

POTATO DAILY

APRIL 27, 2007

SPOT MARKETS:

Market sentiment for potato prices are remaining hot due to lower stocks at the market yards, therefore arrivals are declining at most of the market. However, stocks are releasing from the Cold Storages in some pockets of U.P., but it is not sufficient to suppress the market pulse. Potato prices firmed up on Thursday at most of the mandis on increased demand against the lower arrivals. In Agra market, daily 1800-3000 tonnes of potato are releasing and it is supplying to various mandis of U.P. and South Indian market also. In West Bengal, the stocks are likely to release in first week of May, traders said. They also reported that it is not likely to dampen the prices as lower production in the State and around 75% of the Cold Stores have fulfilled with new produce during this marketing year. However the price action in the potato markets will be determined by the action of cold storages as most of the stocks in the market are depleted. If the stockists hold their produce in cold storages in anticipation of higher prices, it might create a temporary shortage in the market, supporting the prices to get up. As the cold storages charge fixed amount for storing for a definite time span, the stockists would use the tenure judiciously to get better price. However, they will have a keen eye on the financing cost too, which will keep rising with time. On Thursday, in Agra, potato traded firm at Rs.600-620/quintal where it remained steady in Tarkeshwar and quoted at Rs.640-675/quintal.

FUTURES MARKETS:

MCX potato futures rebounded to up and recovered previous losses Thursday on buying support at lower level and strong spot market sentiment. Futures market traded up after mostly weak opening. Most active Agra May contract gained Rs.3.10 at Rs.593.20 after weak opening at Rs.585.30 and hovered in the range of Rs.585-595.90. Potato (Tarkeshwar) for May delivery surged Rs.5.60 at Rs.588.80 after weak opening at Rs.582 and traded in the range of Rs.582-588.80.

PRICE DRIVERS:

1. Sluggish arrivals at most of the markets; Rising demand
2. Releasing stocks by the cold storages in some pockets

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	26.04.07	25.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	600-620	590-610	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	480-520	470-500	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	560-600	550-600	+10.00
Indore- Madhya Pradesh	Fair Average Quality	685-735	675-725	+10.00
Tarkeshwar-West Bengal	Fair Average Quality	640-675	640-675	-
Burdwan- West Bengal	Fair Average Quality	610-630	610-630	-
Ludhiana-Punjab	Fair Average Quality	500-550	470-520	+30.00

TECHNICALS: MCX Potato May Contract

Candlesticks charts are showing bullish market. Prices closed just above short term EMAs, indicate firmness. MACD is moving down in positive zone. Stochastic is going down at neutral region, suggest downward market. Potato is likely to trade firm after slight weak opening with possibility of late downwards movement.



SUPPORT / RESISTANCES: MCX Agra May Potato

Month	S1	S2	PCP	R1	R2
May	585	580	593.20	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX potato above Rs.590 with target towards Rs.600 and then Rs.602; put stop loss below Rs.583.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	583	580	588.80	595	600

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 585 with target of Rs 594 and then 599; put stop loss below Rs 579.

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