



POTATO

DEC 20, 2007

SPOT MARKETS:

Steady sentiment observed on Wednesday in the country on stable demand supply while the prices declined 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. On the other hand, 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 70% 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 Wednesday, potato in North Indian markets traded down and in Bengal's Tarkeswar and Burdwan, it was stable at Rs. 740-780/qrtl and Rs. 730-770/qrtl 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 closed down on Wednesday amidst early selling pressure. Futures market went down after mostly weak opening but got up thereafter on fresh buying and closed near the session's high. MCX Potato Agra March futures lost Rs.2.3 at Rs.531.9 after mostly weak opening at Rs.532.1 and traded within Rs.526-532.2. MCX Potato Tarkeswar March futures lost Rs.4.9 at Rs.454.4 following weak opening at Rs.456.2 and moved within Rs.453-460.5.

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 slight upward market for the next trading day. Prices closed just between short term EMAs, indicates short-term steady to upward market. MACD moving down in the positive zone. Stochastic and RSI hints weak market. Volume decreased but open interest improved, did not supports the trend. Potato is likely to be trade slight 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	525	520	531.9	537	542

TRADE RECOMMENDATION: (Intraday)

Buy MCX Potato Agra **March** above Rs.528 with target towards Rs.536 and then Rs.538; put stop loss strictly below Rs.522.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	19.12.07	18.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	600-650	610-650	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	520-550	525-560	-5.00
Meerut- Uttar Pradesh	Fair Average Quality	620-650	630-670	-10.00
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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