

## POTATO DAILY

22<sup>nd</sup> SEPTEMBER, 2007

### SPOT MARKETS:

Potato traded rangebound on Friday at the domestic spot market stable demand supply while the prices improved again in Delhi and Mumbai on higher demand against the average arrivals. Traders said, higher stocks in the cold storages are restricting the upward movement. However, a shortage of good quality potato is underpinning the market prices. Arrivals of new potato from Hassan in Karnataka remained average 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 45-48% 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 couple months so the arrivals will be increased at the spot markets and it will suppress the spot and future prices. On Friday, 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/qrtl respectively.

### FUTURES MARKETS:

MCX potato futures traded rangebound on Friday in thin trading activity. Futures market went up after weak opening but slid thereafter. Most active Agra October futures opened weak at Rs.652.90 over the last close of Rs.653.70 and added Rs.0.30 at Rs.654 with traded at Rs.652-655.50. Tarkeshwar October futures opened mostly down at Rs.657.80.10 over the last close of Rs.661.80 and lost Rs.7.60 at Rs.654.20, which is contract low and moved between Rs.654.20-660.

### PRICE DRIVERS:

1. Moderate demand; Average 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	21.09.07	20.09.07	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	715-720	710-715	+5.00
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 slight 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 upward market. Volume significantly declined while open interest slight decreased. Potato is likely to trade rangebound after steady opening with possibility of some downward movement at the later session.



### SUPPORT / RESISTANCES: MCX Agra Potato

Month	S1	S2	PCP	R1	R2
October	650	645	654	660	665

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 658 with target towards Rs.651 and then Rs.647, put stop loss above Rs.663.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
October	650	645	654.20	660	665

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below Rs.658 with target towards Rs.651 and then Rs.648; put stop loss strictly above Rs.663.

## 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.