

POTATO DAILY

6th July, 2007

SPOT MARKETS:

Potato spot markets observed steady sentiments during Thursday'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/qrtl 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 Thursday's trade, the potato prices in north Indian markets stood steady while in West Bengal's Burdwan and Tarkeswar, the prices offered flat at Rs. 730-750 and Rs. 740-770/qrtl respectively.

FUTURES MARKETS:

MCX potato futures soared on Thursday amidst strong buying support at lower level and firm spot market sentiment. Agra July futures opened firm at Rs 649.30 against the previous close of Rs 648.80. Market then soared on increased buying interest and traded in the range of Rs 649.30-659.80. Tarkeshwar July futures opened weak at Rs 672.60 and traded mostly up with testing a high of Rs 691. Prices settled at Rs 691, up by Rs.15.50 and traded in the range of Rs 672.60-691.

PRICE DRIVERS:

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



SUPPORT / RESISTANCES: MCX Agra July Potato

Month	S1	S2	PCP	R1	R2
JULY	650	645	659	665	671

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 655 with target towards Rs.664 and then Rs.670, put stop loss below Rs.649.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
JULY	685	680	691	700	705

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 686 with target towards Rs 696 and then Rs 703; put stop loss strictly below Rs 680.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	05.07.07	04.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-700	650-700	-
Farookhabad- Uttar Pradesh	Fair Average Quality	600-650	NA	-
Meerut- Uttar Pradesh	Fair Average Quality	670-700	650-700	+20.00
Delhi	Fair Average Quality	645-655	640-650	+5.00
Tarkeswar-West Bengal	Fair Average Quality	740-770	740-770	-
Burdwan- West Bengal	Fair Average Quality	730-750	730-750	-

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