

## POTATO DAILY

12<sup>th</sup> SEPTEMBER, 2007

### SPOT MARKETS:

Continued steady with rangebound sentiment witnessed on Tuesday in most of the market while it was up in Delhi on lower arrivals. But higher stocks at the cold storages are negatively affecting the market. A shortage of good quality potato provided support to the market. Arrivals of new potato from Hassan in Karnataka are getting momentum and keeping pressure on the demand of potatoes from Agra region and Bengal region. Lower crop yields in Karnataka that supply vegetables to Chennai are reflecting on the prices of a few staple vegetables in the city. As the harvest was hit by the rain in Karnataka from where the market gets its major share of the commodity, the price is not expected to come down till this month-end in South India. Around 20% of the crop was damaged because of heavy earlier 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 42-47% 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 increased at the spot markets and it will decrease the spot and future prices. On Tuesday, potato prices in North Indian markets quoted steady while in Bengal's Burdwan and Tarkeswar, it offered steady at Rs. 720-750 and Rs. 735-760/qrtl respectively on bad weather.

### FUTURES MARKETS:

MCX potato futures rebounded to up on Tuesday on profit taking after hitting a 6% lower circuit on last day. Market hovered up after mostly weak opening. Most active Agra October futures opened weak at Rs.629.30 over the last close of Rs.632 and climbed Rs.8.70 at Rs.640.70 with traded at Rs.629.30-642.90. Tarkeshwar October futures opened down at Rs.663.10 over the last close of Rs.664.30 and added Rs.3.20 at Rs.664.30 with moved between Rs.663.10-673.60.

### PRICE DRIVERS:

1. Weak 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	11.09.07	10.09.07	Change
Agra- Uttar Pradesh	Fair Average Quality	610-700	610-700	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Meerut- Uttar Pradesh	Fair Average Quality	710-750	710-750	-
Delhi	Fair Average Quality	690-700	680-690	+10.00
Tarkeswar-West Bengal	Fair Average Quality	735-760	735-760	-
Burdwan- West Bengal	Fair Average Quality	720-750	720-750	-

### TECHNICALS: MCX Potato Agra OCTOBER Contract

Candlestick chart shows strong market for the next trading day. But prices closed below short terms EMAs, hints short-term weak market. MACD remains in the negative zone and moving downwards. Stochastic and RSI are favouring bulls. Volume as well as open interest declined. Potato is likely to trade slight up after weak opening with possibility of some downward movement at the later session.



### SUPPORT / RESISTANCES: MCX Agra Potato

Month	S1	S2	PCP	R1	R2
October	627	620	640.70	645	650

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato below 644 with target towards Rs.634 and then Rs.628, put stop loss above Rs.650.

### SUPPORT / RESISTANCES: MCX Tarkeshwar Potato

Month	S1	S2	PCP	R1	R2
October	660	650	667.50	675	680

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato below Rs.673 with target towards Rs.663 and then Rs.657; put stop loss strictly above Rs.680.

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