

POTATO DAILY

5th July, 2007

SPOT MARKETS:

North India's Potato spot markets continued to show steady sentiments during Wednesday's trade amidst average demand against normal supply, while the sport prices in West Bengal markets are rebounded to up at the range of Rs.35-55/qtl due to lower arrivals on heavy rainfall and higher prices of other vegetables. However the concern of quality over potatoes affecting the demand in most of the potato markets in the country. However, good demand of quality potatoes reportedly in the market but due to expectation of price rise, farmers and stockiest are holding back their stocks. 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 2-3 trucks/day/cold stores. In Agra cold storages, so far 18-23 per cent has been released whereas 18-20 per cent has been released in Bengal. During Wednesday's trade, the potato prices in north Indian markets stood steady while in West Bengal's Burdwan and Tarkeswar, the prices offered up at Rs. 730-750 and Rs. 740-770/qtl respectively.

FUTURES MARKETS:

MCX potato futures backpedaled on Wednesday amidst short covering and increased selling at contract highs. Agra July futures opened weak at Rs 653.30 against the previous close of Rs 654.30. Market then soared on increased buying interest and testing a contract high of Rs 661.80 but fell thereafter and traded in the range of Rs 643.10-661.80. However, Tarkeshwar July futures opened weak at Rs 688.50 and traded mostly down with testing a low of Rs 675. Prices settled at Rs 678.20, down by Rs.10.80 and traded in the range of Rs 675-690.

PRICE DRIVERS:

1. Steady demand against steady arrivals
2. Holding back stocks; Concerns of quality over potato
3. Heavy rainfalls in Karnataka hindering sowing of potato
4. Higher rates of other vegetables

WEATHER:

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

TECHNICALS: MCX Potato Agra JULY Contract

Candlestick chart shows indecisive market for the next trading day. Prices closed above short term EMAs, hinting short-term strong market. MACD remains in the positive zone, hints bullish market as medium term. Stochastic and RSI is moving down in over bought region, hints weak market. Market is expected to trade down following a steady to firm opening with possibility of some upwards movement at the later part.



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	642	633	650.90	661	671

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 645 with target towards Rs.655 and then Rs.662, put stop loss below Rs.639.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	671	665	678.20	685	695

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 680 with target towards Rs 672 and then Rs 668; put stop loss strictly above Rs 686.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	04.07.07	03.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-700	650-700	-
Farookhabad- Uttar Pradesh	Fair Average Quality	NA	NA	-
Meerut- Uttar Pradesh	Fair Average Quality	650-700	650-700	-
Delhi	Fair Average Quality	640-650	635-640	+5.00
Tarkeswar-West Bengal	Fair Average Quality	740-770	700	+40.00
Burdwan- West Bengal	Fair Average Quality	730-750	680	+50.00

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