

POTATO DAILY

3rd July, 2007

SPOT MARKETS:

Most of the Potato spot markets witnessed improved sentiments during Monday's trade. Potato prices at most of the major markets surged on good demand against lower arrivals, while remained unchanged at Tarakeswhar in West Bengal and Delhi on normal demand-supply situation. In markets of North India, farmers are holding back their stock in anticipation of price rise, traders reported, while in Bengal markets normal demand and supply reported. Further the quality deterioration in retails and up to some extent in warehouses and cold storage may result into low demand of such potato into the market thereby weakening its market sentiments. The monsoon rain may further disrupt arrival of potatoes whereby leading the rise of prices in the markets of Bengal while weather is clear over Uttar Pradesh. In Agra, supplies from the cold storages reported at around to 2-3 trucks/day/cold stores. So far, 18-22% of the potato has been released from Agra cold storages and in Bengal, around 18-20% of potato has been released. During Monday's trade, in Delhi and Tarkeshwar potato prices stood steady at Rs. 635-640 and 740-750 per quintal respectively while in the remaining markets, the prices have been increased at the range of Rs. 15 in West Bengal's Burdawan to Rs.75 in UP markets..

FUTURES MARKETS:

MCX potato futures witnessed mixed sentiment. Agra July contract traded firm in the range of Rs 637.30-643.70 following a firm opening at Rs 639.00 and settled at Rs 686.50, while Tarkeshwar July contract traded weak in the range of Rs 685.00-691.00 following a weak opening at Rs 691.00 and settled at Rs 686.50. In Agra and Tarkeshwar July contract both volume and open interest increased.

PRICE DRIVERS:

1. Mild demand against slightly lower arrivals
2. Holding back stocks; Monsoon rains hindered on arrivals
3. Concerns of quality over potato
4. Higher rates of other vegetables

WEATHER:

Monsoon rains is hindering on the market arrivals.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	02.07.07	30.06.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-700	600-625	+75.00
Farookhabad- Uttar Pradesh	Fair Average Quality	650-700	600-625	+75.00
Meerut- Uttar Pradesh	Fair Average Quality	650-700	600-625	+75.00
Delhi	Fair Average Quality	635-640	635-640	-
Tarkeswar-West Bengal	Fair Average Quality	740-750	740-750	-
Burdwan- West Bengal	Fair Average Quality	720-750	730-735	+15-00

TECHNICALS: MCX Potato JULY Contract

Candlestick chart pattern shows firmness in market. Prices closed above short term EMAs, hinting short term bullish market. MACD has made bullish cross over in the positive zone, hints bullish market in medium term. Stochastic has also made bullish cross over in neutral region while RSI is rising in the neutral 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	639	637	641.9	651	565

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 642 with target towards Rs.646 and then Rs.648, put stop loss below Rs.640.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	685	683	686.5	696	698

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 688 with target towards Rs 692 and then Rs 694; put stop loss strictly below Rs 686.

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