

POTATO DAILY

1st JUNE, 2007

SPOT MARKETS:

Potato prices continued to show steady sentiment on Thursday amidst almost stable demand supply scenario. However the prices improved in Maharashtra market on lower supply. At present, the stockists are releasing their unsold stocks due to improvement in monsoons, traders said. The demand from the Western and South Indian markets continued to remain strong. 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. 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 kept pressure on prices as the prices are too strong in Bangladesh. On Thursday, in Agra, potato quoted steady at Rs.530-570/quintal; in Tarkeshwar it was stable 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 slipped again on selling interest and mild profit taking. Futures market fell down after weak opening though some buying was observed at day's lows. But, Tarkeshwar futures rebounded to up from day's low on fresh buying. Most active Agra June contract lost Rs.4.50 at Rs.594.80 after weak opening at Rs.599 and traded within Rs.592-599. Potato Tarkeshwar for June contract added Rs.0.60 at Rs.627 after strong opening at Rs.628 and hovered at Rs.619-628.

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 supporting to the bearish market for the next trading day. Prices closed just above short term EMAs, suggesting short term mild bullish market. MACD prevails in the negative zone, hints slight weak market. Stochastic is going down at neutral region, favours bears. Potato is to be trade bearish after steady to weak opening with possibility of some upwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra June Potato

| Month | S1 | S2 | PCP | R1 | R2 |
|-------|-----|-----|--------|-----|-----|
| JUNE | 588 | 584 | 594.80 | 598 | 605 |

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 597 with target towards Rs.589 and then Rs.585; put stop loss above Rs.604.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

| Month | S1 | S2 | PCP | R1 | R2 |
|-------|-----|-----|-----|-----|-----|
| JUNE | 623 | 619 | 627 | 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.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

| Markets | Variety | 31.05.07 | 30.05.07 | Change |
|----------------------------|----------------------|----------|----------|--------|
| Agra- Uttar Pradesh | Fair Average Quality | 530-570 | 530-570 | - |
| Farookhabad- Uttar Pradesh | Fair Average Quality | 425-475 | 420-470 | +5.00 |
| Meerut- Uttar Pradesh | Fair Average Quality | 500-550 | 500-550 | - |
| Delhi | Fair Average Quality | 600-610 | 595-605 | +5.00 |
| 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 | 430-470 | 440-480 | -10.00 |

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