

POTATO DAILY

6th APRIL, 2007

SPOT MARKETS:

The potato has traded steady to up at most of the trading centre on Thursday amidst reduced arrivals and weakening stocks. Potato remained steady to strong in U.P. ahead of the Election, traders said. Traders said, around 5-10% of the total production of potato is being stored in the markets and harvesting is almost completed in U.P. In West Bengal, market prices have been remaining on firm side on the back of sluggish arrivals and stockists demand as 75% of the cold storages are fulfilled with potato. In this State, around 70-75 lakh Mt of potato is produced during this year as against of 75 lakh Mt in last year. Therefore the demand is expected to remain strong in near future also, traders said. In Patiala of Punjab, potato quoted at Rs.300-350/qrtl with 25 tonnes of arrivals and around 75% of the cold storages are fulfilled in the State. Besides, 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 in this sector, according to marketing sources. In addition to, Government estimated the potato output will be at 25-27 MMt over 22-23 MMt of last year and consumption is estimated at around 24 MMt, therefore there will be no shortage of the produce. In Agra mandis, potato quoted steady at Rs.360-400/qrtl while in Tarkeshwar, it traded steady at Rs.610-630/quintal for Cold Storage delivery and around 200 tonnes of potato have arrived in West Midnapore district in Bengal.

FUTURES MARKETS:

MCX potato futures turned down on Thursday amidst profit taking and increased selling. Futures market opened strong but tumbled thereafter on selling interest at higher level and settled at the negative territory. Most active Agra April contract lost Rs.9.40 at Rs.566.10 after strong opening at Rs.578 and traded at Rs.565.20-579.70 while Potato Tarkeshwar April contract slipped Rs.15 at Rs.569.50 after bullish opening at Rs.577 and moved between Rs.568-584.90.

PRICE DRIVERS:

1. Sluggish arrivals; Over 90% of cold storages fulfilled in U.P.
2. Robust stockists demand in West Bengal

WEATHER:

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

TECHNICALS: MCX Potato April Contract

Candlestick hints bearish market for the next trading day. Stochastic favours the bulls. MA and MACD are hinting slight bullish market as medium term. Open interest as well as volume of trade decreased. Potato is likely to trade down after weak opening with possibility of late upwards movement.



SUPPORT / RESISTANCES: MCX April Potato

Month	S1	S2	PCP	R1	R2
April	555	550	566.10	570	580

TRADE RECOMMENDATION: (Intraday)

Sell MCX-April Potato below 568 with target towards 556, second target near 552. Put stop loss above 576.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
April	559	550	569.50	575	585

TRADE RECOMMENDATION: (Intraday)

Sell MCX-April Potato Tarkeshwar below 572 with target towards 560, second target near 555. Put stop loss above 580.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	05.04.07	04.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	360-400	360-400	-
Farookhabad- Uttar Pradesh	Fair Average Quality	335-380	325-375	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	420-440	420-440	-
Indore- Madhya Pradesh	Fair Average Quality	650-700	650-700	-
Tarkeswar-West Bengal	Fair Average Quality	610-650	610-650	-
Burdwan- West Bengal	Fair Average Quality	600-620	600-620	-
Ludhiana-Punjab	Fair Average Quality	450-470	440-460	+10.00

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