

POTATO DAILY

7th JUNE, 2007

SPOT MARKETS:

Potato prices fell down slightly in U.P. on Wednesday amidst increased arrivals against the slight lower demand. Meanwhile, it remained steady at the other major markets of the country on stable demand supply. Currently, 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. 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 closed marginally down on Wednesday amidst profit taking and selling interest. Market went up slightly after weak opening and fell thereafter. Tarkeshwar futures tumbled on short covering after hit a fresh high. Most active Agra June contract lost Rs.0.40 at Rs.593.20 after weak opening at Rs.593.10 and traded within Rs.591.60-594.50. Potato Tarkeshwar for June contract slid Rs.2.60 at Rs.641 after firm opening at Rs.644 and traded in the range of Rs.639-644.50.

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 indecisive markets for the next trading day. Prices closed just below short term EMAs, suggesting short term mild bearish market. MACD is going to the positive zone, indicates recovery in the market. Stochastic is moving down at neutral region, favours bears. 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 June Potato

Month	S1	S2	PCP	R1	R2
JUNE	588	582	593.20	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 588 with target towards Rs.595 and then Rs.600; put stop loss below Rs.580.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	633	630	641	647	651

TRADE RECOMMENDATION: (Intraday)

Risk Lovers can **Buy** MCX (T) potato above 633 with target towards Rs 641 and then 648; put stop loss strictly below Rs 628.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	06.06.07	05.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	560-600	570-600	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	470-510	475-520	-5.00
Meerut- Uttar Pradesh	Fair Average Quality	550-600	560-610	-10.00
Delhi	Fair Average Quality	595-605	595-605	-
Tarkeshwar-West Bengal	Fair Average Quality	730-750	730-750	-
Burdwan- West Bengal	Fair Average Quality	690-710	690-710	-
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

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