

POTATO DAILY

13th JUNE, 2007

SPOT MARKETS:

Potato prices declined on Tuesday in West Bengal and Delhi market on weaknees in demand against the steady arrivals. But it remained steady in U.P. on steady demand-supply scenario. In West Bengal, demand from neighbouring states remained slight weak. 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. Besides, releasing of stocks from the cold storages has reduced to 150-200 trucks/day in Agra, traders said. Farmers and stockists are holding stocks in anticipation of better prices in near future. Around 7-10% of the potato has been released so far from the Agra cold storages. 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, moderate demand from the Orissa, Jharkhand, A.P., and Assam was seen and it has kept pressure on prices. On Tuesday, in Agra, potato was steady at Rs.550-600/quintal; in Tarkeshwar it was down at Rs.750-800/quintal. Prices may remain steady to up as short term for strong demand.

FUTURES MARKETS:

MCX potato futures settled up on Tuesday amidst fresh buying support. Market opened weak and increased thereafter though some weakness was seen at late hour. Tarkeshwar futures rebounded to up on fresh buying pressure. Most active Agra July contract added Rs.2.30 at Rs.623.60 after weak opening at Rs.621 and traded within Rs.620.20-625. Potato Tarkeshwar for July contract gained Rs.1.70 at Rs.647 after mostly weak opening at Rs.638.20 and traded at Rs.638.20-650.80.

PRICE DRIVERS:

1. Lacklustre demand against the weak arrivals
2. Moderate arrivals in Bengal
3. Steady demand from potato non-producing centres

WEATHER:

Harvesting is over.

TECHNICALS: MCX Potato JULY Contract

Candlestick is favouring the bulls for the next trading day. Prices closed above short term EMAs, indicating short term bullish market. MACD is going up in the positive zone, hints strong market. Stochastic is going up at overbought region, favours bulls. Potato is to be trade up 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	620	615	623.60	630	635

TRADE RECOMMENDATION: (Intraday)

Risk lovers can **Buy** MCX Agra potato above 621 with target towards Rs.628 and then Rs.632; put stop loss below Rs.616.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	643	635	647	655	660

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 644 with target towards Rs 652 and then 658; put stop loss strictly below Rs 638.

SPOT MARKET PRICE FOR POTATO (Rs./Quintal)

Markets	Variety	12.06.07	11.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Farookhabad- Uttar Pradesh	Fair Average Quality	475-525	450-500	+25.00
Meerut- Uttar Pradesh	Fair Average Quality	550-600	550-600	-
Delhi	Fair Average Quality	600-605	610-620	-10.00
Tarkeswar-West Bengal	Fair Average Quality	750-800	760-800	-10.00
Burdwan- West Bengal	Fair Average Quality	710-750	730-770	-20.00
Patiala-Punjab	Fair Average Quality	470-500	470-500	-

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