

POTATO DAILY

27th AUGUST, 2007

SPOT MARKETS:

Indian potato prices maintained steady undertone on Saturday at most of the pockets on average demand supply while it was up in Delhi on improved demand. Arrivals of new potato from Hassan in Karnataka are keeping pressure on the demand of potatoes from Agra region and West Bengal region. The arrivals are likely to pick up in the coming days. However, farmers in Hassan taluk of Karnataka are now concerned about the crop damage as 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 37-42% of potato has been released in Agra of U.P. and West Bengal from the cold storages. Remaining part of the potato is likely to be released in the next 2-3 months so the arrivals will be enhanced at the spot markets. 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 offered steady while in Bengal's Burdwan and Tarkeswar, it quoted stable at Rs. 730-760 and Rs. 760-790/qrtl respectively.

FUTURES MARKETS:

MCX potato futures closed nearer the session low and traded bearish on Saturday amidst fresh selling. Most active Agra September futures opened up at Rs.627.30 over the last close of Rs.626.80 and slid Rs.7.50 at Rs.619.30 and traded within Rs.618-627.30. Tarkeshwar September futures opened steady at Rs.671.50 over the last close of Rs.671.60 and added Rs.0.50 at Rs.672.10 with moved between Rs.670.80-673.80.

PRICE DRIVERS:

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

WEATHER:

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

TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart hints bearish market for the market. Prices closed below short terms EMAs, hints short-term steady to bearish market. MACD remains in the negative zone, hints bearish market as medium term. Stochastic and RSI are indicating technical correction. Volume and open interest significantly increased. Potato is likely to trade down after weak opening with possibility of some upward movement at the later session.



SUPPORT / RESISTANCES: MCX Agra Sept. Potato

Month	S1	S2	PCP	R1	R2
September	614	605	619.30	627	633

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 624 with target towards Rs.615 and then Rs.610, put stop loss above Rs.630.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	668	664	672.10	676	682

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 669 with target towards Rs 675 and then Rs 680; put stop loss strictly below Rs 664.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	25.08.07	24.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	670-725	670-725	-
Farookhabad- Uttar Pradesh	Fair Average Quality	525-560	525-560	-
Meerut- Uttar Pradesh	Fair Average Quality	700-750	700-750	-
Delhi	Fair Average Quality	655-665	650-660	+5.00
Tarkeswar-West Bengal	Fair Average Quality	760-790	760-790	-
Burdwan- West Bengal	Fair Average Quality	730-760	730-760	-

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