

POTATO DAILY

16th MAY, 2007

SPOT MARKETS:

Potato prices remained steady on Tuesday in the North Indian markets amidst stable demand supply scenario. However the prices increased in Maharashtra on short of arrivals. Inferior qualities of potato are reducing the market prices at most of the producing regions, traders said. But the prices marginally declined in Bengal on less demand. According to trade sources, around 2000-2500 packets of potato has released in Kasganj from the cold storages and about 250-300 trucks are releasing from the cold storages in Agra market. Potato exports from Bengal will suffer during this marketing year because the late blight disease has damaged the crop and reduced the production by almost 30% of last year. The 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. Some of the cold storage owners have loaded more than 2 lakh tonne of 'Pokhraj' and 'S6' varieties. Water content in these two varieties is high which makes storage difficult. On Tuesday, in Agra, potato was steady at Rs.550-600/quintal; in Tarkeshwar it was down at Rs.730-760/quintal. Traders are expecting that the prices may come down as releasing of stocks by the cold store likely to pick up in near future.

FUTURES MARKETS:

MCX potato futures traded rangebound on thin trading activity Tuesday. Futures market got down after mostly weak opening and traded rangebound thereafter. Most active Agra June contract lost Rs.1.90 at Rs.596 after weak opening at Rs.596.30 and moved in between 594.10-599. Potato Tarkeshwar for June contract gained Rs.1.60 at Rs.596.10 after firm opening at Rs.596.50 and traded at Rs.595.50-598.60.

PRICE DRIVERS:

1. Moderate demand against the steady arrivals
2. Releasing stocks by Cold Store continued
3. Lack of quality potato; Demand less for damage potato

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is indicating indecisive market for the next trading day. Prices closed just below short term EMAs, suggests bearish market may continue at medium term. MACD is going down in positive zone. But Stochastic is going up at neutral region, favours the bulls. Potato is expected to remain down following a steady opening with possibility of late upward movement.



SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	590	584	596	600	605

TRADE RECOMMENDATION: (Intraday)

Sell MCX potato below Rs.600 with target towards Rs.591 and then Rs.587; put stop loss above Rs.606.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	588	584	596.10	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 590 with target towards Rs 599 and then 603; put stop loss below Rs 585.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	15.05.07	14.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	470-520	470-520	-
Meerut- Uttar Pradesh	Fair Average Quality	500-600	500-600	-
Delhi	Fair Average Quality	620-625	620-625	-
Tarkeswar-West Bengal	Fair Average Quality	730-760	740-770	-10.00
Burdwan- West Bengal	Fair Average Quality	720-740	730-750	-10.00
Ludhiana-Punjab	Fair Average Quality	620-650	620-650	-

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