

## POTATO DAILY

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

### SPOT MARKETS:

Potato prices continued to remain steady on Thursday in most of the domestic spot market amidst balanced demand supply while the prices slight improved in Maharashtra on lower arrivals. But higher stocks at the cold storages are likely to restrict the upward movement. However, a shortage of good quality potato provided support to the market. Arrivals of new potato from Hassan in Karnataka remained moderate and keeping pressure on the demand of potatoes from Agra region and Bengal region. However, lower crop yields in Karnataka are providing underline support to the South Indian markets. As the harvest was hit by the rain in Karnataka, from where most of the market gets its major share of the commodity, so the price is not likely to come down till this month-end in South India. Around 20% of the crop was damaged due to heavy earlier rains even as another 40% would perish because of blight attack. Potato production is likely to reach 1.3 MMt in the State. Traders said, so far around 42-47% of potato has been released in Agra of U.P. and 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 increased at the spot markets and it will decrease the spot and future prices. On Thursday, potato in North Indian markets traded steady while in Bengal's Burdwan and Tarkeswar, it offered steady at Rs. 750-770 and Rs. 770-800/qlt respectively.

### FUTURES MARKETS:

MCX potato futures backpedaled on Thursday amidst fresh selling interest. Futures market went up after firm opening but slipped thereafter. Most active Agra October futures opened firm at Rs.657 over the last close of Rs.656.10 and lost Rs.1.50 at Rs.654.60 with traded at Rs.653-660. Tarkeshwar October futures opened down at Rs.666.10 over the last close of Rs.666.60 and slid Rs.6.60 at Rs.660, which is contract low and moved between Rs.660-666.10.

### PRICE DRIVERS:

1. Lower demand; Moderate 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	20.09.07	19.09.07	Change
Agra- Uttar Pradesh	Fair Average Quality	600-700	600-700	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Meerut- Uttar Pradesh	Fair Average Quality	710-750	710-750	-
Delhi	Fair Average Quality	710-715	710-715	-
Tarkeswar-West Bengal	Fair Average Quality	770-800	770-800	-
Burdwan- West Bengal	Fair Average Quality	750-770	750-770	-

### TECHNICALS: MCX Potato Agra OCTOBER Contract

Candlestick hints weak market for the next trading day. Prices closed just above short terms EMAs, hints short-term steady-bullish market. MACD remains in the negative zone. Stochastic and RSI indicates slight upward market. Volume significantly declined while open interest increased. Potato is likely to trade soft after firm opening with possibility of some upward movement at the later session.



### SUPPORT / RESISTANCES: MCX Agra Potato

Month	S1	S2	PCP	R1	R2
October	650	645	654.60	660	665

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 657 with target towards Rs.651 and then Rs.647, put stop loss above Rs.661.

### SUPPORT / RESISTANCES: MCX Tarkeswar Potato

Month	S1	S2	PCP	R1	R2
October	655	650	660	665	670

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below Rs.662 with target towards Rs.656 and then Rs.654; put stop loss strictly above Rs.667.

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