCX Potato May Contract

Candlesticks charts are suggesting slight weak market. Prices closed just below short term EMAs, indicate weakness. MACD is moving down in positive zone. Stochastic is going down at neutral region, indicates bearish market. Market is expected to trade weak after slight weak opening with possibility of late upwards movement.



SUPPORT / RESISTANCES: MCX Agra May Potato

Month	S1	S2	PCP	R1	R2
May	585	580	592.80	598	605

TRADE RECOMMENDATION: (Intraday)

Sell MCX potato below Rs.597 with target towards Rs.587 and then Rs.582; put stop loss above Rs.604.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	580	577	586	590	595

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 589 with target of Rs 584 and then 581; put stop loss above Rs 593.

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