

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices observed steady Tuesday at major markets in North India on average demand while it improved in Bengal and Punjab due to increased demand against the lower arrivals coupled with higher rates of other vegetables. Strong prices of other vegetables are underpinning the potato prices. Domestic demand is remaining strong due to increased use in fried and extruded products, soup powders, ready-to-eat meals and fast food. In addition, the stockists and farmers are holding back the stocks in expectation of further rise in prices due to lower production than previous year. Traders said, 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 stores 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 Tuesday, in Agra, potato was steady at Rs.670-720/quintal; in Tarkeshwar it was up at Rs.770-800/quintal.

### FUTURES MARKETS:

MCX potato futures settled up on Tuesday in light volume of trading amidst lack of buyers at upper level. Agra futures traded firm after steady opening while Tarkeshwar futures made a new life of contract high. Most active Agra July contract added Rs.2.50 at Rs.636.80 after steady opening at Rs.635 and traded at Rs.635-638.40. Potato Tarkeshwar July contract gained Rs.7.60 at Rs.701.80 after firm opening at Rs.698.70 and hovered at Rs.695-701.80.

### PRICE DRIVERS:

1. Steady 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.

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

Markets	Variety	26.06.07	25.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	670-720	670-720	-
Farookhabad- Uttar Pradesh	Fair Average Quality	590-620	590-620	-
Meerut- Uttar Pradesh	Fair Average Quality	670-700	670-700	-
Delhi	Fair Average Quality	630-635	630-635	-
Tarkeswar-West Bengal	Fair Average Quality	770-800	750-770	+20.00
Burdwan- West Bengal	Fair Average Quality	750-775	725-750	+20.00
Patiala-Punjab	Fair Average Quality	470-510	460-500	+10.00

### TECHNICALS: MCX Potato JULY Contract

Candlestick is indicating slight strong market for the next trading day. Prices closed above short term EMAs, favouring short term bullish market. MACD is going up in the positive zone, hints bullish market as medium term. Stochastic remains down at neutral region, indicates slight weak market. Potato is to be trade slight up 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	636.80	640	645

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Agra potato above 632 with target towards Rs.639 and then Rs.644, put stop loss below Rs.627.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	695	690	701.80	705	710

### TRADE RECOMMENDATION: (Intraday)

**Risk lovers can Buy** MCX (T) potato above 695 with target towards Rs 704 and then 708; put stop loss strictly below Rs 689.

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