

POTATO DAILY

25th MAY, 2007

SPOT MARKETS:

Potato prices weakened at some parts of the country on Thursday due to weak demand from the buyers against the steady arrivals. Potato prices remained soft in U.P., Bengal and Maharashtra market. Currently, the demand from the Western and South Indian markets got weakened, which depressed Northern markets, traders said. 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. 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, nearly 200-300 trucks per day are releasing from the Agra cold storages, which are supplying 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 Thursday, in Agra, potato quoted down at Rs.530-570/quintal; in Tarkeshwar it was down at Rs.670-700/quintal. Prices may cool as short term for weak demand and stockists selling.

FUTURES MARKETS:

MCX potato futures traded bullish on Thursday amidst mild profit taking and increased buying activity. Futures market hovered up after mostly weak opening but selling interest at day's high pulled down the prices at late hour. Most active Agra June contract gained 2.20 at Rs.590.70 after weak opening at Rs.586.30 and traded within Rs.586.30-593.90. Potato Tarkeshwar for June contract added Rs.2.40 at Rs.607 after firm opening at Rs.604.60 and moved at Rs.604.60-607.50.

PRICE DRIVERS:

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

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is indicating slight upward market for the next trading day. Prices closed just below short term EMAs, indicating short term mild weakness. MACD remains in the negative zone, hints bearish market. Stochastic is going down after made bearish cut at neutral region, favours the bears. Potato is to be trade slight up after steady to weak opening with possibility of some downwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	585	580	590.70	597	605

TRADE RECOMMENDATION: (Intraday)

Sell MCX potato below Rs.595 with target towards Rs.586 and then Rs.581; put stop loss above Rs.601.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	600	595	607	610	615

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 609 with target towards Rs 602 and then 599; put stop loss above Rs 614.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	24.05.07	23.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	530-570	550-600	-20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	420-470	430-470	-10.00
Meerut- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Delhi	Fair Average Quality	575-585	575-585	-
Tarkeswar-West Bengal	Fair Average Quality	670-700	680-720	-10.00
Burdwan- West Bengal	Fair Average Quality	660-680	660-680	-
Patiala-Punjab	Fair Average Quality	425-500	450-500	-25.00

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