

POTATO DAILY

28th MAY, 2007

SPOT MARKETS:

Potato prices remained steady on Saturday amidst stable demand supply scenario. But the market observed weak in Delhi market on higher supply. In Mumbai markets, the arrivals got weakened to only 15-17 trucks and prices got up, 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 Saturday, 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 remained mixed again on Saturday. Futures market traded up after weak opening but slipped thereafter on profit taking. But Tarkeshwar futures soared and made new life-of-contract high. Most active Agra June contract lost 1.30 at Rs.589.30 after weak opening at Rs.588.40 and traded within Rs.588-593.70. Potato Tarkeshwar for June contract climbed Rs.7.90 at Rs.618.40 after steady opening at Rs.610.50 and hovered at Rs.610.50-621.60.

PRICE DRIVERS:

1. Steady demand against the lower arrivals
2. Stocks release by the Cold Store on regular basis
3. Fabulous demand from Western & Southern markets

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is indicating bearish market for the next trading day. Prices closed just below short term EMAs, suggesting short term mild weakness. MACD remains in the negative zone, hints bearish market. Stochastic is going up at neutral region, favours the bulls. Potato is to be trade slight down 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	585	580	589.30	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	613	605	618.40	623	627

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 615 with target towards Rs 622 and then 626; put stop loss below Rs 610.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	26.05.07	25.05.07	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	565-575	570-580	-5.00
Tarkeshwar-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	-

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