

POTATO DAILY

14th JUNE, 2007

SPOT MARKETS:

Potato prices declined further in West Bengal and Gujarat market on Wednesday on weakness in demand against the eased arrivals at some pockets due to monsoon. But it was steady in U.P. on steady demand-supply scenario. However, arrivals could remain low until August end as heavy rains could be as much a problem as heat. Besides, warehouses had sufficient 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 Wednesday, in Agra, potato was steady at Rs.550-600/quintal; in Tarkeshwar it slipped 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 closed up after made a fresh life of contract high on Wednesday. Market hovered up after firm opening on early buying support but fell thereafter on profit taking at contract high. Tarkeshwar futures soared on strong buying pressure. Most active Agra July contract gained Rs.3.50 at Rs.626.80 after firm opening at Rs.625.90 and hovered within Rs.625-631. Potato Tarkeshwar for July contract climbed Rs.8.10 at Rs.656.90 after mostly firm opening at Rs.652 and moved within at Rs.652-659.

PRICE DRIVERS:

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

WEATHER:

Harvesting is over.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	13.06.07	12.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	475-525	475-525	-
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	600-605	600-605	-
Tarkeswar-West Bengal	Fair Average Quality	730-780	750-800	-20.00
Burdwan- West Bengal	Fair Average Quality	700-720	710-750	-10.00
Patiala-Punjab	Fair Average Quality	470-500	470-500	-

TECHNICALS: MCX Potato JULY Contract

Candlestick is indicating slight weak market for the next trading day. 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 slight soft after steady to weak opening with possibility of some upwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	620	615	626.80	632	637

TRADE RECOMMENDATION: (Intraday)

Risk lovers can **Buy** MCX Agra potato above 622 with target towards Rs.631 and then Rs.636; put stop loss below Rs.616.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	650	645	656.90	665	670

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 652 with target towards Rs 662 and then 666; put stop loss strictly below Rs 646.

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