

POTATO DAILY

6th JUNE, 2007

SPOT MARKETS:

Potato prices remained steady at higher level on Tuesday amidst increased arrivals against the strong demand. But the prices improved in Gujarat and Maharashtra market on short supply. Currently, 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 but it is not sufficient to suppress the market pulse, traders said. Around 5-7% of the potato has been released so far from the cold storages in Agra. Nearly 8000-10000 packets of potato have been released so far from the Kasganj of U.P. At present, the stockists are releasing their unsold stocks due to higher rates. However, 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, 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, unofficial export from Coochbehar in Bengal to Bangladesh is also underpinning the market. On Tuesday, in Agra, potato was steady at Rs.570-600/quintal; in Tarkeshwar it was stable at Rs.730-750/quintal. Prices may remain steady to up as short term for strong demand and stockists selling.

FUTURES MARKETS:

MCX potato futures slipped Tuesday amidst profit taking with selling interest. Market went up after weak opening but settled at the sessions lows. But, Tarkeshwar futures settled mostly up after made a fresh life-of-contract high on strong buying demand. Most active Agra June contract lost Rs.3.20 at Rs.593.30 after weak opening at Rs.595 and traded within Rs.593.30-597.80. Potato Tarkeshwar for June contract surged Rs.9.40 at Rs.643 after firm opening at Rs.637.80 and hovered in the range of Rs.637-644.30.

PRICE DRIVERS:

1. Improved arrivals against the strong demand
2. Steady stock release by the Cold Store
3. Weakness in monsoon; Weak arrivals in Bengal

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato June Contract

Candlestick is hinting bearish markets for the next trading day. Prices closed just below short term EMAs, suggesting short term mild bearish market. MACD is going to the positive zone, indicates recovery in the market. Stochastic is going up at neutral region, favours bulls. Potato is to be trade slight 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	582	593.30	600	605

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 590 with target towards Rs.598 and then Rs.602; put stop loss below Rs.585.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JUNE	638	633	643	647	651

TRADE RECOMMENDATION: (Intraday)

Risk Lovers can **Buy** MCX (T) potato above 639 with target towards Rs 646 and then 650; put stop loss strictly below Rs 634.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	05.06.07	04.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	570-600	570-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	475-520	475-520	-
Meerut- Uttar Pradesh	Fair Average Quality	560-610	560-610	-
Delhi	Fair Average Quality	595-605	590-600	+5.00
Tarkeshwar-West Bengal	Fair Average Quality	730-750	730-750	-
Burdwan- West Bengal	Fair Average Quality	690-710	690-710	-
Patiala-Punjab	Fair Average Quality	460-500	460-500	-

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