

POTATO DAILY

28th AUGUST, 2007

SPOT MARKETS:

Domestic potato prices improved on Monday at most of the trading centre on improved demand and higher prices of other vegetables. 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 40-45% 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 Monday, potato prices in North Indian markets offered up 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 rebounded to up after firm opening on fresh buying and strong spot market Monday. Most active Agra September futures opened up at Rs.619.90 over the last close of Rs.619.30 and gained Rs.9.50 at Rs.628.80 and traded within Rs.619.80-632.40. Tarkeshwar September futures opened mostly down at Rs.668.60 over the last close of Rs.672.10 and added Rs.5.90 at Rs.678 with moved between Rs.668.60-679.90.

PRICE DRIVERS:

1. Average demand against steady arrivals
2. Higher stocks; Fresh arrivals from Karnataka & H.P.

WEATHER:

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

TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart hints bullish market for the market. Prices closed just 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 buying. Volume and open interest increased. Potato is likely to trade up after weak opening with possibility of some downward movement at the later session.



SUPPORT / RESISTANCES: MCX Agra Sept. Potato

Month	S1	S2	PCP	R1	R2
September	624	618	628.80	637	642

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 625 with target towards Rs.635 and then Rs.640, put stop loss below Rs.618.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	674	668	678	684	690

TRADE RECOMMENDATION: (Intraday)

Buy MCX (T) potato above 675 with target towards Rs 684 and then Rs 689; put stop loss strictly below Rs 668.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	27.08.07	25.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	680-740	670-725	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	530-550	525-560	+5.00
Meerut- Uttar Pradesh	Fair Average Quality	720-770	700-750	+20.00
Delhi	Fair Average Quality	660-670	655-665	+5.00
Tarkeswar-West Bengal	Fair Average Quality	760-790	760-790	-
Burdwan- West Bengal	Fair Average Quality	730-760	730-760	-

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>
© 2005 Indian Agribusiness Systems Pvt Ltd.