



## POTATO

JAN 01, 2008

### SPOT MARKETS:

Bearish trend continued in the domestic potato market because of picking up arrivals of fresh potato in the market. Other bearish factor for declining of potato prices is lower rates of other winter vegetables, which is suppressing demand of potato among the consumers. 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 while over 95% of the land has been sown in Bengal. In Punjab, late blight has affected field potato in some pockets, sources said. Traders said, current weather is not favourable for potato in some pockets of West Bengal and worries of late blight has prevailed among the growers. On Monday, potato in North Indian markets tumbled and in Bengal's Tarkeswar and Burdwan, it was mostly down at Rs. 700-750/qrtl and Rs. 650-700/qrtl respectively. In Meerut market of U.P., around 1700-2000 bags of new potato is arrived. Potato prices were down in Delhi on improved arrivals from Punjab, H.P. and Haryana.

### FUTURES MARKETS:

MCX potato Agra futures rebounded to up on Monday amidst fresh buying support. Futures market hovered up after weak opening and closed at the session's high. MCX Potato Agra March futures climbed Rs.4.9 at Rs.518 after weak opening at Rs.512 and traded within Rs.512-518. MCX Potato Tarkeshwar March futures lost Rs.0.7 at Rs.446 following mostly weak opening at Rs.443.7 and moved within Rs.443.7-447.5.

### PRICE DRIVERS:

1. Increasing arrivals of fresh early new variety of potato
2. Steady demand from the consumers; Increasing sowing
3. Lower rates of other winter green 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 indicates strong market for the next trading day. Prices closed just below short term EMAs, indicates short-term steady to weak market. MACD moving down in the negative zone. Stochastic and RSI hints strong market. Volume improved but open interest slight declined, support the market. Potato is likely to be trade up after firm opening with possibility of some downward 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	514	510	518	522	528

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Potato Agra **March** above Rs.515 with target towards Rs.521 and then Rs.525; put stop loss strictly below Rs.510.

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

Markets	Variety	31.12.07	29.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	540-580	550-600	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	430-480	450-500	-20.00
Meerut- Uttar Pradesh	Fair Average Quality	530-580	550-600	-20.00
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	440-540	450-550	-10.00
Tarkeswar-West Bengal	Fair Average Quality	700-750	730-770	-30.00
Burdwan- West Bengal	Fair Average Quality	650-700	700-750	-50.00

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