

POTATO DAILY

11th JUNE, 2007

SPOT MARKETS:

Potato prices remained steady on Saturday on moderate arrivals against the strong demand and stocks release by the stockists. But the prices remained firm in West Bengal on lower arrivals and strong demand from neighbouring states. However, arrivals could remain low until August end as heavy rains could be as much a problem as heat, traders said. Another trader said 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. Around 7-10% of the potato has been released so far from the Agra cold storages. Nearly 10000-12000 packets of potato have been released so far from the Kasganj of U.P. On the other hand, 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 Bengal, good demand from the Orissa, Jharkhand, A.P., and Assam is continued and it has kept pressure on prices. Around 2-4 lakh bags (50 kg/bag) of potato/day are heading to these states. Besides, unofficial export from Coochbehar in Bengal to Bangladesh is also underpinning the market. On Saturday, in Agra, potato was steady at Rs.550-600/quintal; in Tarkeshwar it was stable at Rs.750-800/quintal. Prices may remain steady to up as short term for strong demand.

FUTURES MARKETS:

MCX potato futures recovered on Saturday on buying support and firm spot sentiment. Market went down after strong opening and recovered thereafter from the day's low. Tarkeshwar futures tumbled on short covering. Most active Agra July contract added Rs.3.80 at Rs.618.30 after strong opening at Rs.618.60 and traded within Rs.614-620.90. Potato Tarkeshwar for July contract slid Rs.2.30 at Rs.653.60 after weak opening at Rs.654 and traded in the range of Rs.652.10-656.40.

PRICE DRIVERS:

1. Steady arrivals against the strong demand
2. Stock release by the Cold Store
3. Improvement in monsoon; Weak arrivals in Bengal

WEATHER:

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	09.06.07	08.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	450-500	450-500	-
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	595-605	595-605	-
Tarkeswar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	720-750	720-750	-
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

TECHNICALS: MCX Potato JULY Contract

Candlestick is hinting indecisive market for the next trading day. Prices closed above short term EMAs, indicating short term bullish market. MACD is going up in the positive zone, indicates strong market. Stochastic is moving up at neutral region, favours bulls. Potato is to be trade slight up initially after steady to firm opening with possibility of some downwards movement in the later session.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	610	605	618.30	622	627

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 621 with target towards Rs.611 and then Rs.607; put stop loss above Rs.627.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	645	640	653.60	660	665

TRADE RECOMMENDATION: (Intraday)

Risk Lovers can **Buy** MCX (T) potato above 648 with target towards Rs 658 and then 662; put stop loss strictly below Rs 642.

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