

POTATO DAILY

21st MAY, 2007

SPOT MARKETS:

Market prices for potato recovered on Saturday, triggered by improved demand from the potato non-producing regions against the steady arrivals. Potato has been releasing from the cold storages since couple of weeks in U.P. market. However, late blight at the time of harvesting had damaged the potato and some traders stored affected potatoes at the time of storing in U.P. and Bengal. Therefore the demands for damaged potato are decreasing. Traders reported, about 250-300 trucks per day are releasing from the Agra cold storages, which are supplied to the Western and South Indian markets. In Kasganj, around 2500-300 packets of potato has released. In Bengal, acreage was around 3.6-4.0-lakh hectares in this year and the estimated production was around 90-92 lakh Mt. But the late blight disease has affected almost 85% of the area under cultivation early in the year. In the meantime, some farmers have stored inferior quality of potatoes. Some of the cold storage owners have loaded more than 2 lakh tonne of 'Pokhraj' and 'S6' varieties. Water content in these two varieties is high which makes storage difficult. On Saturday, in Agra, potato was up at Rs.560-600/quintal; in Tarkeshwar it was steady at Rs.680-720/quintal with highest arrivals of around 6000-6200 tonnes were observed in Birbhum district. Traders said, the prices may cool as releasing of stocks by the cold store likely to pick up in near future.

FUTURES MARKETS:

MCX potato futures hovered up on Saturday in tandem with the spot market amidst buyer's activity. Futures market soared after weak opening and settled at the positive territory. Most active Agra June contract gained Rs.4.80 at Rs.588.60 after weak opening at Rs.581.30 and moved within Rs.581.30-589.30. Potato Tarkeshwar for June contract added Rs.3.60 at Rs.595.90 after slight firm opening at Rs.593 and traded within the range of Rs.592.50-596.10.

PRICE DRIVERS:

1. Improved demand against the steady arrivals
2. Stocks release by the Cold Store picking up
3. Positive demand from Western & Southern Parts

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	19.05.07	18.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	560-600	550-600	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	455-500	450-500	+5.00
Meerut- Uttar Pradesh	Fair Average Quality	535-555	520-550	+15.00
Delhi	Fair Average Quality	580-590	570-580	+10.00
Tarkeswar-West Bengal	Fair Average Quality	680-720	680-720	-
Burdwan- West Bengal	Fair Average Quality	650-700	650-700	-
Patiala-Punjab	Fair Average Quality	460-500	450-500	+10.00

TECHNICALS: MCX Potato June Contract

Candlestick is indicating firm futures market for the next trading day. Prices closed just below short term EMAs, indicating slight bearish market for medium term. MACD remains in the negative zone, hints bearish market. Stochastic is moving up after made bullish cut at oversold region, favours the bulls. Potato is likely to trade up following a steady to firm opening with possibility of some downwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	586	580	588.60	595	600

TRADE RECOMMENDATION: (Intraday)

Buy MCX potato above Rs.587 with target towards Rs.594 and then Rs.598; put stop loss below Rs.582.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	592	588	595.90	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 593 with target towards Rs 599 and then 602; put stop loss below Rs 589.

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