

## POTATO DAILY

22<sup>nd</sup> MAY, 2007

### SPOT MARKETS:

Potato prices remained steady to firm on Monday at most of the domestic spot market, 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., Punjab, West Bengal and some other parts. But it could not suppress the market pulse due to lack of superior quality potato and lower production than earlier one. 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 but demand is increasing for quality potato simultaneously. 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 till date. 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. On Monday, in Agra, potato quoted steady at Rs.560-600/quintal; in Tarkeshwar it was steady at Rs.680-720/quintal. 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 climbed on Monday amidst short covering coupled with buying pressure. Therefore futures market hovered up after weak opening but trade sales forced the prices to low from day's high. Most active Agra June contract gained Rs.6.40 at Rs.595 after weak opening at Rs.586.30 and soared within Rs.586.30-596.70. Potato Tarkeshwar for June contract climbed Rs.7.80 at Rs.603.70 after firm opening at Rs.598 and hovered at Rs.598-607.

### PRICE DRIVERS:

1. Increased 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.

### TECHNICALS: MCX Potato June Contract

Candlestick is suggesting upward market for the next trading day. Prices closed just above short term EMAs, indicating slight bullish market for short term. MACD remains in the negative zone, hints weak market. Stochastic is moving up at neutral region, favours the bulls. Potato is likely to trade bullish following a steady to weak opening with possibility of some downwards movement in the later session.



### SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	591	587	595	605	610

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX potato above Rs.594 with target towards Rs.604 and then Rs.608; put stop loss below Rs.586.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	600	595	603.70	608	615

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato above 601 with target towards Rs 608 and then 612; put stop loss below Rs 596.

### SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	21.05.07	19.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	560-600	560-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	460-500	455-500	+5.00
Meerut- Uttar Pradesh	Fair Average Quality	540-560	535-555	+5.00
Delhi	Fair Average Quality	585-590	580-590	+5.00
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	460-500	-

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