

## POTATO DAILY

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

### SPOT MARKETS:

Bullish sentiment observed on Saturday in the domestic potato market amidst poor arrivals and bad weather at some pockets. Higher prices of other vegetables also underpinned the potato market. Stockists are releasing their stocks but intermittently. Arrivals of new potato crop are running on but in low quantity in Hassan region of Karnataka and it is likely to pick up during second week of August. The production seems good in this year in Karnataka. 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, 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 Saturday, potato prices in North Indian markets quoted up while in Bengal's Burdwan and Tarkeswar, it quoted stable at Rs. 735-775 and Rs. 760-800/qrtl respectively.

### FUTURES MARKETS:

MCX potato futures settled up on Saturday amidst late buying support and slight firm spot market. Market went down after strong opening but recovered thereafter on buying interest and settled up. Most active Agra September futures opened firm at Rs.650 over the last close of Rs.648.60 and gained Rs.1.80 at Rs.650.40 and traded within Rs.641-652.90. Tarkeshwar September futures opened down at Rs.681 over the last close of Rs.684.70 and added Rs.4.20 at Rs.688.90 with moved between Rs.681-689.70.

### PRICE DRIVERS:

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

### WEATHER:

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

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

Markets	Variety	11.08.07	10.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	675-750	670-750	+5.00
Farookhabad- Uttar Pradesh	Fair Average Quality	530-580	520-580	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	700-750	680-730	+20.00
Delhi	Fair Average Quality	665-675	655-665	+10.00
Tarkeswar-West Bengal	Fair Average Quality	760-800	760-800	-
Burdwan- West Bengal	Fair Average Quality	735-775	735-775	-

### TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart hints indecisive market for the next trading day. Prices closed just between short terms EMAs, indicates short-term steady to bearish market. MACD remains in the negative zone, hints bearish market as medium term. Stochastic and RSI are indicating slight bullish market. Potato is likely to trade slight up 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	640	635	650.40	656	665

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 655 with target towards Rs.645 and then Rs.640, put stop loss above Rs.662.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	680	670	688.90	693	700

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 692 with target towards Rs 682 and then Rs 676; put stop loss strictly above Rs 699.

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