

18 February, 2013

Executive Summary:

- Potato prices are stable in producing region as compared to previous week but they are much higher when compared to previous year during the same time.
- In West Bengal, hybrid potato 'Pukhraj' is arriving in market. According to trade sources, demand is mainly coming from A.P, Bihar and Jharkhand.
- Recent rains and frost in some region of Uttar Pradesh could affect the quality of potato and delay harvesting in producing region. Cold stores are expected to open from 1st week of March.
- In Bihar, acreage under potato is estimated to be same as last year. As per state horticulture dept, production could be higher by 10-15% this year because of good weather condition.
- In Sitamari (Bihar), potatoes are coming from U.P region and local region which are contributing approximately 25% and 75% to the total arrivals. According to trade sources, cold storages are expected to open after one week.
- According to trade sources in Begusarai (Bihar), potato is coming from local region. Mainly 'lal' and 'Safed' variety of potatoes are arriving in market but 'lal' variety is able to fetch maximum prices of Rs 525/ quintal.
- In Delhi, potato are coming from U.P, Punjab and Haryana in which U.P alone is contributing approximately 50% to the total arrival whereas rest 50% is arriving in market from Punjab and Haryana together.

Weekly Wholesale Potato Prices Analysis for 11th Feb 2013 – 16th Feb 2013

Market	State	Avg. Prices 11th Feb - 16th Feb 2013#	Avg. Prices 4th Feb -9th Feb 2013#	Avg. Prices 11th Feb - 16th Feb 2012*	% Change over Prev. Week	% Change over previous Year
Delhi	Delhi	609	660	420	-7.73	45.00
Agra	UP	573	597	330	-4.02	73.64
Kanpur	UP	639	637	400	0.31	59.75
Farrukhabad	UP	500	526	300	-4.94	66.67
Kolkata	W. Bengal	650	684	500	-4.97	30.00
Ludhiana	Punjab	506	522	400	-3.07	26.50
Indore	MP	750	750	350	0.00	114.29
Mumbai	Maharashtra	1150	1150	700	0.00	64.29
Bangalore	Karnataka	1250	1250	700	0.00	78.57
Ahmedabad	Gujarat	610	676	375	-9.76	62.67
Hyderabad	AP	1084	858	900	26.34	20.44
Chennai	Tamil Nadu	1500	1633	900	-8.14	66.67

(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 Hyderabad where prices have

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increased by 26.34% respectively. In few markets, prices are still stable as compared to previous week. Prices have come down in the range of 3-10%. Prices have dropped down because of increase in arrivals from producing regions like Punjab and U.P. But prices are still high when compared to previous year.

Weekly Retail Potato Prices Analysis for 11th Feb 2013 – 16th Feb 2013

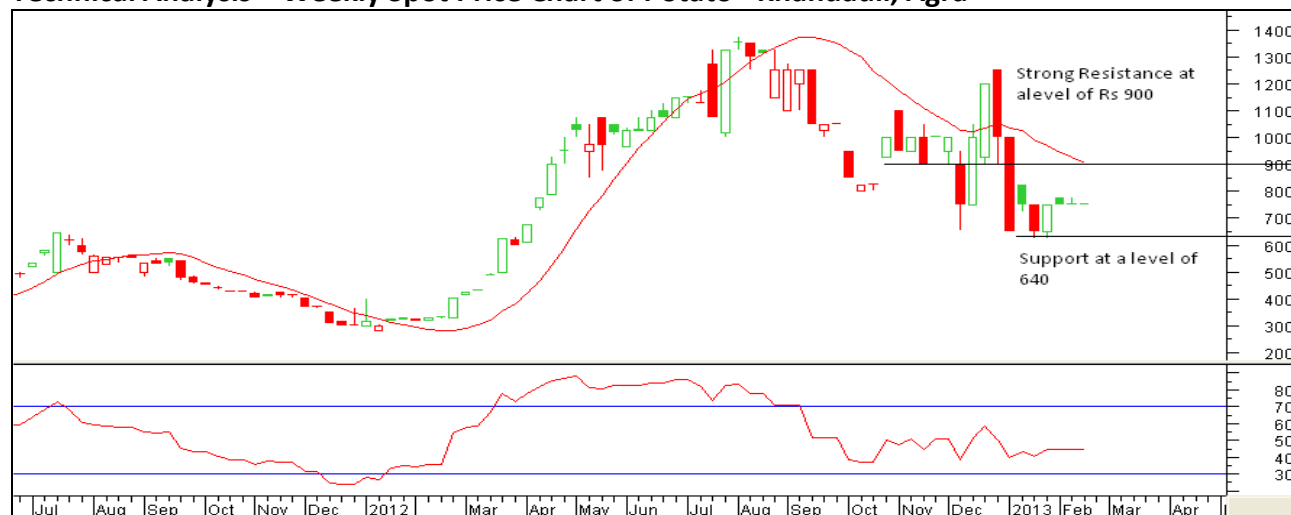
Market	State	Price as on 16/02/2013	Price as on 9/02/2013	Price one year ago- 16/02/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1800	1800	1200	0.00	50.00
Bhubaneswar	Odisha	850	1000	550	-15.00	54.55
Chennai	Tamilnadu	2000	2000	1600	0.00	25.00
Delhi	Delhi	1200	1200	800	0.00	50.00
Guwahati	Assam	900	800	700	12.50	28.57
Hyderabad	Andhra Pradesh	2125	2200	1200	-3.41	77.08
Kolkata	W. Bengal	900	900	700	0.00	28.57
Mumbai	Maharashtra	1800	2000	1000	-10.00	80.00
Patna	Bihar	1100	1000	800	10.00	37.50

(Source: NHB, DCA)

In Retail prices, a mixed variation is seen. Retail prices have increased in Guwahati and Patna whereas in Bhubaneswar and Hyderabad prices have declined and in rest markets prices are stable.

Prices are still high by 25%-80% when compared to previous year. According to NCAER, prices of potato are expected to come down after April 2013.

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 from last two weeks. Prices are stable as arrivals are constant. On the

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lower side prices may found a support at a level of 640 whereas on higher side prices may found resistance at level of 900. Relative Strength Indicator (RSI) is stable and is expected that prices may come down in coming weeks as arrivals will be in full swing from U.P and West Bengal.

MCX- Potato Futures Weekly Analysis: (11th -16th 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	839.1	836	3.1	14430	16530	-2100
POTATO	AGRA	15-Apr-13	818.9	836	-17.1	10260	10830	-570
POTATO	AGRA	15-May-12	819.4	827.4	-8	27960	22050	5910
				Total		52650	49410	3240

(Source: MCX)

In futures markets potato prices are trading above Rs. 800/Qtl. March futures closed at 839.1/Qtl, up by Rs. 3.1 from previous week.

In MCX, March contract short covering was seen with increase in price and decrease in open interest. In April contract, long liquidation was seen by market participant with decrease in both prices and open interest. In May contract, short buildup was seen as prices have fallen but open interest has increased indicating markets are expecting prices to come down in near future.

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