

POTATO DAILY

12th APRIL, 2007

SPOT MARKETS:

Potato prices firmed up on Wednesday across the country except Delhi where the prices declined on strong arrivals. Traders said, reduced arrivals coupled with promising demand from the stockists and industrial buying is likely to have bullish impact at the domestic market. Currently, the peak season of harvesting is almost completed and most of the cold storages are fulfilled with new produce; therefore supplies are now in declining mood and farmers are holding onto their remaining stocks in expectation of increase in prices in future. In Bengal, the capacities of the cold storages are around 52 lakh MT of potato, but nearly to 75% of the cold storages are fulfilled with potato. Traders pegged potato production at around 70-75 lakh Mt in the State during this marketing year as compared to 75 lakh Mt in last year. Therefore the demand is expected to remain strong in near future also, they said. In Punjab, around 75% of the cold storages are fulfilled in the State and harvesting is already over. Besides, over 90% of the cold storages have occupied in U.P. and about 100% in M.P., Gujarat and Rajasthan. 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 up at Rs.420-460/qrtl while in Tarkeshwar, it traded up at Rs.630-660/quintal for Cold Storage delivery. In Burdwan district of Bengal, highest arrivals were observed around 1200 tonnes.

FUTURES MARKETS:

MCX potato futures showed sideways movement on Wednesday on thin trading activity. Futures market went slight up after firm opening but profit taking pulled down the prices later and settled marginally up. Steady to slight up spot prices provided underlying support to the futures market. Most active Agra May contract gained Rs.0.60 at Rs.570.80 after firm opening at Rs.571 and traded at Rs.567-574 while Potato Tarkeshwar May contract lost Rs.0.20 at Rs.571.50 after strong at Rs.574 and moved between Rs. 567-574.

PRICE DRIVERS:

1. Sluggish arrivals; Increasing demand; Weak stocks at market
2. Robust stockists demand against weak arrivals in West Bengal

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato May Contract

Candlestick hints indecisive market for the next trading day. Stochastic and RSI favours the bulls. MA is indicating steady market as medium term but MACD favours the bulls for medium term. Open interest as well as volume of trade slight decreased. Potato is likely to trade down after slight firm opening with possibility of late upwards movement.



SUPPORT / RESISTANCES: MCX May Potato

Month	S1	S2	PCP	R1	R2
May	564	558	570.80	575	580

TRADE RECOMMENDATION: (Intraday)

Buy MCX-May Potato above 565 with target towards 575, second target near 580. Put stop loss below 558.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	562	555	571.50	577	582

TRADE RECOMMENDATION: (Intraday)

Buy MCX-May Potato Tarkeshwar above 564 with target towards 574, second target near 578. Put stop loss below 557.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	11.04.07	10.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	420-460	400-450	+20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	385-420	375-400	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	480-500	470-500	+10.00
Indore- Madhya Pradesh	Fair Average Quality	650-700	650-700	-
Tarkeshwar-West Bengal	Fair Average Quality	630-660	620-650	+10.00
Burdwan- West Bengal	Fair Average Quality	620-640	610-630	+10.00
Ludhiana-Punjab	Fair Average Quality	450-475	425-450	+25.00

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