

POTATO DAILY

10th AUGUST, 2007

SPOT MARKETS:

Potato prices improved on Thursday in North Indian market on lower arrivals but it remained steady in Maharashtra and Bengal on weak arrivals and higher prices of other vegetables. 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 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 up on Thursday amidst early buying support and slight firm spot market. Market went mostly up after strong opening but tumbled thereafter on selling interest though closed up. Most active Agra September futures opened firm at Rs.652.30 over the last close of Rs.646.40 and gained Rs.6.60 at Rs.653 and traded within Rs.650.60-663. Tarkeshwar September futures opened up at Rs.686.60 over the last close of Rs.680.80 and added Rs.6.30 at Rs.687.10 with moved between Rs.686-691.

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 above 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	650	640	653	662	670

TRADE RECOMMENDATION: (Intraday)

Sell MCX Agra potato below 660 with target towards Rs.650 and then Rs.645, put stop loss above Rs.667.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	680	670	687.10	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.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	09.08.07	08.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	670-750	660-740	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	520-580	515-580	+5.00
Meerut- Uttar Pradesh	Fair Average Quality	680-730	670-720	+10.00
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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