

## POTATO DAILY

2<sup>nd</sup> JUNE, 2007

### SPOT MARKETS:

Potato prices have been maintaining rangebound with steady sentiment from last couple of days on dull trading activity against the steady intakes. But the prices mostly increased in Maharashtra market on lower supply. At present, the stockists are releasing their unsold stocks due to improvement in monsoons. The demand from the Western and South Indian markets continued to remain strong. However, the cold storages are releasing potato on regular basis at most of the producing regions but the quality is not so good, which negatively affect on the market sentiment. Basically, late blight at the time of harvesting had damaged the potato and some traders stored affected potatoes at the time of storing. Traders reported, nearly 250-300 trucks per day are releasing from the Agra cold storages, which are heading to the Western and South Indian markets. In Bengal, positive demand from the Orissa, Jharkhand, A.P., and Assam is keeping pressure on prices. Around 2-4 lakh bags (50 kg/bag) of potato per day are loading from this state, traders noted. Besides, the unofficial export of potato from Coochbehar district to Bangladesh has kept pressure on prices as the prices are too strong in Bangladesh. On Friday, in Agra, potato was steady at Rs.530-570/quintal; in Tarkeshwar it was stable at Rs.700-730/quintal. Prices may remain steady as short term for strong demand and stockists selling.

### FUTURES MARKETS:

MCX potato futures settled down on Friday amidst selling interest. Futures market went up after mostly weak opening but fell thereafter. But, Tarkeshwar futures hovered up after weak opening on thin range of trading. Most active Agra June contract lost Rs.1.70 at Rs.592.50 after weak opening at Rs.592.60 and traded within Rs.590-595.60. But, Potato Tarkeshwar for June contract added Rs.2.30 at Rs.627.90 after slight firm opening at Rs.625.90 and traded at Rs.624.20-628.

### PRICE DRIVERS:

1. Dull demand against the steady arrivals
2. Stocks release by the Cold Store on regular basis
3. Weakness in monsoon; Unofficial export from Bengal

### WEATHER:

Harvesting is over.

### TECHNICALS: MCX Potato June Contract

Candlestick is indicating indecisive market for the next trading day. Prices closed just below short term EMAs, suggesting short term mild bearish market. MACD remains in the negative zone, hints slight weak market. Stochastic is going down at neutral region, favours bears. Potato is to be trade down 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	584	592.50	597	605

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 596 with target towards Rs.589 and then Rs.585; put stop loss above Rs.601.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	623	619	627.90	633	637

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato above 625 with target towards Rs 632 and then 636; put stop loss below Rs 620.

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

Markets	Variety	01.06.07	31.05.07	Change
Agra- Uttar Pradesh	Fair Average Quality	530-570	530-570	-
Farookhabad- Uttar Pradesh	Fair Average Quality	425-475	425-475	-
Meerut- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Delhi	Fair Average Quality	590-600	600-610	-10.00
Tarkeshwar-West Bengal	Fair Average Quality	700-730	700-730	-
Burdwan- West Bengal	Fair Average Quality	680-700	680-700	-
Patiala-Punjab	Fair Average Quality	450-500	430-470	+20.00

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