

POTATO DAILY

4th July, 2007

SPOT MARKETS:

North India's Potato spot markets witnessed steady sentiments during Tuesday's trade amidst normal demand against normal supply, while the sport prices in West Bengal markets are slashed down at the range of Rs.50-75 due to heavy arrivals against a subdued demand. Further the concern of quality over potatoes affecting the demand in most of the potato markets in the country. However, good demand of quality potatoes reportedly in the market but due to expectation of price rise, farmers and stockiest are holding back their stocks. Meanwhile, traders reported that the sowing of potato in Karnataka is already started, but heavy rains due to advent of monsoon in these areas had adversely affected the sowing process and the Hasan crop is expected to hit the market only by August end. In Agra, supplies from the cold storages reported at around to 2-3 trucks/day/cold stores. In Agra cold storages, so far 18-23 per cent has been released whereas 18-20 per cent has been released in Bengal. During Tuesday's trade, the potato prices in north Indian markets stood steady while in West Bengal's Burdwan and Tarakeswar, the prices stood at Rs. 680 and Rs. 700 respectively.

FUTURES MARKETS:

MCX potato futures witnessed firm sentiment with bullish tone. Agra futures opened firm at Rs 642 against the previous close of Rs 641.30. contract then traded up on increased buying interest testing a high of Rs 656.00. Agra futures traded in the range of Rs 642.00-656.00. Tarkeshwar futures opened firm at Rs 689.90 and traded down initially testing a low of Rs 686.00. However, prices recovered on buying interest and settled at Rs 689.80. Tarkeshwar July contract traded in the range of Rs 686.00-689.80.

PRICE DRIVERS:

1. Normal demand against normal arrivals
2. Holding back stocks; Heavy rainfalls in Karnataka hindering sowing of potato
3. Concerns of quality over potato
4. Higher rates of other vegetables

WEATHER:

Monsoon rains is hindering on the market arrivals as well as sowing.

TECHNICALS: MCX Potato JULY Contract

Candlestick chart pattern shows firmness in prices. Prices closed above short term EMAs, hinting short-term bullish market. MACD remains in the positive zone, hints bullish market as medium term. Stochastic and RSI is rising in over bought region. Market is expected to trade up following a steady to slightly firm opening.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	651	649	656	666	670

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 656 with target towards Rs.660 and then Rs.662, put stop loss below Rs.654.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	690	688	689.8	701	703

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 692 with target towards Rs 696 and then Rs 698; put stop loss strictly below Rs 690.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	03.07.07	02.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-700	650-700	-
Farookhabad- Uttar Pradesh	Fair Average Quality	NA	650-700	-
Meerut- Uttar Pradesh	Fair Average Quality	650-700	650-700	-
Delhi	Fair Average Quality	635-640	635-640	-
Tarkeswar-West Bengal	Fair Average Quality	700	740-750	-50
Burdwan- West Bengal	Fair Average Quality	680	720-750	-70

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