



## ■ P O T A T O

■ DEC 21, 2007

### SPOT MARKETS:

Steady sentiment observed on Thursday in the country on stable demand supply while the prices some how restricted at lower level in Northern markets due to ample supply of new potato from locally and from Punjab, Himachal and Karnataka. Fresh potato has hit the market at most of the producing regions. Besides, Rabi sowing of potato is increasing in U.P., Bengal, Bihar and other Northern parts. Over 95% of the land under potato has been sown in northern parts but around 75% of the land has been sown in Bengal. However, demands from the consumers have improved but they prefer various kinds of winter green vegetables at this time, traders said. In Punjab, late blight has affected field potato in some pockets, sources said. On Thursday, potato in North Indian markets traded steady and in Bengal's Tarkeswar and Burdwan, it was stable at Rs. 740-780/ql and Rs. 730-770/ql respectively. In Meerut market of U.P., around 1300-1600 bags of new potato is arrived. Potato prices are remaining steady at lower rate in Delhi on steady arrivals from Punjab, H.P. and Karnataka.

### FUTURES MARKETS:

MCX potato Agra futures sharply declined on Thursday amidst massive profit booking on weak spot prices. Futures market tumbled after weak opening but closed up from the session's low. MCX Potato Agra March futures lost Rs.14.7 at Rs.515 after weak opening at Rs.529 and traded within Rs.511-529. MCX Potato Tarkeshwar March futures lost Rs.8.1 at Rs.446.1 following weak opening at Rs.452 and moved within Rs.445.2-452.

### PRICE DRIVERS:

1. Fresh arrivals of early new variety of potato
2. Improved demand from the consumers; Increasing sowing
3. Lower rates of other vegetables

### WEATHER:

Potato crop are unlikely to affect as almost clear weather forecast in the main producing regions.

### TECHNICALS: MCX Potato Agra March 2008 Contract

Candlestick chart hints sharply downward market for the next trading day. Prices closed below short term EMAs, indicates short-term weak market. MACD moving down in the positive zone. Stochastic and RSI hints weak market. Volume significantly increased while open interest considerably declined, supports the trend. Potato is likely to be trade weak after weak opening with possibility of some upward movement at the later session.

### MCX Potato Agra March-2008 Contract



### SUPPORT / RESISTANCES: MCX Agra March 2008 Potato

Month	S1	S2	PCP	R1	R2
March	507	500	515	520	525

### TRADE RECOMMENDATION: (Intraday)

**Sell** MCX Potato Agra **March** below Rs.518 with target towards Rs.508 and then Rs.504; put stop loss strictly above Rs.525.

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

Markets	Variety	20.12.07	19.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	600-650	600-650	-
Farookhabad- Uttar Pradesh	Fair Average Quality	520-550	520-550	-
Meerut- Uttar Pradesh	Fair Average Quality	620-650	620-650	-
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	540-625	540-625	-
Tarkeswar-West Bengal	Fair Average Quality	740-780	740-780	-
Burdwan- West Bengal	Fair Average Quality	730-770	730-770	-

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