

## POTATO DAILY

16<sup>th</sup> AUGUST, 2007

### SPOT MARKETS:

Potato prices remained steady on Tuesday at most part of the country however it was down in West Bengal due to weak demand and inferior quality of potato. Arrivals of new potato from Hassan in Karnataka are getting momentum, and it is affecting the demand of potatoes from Agra region and West Bengal region. The arrivals are likely to pick up during second week of August. Farmers in Hassan taluk of Karnataka are now worried because the entire potato crop is affected by dreaded blight disease and heavy rains. In Hassan district, potato is a major commercial crop grown in more than 1 lakh acres of land. Around 20% of the crop was damaged because of heavy rains even as another 40% would perish because of a fear of blight attack. It is expecting that the potato production will reach to 1.3 MMt in the State. In addition, higher prices of other vegetables also underpinned the potato market. Fresh potato from Himachal Pradesh has been arriving in the market. Traders said, so far around 35-40% of potato has been released in Agra of U.P. and West Bengal from the cold storages. The remaining part of the potato is expected to be released in the next 2-3 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. On Tuesday, potato prices in North Indian markets quoted steady while in Bengal's Burdwan and Tarkeswar, it quoted down at Rs. 740-760 and Rs. 760-780/qrtl respectively.

### FUTURES MARKETS:

MCX potato futures tumbled on Tuesday amidst selling pressure and weak fundamentals. Most active Agra September futures opened weak at Rs.655 over the last close of Rs.655.20 and lost Rs.14.90 at Rs.640.30 and traded within Rs.636.60-655. Tarkeshwar September futures opened weak at Rs.695 over the last close of Rs.696.60 and slid Rs.12.60 at Rs.684 with moved between Rs.683-695.

### PRICE DRIVERS:

1. Average demand against weak arrivals
2. Higher stocks; Crop damaged in Karnataka

### WEATHER:

Arrivals are likely to affect on bad weather at some areas.

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

Markets	Variety	14.08.07	13.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	675-750	675-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	530-580	530-580	-
Meerut- Uttar Pradesh	Fair Average Quality	700-750	700-750	-
Delhi	Fair Average Quality	670-680	670-680	-
Tarkeswar-West Bengal	Fair Average Quality	760-780	770-800	-10.00
Burdwan- West Bengal	Fair Average Quality	740-760	750-775	-10.00

### TECHNICALS: MCX Potato Agra SEPTEMBER Contract

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



### SUPPORT / RESISTANCES: MCX Agra Sept. Potato

Month	S1	S2	PCP	R1	R2
September	630	625	640.30	647	655

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 645 with target towards Rs.635 and then Rs.630, put stop loss above Rs.652.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	677	672	684	690	700

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 688 with target towards Rs 678 and then Rs 675; put stop loss strictly above Rs 695.

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