



POTATO

DEC 14, 2007

SPOT MARKETS:

Potato prices remained almost unchanged on Thursday in the domestic spot market due to lean periods of supplies at that time. However, fresh arrivals of new early variety of potato are keeping pressure on the prices though they have been selling at higher rate. Arrivals of fresh potato from Punjab, Himachal and Karnataka are increasing. On the other hand, Rabi sowing of potato is increasing in U.P., Bengal, Bihar and other Northern parts. Over 92% of the land under potato has been sown in northern parts but around 47% 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. Traders said, most of the cold storages have released entire amount of potato from the stores in U.P. and West Bengal. In Punjab, late blight has affected field potato in some pockets, sources said. On Thursday, potato in North Indian markets traded steady while in Bengal's Tarkeswar and Burdwan, it was range bound at Rs. 750-800/qrtl and Rs. 750-780/qrtl respectively. In Meerut market of U.P., around 800-1000 bags of new potato is arrived from Punjab. Potato prices are remaining steady at lower rate on increased arrivals from Punjab, H.P. and Karnataka.

FUTURES MARKETS:

MCX potato Agra futures hovered up on Thursday amidst continued buying support. Market climbed after slight weak opening but set back from the session's high. MCX Potato Agra March futures gained Rs.6.7 at Rs.534.9 after slight weak opening at Rs.528 and traded within Rs.528-540. MCX Potato Tarkeshwar March futures added Rs.3.9 at Rs.450 and moved within Rs.447-453.9.

PRICE DRIVERS:

1. Moderate arrivals from Punjab, H.P. and Karnataka
2. Improved demand from the consumers
3. Negligible stocks of old potato; Fresh arrival of new potato

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 exhibits bullish trend of the futures market. Prices closed far above short term EMAs, indicates short-term strong market. MACD moving up in the positive zone. Stochastic and RSI hints bullish market. Volume as well as open interest significantly increased, supports the present market's trend. Potato is likely to be trade strong after slight weak 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	528	520	534.9	540	545

TRADE RECOMMENDATION: (Intraday)

Buy MCX Potato Agra **March** above Rs.530 with target towards Rs.539 and then Rs.542; put stop loss strictly below Rs.524.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	13.12.07	12.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	630-660	630-660	-
Farookhabad- Uttar Pradesh	Fair Average Quality	535-570	535-570	-
Meerut- Uttar Pradesh	Fair Average Quality	635-675	635-675	-
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	540-625	540-625	-
Tarkeswar-West Bengal	Fair Average Quality	750-800	750-800	-
Burdwan- West Bengal	Fair Average Quality	750-780	750-780	-

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