

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices were steady to rangebound on Friday at most of the trading centre amidst average demand supply. 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 Friday, potato prices in North Indian markets quoted steady while in Bengal's Burdwan and Tarkeswar, it quoted stable at Rs. 740-760 and Rs. 760-780/qtl respectively.

### FUTURES MARKETS:

MCX potato futures closed at the negative territory on Friday amidst selling interest and weak fundamentals. Most active Agra September futures opened down at Rs.625.40 over the last close of Rs.628.40 and lost Rs.3.80 at Rs.624.60 and traded within Rs.621-629.10. Tarkeshwar September futures opened weak at Rs.674 over the last close of Rs.675.20 and sank Rs.8.20 at Rs.667 with moved between Rs.666-675.

### 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	17.08.07	16.08.07	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	655-665	660-670	-5.00
Tarkeswar-West Bengal	Fair Average Quality	760-780	760-780	-
Burdwan- West Bengal	Fair Average Quality	740-760	740-760	-

### TECHNICALS: MCX Potato Agra SEPTEMBER Contract

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



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

Month	S1	S2	PCP	R1	R2
September	615	610	624.60	628	635

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 627 with target towards Rs.617 and then Rs.613, put stop loss above Rs.634.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	660	655	667	674	680

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below 670 with target towards Rs 661 and then Rs 656; put stop loss strictly above Rs 677.

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