

## POTATO DAILY

APRIL 14, 2007

### SPOT MARKETS:

Potato prices remained steady at most of the trading centres Friday. Fresh arrivals are drying up at most of the places as the harvesting is almost over. However, fading demand from cold storages, which are almost filled at majority of the places, stagnated the prices. Demand from cold storages has gone down at most of the places as current prices are on the higher side from stocking perspective. Mere 10-25% cold storage capacity has left empty in UP and West Bengal, where as cold storages in MP, Rajasthan and Gujarat are packed with potatoes. Demand is gradually weakening in West Bengal from stockists, as cold storages are left with small spare capacity. Though, the fresh arrivals are shrinking as the harvest is over, arrivals from cold storages are likely to start shortly to fulfill the local demand in MP and UP. Potato production of India this year is pegged marginally higher by government at 25-27 million tonnes against 22-23 million tonnes last year, which might contain the prices in the coming time looking at domestic consumption of 24 million tonnes. Looking at the estimated consumption of around 24 million tonnes this year, the production seems healthy enough to check the gains in the prices.

### FUTURES MARKETS:

MCX potato futures showed slight firmness during Friday's trade. Most active Agra May contract started the day on a weak note at Rs 580.3 against previous close of Rs 579.5 and then it surged to the highs of Rs 579 before finally settling at Rs 558.4. Tarkeshwar Potato for May delivery also traded with bullish inclination between Rs 577-584 before closing at Rs 580.

### PRICE DRIVERS:

1. Sluggish arrivals; Increasing demand; Weak stocks at market
2. Weakening stockists demand

### WEATHER:

Harvesting is over.

### TECHNICALS: MCX Potato May Contract

Potato futures are in the trader's remorse phase. The close above 9-days EMA suggests short-term firmness in the prices. Stochastic is on the verge of making bullish crossover in the normal region, whereas MACD is showing continued fall in bearish momentum. Volumes traded increased whereas opened interest dipped during the session.



### SUPPORT / RESISTANCES: MCX May Potato

Month	S1	S2	PCP	R1	R2
May	C	L	O	S	E

### TRADE RECOMMENDATION: (Intraday)

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	C	L	O	S	E

### TRADE RECOMMENDATION: (Intraday)

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

Markets	Variety	13.04.07	12.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	480-500	500	-
Farookhabad- Uttar Pradesh (50kg)	Fair Average Quality	Closed	390-410	-
Meerut- Uttar Pradesh	Fair Average Quality	Closed	480-500	-
Indore- Madhya Pradesh	Fair Average Quality	700	700	-
Tarkeswar-West Bengal	Fair Average Quality	630	630-660	-
Burdwan- West Bengal	Fair Average Quality	620-640	620-640	-
Ludhiana-Punjab	Fair Average Quality	480-520	480-520	-

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