

POTATO DAILY

31st July, 2007

SPOT MARKETS:

Potato prices were steady to slight up in the other domestic markets on stable demand supply on Monday. 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 Monday, potato prices in North Indian markets offered steady while in Bengal's Burdwan and Tarkeswar, prices quoted stable at Rs. 710-750 and Rs. 730-750/qrtl respectively on bad weather and average demand.

FUTURES MARKETS:

MCX potato futures hovered up on Monday amidst fresh buying support and firm spot prices. Futures market soared after weak opening. Agra August futures opened down at Rs.635.20 over the last close of Rs.637.40 and climbed Rs.13.60 at Rs.651 with traded within Rs.635.20-652.90. Tarkeshwar August futures mostly up at Rs.680 and gained Rs.4.90 at Rs.678 with traded in the thin range between Rs.675.50-680.

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.

TECHNICALS: MCX Potato Agra AUGUST Contract

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



SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	645	635	651	660	670

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 648 with target towards Rs.658 and then Rs.665, put stop loss below Rs.642.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	670	665	678	685	690

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato below 683 with target towards Rs 675 and then Rs 672; put stop loss strictly above Rs 690.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	30.07.07	28.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	640-680	640-680	-
Farookhabad- Uttar Pradesh	Fair Average Quality	470-550	470-550	-
Meerut- Uttar Pradesh	Fair Average Quality	610-670	610-670	-
Delhi	Fair Average Quality	660-670	655-665	+5.00
Tarkeswar-West Bengal	Fair Average Quality	730-750	730-750	-
Burdwan- West Bengal	Fair Average Quality	710-750	710-750	-

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