

POTATO DAILY

30th MAY, 2007

SPOT MARKETS:

Potato prices remained steady on Tuesday in U.P. Maharashtra and Gujarat market amidst average demand against the steady arrivals. But the market soared in Delhi and Bengal market on lower supply against the upward demand. The demand from the Western and South Indian markets have been strengthening. However, the cold storages are releasing potato on regular basis at most of the producing regions but the quality is not so good, which negatively affect on the market sentiment. Basically, late blight at the time of harvesting had damaged the potato and some traders stored affected potatoes at the time of storing. Therefore the demands for damaged potato are decreasing. Traders reported, nearly 250-300 trucks per day are releasing from the Agra cold storages, which are heading to the Western and South Indian markets. In Bengal, positive demand from the Orissa, Jharkhand, A.P., and Assam is keeping pressure on prices. Around 2-4 lakh bags (50 kg) of potato per day are loading from this state, traders noted. Besides, the unofficially exporting of potato from Coochbehar district to Bangladesh has forced the prices to get up as the prices are too strong in Bangladesh. On Tuesday, in Agra, potato quoted steady at Rs.530-570/quintal; in Tarkeshwar it was up at Rs.700-730/quintal. Prices may remain steady to up as short term for strong demand and stockists selling.

FUTURES MARKETS:

MCX potato futures hovered up on Tuesday amidst strong buying support and improved spot market sentiment. Futures market soared after firm opening. However, Tarkeshwar futures tested new life-of-contract high and fell down thereafter on profit taking. Most active Agra June contract climbed Rs.10.50 at Rs.600.80 after firm opening at Rs.591 and hovered within Rs.590.50-602.50. But Potato Tarkeshwar for June contract added Rs.0.30 at Rs.626 after weak opening at Rs.624 and traded at Rs.624-629.40.

PRICE DRIVERS:

1. Average demand against the steady arrivals
2. Stocks release by the Cold Store on regular basis
3. Monsoon advances; Unofficial export from Bengal

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is favouring the bulls for the next trading day. Prices closed above short term EMAs, suggesting short term bullish. MACD prevails in the negative zone, hints slight weak market. Stochastic is going up at neutral region, favours the bulls. Potato is to be trade up after 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 | 595 | 590 | 600.80 | 607 | 615 |

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 598 with target towards Rs.606 and then Rs.610; put stop loss below Rs.592.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

| Month | S1 | S2 | PCP | R1 | R2 |
|-------|-----|-----|-----|-----|-----|
| JUNE | 621 | 615 | 626 | 633 | 637 |

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 630 with target towards Rs 622 and then 620; put stop loss above Rs 636.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

| Markets | Variety | 29.05.07 | 28.05.07 | Change |
|----------------------------|----------------------|----------|----------|--------|
| Agra- Uttar Pradesh | Fair Average Quality | 530-570 | 530-570 | - |
| Farookhabad- Uttar Pradesh | Fair Average Quality | 420-470 | 420-470 | - |
| Meerut- Uttar Pradesh | Fair Average Quality | 500-550 | 500-550 | - |
| Delhi | Fair Average Quality | 595-605 | 585-595 | +10.00 |
| Tarkeswar-West Bengal | Fair Average Quality | 700-730 | 680-720 | +20.00 |
| Burdwan- West Bengal | Fair Average Quality | 680-700 | 670-690 | +10.00 |
| Patiala-Punjab | Fair Average Quality | 440-480 | 460-510 | -20.00 |

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