

POTATO DAILY

APRIL 30, 2007

SPOT MARKETS:

Market prices for potato remained steady at upper level on Saturday on account of declined arrivals against the steady demand. However the prices declined marginally in West Bengal on expectation of stock release by the Cold Storages in the next week, traders said. But, the stockists are not worried about the weakness in prices and 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. Conversely, in Agra market of U.P, daily 1800-3000 tonnes of potato are releasing by the Cold Storages, which softened the bullish sentiment. In fact, the rising demand from the Western and Southern India is keeping pressure on the market pulse. Currently, the cold stores are likely to determine the price action in the potato markets 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 Saturday, in Agra, potato traded steady at Rs.590-610/quintal where it remained down in Tarkeshwar and quoted at Rs.630-650/quintal with highest arrivals of 6000-6500 tonnes observed in Birbhum district.

FUTURES MARKETS:

MCX potato futures traded rangebound with slight weak on Saturday amidst lackluster trading activity. Futures market opened weak and traded within the thin range and finally settled down. Most active Agra May contract lost Rs.1.40 at Rs.590.80 after weak opening at Rs.590 and moved in the range of Rs.587.50-592.50. But Potato (Tarkeshwar) for May delivery gained Rs.3.60 at Rs.590.30 after firm opening at Rs.588.90 and traded in the thin range of Rs.588.10-591.50.

PRICE DRIVERS:

1. Declining arrivals against the steady demand
2. Cold storages are releasing stocks in some pockets

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	28.04.07	27.04.07	Change
Agra- Uttar Pradesh	Fair Average Quality	590-610	590-610	-
Farookhabad- Uttar Pradesh	Fair Average Quality	475-525	475-525	-
Meerut- Uttar Pradesh	Fair Average Quality	570-600	570-600	-
Indore- Madhya Pradesh	Fair Average Quality	700-750	700-750	-
Tarkeshwar-West Bengal	Fair Average Quality	630-650	640-675	-10.00
Burdwan- West Bengal	Fair Average Quality	600-620	610-630	-10.00
Ludhiana-Punjab	Fair Average Quality	550-600	540-590	+10.00

TECHNICALS: MCX Potato May Contract

Candlesticks charts are indicating indecisive market. Prices closed just below short term EMAs, indicate slight bearish market. MACD is moving down in positive zone. Stochastic is remaining down at neutral region, indicates weakness in market. Market is expected to trade bearish after slight firm opening with possibility of late upwards movement.



SUPPORT / RESISTANCES: MCX Agra May Potato

Month	S1	S2	PCP	R1	R2
May	585	580	590.80	597	605

TRADE RECOMMENDATION: (Intraday)

Sell MCX potato below Rs.593 with target towards Rs.586 and then Rs.582; put stop loss above Rs.598.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
May	582	577	590.30	592	595

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 592 with target of Rs 586 and then 581; put stop loss above Rs 596.

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