

POTATO DAILY

9th APRIL, 2007

SPOT MARKETS:

Potato prices remained steady to slight strong on Saturday at most of the trading centre. In UP, the market remained closed for UP poll. But the market prices strengthened in Delhi mandis on improved demand and weakness in arrivals. 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 West Bengal, market prices have been prevailing on bullish side owing to sluggish arrivals and stockists demand as 75% of the cold storages are fulfilled with potato. In Bengal, potato production is estimated to down at around 70-75 lakh Mt during this marketing 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 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 steady at Rs.370-410/qlt however no trading activity was observed while in Tarkeshwar, it traded stable at Rs.620-650/quintal for Cold Storage delivery.

FUTURES MARKETS:

MCX potato futures moved down on Saturday amidst selling interest on expectation of lower prices in near future. Futures market opened steady but turned down thereafter on intraday profit booking and increased selling. Most active Agra May contract lost Rs.4.90 at Rs.567 after steady opening at Rs.572 and traded at Rs.564.30-573.50 while Potato Tarkeshwar May contract slid Rs.2.10 at Rs.568.30 after weak opening at Rs.568 and moved between Rs.567.50-571.30.

PRICE DRIVERS:

1. Bearish trend of arrivals; Increasing demand
2. Strong stockists demand against weak arrivals in West Bengal

WEATHER:

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

TECHNICALS: MCX Potato May Contract

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



SUPPORT / RESISTANCES: MCX May Potato

Month	S1	S2	PCP	R1	R2
May	560	555	567	574	580

TRADE RECOMMENDATION: (Intraday)

Sell MCX-May Potato below 570 with target towards 560, second target near 556. Put stop loss above 576.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	560	555	568.30	575	580

TRADE RECOMMENDATION: (Intraday)

Sell MCX-May Potato Tarkeshwar below 570 with target towards 562, second target near 557. Put stop loss above 576.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	07.04.07	06.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	Closed	370-410	-
Farookhabad- Uttar Pradesh	Fair Average Quality	Closed	350-400	-
Meerut- Uttar Pradesh	Fair Average Quality	Closed	430-450	-
Indore- Madhya Pradesh	Fair Average Quality	650-700	650-700	-
Tarkeswar-West Bengal	Fair Average Quality	620-650	620-650	-
Burdwan- West Bengal	Fair Average Quality	610-630	610-630	-
Ludhiana-Punjab	Fair Average Quality	450-470	450-470	-

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