

POTATO DAILY

10th July, 2007

SPOT MARKETS:

Potato prices slipped on Monday in North Indian market on sluggish demand against the steady arrivals however the potato traded steady in the other major markets like Bengal and Western Markets. However, higher prices of other 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 in the country. Farmers and stockiest are holding back their stocks due to expectation of price rise. 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 3-4 trucks/day/cold stores. In Agra cold storages, so far 20-22% has been released whereas 20-25% has been released in Bengal. In Delhi, supply from Shimla has decreased over the last few days due to rains. Supply has tumbled to 70-80 trucks/day over normal supply of 100 trucks/day. During Monday's trade, potato prices in North Indian markets stood down while in Bengal's Burdwan and Tarkeshwar, prices offered stable at Rs. 730-750 and Rs. 760-800/qrtl respectively.

FUTURES MARKETS:

MCX potato futures continued to trade bearish on Monday amidst lack of buyers and increased selling interest. Agra August futures opened mostly down at Rs 682.60 over the last close of Rs 686. The prices went up thereafter but fell on selling pressure and traded in the range of Rs.681.30-687.70. Tarkeshwar August futures opened mostly weak at Rs 725.60 with testing a low of Rs 719.10. Prices then settled at Rs 720, down by Rs.12 and traded in the range of Rs 719.10-726.10.

PRICE DRIVERS:

1. Weak demand in U.P. on steady arrivals
2. Holding back stocks; Concerns of quality over potato
3. Sowing pressure in Karnataka
4. 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 indecisive market for the next trading day. Prices closed between short terms EMAs, hinting short-term steady to bullish market. MACD moving down in the positive zone, hints slight bearish market as medium term. Stochastic and RSI are indicating downward market. Market is expected to trade down following a steady to weak opening with possibility of some upwards movement at the later part.



SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	675	670	682.60	690	695

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 677 with target towards Rs.687 and then Rs.694, put stop loss below Rs.670.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	715	710	720	725	730

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 725 with target towards Rs 717 and then Rs 712: put stop loss strictly above Rs 731.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	09.07.07	07.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	630-730	650-750	-20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	490-590	500-600	-10.00
Meerut- Uttar Pradesh	Fair Average Quality	640-740	650-750	-10.00
Delhi	Fair Average Quality	660-665	655-670	+5.00
Tarkeshwar-West Bengal	Fair Average Quality	760-800	760-800	-
Burdwan- West Bengal	Fair Average Quality	730-750	730-750	-

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