



## POTATO

OCT 31, 2007

### SPOT MARKETS:

Potato got restricted on Tuesday in the domestic market of the country on the lower arrivals of quality potato and depleting stocks in the cold storages in U.P. Higher rates of other vegetables also provided support to the potato market. Traders said, around 85-90% of potato has been released from the Agra cold storages and around 25% of the land under potato has been sown in this region. Meanwhile, the prices strengthened in Bengal on good demand against sluggish arrivals. Traders quoted that about 75-80% of potato has been sold from the West Bengal cold storages by the stockists. Remaining part of potato in the cold storages is expected to be use as table as well as seed for coming Rabi crop and will be released in November. Therefore traders are expecting a supply shortage in the near future until the new crop hit the market in February. On the other hand, arrivals of new potato from Karnataka, Punjab and Himachal Pradesh reported to be moderate. Still, it is keeping pressure on the demand of potatoes from Agra and Bengal region. On Tuesday, potato in North Indian markets offered slight down while in Bengal's Tarkeshwar and Burdwan, it rebounded to up at Rs. 780-830/qrtl and Rs. 760-800/qrtl respectively.

### FUTURES MARKETS:

MCX potato Tarkeshwar futures maintained bullish trend Tuesday also amidst fresh buying support. Futures market went slight down after weak opening but recovered thereafter and settled near the session's high. Tarkeshwar November futures opened down at Rs.641.3 over the last close of Rs.641.7 and gained Rs.5 at Rs.646.7 and traded within Rs.639.9-647.5. While Agra March futures settled Rs.10 up at Rs.519 and traded within Rs.508-521.

### PRICE DRIVERS:

1. Moderate arrivals; Lack of quality potato
2. Stocks release by the stockists
3. Sowing pressure in U.P.
4. Good demand against lower arrivals in Bengal

### WEATHER:

Arrivals are unlikely to affect due to weak monsoons.

### TECHNICALS: MCX Potato Tarkeshwar November Contract

Candlestick chart shows bullish trend of the market. Prices closed above short terms EMAs, indicates short-term bullish market. MACD moves up in the negative zone. Stochastic and RSI hints bullish market. Volume as well as open interest increased. Potato is expected to be trade firm after firm opening with possibility of some downward movement at the later session.

### MCX Potato Tarkeshwar November Contract



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

Month	S1	S2	PCP	R1	R2
November	641	635	646.7	651	656

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato **Nov.** above Rs.643 with target towards Rs.650 and then Rs.654; put stop loss strictly below Rs.638.

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

Markets	Variety	30.10.07	29.10.07	Change
Agra- Uttar Pradesh	Fair Average Quality	760-800	770-810	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	575-620	580-630	-5.00
Meerut- Uttar Pradesh	Fair Average Quality	700-720	730-780	-30.00
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	870-1150	875-1150	-5.00
Tarkeshwar-West Bengal	Fair Average Quality	780-830	770-820	+10.00
Burdwan- West Bengal	Fair Average Quality	760-800	750-780	+10.00

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