

POTATO DAILY

8th AUGUST, 2007

SPOT MARKETS:

Market prices for potato remained weak in U.P. on Tuesday due to higher arrivals from the cold storages and improved weather condition but it was steady at other parts of the country on stable demand supply situation. Arrivals of new potato crop are running on but in low quantity in Hassan region of Karnataka. Arrivals are likely to pick up during second week of August. The production seems good in this year. Arrivals of Hassan generally affect the demand of potatoes from Agra region and West Bengal both. In addition, problem of rotten potato is more in U.P. and West Bengal and good quality potato having low rotten percentage (1 or 2%) are getting premium price. Fresh potato from Himachal Pradesh has been arriving in the market. Traders said, potato supply would improve in August due to higher stocks at the cold storages. Traders said, so far around 35-37% 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 down while in Bengal's Burdwan and Tarkeswar, it quoted flat at Rs. 730-770 and Rs. 750-800/qlt respectively.

FUTURES MARKETS:

MCX potato futures hovered up on Tuesday amidst strong buying support. Futures market soared after bullish opening. Most active Agra September futures opened firm at Rs.649.90 over the last close of Rs.647.30 and climbed Rs.14.20 at Rs.661.50 and hovered within Rs.649.90-661.50. Tarkeswar September futures opened bullish at Rs.685 over the last close of Rs.683.20 and soared Rs.7.80 at Rs.691 with hovered between Rs.685-692.

PRICE DRIVERS:

1. Average demand against improved arrivals
2. Higher stocks; Good crop in Karnataka
3. Few arrivals of new potato from Hassan in Karnataka

WEATHER:

Arrivals are expected to affect due to bad weather at some areas.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	07.08.07	06.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	660-740	670-750	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	515-580	525-600	-10.00
Meerut- Uttar Pradesh	Fair Average Quality	670-720	680-730	-10.00
Delhi	Fair Average Quality	660-670	660-670	-
Tarkeswar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	730-770	730-770	-

TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart shows 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 strong after firm opening with possibility of some downwards movement at the later session.



SUPPORT / RESISTANCES: MCX Agra Sept. Potato

Month	S1	S2	PCP	R1	R2
September	655	645	661.50	671	681

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 660 with target towards Rs.670 and then Rs.675, put stop loss below Rs.653.

SUPPORT / RESISTANCES: MCX Tarkeswar Potato

Month	S1	S2	PCP	R1	R2
September	685	680	691	701	711

TRADE RECOMMENDATION: (Intraday)

Risk lovers can Buy MCX (T) potato above 690 with target towards Rs 700 and then Rs 705; put stop loss strictly below Rs 683.

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