

POTATO DAILY

15th JUNE, 2007

SPOT MARKETS:

Potato prices remained almost steady at most of the mandis on Thursday amidst stable demand supply scenario. Monsoon rains hindered on the market arrivals at some pockets, traders said. Traders said, arrivals around the country could remain low until August end as heavy rains could be as much a problem as heat. Besides, warehouses had ample stock of potatoes, but traders and farmers will bring this stock to market only after price rise. In addition, continued demand from South and Maharashtra market are providing underline support to the market. Currently, releasing of stocks from the cold storages has reduced to 150-200 trucks/day in Agra, traders said. Farmers and stockists are holding stocks in expectation of better prices in near future. Around 7-10% of the potato has been released so far from the Agra cold storages. Conversely, 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 West Bengal, demand from neighbouring states like Orissa, Jharkhand, A.P., and Assam remained slight weak. On Thursday, in Agra, potato was steady at Rs.550-600/quintal; in Tarkeshwar it was stable at Rs.730-780/quintal. Prices may remain steady to up as short term for steady to strong demand and stocks holding.

FUTURES MARKETS:

MCX potato futures traded bearish Thursday on profit taking with selling interest at upper level. Market went up after weak opening on early buying support but fell thereafter. Tarkeshwar futures also fell on short covering but recovered at late hour. Most active Agra July contract lost Rs.4.40 at Rs.623 after weak opening at Rs.626.20 and traded within Rs.622.20-629.70. Potato Tarkeshwar for July contract slid Rs.2.10 at Rs.654 after weak opening at Rs.655 and moved within at Rs.650.10-655.

PRICE DRIVERS:

1. Dull demand against the weak arrivals
2. Moderate arrivals in Bengal
3. Stable demand from potato non-producing centres

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	14.06.07	13.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	475-525	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	605-610	600-605	+5.00
Tarkeswar-West Bengal	Fair Average Quality	730-780	730-780	-
Burdwan- West Bengal	Fair Average Quality	700-720	700-720	-
Patiala-Punjab	Fair Average Quality	470-500	470-500	-

TECHNICALS: MCX Potato JULY Contract

Candlestick is hinting bearish market for the next trading day. But prices closed far above short term EMAs, hinting short term bullish market. MACD is going up in the positive zone, hints bullish market. Stochastic is going down at overbought region, favours bears. Potato is to be trade bearish after steady to firm opening with possibility of some upwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	617	612	623	627	635

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 626 with target towards Rs.618 and then Rs.615, put stop loss above Rs.632.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	648	642	654	660	665

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 650 with target towards Rs 658 and then 662; put stop loss strictly below Rs 644.

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