

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices got down slightly in UP market on Saturday amidst weak demand against the moderate arrivals while it was steady in the other domestic markets on stable demand supply. The fresh potato from Himachal Pradesh has also hit the market. Presently, arrivals have been less than what it was during the corresponding period last year mainly as lower production as well as bad weather conditions. Potato supply would improve in August due to higher stocks at the cold storages. Meanwhile, the sowing of potato in Karnataka is getting momentum due to good weather condition and the Hasan crop is likely to hit the market only by August end. Traders said, so far around 30-33% of potato has been released in Agra of U.P. and West Bengal from the cold storages. Therefore, the remaining part of the potato is expected to be released in the next three to four months so the arrivals will be increased at the spot markets, which will likely to dampen the domestic requirements. So, the prices are not likely to go up in near future in the spot as well as futures market. In Delhi sabji mandis, the fresh new potato has been arriving from Shimla and Haldwani. On Saturday, potato prices in North Indian markets offered down while in Bengal's Burdwan and Tarkeswar, prices quoted steady at Rs. 710-750 and Rs. 730-750/qrtl respectively.

### FUTURES MARKETS:

MCX potato futures settled mixed on Saturday. Futures market went up after mostly weak opening and set back from day's high. Agra August futures opened mostly down at Rs.634.20 over the last close of Rs.637.60 and slid Rs.0.20 at Rs.637.40 with traded within Rs.630-641. Tarkeshwar August futures opened down at Rs.672 and gained Rs.0.10 at Rs.673.10 with traded in the thin range between Rs.671-674.20.

### PRICE DRIVERS:

1. Average demand against restricted arrivals
2. Higher stocks; Sowing of potato in S. India
3. Expectation of new crop arrival from South by August

### WEATHER:

Monsoon rains is likely to hinder on the market arrivals as well as sowing.

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

Markets	Variety	28.07.07	27.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	640-680	650-700	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	470-550	470-550	-
Meerut- Uttar Pradesh	Fair Average Quality	610-670	620-680	-10.00
Delhi	Fair Average Quality	655-665	655-665	-
Tarkeswar-West Bengal	Fair Average Quality	730-750	730-750	-
Burdwan- West Bengal	Fair Average Quality	710-750	710-750	-

### TECHNICALS: MCX Potato Agra AUGUST Contract

Candlestick chart hints slight bullish market for the next trading day. Prices closed in between short terms EMAs, indicates short-term steady to bullish market. MACD remains in the negative zone, hints bearish market as medium term. Stochastic and RSI are indicating bullish market. Potato is likely to trade up after a slight weak opening with possibility of some downwards movement at the later session.



### SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	630	622	637.40	647	660

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Agra potato above 632 with target towards Rs.642 and then Rs.650, put stop loss below Rs.625.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	665	660	673.10	680	690

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato above 669 with target towards Rs 679 and then Rs 683; put stop loss strictly below Rs 663.

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