

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices declined on Thursday in most of the producing regions on eased demand against the improved arrivals. Traders said, the arrivals in the market have improved as weather became improved. But, higher prices of other vegetables are providing underline support to the potato market. However, the concern of quality over potatoes is affecting the demand in most of the potato markets. Although, the farmers and stockiest are holding back their stocks on the expectation of price rise in near future. Meanwhile, 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 likely to hit the market only by August end. In Agra, supplies from the cold storages reported at around 250-300 trucks/day. In Agra cold storages, around 25-27% has been released whereas 25-30% has been released in Bengal. The demand from the Western India, Assam Orissa, South India are reported good, which provided underlying support. In Meerut market of U.P., around 1000-1500 packets of potato are arriving from the Agra. On Thursday, potato prices in North Indian markets stood steady to down while in Bengal's Burdwan and Tarkeswar, prices offered down at Rs. 720-750 and Rs. 750-800/qtl respectively.

### FUTURES MARKETS:

MCX potato futures maintained bearish trend on Thursday amidst fresh selling pressure and weak spot market. Market went up after weak opening but tumbled thereafter on selling interest. Agra August futures opened down at Rs 671 over the last close of Rs 672.40. The prices settled Rs.2.30 down at Rs.670.10 with traded within Rs.668.10-677. Tarkeshwar August futures opened up at Rs 714.50. Prices then settled at Rs 708, down by Rs.5.70 and traded in the range of Rs 705.60-714.50.

### PRICE DRIVERS:

1. Sluggish demand on improved arrivals
2. Improving weather; Concerns of quality over potato
3. Stock holding; Higher rates of other vegetables

### WEATHER:

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

### TECHNICALS: MCX Potato Agra AUGUST Contract

Candlestick chart shows indecisive market for the next trading day. Prices closed below short terms EMAs, suggesting short-term bearish market. MACD moving down in the positive zone, hints bearish market as medium term. Stochastic and RSI are also indicating weak market. Market is expected to trade bearish following a steady to firm opening with possibility of some upwards movement at the later part.



### SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	664	655	670.10	675	682

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 674 with target towards Rs.665 and then Rs.660, put stop loss above Rs.680.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	700	695	708	714	718

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 712 with target towards Rs 702 and then Rs 697; put stop loss strictly above Rs 719.

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

Markets	Variety	12.07.07	11.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-750	630-730	-
Farookhabad- Uttar Pradesh	Fair Average Quality	480-580	490-590	-10.00
Meerut- Uttar Pradesh	Fair Average Quality	600-700	640-740	-40.00
Delhi	Fair Average Quality	655-665	660-670	-5.00
Tarkeswar-West Bengal	Fair Average Quality	750-800	800-830	-50.00
Burdwan- West Bengal	Fair Average Quality	720-750	750-770	-30.00

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