

## POTATO DAILY

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

### SPOT MARKETS:

Steady sentiment observed on Friday in the domestic potato market amidst average demand supply. 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 increase 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 Thursday, 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 lower on Friday after some initial firmness. Most active Agra September futures opened weak at Rs.652.60 against previous close of Rs 653.50. The prices then tried to surge only to retreat finally to close lower at Rs 648 after trading in the range of Rs 647.10-655.90. Tarkeshwar September futures opened firm at Rs.690 over the last close of Rs.687.80, however the prices couldn't sustain the initial firmness for long and dipped down to settle at Rs 685.

### 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.

### TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart hints weak market for the next trading day. Prices closed just below short terms EMAs, indicates short-term steady to bearish market. MACD is showing some fall in bearish momentum. Stochastic and RSI are indicating slight bullish market. Potato is likely to trade rangebound with weak bias.



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

Month	S1	S2	PCP	R1	R2
September	636	630	648	660	665

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 653 with target towards Rs.643 and then Rs.638, put stop loss above Rs.659.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	673	668	685	695	700

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 689 with target towards Rs 679 and then Rs 675; put stop loss strictly above Rs 695.

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

Markets	Variety	10.08.07	09.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	670-750	670-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	520-580	520-580	-
Meerut- Uttar Pradesh	Fair Average Quality	680-730	680-730	-
Delhi	Fair Average Quality	655-665	655-665	-
Tarkeswar-West Bengal	Fair Average Quality	760-800	760-800	-
Burdwan- West Bengal	Fair Average Quality	735-775	735-775	-

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