

POTATO DAILY

9th JUNE, 2007

SPOT MARKETS:

Potato prices declined on Friday at most of the spot market in the country on higher arrivals and stocks release by the stockists due to improvement in monsoon. But the prices increased in West Bengal on lower arrivals and strong demand from neighbouring states. Continued demand from South and Maharashtra market are providing underline support to the market. Traders said, around 200-250 trucks are heading to the South and Maharashtra from the Agra region but it is not sufficient to suppress the market pulse. Around 7-10% of the potato has been released so far from the Agra cold storages. Nearly 10000-12000 packets of potato have been released so far from the Kasganj of U.P. The stockists are started to release unsold stocks on higher rates and improvement in monsoon. But, late blight at the time of harvesting had damaged the potato and some traders stored affected potatoes at the time of storing, which negatively affecting on the market sentiments. In Bengal, positive demand from the Orissa, Jharkhand, A.P., and Assam is continued and it has kept pressure on prices. Around 2-4 lakh bags (50 kg/bag) of potato/day are loading from this state. Besides, unofficial export from Coochbehar in Bengal to Bangladesh is also underpinning the market. On Friday, in Agra, potato was down at Rs.550-600/quintal; in Tarkeshwar it was up at Rs.750-800/quintal. Prices may remain steady to up as short term for strong demand.

FUTURES MARKETS:

MCX potato futures slipped from day's high on Friday. Market went up after weak opening and fell thereafter from the day's high. Tarkeshwar futures tumbled on short covering after hit a fresh high. Most active Agra July contract added Rs.0.20 at Rs.615 after weak opening at Rs.613.30 and traded within Rs.612.50-618. Potato Tarkeshwar for July contract slid Rs.3.90 at Rs.655 after firm opening at Rs.659.30 and traded in the range of Rs.654.10-663.

PRICE DRIVERS:

1. Improved arrivals against the strong demand
2. Steady stock release by the Cold Store
3. Improvement in monsoon; Weak arrivals in Bengal

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	08.06.07	07.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	560-600	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	450-500	470-510	-20.00
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	595-605	595-605	-
Tarkeswar-West Bengal	Fair Average Quality	750-800	730-750	+20.00
Burdwan- West Bengal	Fair Average Quality	720-750	690-710	+30.00
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

TECHNICALS: MCX Potato JULY Contract

Candlestick is hinting slight weak market for the next trading day. Prices closed above short term EMAs, suggesting short term bullish market. MACD is going up in the positive zone, indicates strong market. Stochastic is moving up at neutral region, favours bulls. Potato is to be trade slight down initially after steady to weak opening with possibility of some upwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	610	605	615	618	622

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 618 with target towards Rs.611 and then Rs.608; put stop loss above Rs.623.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	650	645	655	665	670

TRADE RECOMMENDATION: (Intraday)

Risk Lovers can **Buy** MCX (T) potato above 651 with target towards Rs 661 and then 666; put stop loss strictly below Rs 644.

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