



## POTATO

NOV 01, 2007

### SPOT MARKETS:

Potato traded almost steady on Wednesday 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 used 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 Wednesday, potato in North Indian markets offered steady while in Bengal's Tarkeshwar and Burdwan, it quoted stable at Rs. 780-830/qlt and Rs. 760-800/qlt respectively.

### FUTURES MARKETS:

MCX potato Tarkeshwar futures closed down on Wednesday amidst profit booking and weak spot market sentiment. Futures market went up after mostly weak opening but slid thereafter and settled down. Tarkeshwar November futures opened mostly down at Rs.640.5 over the last close of Rs.644.6 and lost Rs.2.5 at Rs.642.1 and traded within Rs.638.5-648. While Agra March futures settled Rs.3.7 down at Rs.515 and traded within Rs.511.1-524.

### 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

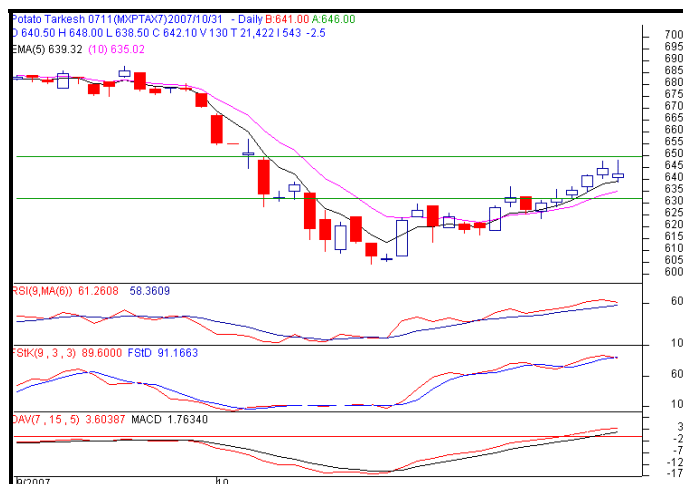
### WEATHER:

Arrivals are unlikely to affect due to weak monsoons.

### TECHNICALS: MCX Potato Tarkeshwar November Contract

Candlestick chart indicates weak market for the next trading day. Prices closed just above short term EMAs, indicates short-term slight strong market. MACD moves up from the positive zone. Stochastic and RSI hints slight weak market. Volume as well as open interest increased. Potato is expected to be trade slight down after weak opening with possibility of some upward movement at the later session.

### MCX Potato Tarkeshwar November Contract



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

Month	S1	S2	PCP	R1	R2
November	635	630	642.1	650	655

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX (T) potato **Nov.** below Rs.645 with target towards Rs.636 and then Rs.633; put stop loss strictly above Rs.651.

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

Markets	Variety	31.10.07	30.10.07	Change
Agra- Uttar Pradesh	Fair Average Quality	760-800	760-800	-
Farookhabad- Uttar Pradesh	Fair Average Quality	575-620	575-620	-
Meerut- Uttar Pradesh	Fair Average Quality	700-720	700-720	-
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	870-1150	870-1150	-
Tarkeshwar-West Bengal	Fair Average Quality	780-830	780-830	-
Burdwan- West Bengal	Fair Average Quality	760-800	760-800	-

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