



■ P O T A T O

■ DEC 27, 2007

SPOT MARKETS:

Potato prices was down on Wednesday 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 Wednesday, potato in North Indian markets was down and in Bengal's Tarkeswar and Burdwan, it was up at Rs. 800-850/qrtl and Rs. 770-850/qrtl respectively. In Meerut market of U.P., around 1200-1600 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 slid on Wednesday amidst selling interest on weak spot market. Futures market slipped after mostly weak opening but closed up from the session's low. MCX Potato Agra March futures lost Rs.5.3 at Rs.517 after mostly weak opening at Rs.520 and traded within Rs.515-520. MCX Potato Tarkeshwar March futures lost Rs.3.2 at Rs.446 following weak opening at Rs.447.5 and moved within Rs.446-449.4.

PRICE DRIVERS:

1. Fresh arrivals of early new variety of potato
2. Moderate 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 weak market for the next trading day. Prices closed just below short term EMAs, indicates short-term steady to slight weak market. MACD moving down in the positive zone. Stochastic and RSI hints slight weak market. Volume increased but open interest declined, supports the market. Potato is likely to be trade 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	512	507	517	521	527

TRADE RECOMMENDATION: (Intraday)

Sell MCX Potato Agra **March** below Rs.520 with target towards Rs.513 and then Rs.510; put stop loss strictly above Rs.525.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	26.12.07	24.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	570-615	580-625	-10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	480-520	500-550	-20.00
Meerut- Uttar Pradesh	Fair Average Quality	580-610	600-630	-20.00
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	460-540	480-550	-20.00
Tarkeswar-West Bengal	Fair Average Quality	800-850	780-830	+20.00
Burdwan- West Bengal	Fair Average Quality	770-850	760-820	+10.00

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