

## POTATO DAILY

17<sup>th</sup> July, 2007

### SPOT MARKETS:

Lacklustre trading activity was seen in potato domestic market on Monday amidst lower demand against the improved arrivals. However, higher prices of other green vegetables are providing underline support to the potato market. But, the concern of quality over potatoes is affecting the demand in most of the potato markets. At present the farmers and stockiest are holding back their remaining stocks in expectation of price rise in near future. Meanwhile, the sowing of potato in Karnataka is progressive well and the Hasan crop is likely to hit the market only by August end. In Agra, supplies from the cold storages reported at around 250-300 trucks/day. In Agra cold storages, around 25-27% has been released whereas 25-30% has been released in Bengal. The demand from the Western India, Assam Orissa, and South India are reported slight weak. In Meerut market of U.P., around 1000-1500 packets of potato/day are arriving from the Agra. In Delhi, the arrivals from U.P. and other regions have improved due to improved weather condition; therefore the prices got down from the recent highs. On Monday, potato prices in North Indian markets stood stable while in Bengal's Burdwan and Tarkeswar, prices quoted down at Rs. 720-750 and Rs. 750-800/qrtl respectively on sluggish demand.

### FUTURES MARKETS:

MCX potato futures tumbled on Monday amidst fresh selling pressure and some weak sentiment at the spot market. Market went slight up after weak opening but fell thereafter. Agra August futures opened weak at Rs 673 over the last close of Rs 674.30. The prices settled Rs.6.10 down at Rs.668.20 with traded within Rs.668.20-675. Tarkeswar August futures opened steady at Rs 711.90. Prices then settled at Rs 705.30, down by Rs.6.60 and traded in the range of Rs 705.30-711.90.

### PRICE DRIVERS:

1. Weak demand on improved arrivals
2. Moderate weather; Concerns of quality over potato
3. Stock holding; Higher rates of other vegetables

### WEATHER:

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

### TECHNICALS: MCX Potato Agra AUGUST Contract

Candlestick chart hints weak market for the next trading day. Prices closed below short terms EMAs, hinting short-term bearish market. MACD moving down in the positive zone, hints weak market as medium term. Stochastic and RSI are hinting slight weak market. Market is expected to trade down after a weak opening with possibility of some upwards movement at the later session.



### SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	660	655	668.20	675	680

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 671 with target towards Rs.661 and then Rs.657, put stop loss above Rs.678.

### SUPPORT / RESISTANCES: MCX Tarkeswar Potato

Month	S1	S2	PCP	R1	R2
August	700	690	705.30	714	718

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 709 with target towards Rs 701 and then Rs 696; put stop loss strictly above Rs 715.

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

Markets	Variety	16.07.07	14.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-750	650-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	480-580	480-580	-
Meerut- Uttar Pradesh	Fair Average Quality	600-700	600-700	-
Delhi	Fair Average Quality	645-655	650-660	-5.00
Tarkeswar-West Bengal	Fair Average Quality	740-780	750-800	-10.00
Burdwan- West Bengal	Fair Average Quality	700-730	720-750	-20.00

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