

11 February, 2013

## Executive Summary:

- Potato prices are gradually coming down in different cities with increase in harvesting from producing regions of UP, West Bengal and Bihar.
- The potato crop in west Bengal is expected to be higher by 6-7% as compared to last year. Last year Bengal had produced around 85 lakhs tons of potatoes.
- In Bihar, acreage under potato is estimated to be same as last year. As per state horticulture dept, overall production could be higher by 10-15% this year because of good weather condition. Bihar is third largest producer of potato after UP and West Bengal but the average yield is lower than all top five producing states in India.
- In West Bengal, Rabi crop has started arriving in market and expected to pick up pace next week as cold store will be opened from 20<sup>th</sup> Feb.
- Prices of potatoes are expected to come down further in Kolkata and eastern states with harvesting is picking up pace in West Bengal and Uttar Pradesh from next week. Potato from Punjab is getting over now and markets will depend on UP and West Bengal.
- In Commodity Exchange, Potato March, April and May futures are trading near Rs. 835/Qtl for Agra delivery. Now prices are waiting for cues from the cold store capacity utilization in next one month.

## Weekly Wholesale Potato Prices Analysis for 4<sup>th</sup> Feb 2013 – 9<sup>th</sup> Feb 2013

Market	State	Avg. Prices 4th Feb -9th Feb 2013#	Avg. Prices 27 Jan - 2nd Feb 2013#	Avg. Prices 27 Jan -2nd Feb 2012*	% Change over Prev. Week	% Change over Last Year
Delhi	Delhi	660	642	410	2.80	60.98
Agra	UP	597	754	350	-20.82	70.57
Kanpur	UP	637	613	400	3.92	59.25
Farrukhabad	UP	526	488	350	7.79	50.29
Kolkata	W. Bengal	684	734	500	-6.81	36.80
Ludhiana	Punjab	522	488	475	6.97	9.89
Indore	MP	750	767	525	-2.22	42.86
Mumbai	Maharashtra	1150	1310	725	-12.21	58.62
Bangalore	Karnataka	1250	1425	1287	-12.28	-2.87
Ahmedabad	Gujarat	676	750	600	-9.87	12.67
Hyderabad	AP	858	920	900	-6.74	-4.67
Chennai	Tamil Nadu	1633	1860	800	-12.20	104.13

(Source: #AGRIWATCH, \* DCA)

The above table shows the weekly wholesale price variation across different markets in the country. Week on week basis, prices have reduced in almost all the markets except Ludhiana and Farrukhabad. Prices have come down in the range of 10-20%. The reason for decline in prices is higher supplies from producing regions like U.P and Punjab. However, wholesale prices are still higher than previous year during the same time.

11 February, 2013

## Weekly Retail Potato Prices Analysis for 4<sup>th</sup> Feb 2013 – 9<sup>th</sup> Feb 2013

Market	State	Price as on 9/02/2013	Price as on 02/02/2013	Price one year ago- 11/02/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1800	2200	1500	-18.18	20.00
Bhubaneswar	Odisha	1000	1025	600	-2.5	66.67
Chennai	Tamilnadu	2000	2200	1600	-9.09	25.00
Delhi	Delhi	1200	1200	800	0.00	50.00
Guwahati	Assam	800	1000	700	-20.00	14.29
Hyderabad	Andhra Pradesh	2400	2600	1400	-7.69	71.43
Kolkata	W. Bengal	900	900	800	0.00	12.50
Mumbai	Maharashtra	2000	2000	1000	0.00	100.00
Patna	Bihar	1000	1000	800	0.00	25.00

(Source: NHB, DCA)

Retail prices also softened last week as compared to two week ago because of higher supply from producing region. But prices are still 50% higher when compared to last year during the same time.

## Technical Analysis – Weekly Spot Price Chart of Potato- Khandauli, Agra



(Note: Each bar or “candle” in the chart shows the price movement in a particular week. The green candle signifies prices increased and red candle signifies prices decreased in that week. The length of the “candle” shows the upper and lower end of the price range for the week.)

The above chart shows the weekly price movement of Potato prices in spot market of Agra. In Agra, prices were trading between Rs 700-800 during the week. Prices are now trading at approximately 40-week lows and are persistently trading below the 12-week moving average, indicating a downward trend. The next

11 February, 2013

support level is in the range of Rs 650-600. On the upper side, resistance is likely in the 850-900 range. Prices are likely to fall ahead as arrival of fresh crop from U.P and West Bengal is picking up pace.

**MCX- Potato Futures Weekly Analysis: (4<sup>th</sup> -9th Feb 2013)**

Symbol	Delivery Center	Expiry Date	Weekly Close Price	Previous Week Close Price	Net Change	This Week Open Interest	Previous Week Open Interest	Change in Open Interest
POTATO	AGRA	15-Mar-13	836	862.9	-26.9	16530	17490	-960
POTATO	AGRA	15-Apr-13	836	865.8	-29.8	10830	10530	300
POTATO	AGRA	15-May-12	827.4	873.9	-46.5	22050	19350	2700
				Total		49410	47370	2040

(Source: MCX)

In futures markets potato prices are trading above Rs. 800/Qtl. March futures closed at 836/Qtl, down by Rs. 27 from previous week.

In MCX, long liquidation is seen in March contract where-as short build-up is visible in April and may contracts. In march and april contract, prices have fallen but open interest has increased indicating markets are expecting prices to come down in near future.

**Disclaimer**

The information contained in this document has been compiled by Agriwatch from sources believed to be reliable, such as NHB, Agmarknet, etc. and directly from traders in mandis. However, users of this data are requested to use the information with due caution and crosscheck with other sources. This document is not, and should not be construed as an offer to sell or buy any commodities. This document may not be reproduced, distributed or published without the express consent of SFAC