

POTATO DAILY

03rd SEPTEMBER, 2007

SPOT MARKETS:

Potato prices firmed up on Saturday in North India and Maharashtra market on improved demand against the steady arrivals. But, higher stocks at the cold storages are negatively affecting the market. Arrivals are improving at present. A shortage of good quality potato has provided underline support to the market. In Delhi, prices remained steady at upper side on lower arrivals as the state every day consumes around 700 tonnes of potato. Authorities said that to stabilise the potato situation, they had started getting fresh potato from Himachal and Uttarakhand and from cold stores in Agra and Moradabad in UP. Arrivals of new potato from Hassan in Karnataka are keeping pressure on the demand of potatoes from Agra region and West Bengal region. Arrivals are likely to pick up in the coming days. 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. 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 unlikely to go up in near future. On Saturday, potato prices in North Indian markets got up while in Bengal's Burdwan and Tarkeswar, it offered stable at Rs. 700-750 and Rs. 725-750/qlt respectively.

FUTURES MARKETS:

MCX potato futures closed up Saturday on fresh buying and firm spot market. Most active Agra September futures opened up at Rs.629.20 over the last close of Rs.628.60 and gained Rs.4.40 at Rs.633 with traded at Rs.629.20-635.60. Tarkeshwar September futures opened down at Rs.665.50 over the last close of Rs.665.70 and added Rs.0.80 at Rs.666.50 with moved between Rs.665-668.50.

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.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	01.09.07	31.08.07	Change
Agra- Uttar Pradesh	Fair Average Quality	625-700	620-700	+5.00
Farookhabad- Uttar Pradesh	Fair Average Quality	510-550	500-550	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	710-750	700-750	+10.00
Delhi	Fair Average Quality	695-705	695-705	-
Tarkeswar-West Bengal	Fair Average Quality	725-750	725-750	-
Burdwan- West Bengal	Fair Average Quality	700-750	700-750	-

TECHNICALS: MCX Potato Agra SEPTEMBER Contract

Candlestick chart hints slight upward market for the next trading day. Prices closed just between 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 bullish market. Volume and open interest remains steady. 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	628	624	633	637	643

TRADE RECOMMENDATION: (Intraday)

Buy MCX Agra potato above 629 with target towards Rs.636 and then Rs.640, put stop loss below Rs.624.

SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
September	660	655	666.50	668	675

TRADE RECOMMENDATION: (Intraday)

Sell MCX (T) potato above Rs.668 with target towards Rs.661 and then Rs.658; put stop loss strictly above Rs.671.

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