



## POTATO

DEC 17, 2007

### SPOT MARKETS:

Potato prices maintained steady with rangebound sentiment on Saturday 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 95% of the land under potato has been sown in northern parts but around 65% 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 Saturday, 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 in Delhi on increased arrivals from Punjab, H.P. and Karnataka.

### FUTURES MARKETS:

MCX potato Agra futures closed down on Saturday amidst short covering. Market slid after weak opening but moved up thereafter on fresh buying. MCX Potato Agra March futures lost Rs.2.5 at Rs.544 after weak opening at Rs.545 and traded within Rs.537.2-545. But, MCX Potato Tarkeshwar March futures added Rs.1.9 at Rs.458.3 and moved within Rs.455-460.

### 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 slight upward 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 slight strong market, but technical reversal near due to mostly overbought condition of the market. Volume declined but open interest significantly increased, did not supports the present market's trend. Potato is likely to be trade slight down 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	538	530	544	555	565

### TRADE RECOMMENDATION: (Intraday)

**Buy** MCX Potato Agra March above Rs.540 with target towards Rs.550 and then Rs.555; put stop loss strictly below Rs.533.

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

Markets	Variety	15.12.07	14.12.07	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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