

POTATO DAILY

31st MAY, 2007

SPOT MARKETS:

Potato prices remained steady on Wednesday in U.P. Maharashtra and Gujarat market amidst average demand against the steady arrivals. The market was also stable in Delhi and Bengal market on improved 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 Wednesday, 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 tumbled on Wednesday amidst mild profit taking and selling interest at upper level. Futures market got down after mostly firm opening. Tarkeshwar futures tested new life-of-contract high and fell down thereafter on profit taking. Most active Agra June contract lost Rs.0.30 at Rs.598.80 after firm opening at Rs.603.90 and traded within Rs.596.30-604. Potato Tarkeshwar for June contract slid Rs.0.70 at Rs.626 after strong opening at Rs.628 and traded at Rs.625.60-630.10.

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 bears 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 down after steady to firm opening with possibility of some upwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	592	588	598.80	604	610

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 602 with target towards Rs.593 and then Rs.590; put stop loss above Rs.608.

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	30.05.07	29.05.07	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	595-605	-
Tarkeswar-West Bengal	Fair Average Quality	700-730	700-730	-
Burdwan- West Bengal	Fair Average Quality	680-700	680-700	-
Patiala-Punjab	Fair Average Quality	440-480	440-480	-

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