



POTATO

DEC 24, 2007

SPOT MARKETS:

Bearish sentiment seen on Saturday in the Northern markets on increased arrivals of fresh potato while the prices escalated in Bengal on lower arrivals against improved demand. Arrivals of fresh potato from Punjab, H.P. and Haryana are increasing in Northern parts of the country. Besides, Rabi sowing of potato is increasing in U.P., Bengal, Bihar and other Northern parts. Most of the land under potato has been sown in northern parts but around 80% 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 Saturday, potato in North Indian markets tumbled and in Bengal's Tarkeswar and Burdwan, it was mostly up at Rs. 770-820/qrtl and Rs. 750-800/qrtl respectively. In Meerut market of U.P., around 1300-1500 bags of new potato is arrived. Potato prices are declined in Delhi on improved arrivals from Punjab, H.P. and Haryana.

FUTURES MARKETS:

MCX potato Agra futures settled up on Saturday on thin slight profit booking and mild buying support. Futures market moved down after mostly firm opening but got up thereafter. MCX Potato Agra March futures gained Rs.1.2 at Rs.520.8 after mostly firm opening at Rs.521.5 and traded within Rs.518.1-521.9. MCX Potato Tarkeshwar March futures added Rs.0.1 at Rs.448.3 following firm opening at Rs.449.8 and moved within Rs.446.6-449.8.

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 indecisive 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 slight weak market. Volume was steady while open interest declined, did not supports the trend. Potato is likely to be trade slight down after firm 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	515	510	520.8	525	530

TRADE RECOMMENDATION: (Intraday)

Buy MCX Potato Agra **March** above Rs.516 with target towards Rs.524 and then Rs.528; put stop loss strictly below Rs.510.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	22.12.07	21.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	580-625	600-650	-20.00
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	520-550	-20.00
Meerut- Uttar Pradesh	Fair Average Quality	600-630	620-650	-20.00
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	500-560	540-625	-40.00
Tarkeswar-West Bengal	Fair Average Quality	770-820	740-780	+30.00
Burdwan- West Bengal	Fair Average Quality	750-800	730-770	+20.00

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