

## POTATO DAILY

23<sup>rd</sup> MAY, 2007

### SPOT MARKETS:

Potato prices were slight weak in North Indian markets on Tuesday however it was steady in the other markets of the country. Prices also tumbled in Maharashtra market on slow demand from the consumers. In addition, the demand from the Western and South Indian markets got weakened, which depressed Northern markets, traders said. The cold storages at most of the producing regions are releasing potato on regular basis but the quality is not good, which negatively affect on the market sentiment. 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., Punjab and West Bengal. Therefore the demands for damaged potato are decreasing. 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 Bengal, positive demand from the Orissa, Jharkhand, A.P., and Assam is keeping pressure on prices. Besides, the lower production and higher storing charges of potato could not pull down the prices in the state. In Bengal, 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 Tuesday, in Agra, potato quoted down at Rs.550-600/quintal; in Tarkeshwar it was steady at Rs.680-720/quintal. Prices may cool as releasing of stocks by the cold store likely to pick up in near future.

### FUTURES MARKETS:

MCX potato futures slipped on Tuesday amidst profit taking and selling interest due to weak spot market. Futures market recovered after mostly weak opening but moved back from day's high on selling pressure. Most active Agra June contract lost Rs.3.70 at Rs.590.50 after mostly weak opening at Rs.589.30 and traded within Rs.588.20-594.20. But potato Tarkeshwar for June contract gained Rs.2 at Rs.606.10 after weak opening at Rs.603 and moved at Rs.603-608.

### PRICE DRIVERS:

1. Slow demand against the steady arrivals
2. Stocks release by the Cold Store increasing
3. Slight weak demand from Western & Southern Parts

### WEATHER:

Harvesting is over.

### TECHNICALS: MCX Potato June Contract

Candlestick is indicating slight weak market for the next trading day. Prices closed just below short term EMAs, indicating short term weakness. MACD remains in the negative zone, hints bearish market. Stochastic is going up at neutral region, favours the bulls. Potato is likely to trade soft following a 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	590.50	595	600

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX potato below Rs.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	600	595	606.10	610	615

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 609 with target towards Rs 601 and then 599; put stop loss above Rs 615.

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

Markets	Variety	22.05.07	21.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	560-600	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	450-500	460-500	-10.00
Meerut- Uttar Pradesh	Fair Average Quality	540-560	540-560	-
Delhi	Fair Average Quality	585-590	585-590	-
Tarkeshwar-West Bengal	Fair Average Quality	680-720	680-720	-
Burdwan- West Bengal	Fair Average Quality	650-700	650-700	-
Patiala-Punjab	Fair Average Quality	450-500	460-500	-10.00

## Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.