



POTATO

DEC 04, 2007

SPOT MARKETS:

Potato prices improved on Monday in the North Indian markets amidst fresh demand from the consumers against lower arrivals. However, lower prices of other winter vegetables restricted the upward movement of potato. Arrivals of fresh potato from Punjab, Himachal and Karnataka remained slight weak. In addition, Rabi sowing of potato is increasing in U.P., Bengal, Bihar and other Northern parts. Over 90% of the land under potato has been sown in northern parts but around 35% of the land has been sown in Bengal. Current weather is favourable for further growth of the crop. 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. Traders are expecting a supply shortage in the near future until the new crop hit the market full-fledged by the end of February. Besides, India has contracted to export of 10,000 tons of potato to Sri Lanka due to high demand for Indian potato. On Monday, potato in North Indian markets traded up while in Bengal's Tarkeswar and Burdwan, it was stable at Rs. 760-800/qrtl and Rs. 740-770/qrtl respectively. In Meerut market of U.P., around 1000-1500 bags of new potato is arrived from Punjab.

FUTURES MARKETS:

MCX potato Agra futures marginally declined on Monday amidst selling pressure. Market went up after mostly weak opening but closed down from the session's high. MCX Potato Agra March futures lost Rs.2.5 at Rs.510 after mostly weak opening at Rs.506.8 and traded within Rs.506.8-514. MCX Potato Tarkeshwar March futures added Rs.0.9 at Rs.433 and traded within Rs.432-433.

PRICE DRIVERS:

1. Steady arrivals from Punjab, H.P. and Karnataka
2. Steady demand from the consumers
3. Lower arrivals in Bengal; Lack of quality 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 indicates weak market for the next trading day. Prices closed just below short term EMAs, indicates short-term steady market. MACD moving down in the positive zone. Stochastic and RSI hints bearish market. Volume increased but open interest decreased. Potato is likely to be trade rangebound after lower 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	506	500	510	518	522

TRADE RECOMMENDATION: (Intraday)

Buy MCX Potato Agra March above Rs.507 with target towards Rs.515 and then Rs.520; put stop loss strictly below Rs.501.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	03.12.07	01.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	620-660	610-660	+10.00
Farookhabad- Uttar Pradesh	Fair Average Quality	530-550	520-550	+10.00
Meerut- Uttar Pradesh	Fair Average Quality	625-650	620-650	+5.00
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	625-700	-	-
Tarkeswar-West Bengal	Fair Average Quality	760-800	760-800	-
Burdwan- West Bengal	Fair Average Quality	740-770	740-770	-

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>