

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices, which have shot up in the domestic market due to poor supply in the wake of monsoon, show no sign of cooling off with retail rates. The arrival have been less than what it was during the corresponding period last year mainly because of lower production as well as bad weather conditions. Traders said, potato supply would improve after August when there would be no rains in growing belts of Uttar Pradesh, Punjab, Rajasthan and Himachal Pradesh from where the supplies come to Delhi. But, the concern of quality over potatoes is affecting the demand in most of the potato markets. 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 200-250 trucks/day. In Agra cold storages, around 25-27% has been released whereas 27-30% has been released in Bengal. Demands from the non-producing centres are reported to be good. Around 1000-1500 packets of potato/day are arriving from the Agra to Meerut. On Thursday, potato prices in North Indian markets offered steady while in Bengal's Burdwan and Tarkeswar, prices quoted stable at Rs. 730-750 and Rs. 760-780/qrtl respectively on improved demand and bad weather, which restricting transport.

### FUTURES MARKETS:

MCX potato futures settled at the negative territory on Thursday. Agra futures soared after weak opening on profit taking and technical correction but fresh selling pressure at day's highs triggered prices to mostly down. Agra August futures opened down at Rs.631.30 over the last close of Rs.635.60 and settled Rs.8.60 down at Rs.627. It traded within Rs.625.10-650. But Tarkeswar August futures opened mostly up at Rs.670 and increased Rs.4.90 at Rs.668.20. It traded within Rs.667.50-683.80.

### PRICE DRIVERS:

1. Average demand on slight weak arrivals
2. Moderate weather; Concerns of quality over potato
3. Expectation of new crop arrival from South by August

### WEATHER:

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

### TECHNICALS: MCX Potato Agra AUGUST Contract

Candlestick chart indicates weak market for the next trading day. Prices closed far below short terms EMAs, hinting short-term bearish market. MACD remains in the negative zone, hints some bearish market as medium term. Stochastic and RSI are hinting technical correction. Potato is expected to trade bearish 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	620	610	627	632	642

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 631 with target towards Rs.621 and then Rs.615 put stop loss above Rs.638.

### SUPPORT / RESISTANCES: MCX Tarkeswar Potato

Month	S1	S2	PCP	R1	R2
August	660	650	668.20	678	685

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 674 with target towards Rs 664 and then Rs 658; put stop loss strictly above Rs 681.

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

Markets	Variety	19.07.07	18.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	680-750	680-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-580	500-580	-
Meerut- Uttar Pradesh	Fair Average Quality	630-700	630-700	-
Delhi	Fair Average Quality	650-660	650-660	-
Tarkeswar-West Bengal	Fair Average Quality	760-780	760-780	-
Burdwan- West Bengal	Fair Average Quality	730-750	730-750	-

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