

POTATO DAILY

4th JUNE, 2007

SPOT MARKETS:

Potato prices improved on Saturday at most of the trading point in U.P., Maharashtra, Bengal etc. market on the back of good demand against the slight weak arrivals. In addition, continued demand from South and Maharashtra market are aggravating the situation. Traders said, around 200-250 trucks are heading to the South and Maharashtra from the Agra region. Around 5-7% of the potato has been released so far from the cold storages in Agra, they said. They also said, nearly 8000-10000 packets of potato have been released from the Kasganj market of U.P. At present, the stockists are releasing their unsold stocks due to improvement in monsoons. However, 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. In Bengal, positive 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 per day are loading from this state, traders noted. Besides, the unofficial export of potato from Coochbehar district to Bangladesh has also underpinned the market. On Saturday, in Agra, potato was up at Rs.550-600/quintal; in Tarkeshwar it was up at Rs.720-750/quintal. Prices may remain steady as short term for strong demand and stockists selling.

FUTURES MARKETS:

MCX potato futures marginally increased Saturday on lacklustre trading activity. Market fell after slight firm opening but recovered thereafter. But, Tarkeshwar futures settled up after strong opening on thin range of trading. Most active Agra June contract gained Rs.1 at Rs.593.60 after slight firm opening at Rs.593 and traded within Rs.591.50-593.90. Potato Tarkeshwar for June contract added Rs.1.50 at Rs.629 after firm opening at Rs.628.80 and traded in the range of Rs.627.60-631.

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 hinting 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, indicates slight weak market. Stochastic is going down at neutral region, favours bears. Potato is to be trade down after steady to firm 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	593.60	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	629	633	637

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 632 with target towards Rs 625 and then 622; put stop loss above Rs 637.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	02.05.07	01.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	530-570	+20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	450-500	425-475	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	550-600	500-550	+50.00
Delhi	Fair Average Quality	590-600	590-600	-
Tarkeswar-West Bengal	Fair Average Quality	720-750	700-730	+20.00
Burdwan- West Bengal	Fair Average Quality	680-700	680-700	-
Patiala-Punjab	Fair Average Quality	450-500	450-500	-

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