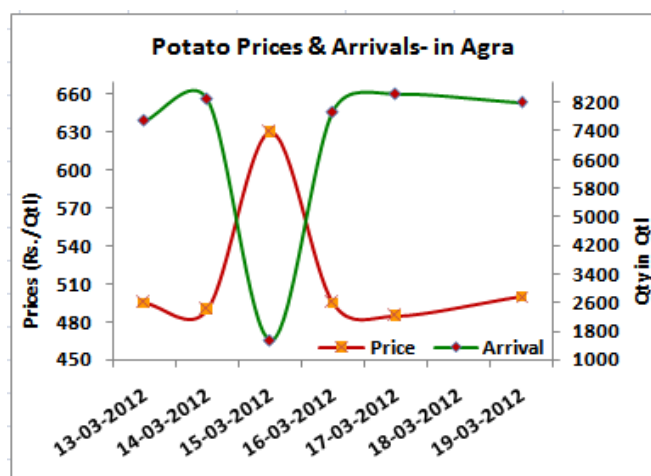


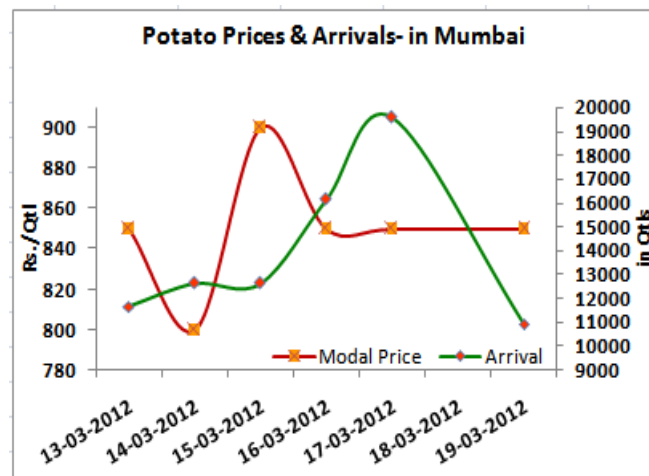
## Potato Fundamentals:

- Average potato prices in Agra improved from Rs 485/Qtl on Saturday to Rs 500 a quintal on Monday due to relatively lower arrivals and stable demand from the cold storage units adjoining Agra.
- Potato arrivals on Monday in Agra mandi are seen at 8200 quintals down by 250 quintals as compared to Saturday's arrivals. Decline in potato arrivals in Agra mandi is due to growers holding back fresh potato in fields due to recent decline in prices.
- Fresh potato demand from cold storage units are seen stable. But large cold storage units are continuing to buy freshly harvested potatoes from growers as they have capacity to stock more. On an average, medium cold storage units are currently at a 70-75% capacity utilization. These units are seen willing to stock more potato and raise their capacity utilization to above 80%. Due to this, there is currently stable demand for potato from these cold storage units.
- Meanwhile, potato growers are only slowly releasing their freshly harvested potato into the market due to recent price decline. They are holding freshly harvested potatoes at their field under shade in anticipation of getting better prices during the coming few days. However, if the prices do not increase within a week, they are bound to bring their produce into the market which may lead to a further price decline.
- At the same time, any near term gain in prices could encourage growers to bring their produce to the market which would check prices from rising further. However, lower production estimates y-o-y shall keep medium to long term fundamentals on a firm note.

Price & Arrivals Chart of Potato in Agra Mandi



Prices & Arrivals Chart of Potato in Mumbai



Potato Prices & Arrivals in UP Mandis as on 19/03/2012

Mandi	Agra	Khandauli	Aligarh	Khair	Shikohabad	Sirsaganj	Farrukhabad
Price (in Qtl)	400-600	650	650	500-600	400-600	700	450-550
Arrivals (in Qtl)	15000	NA	1500	2000	NA	1200	8000

(Source: Agriwatch)

## Outlook:

Potato prices are expected to stay range bound with weak bias for the short term due to slow release of newly harvested potato by growers and lack of aggressive buying by cold storages. However, medium to long term fundamentals are strong due to lower production estimates.

## Potato Futures Prices at MCX as on 19<sup>th</sup> 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	Prev. day's Open Interest (in MT)
Potato	Agra	14-Apr-12	1027.00	1042.60	-15.60	670	-48	718
Potato	Agra	15-May-12	1187.80	1202.90	-15.10	1994	61	1933
Potato	Agra	15-Jun-12	1300.00	1310.30	-10.30	257	68	189
Potato Tarkesh	Tarkeshwar	13-Apr-12	890.00	903.4	-13.40	84	-52	136
Potato Tarkesh	Tarkeshwar	15-May-12	999.20	1005.5	-6.30	501	-373	874
Potato Tarkesh	Tarkeshwar	15-Jun-12	1083.00	1094.1	-11.10	292	123	169

## Potato Futures Prices at NCDEX as on 19<sup>th</sup> March 2012

Symbol	Delivery Centre	Expiry Date	Today's Close (Rs/Qtl)	Prev Close (Rs/Qtl)	Net Change	Today's Open Interest (in MT)	Change in Open Interest	Prev. day's Open Interest (in MT)
Potato	Agra	20-Apr-12	960.00	972.30	-12.30	11310	-270	11580
Potato	Agra	18-May-12	1076.40	1096.00	-19.60	7455	1020	6435
Potato	Agra	20-Jun-12	1157.40	1193.10	-35.70	3675	315	3360

Rebuilding of Open Interest with price decline indicates possible building of short positions on the NCDEX. Similarly far month contract in MCX also shows a similar trend indicating possibility of prices decline in the exchange platforms in the near term.

## Technical Analysis - Potato-April Contract at NCDEX



Potato April futures contract in NCDEX retested its 9-day exponential moving average (EMA) resistance level of 990-1000 but was unable to close above it, indicating possibility of further price decline in the short term. Prices are near its 21-day EMA support zone which currently stands at 950. The 38% Fibonacci retracement level of the recent move from 720 to 1090 also stands at around 955. This is also likely to offer some support. If these levels are breached, prices are likely to fall further with the next support at the 50% retracement level of around Rs 900.



### Potato Prices of Fresh Variety – Mandi vs. Retail as on 19<sup>th</sup> March 2012

S. No.	Centre Name	Mandi Min Price (Rs/Qtl)	Mandi Max Price (Rs/Qtl)	Mandi Avg. Price (Rs/Qtl)	Arrival (MT.)	Retail Price (Rs/Qtl)
1	AGRA	450	535	500	820	-
2	AHMEDABAD	450	600	525	542	800
3	AMRITSAR	450	550	500	110	1000
4	BANGALORE	400	940	760	1354	-
5	BARAUT	-	-	-	-	-
6	BHOPAL	-	-	-	-	-
7	BHUBANESHWAR	-	-	-	-	-
8	CHANDIGARH	438	500	469	75	800
9	CHENNAI	-	-	-	-	-
10	DEHRADUN	493	562	537	92	1200
11	GANGATOK	-	-	-	-	-
12	GUWAHATI	650	700	670	240	900
13	HYDERABAD	700	1100	1000	163	1600
14	JAIPUR	450	650	550	445	-
15	JAMMU	500	600	550	72	900
16	KOLKATA	720	760	740	351	-
17	LUCKNOW	650	750	700	30	1000
18	NAGPUR	-	-	-	-	-
19	PUNE	700	950	800	916	1100
20	SHIMLA	750	850	800	30	1200
21	SRINAGAR	700	750	720	110	1000
22	SRINAGAR	840	900	870	120	1300
23	SURAT	-	-	-	-	-

(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.