



POTATO

DEC 26, 2007

SPOT MARKETS:

Potato prices were steady to down on Monday 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 Monday, potato in North Indian markets was steady and in Bengal's Tarkeswar and Burdwan, it was up at Rs. 780-830/qrtl and Rs. 760-820/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 settled up on Monday on moderate buying support. Futures market moved up after mostly weak opening but set back from the session's high. MCX Potato Agra March futures gained Rs.1.5 at Rs.522.3 after mostly weak opening at Rs.518.1 and traded within Rs.518.1-523. MCX Potato Tarkeshwar March futures added Rs.0.9 at Rs.449.2 following firm opening at Rs.450 and moved within Rs.446.5-450.9.

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 strong 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 recovery of prices. Volume as well as open interest improved, supports the market. Potato is likely to be trade up after 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	518	512	522.3	528	535

TRADE RECOMMENDATION: (Intraday)

Buy MCX Potato Agra **March** above Rs.519 with target towards Rs.527 and then Rs.530; put stop loss strictly below Rs.514.

SPOT MARKET PRICE FOR POTATO (Rs. /Quintal)

Markets	Variety	24.12.07	22.12.07	Change
Agra- Uttar Pradesh	Fair Average Quality	580-625	580-625	-
Farookhabad- Uttar Pradesh	Fair Average Quality	500-550	500-550	-
Meerut- Uttar Pradesh	Fair Average Quality	600-630	600-630	-
Delhi- Azadpur Sabzi Mandi	Fair Average Quality	480-550	500-560	-20.00
Tarkeswar-West Bengal	Fair Average Quality	780-830	770-820	+10.00
Burdwan- West Bengal	Fair Average Quality	760-820	750-800	+10.00

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