

POTATO DAILY

11th APRIL, 2007

SPOT MARKETS:

Potato prices remained strong in U.P., Western India and Delhi on Tuesday amidst sluggish arrivals and weak stock at the market yards. It traded steady at higher level in West Bengal on reduced supplies and stockists demand. 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.400-450/qlt while in Tarkeshwar, it traded stable at Rs.620-650/quintal for Cold Storage delivery. In Burdwan district of Bengal, highest arrivals were observed around 1300 tonnes.

FUTURES MARKETS:

MCX potato futures settled at the negative side on Tuesday amidst profit taking and lackluster trading activity. Firm spot market prices provided underlying support to the futures market. Futures market went up after firm opening but retreated thereafter on increased selling and settled slight down. Most active Agra May contract lost Rs.0.30 at Rs.571 after firm opening at Rs.572 and traded at Rs.568.40-574.50 while Potato Tarkeshwar May contract slipped Rs.2.80 at Rs.572 after weak opening at Rs.574 and moved between Rs. 565.10-575.90.

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 bears. MA is indicating slight bearish 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 bearish after slight firm opening with possibility of late upwards movement.



SUPPORT / RESISTANCES: MCX May Potato

Month	S1	S2	PCP	R1	R2
May	564	558	571	575	580

TRADE RECOMMENDATION: (Intraday)

Sell MCX-May Potato below 575 with target towards 565, second target near 560. Put stop loss above 581.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	562	555	572	577	582

TRADE RECOMMENDATION: (Intraday)

Sell MCX-May Potato Tarkeshwar below 577 with target towards 567, second target near 562. Put stop loss above 582.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	10.04.07	09.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	400-450	380-420	+20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	375-400	350-400	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	470-500	440-450	+30.00-
Indore- Madhya Pradesh	Fair Average Quality	650-700	650-700	-
Tarkeshwar-West Bengal	Fair Average Quality	620-650	620-650	-
Burdwan- West Bengal	Fair Average Quality	610-630	620-640	-10.00
Ludhiana-Punjab	Fair Average Quality	425-450	450-470	-25.00

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