

POTATO DAILY

16th July, 2007

SPOT MARKETS:

The trading activity was lacklustre in the potato market on Friday at most of the domestic centre on lethargic demand from the non producing centres against the slight improved arrivals, although strong prices of other vegetables are providing underline support to the potato market. However, the concern of quality over potatoes is affecting the demand in most of the potato markets. In addition, the farmers and stockiest are holding back their stocks on the expectation of price rise in near future. Meanwhile, the sowing of potato in Karnataka is already started 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 Saturday, potato prices in North Indian markets stood steady while in Bengal's Burdwan and Tarkeswar, prices offered stable at Rs. 720-750 and Rs. 750-800/qrtl respectively.

FUTURES MARKETS:

MCX potato futures rebounded to up Saturday on fresh buying support. Market went slight down after firm opening but recovered thereafter and closed at the positive territory. Agra August futures opened firm at Rs 671.90 over the last close of Rs 669.40. The prices settled Rs.4.90 up at Rs.674.30 with traded within Rs.669.50-675.50. Tarkeshwar August futures opened bullish at Rs 709. Prices then settled at Rs 711.90, up by Rs.5.40 and traded in the range of Rs 707.50-713.50.

PRICE DRIVERS:

1. Sluggish demand on improved arrivals
2. Improving 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 shows slight upward market for the next trading day. Prices closed between short terms EMAs, hinting short-term steady to bearish market. MACD moving down in the positive zone, hints bearish market as medium term. Stochastic and RSI are indicating slight bullish market. Market is expected to trade up following a steady to firm opening with possibility of some downwards movement at the later session.



SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	670	665	674.30	680	685

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 671 with target towards Rs.679 and then Rs.684, put stop loss below Rs.665.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	707	700	711.90	717	722

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 709 with target towards Rs 716 and then Rs 721; put stop loss strictly below Rs 704.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	14.07.07	13.07.07	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	650-660	655-665	-5.00
Tarkeswar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	720-750	720-750	-

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.