

POTATO DAILY

29th MAY, 2007

SPOT MARKETS:

Potato prices continued to show steady sentiment on Monday amidst stable demand supply scenario. But the market rebounded to up in Delhi market on lower supply against the upward demand. In Mumbai markets, the arrivals slight improved and prices remained steady, traders said. The demand from the Western and South Indian markets strengthened. 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 200-300 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 Monday, in Agra, potato quoted steady at Rs.530-570/quintal; in Tarkeshwar it was flat at Rs.680-720/quintal. Prices may remain steady as short term for strong demand and stockists selling.

FUTURES MARKETS:

MCX potato futures settled slight up on Monday on limited buyers at upper level and steady spot prices. Futures market fell down after strong opening but recovered slightly at late hour. But Tarkeshwar futures continued to soaring and made new life-of-contract high. Most active Agra June contract added 0.80 at Rs.590.10 after strong opening at Rs.592.60 and traded within Rs.588-592.80. But Potato Tarkeshwar for June contract surged Rs.7.60 at Rs.626 after firm opening at Rs.620.20 and hovered at Rs.620.20-628.

PRICE DRIVERS:

1. Steady demand against the lower arrivals
2. Stocks release by the Cold Store on regular basis
3. Weak arrivals and unofficial exporting from Bengal

WEATHER:

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	28.05.07	26.05.07	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	585-595	565-575	+20.00
Tarkeswar-West Bengal	Fair Average Quality	680-720	680-720	-
Burdwan- West Bengal	Fair Average Quality	670-690	670-690	-
Patiala-Punjab	Fair Average Quality	460-510	460-510	-

TECHNICALS: MCX Potato June Contract

Candlestick is favouring the bears for the next trading day. Prices closed just below short term EMAs, suggesting short term mild weakness. MACD remains in the negative zone, hints weak market. Stochastic is going up at neutral region, favours the bulls. Potato is to be remaining range bound with slight weak 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	585	580	590.10	595	600

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 594 with target towards Rs.586 and then Rs.582; put stop loss above Rs.600.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

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

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 624 with target towards Rs 632 and then 636; put stop loss below Rs 618.

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