

Potato Fundamentals:

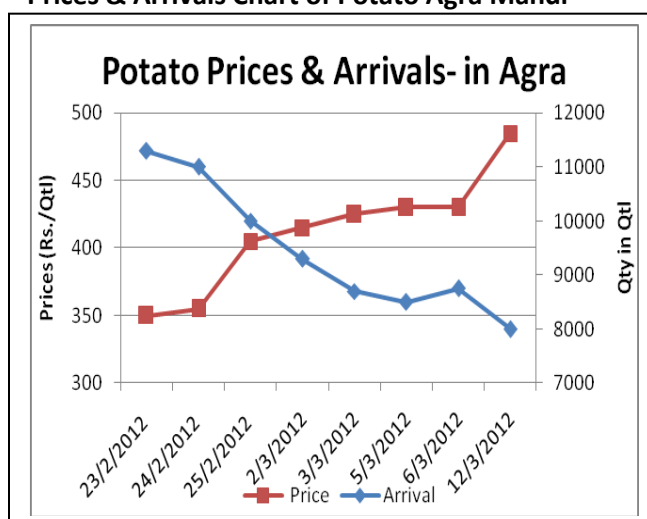
- Prices are increasing due to good demand in physical markets and lower production estimates in UP. As per traders, production could be down by 20-25 % in UP and West Bengal.
- There is constant demand coming from different states. Mumbai traders are offering Rs. 740-750/Qtl but due to poor quality arrivals in major mandis of UP, they are not getting adequate quantity.
- Stockists and cold store owners are buying potatoes from farmers from their field itself. Even, big farmers are putting stock directly into cold store looking at lower production figures and expecting prices of 1000-1200/qtl in mandis which is currently ruling around Rs. 600-650/qtl in major mandis of UP.
- Cold storages in UP could be filled up to 75-80% of capacities as new storage capacities has come up in Hathras & Agra Belt.
- On an average farmer's cost for potato comes out to be Rs. 15000/Bigha and yield is estimated to be 20 qtl /Bigha this time against avg yield of Rs. 25 qtl/Bigha. Farmers have to pay Rs 125-150/Qtl as rent for cold store for one season.
- Highest retails price of Rs. 2200/Qtl was recorded in Trivandrum due to very low arrivals.

Price & Arrivals as on 12/03/2012 in UP

Mandi	Price (in Qtl)	Arrivals (in Qtl)
Agra	650	3500
Khandauli	650	2500
Aligarh	650	600
Khair	510	1500
Shikhoabad	625	2000
Sirsaganj	675	3500
Farrukhabad	625	5000

(Source: Agriwatch)

Prices & Arrivals Chart of Potato Agra Mandi



(Source: NHRDF, AGMARKNET)

Outlook:

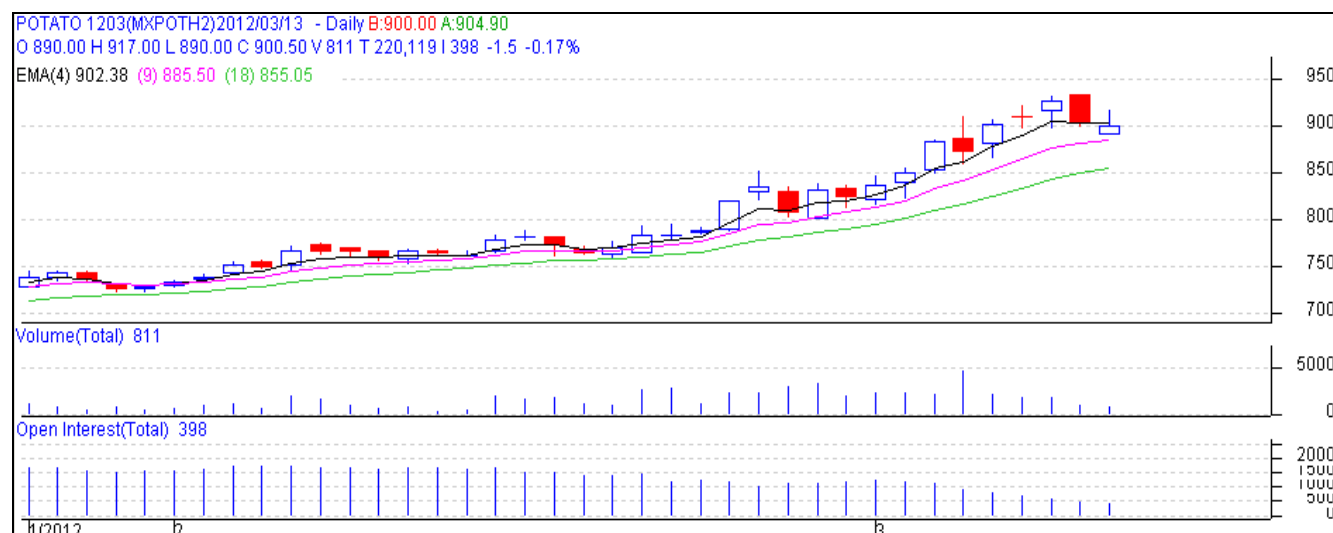
Potato prices in major centers are likely to increase further in the short term due to lower supply from U.P and constant demand from other states. However, the supply may increase once farmers start harvesting again after a long holidays due to UP Elections & Holi.

Potato Futures Prices at MCX as on 12th March 2012

Symbol	Delivery Center	Expiry Date	Today's Close (Rs/Qtl)	Prev Close (Rs/Qtl)	Net Change	Today's Open Interest (in MT)	Change in Open Interest	Previous Day's Open Interest (in MT)
POTATO	Agra	15-Mar-12	900.5	902	-1.5	11940	-1710	13650
POTATO	Agra	14-Apr-12	1066.6	1025.6	41	26880	3480	23400
POTATO	Agra	15-May-12	1170.4	1125.4	45	47760	-2790	50550
POTATOTRWR	Tarkeshwar, W Bengal	15-Mar-12	775.6	763.1	12.5	4470	-660	5130
POTATOTRWR	Tarkeshwar, W Bengal	13-Apr-12	847	814.4	32.6	5490	240	5250
POTATOTRWR	Tarkeshwar, W Bengal	15-May-12	948.1	911.6	36.5	26040	750	25290

In today's session, Potato- April & May contracts of Agra increased by Rs 40-45/Qtl as compared to previous day closing prices. Potato Tarkeshwar- April & May contracts also shoot up by Rs 32-36/Qtl. From derivative data, it seems that traders have rolled over their long positions from March contract to April contract. This is because, price and Open interest has fallen in March contract and is increased in April contract.

Technical Analysis - Potato-March Contract at MCX



Profit booking was seen at higher levels in the Futures market. Prices touched intraday high of Rs 917 but closed at Rs. 900.50, below its 4-day exponential Moving average (Rs 902.4). Further prices could find support at 885 levels, its 18-day exponential moving average. Good buying could be seen in the range of Rs 850-860 levels. Since the present contract is near expiry i.e 15th March, there is less trading volumes in this contract and market participants are shifting to April & May contracts.

Potato Prices – Mandi & Retail as on 12th March 2012

S.No.	Centre Name	Variety	Mandi MinPrice (Rs/Qtl)	Mandi MaxPrice (Rs/Qtl)	Mandi Avg.Price (Rs/Qtl)	Arrival (MT.)	RetailPrice (Rs/Qtl)
1	ABOHAR	POTATO STORE	300	500	400	110	800
2	AGRA	POTATO FRESH	500	700	600	140	1000
3	AHMEDABAD	POTATO FRESH	450	600	525	502	800
4	AMRITSAR	POTATO FRESH	260	340	300	165	800
5	BARAUT	POTATO STORE	700	800	750	20	1100
6	CHANDIGARH	POTATO FRESH	375	450	425	80	700
7	CHENNAI	POTATO FRESH	800	1200	1000	280	1600
8	DELHI	POTATO FRESH	440	700	570	218	900
9	JAIPUR	POTATO FRESH	575	625	605	288	950
10	JAMMU	POTATO FRESH	500	600	550	108	800
11	KOLKATA	POTATO FRESH	600	640	620	384	800
12	LUCKNOW	POTATO FRESH	500	580	540	60	800
13	MUMBAI	POTATO FRESH	700	950	850	1488	1200
14	MUMBAI	POTATO STORE	800	1000	900	0	1400
15	NAGPUR	POTATO FRESH	500	700	600	320	1000
16	NASIK	POTATO STORE	750	850	810	100	1050
17	PUNE	POTATO FRESH	800	1000	900	675	1200
18	RANCHI	POTATO FRESH	400	550	500	100	800
19	SHIMLA	POTATO FRESH	600	700	650	40	1000
20	SRINAGAR	POTATO FRESH	700	770	720	100	1000

21	SRINAGAR	POTATO STORE	800	850	830	120	1200
22	SURAT	POTATO FRESH	500	600	550	200	1000
23	TRIVENDRUM	POTATO FRESH	1400	1600	1500	17	2200

(Source:NHB)

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.php>

© 2005 Indian Agribusiness Systems Pvt Ltd.