

## POTATO DAILY

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

### SPOT MARKETS:

Amidst mild demand against ample stock position spot market prices of potato eased at most of the major markets of Bengal and Uttar Pradesh, while remained unchanged at Delhi markets on subdued trading activity. Monsoon rains are affecting the trading activity in the markets and arrivals around the country likely to remain weak until August end on expectation of heavy rains, traders reported. However, domestic demand is remaining strong due to increased use in fried and extruded products, soup powders, ready-to-eat meals and fast food. Meanwhile, warehouses have ample stock of potatoes, but the traders and farmers holding back the stock in expectation of price rise. Supplies from the cold storages reported at around to 4-5 trucks/day/cold stores in Agra. Around 18-22% of the potato has been released so far from the Agra cold storages. Conversely, the quality of potato is not good as late blight at the time of harvesting had damaged the potato and some traders stored affected potatoes at the time of storing. In Bengal, around 18-20% of potato has been released from the cold store in Burdwan and Hoogly district. On Thursday, Agra, potato was down at Rs.650-700/quintal; in Tarkeshwar it was offered at Rs.740-750/quintal down from the Wednesday's level.

### FUTURES MARKETS:

MCX potato futures witnessed weak sentiment with bearish undertone. Agra futures tumbled after opening firm at Rs 638.20 while Tarkeshwar futures moved up initially following a weak opening and tumbled thereafter on increased selling pressure and profit taking. Most active Agra July contract traded at Rs.627-638.20. Potato Tarkeshwar July contract traded at Rs.684.00-692.00.

### PRICE DRIVERS:

1. Mild demand against the steady arrivals
2. Holding back stocks; Monsoon rains hindered on arrivals
3. Higher rates of other vegetables

### WEATHER:

Monsoon rains is hindering on the market arrivals.

### TECHNICALS: MCX Potato JULY Contract

Long lower shadow of the candlestick shows good buying support at lower level. Prices closed just above short term EMAs, hinting short term bullish market. MACD remains in the positive zone, hints bullish market as medium term. Stochastic has bullish cross over in neutral region, indicates strong market. Market is expected to trade up following a steady to slightly firm opening.



### SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	631	628	633	643	645

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Agra potato above 634 with target towards Rs.638 and then Rs.640, put stop loss below Rs.632.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	669	660	684	694	700

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 685 with target towards Rs 675; put stop loss strictly below Rs 690.

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

Markets	Variety	28.06.07	27.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-700	690-720	-20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	650-700	NA	-
Meerut- Uttar Pradesh	Fair Average Quality	650-700	700-720	-20.00
Delhi	Fair Average Quality	635-640	635-640	-
Tarkeswar-West Bengal	Fair Average Quality	740-750	770-800	-50.00
Burdwan- West Bengal	Fair Average Quality	730-735	750-775	-40.00

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