



## POTATO

OCT 03, 2007

### SPOT MARKETS:

Steady sentiment continued in the domestic potato market amidst stable demand supply on Monday. However, the prices slight declined in Maharashtra on sluggish demand against improved arrivals. Currently, higher stocks at the cold storages are restricting the upward movement. On the other hand, a shortage of good quality potato is providing underline support to the market. Arrivals of new potato from Hassan in Karnataka remained moderate and keeping pressure on the demand of potatoes from Agra and Bengal region. In addition, prices remained firm in South Indian markets due to lower production in Karnataka. Lower production was due to heavy rains and blight disease at harvesting time in Karnataka, from where most of the South Indian market gets its major share of the commodity. Traders said, so far around 55-60% of potato has been released in Agra of U.P. and Bengal from the cold storages. Remaining part of the potato is to be released in the next 1-2 months so the arrivals will be increased at the spot markets and it is likely to pull down the spot and future prices in near future. On Monday, potato in North Indian markets traded rangebound while in Bengal's Tarkeswar and Burdwan, it offered steady at Rs. 750-800/qrt and Rs. 730-750/qrt respectively.

### FUTURES MARKETS:

MCX potato futures traded mostly down Monday on strong selling interest due to weak fundamentals. Market stumbled after firm opening and made new contract low. Most active Agra October futures opened firm at Rs.636.30 over the last close of Rs.633.70 and lost Rs.6.50 at Rs.627.20 with traded at Rs.627-636.30. Tarkeshwar November futures opened mostly down at Rs.667.10 over the last close of Rs.670.50 and slid Rs.15.50 at Rs.655 and made contract low at Rs.654.10 and moved between Rs.654.10-667.80.

### PRICE DRIVERS:

1. Moderate demand; Improved arrivals
2. Higher stocks; Moderate arrivals from Karnataka & H.P.

### WEATHER:

Arrivals are unlikely to affect due to weak monsoons.

### TECHNICALS: MCX Potato Agra OCTOBER Contract

Candlestick pattern shows weak market for the next trading day. Prices closed below short terms EMAs, hints short-term bearish market. MACD remains in the negative zone and moving down. Stochastic and RSI indicates downward market. Volume as well as open interest significantly increased. Potato is likely to trade weak 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	620	614	627.20	634	640

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Agra potato **Oct.** below 631 with target towards Rs.621 and then Rs.617, put stop loss above Rs.638.

### SUPPORT / RESISTANCES: MCX Tarkeshwar (T) Potato

Month	S1	S2	PCP	R1	R2
November	645	640	655	663	670

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato **Nov.** below Rs.660 with target towards Rs.650 and then Rs.644; put stop loss strictly above Rs.667.

### SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	01.10.07	29.09.07	Change
Agra- Uttar Pradesh	Fair Average Quality	700-750	700-750	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Meerut	Fair Average Quality	750-780	750-780	-
Delhi	Fair Average Quality	660-670	660-670	-
Tarkeswar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	730-750	730-750	-

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