

## POTATO DAILY

21<sup>st</sup> AUGUST, 2007

### SPOT MARKETS:

Potato prices were firm on Monday at most of the trading centre amidst improved demand against the weak supplies and bad weather at some pockets. But 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 in the coming days. 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 Monday, potato prices in North Indian markets quoted up while in Bengal's Burdwan and Tarkeswar, it quoted steady at Rs. 750-770 and Rs. 770-790/qrtl respectively.

### FUTURES MARKETS:

MCX potato futures tumbled after a bullish starting on Monday amidst strong selling pressure at upper level and weak fundamentals. Most active Agra September futures opened up at Rs.639 over the last close of Rs.636.60 and lost Rs.3.40 at Rs.633.20 and traded within Rs.632-646.80. Tarkeshwar September futures opened strong at Rs.684 over the last close of Rs.680.70 and slid Rs.4.70 at Rs.676 with moved between Rs.675-685.

### PRICE DRIVERS:

1. Improved 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	20.08.07	18.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	680-750	675-750	+5.00
Farookhabad- Uttar Pradesh	Fair Average Quality	540-580	530-580	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	710-750	700-750	+10.00
Delhi	Fair Average Quality	660-670	650-660	+10.00
Tarkeswar-West Bengal	Fair Average Quality	770-790	770-790	-
Burdwan- West Bengal	Fair Average Quality	750-770	750-770	-

### TECHNICALS: MCX Potato Agra SEPTEMBER Contract

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



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

Month	S1	S2	PCP	R1	R2
September	627	620	633.20	640	646

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 638 with target towards Rs.628 and then Rs.624, put stop loss above Rs.646.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	668	660	676	684	690

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato above 680 with target towards Rs 670 and then Rs 665; put stop loss strictly above Rs 687.

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