



## POTATO

OCT 19, 2007

### SPOT MARKETS:

Potato prices restricted at upper level in most of the domestic spot market on Thursday amidst strong demand for the quality potatoes. Increased demand for Navaratri against the lower arrivals of quality potato provided underline support to the market. Higher rates of other vegetables coupled with upcoming festive demand also underpinned the potato market. The prices quoted steady to up in Bengal on stable demand supply and weak demand from neighbouring states. Currently, higher stocks at the cold storages are impeding the upward movement. But, lack of availability of good quality potato is underpinning the market sentiment. Arrivals of new potato from Hassan in Karnataka reported to be moderate. Still, it is keeping pressure on the demand of potatoes from Agra and Bengal region. Traders said, so far around 65-70% 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 one month 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 Thursday, potato in North Indian markets offered steady while in Bengal's Tarkeshwar and Burdwan, it quoted stable at Rs. 750-800/qrtl and Rs. 720-750/qrtl respectively. Seed potato quoted at Rs.1000-1050/qrtl in Agra.

### FUTURES MARKETS:

MCX potato Tarkeshwar futures traded up on Thursday amidst mild buying support. Market went up after weak opening and settled down from the session's high. Tarkeshwar November futures opened down at Rs.617.50 over the last close of Rs.619.80 and gained Rs.3.20 at Rs.623 and traded in the range of Rs.617.50-625.60. Most active Agra March futures settled Rs.1.20 down at Rs.545.70 and traded in the range of Rs.545.10-546.80.

### PRICE DRIVERS:

1. Sluggish arrivals of quality potato against sturdy demand
2. Higher stocks in the Cold storages; Festive demand

### WEATHER:

Arrivals are unlikely to affect due to weak monsoons.

### TECHNICALS: MCX Potato Tarkeshwar November Contract

Candlestick chart exhibits slight strong market for the next trading day. Prices closed in between short terms EMAs, hints short-term steady to weak market. MACD moves up in the negative zone. Stochastic and RSI favours the bulls. Volume declined but open interest increased. Potato is expected to be trade up after weak 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	619	613	623	627	632

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX (T) potato **Nov.** above Rs.620 with target towards Rs.626 and then Rs.630; put stop loss strictly below Rs.615.

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

Markets	Variety	18.10.07	17.10.07	Change
Agra- Uttar Pradesh	Fair Average Quality	770-830	770-830	-
Farookhabad- Uttar Pradesh	Fair Average Quality	600-650	600-650	-
Meerut	Fair Average Quality	775-800	775-800	-
Delhi	Fair Average Quality	735-750	735-750	-
Tarkeshwar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	720-750	720-750	-

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