

POTATO DAILY

26th JUNE, 2007

SPOT MARKETS:

Potato prices improved once again Monday in the North Indian market while it was steady in the other major markets. Prices soared in Maharashtra on sluggish arrivals. In addition, Monsoon rains are hindering on the market arrivals. Strong prices of other vegetables are underpinning the potato prices also. Domestic demand is growing due to increased use in fried and extruded products, soup powders, ready-to-eat meals and fast food. Besides, the stockists and farmers are holding back the stocks in expectation of further rise in prices due to lower production than previous year. Arrivals around the country to be remain weak until August end on expectation of heavy rains. Warehouses had ample stock of potatoes, but traders and farmers will bring this stock to market only after price rise. Releasing of stocks from the cold storages improved to 2-3 trucks/day/cold store in Agra. Around 15-20% 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 15-18% of potato has been released from the cold store in Burdwan and Hoogly district. Demand from the neighbouring states like Orissa, Jharkhand, A.P., and Assam improved for Bengal potato. On Monday, in Agra, potato was up at Rs.670-720/quintal; in Tarkeshwar it was flat at Rs.750-770/quintal.

FUTURES MARKETS:

MCX potato futures rebounded to up Monday amidst fresh buying support and strong spot market. Agra futures soared after weak opening while Tarkeshwar futures made a new life of contract high. Most active Agra July contract climbed Rs.5.80 at Rs.634.50 after weak opening at Rs.625.40 and traded at Rs.625.40-634.80. Potato Tarkeshwar July contract soared Rs.11.20 at Rs.694 after firm opening at Rs.685 and hovered at Rs.683-694.90.

PRICE DRIVERS:

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

WEATHER:

Monsoon rains is hindering on the market arrivals.

TECHNICALS: MCX Potato JULY Contract

Candlestick is favouring the bulls for the next trading day. Prices closed above short term EMAs, favouring short term bullish market. MACD is recovering in the positive zone, hints recovery in the market as medium term. Stochastic is going down at neutral region, indicates weak market. Potato is to be trade firm after steady to weak opening with possibility of some downwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	630	625	634.50	640	645

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 631 with target towards Rs.639 and then Rs.644, put stop loss below Rs.625.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	685	680	694	700	705

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 690 with target towards Rs 699 and then 703; put stop loss strictly below Rs 684.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	25.06.07	23.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	670-720	660-700	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	590-620	575-600	+15.00
Meerut- Uttar Pradesh	Fair Average Quality	670-700	650-700	+20.00
Delhi	Fair Average Quality	630-635	630-635	-
Tarkeswar-West Bengal	Fair Average Quality	750-770	750-770	-
Burdwan- West Bengal	Fair Average Quality	725-750	725-750	-
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

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