

POTATO DAILY

9th July, 2007

SPOT MARKETS:

Potato prices continued to trade stable at upper level on Saturday at most of the trading point. In addition, higher prices of other vegetables are underpinning the potato market, traders said. 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 20-22% has been released whereas 20-25% has been released in Bengal. In Delhi, supply from Shimla has decreased over the last few days due to rains. Supply has tumbled to 70-80 trucks/day over normal supply of 100 trucks/day. During Saturday's trade, potato prices in North Indian markets stood steady while in Bengal's Burdwan and Tarkeswar, prices offered stable at Rs. 730-750 and Rs. 760-800/qrtl respectively.

FUTURES MARKETS:

MCX potato futures traded bearish for another trading day Saturday on increased selling and profit taking. Agra August futures opened up at Rs 694.80 over the last close of Rs 692.30. But the prices fell thereafter though some improvement seen at later hour and traded in the range of Rs.680.10-694.80. But, Tarkeshwar August futures opened strong at Rs 732 and settled slight up with testing a low of Rs 728.70. Prices then settled at Rs 732, up by Rs.0.60 and traded in the range of Rs 728.70-733.90.

PRICE DRIVERS:

1. Lower arrivals against the healthy demand
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 AUGUST Contract

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



SUPPORT / RESISTANCES: MCX Agra August Potato

Month	S1	S2	PCP	R1	R2
August	675	670	686	695	705

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 677 with target towards Rs.689 and then Rs.697, put stop loss below Rs.669.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
August	725	720	732	740	750

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 725 with target towards Rs 735 and then Rs 740; put stop loss strictly below Rs 718.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	07.07.07	06.07.07	Change
Agra- Uttar Pradesh	Fair Average Quality	650-750	650-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-600	500-600	-
Meerut- Uttar Pradesh	Fair Average Quality	650-750	650-750	-
Delhi	Fair Average Quality	655-670	655-670	-
Tarkeswar-West Bengal	Fair Average Quality	760-800	760-800	-
Burdwan- West Bengal	Fair Average Quality	730-750	730-750	-

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