

POTATO DAILY

8th JUNE, 2007

SPOT MARKETS:

Potato prices remain weak in U.P. on Thursday amidst increased arrivals against the lower demand. Meanwhile, it remained almost steady at the other major markets of the country on thin market activities. Currently, continued demand from South and Maharashtra market are supporting 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, traders said. Around 5-7% of the potato has been released so far from the cold storages in Agra. 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, 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, traders noted. Besides, unofficial export from Coochbehar in Bengal to Bangladesh is also underpinning the market. On Wednesday, in Agra, potato was down at Rs.560-600/quintal; in Tarkeshwar it was stable 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 tumbled down on Thursday amidst profit taking and selling interest. Market traded bearish after weak opening. Tarkeshwar futures settled marginally up 0.23%. Most active Agra June contract lost 1.94% at Rs.508.90 after weak opening at Rs.592.50 and traded within Rs.582.30-594.00.

PRICE DRIVERS:

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

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is hinting bearish markets for the next trading day. Prices closed much below short term EMAs, suggesting short-term mild bearish market. MACD is falling in the negative zone, indicates weakness in the market. Stochastic is moving down following a bearish crossover at neutral region, favours bears. Potato is to be trade down after steady to weak opening.



SUPPORT / RESISTANCES: MCX Agra June Potato

Month	S1	S2	PCP	R1	R2
JUNE	575	572	585	590	594

TRADE RECOMMENDATION: (Intraday)

SELL MCX Agra potato below 586 with target towards Rs.578 and then Rs.574; put stop loss below Rs.590.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	633	630	643	650	655

TRADE RECOMMENDATION: (Intraday)

Risk Lovers can **Sell** MCX (T) potato above 645 with target towards Rs 637 and then 633; put stop loss strictly below Rs 650.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	07.06.07	06.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-590	560-600	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	480-510	470-510	-
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	590-600	595-605	-5.00
Tarkeswar-West Bengal	Fair Average Quality	725-745	730-750	-5.00
Burdwan- West Bengal	Fair Average Quality	690-710	690-710	-
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

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