

## POTATO DAILY

5<sup>th</sup> JUNE, 2007

### SPOT MARKETS:

Potato prices smartly increased at the domestic spot market on Monday amidst fresh demand from the buyers against the steady arrivals. In addition, continued demand from South and Maharashtra market are aggravating the situation. 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, traders said. Around 5-7% of the potato has been released so far from the cold storages in Agra, they noted. They also said, nearly 8000-10000 packets of potato have been released so far from the Kasganj of U.P. At present, the stockists are releasing their unsold stocks due to higher rates. However, 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. 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 per day are loading from this state, traders noted. Besides, the unofficial export of potato from Coochbehar district to Bangladesh has also underpinned the market. On Monday, in Agra, potato was up at Rs.570-600/quintal; in Tarkeshwar it was up at Rs.730-750/quintal. Prices may remain steady to up as short term for strong demand and stockists selling.

### FUTURES MARKETS:

MCX potato futures hovered up on Monday on increased buying pressure. Market soared after mostly weak opening on firm spot market. Tarkeshwar futures settled up after made a new contract high. Most active Agra June contract gained Rs.2.40 at Rs.596 after mostly weak opening at Rs.588.60 and traded within Rs.588.60-598.80. Potato Tarkeshwar for June contract climbed Rs.4.80 at Rs.633.80 after firm opening at Rs.630 and hovered in the range of Rs.628.50-634.90.

### PRICE DRIVERS:

1. Improved demand against the steady arrivals
2. Stocks release by the Cold Store on regular basis
3. Weakness in monsoon; Unofficial export from Bengal

### WEATHER:

Harvesting is over.

### TECHNICALS: MCX Potato June Contract

Candlestick is favouring the bulls for the next trading day. Prices closed just above short term EMAs, suggesting short term mild bullish market. MACD is going to the positive zone from the negative zone, indicates recovery in the market. Stochastic is going down at neutral region, favours bears. Potato is to be trade up after steady to firm opening with possibility of some downwards movement in the later session.



### SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	593	588	596	602	605

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Agra potato above 594 with target towards Rs.601 and then Rs.504; put stop loss below Rs.589.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	628	622	633.80	637	640

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato above 629 with target towards Rs 636 and then 639; put stop loss below Rs 624.

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

Markets	Variety	04.06.07	02.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	570-600	550-600	+20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	475-520	450-500	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	560-610	550-600	+10.00
Delhi	Fair Average Quality	590-600	590-600	-
Tarkeshwar-West Bengal	Fair Average Quality	730-750	720-750	+10.00
Burdwan- West Bengal	Fair Average Quality	690-710	680-700	+10.00
Patiala-Punjab	Fair Average Quality	460-500	450-500	+10.00

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