

## Executive Summary:

- State horticulture department of U.P has estimated the loss of potato crop is not more than 5% due to heavy rain falls in last two weeks and also it is feared that rain may lead to an outbreak of disease in the standing potato crop.
- According to trade sources in West Bengal potato production is expected to be 5-7% higher as compared to previous year's production because of favorable weather condition for potato crop.
- In West Bengal, hybrid potato 'Pukhraj' is arriving in market. According to trade sources, demand is mainly coming from A.P, Bihar and Jharkhand.
- According to NCAER report, potato production is estimated to be 5%-7% higher as compared to last year which may result into 43.5-44.5 million ton.
- According to news sources, Nalanda district of Bihar has set a new world record of potato production by producing 1,088 quintals per hectare earlier which was 729 quintals/ hectare.
- According to news sources, Pakistan is presently exporting commodity at \$225-230 per ton but rates are continuing to fluctuate due to stiff competition, India is booking at \$210 per ton.
- In Delhi, potatoes are arriving in market from U.P, Punjab and Haryana. Among all these places, U.P is contributing approximately 75% to the total arrival and rest 25% is coming from Punjab and Haryana.

## Weekly Wholesale Potato Prices Analysis for 18<sup>th</sup> Feb 2013 – 23<sup>rd</sup> Feb 2013

Market	State	Avg. Prices 18th Feb - 23rd Feb 2013#	Avg. Prices 11th Feb - 16th Feb 2013#	Avg. Prices 18th Feb - 23rd Feb 2012*	% Change over Prev. Week	% Change over previous Year
Delhi	Delhi	723	609	450	18.72	60.67
Agra	UP	588	573	300	2.62	96.00
Kanpur	UP	680	639	400	6.42	70.00
Farrukhabad	UP	516	500	325	3.20	58.77
Kolkata	W. Bengal	605	650	425	-6.92	42.35
Ludhiana	Punjab	559	506	400	10.47	39.75
Indore	MP	705	750	525	-6.00	34.29
Mumbai	Maharashtra	1050	1150	600	-8.70	75.00
Bangalore	Karnataka	1325	1250	1500	6.00	-11.67
Ahmedabad	Gujarat	596	610	600	-2.30	-0.67
Hyderabad	AP	1259	1084	800	16.14	57.38
Chennai	Tamil Nadu	1466	1500	750	-2.27	95.47

(Source: #AGRIWATCH,\* DAC)

The above table shows the weekly wholesale price variation across different markets in the country as a mixed variation of prices is seen. Prices have increased in most of the markets as arrivals are low from West

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Bengal and U.P due to delay in harvesting. The other reason for increase in prices was strike (Bharat Bandh) and heavy rains in north region this week which led to lower arrivals and increase in prices in market.

## Weekly Retail Potato Prices Analysis for 18<sup>th</sup> Feb 2013 – 23<sup>rd</sup> Feb 2013

Market	State	Price as on 23/02/2013	Price as on 16/02/2013	Price one year ago- 23/02/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	2200	1800	1700	22.22	29.41
Bhubaneswar	Odisha	900	850	800	5.88	12.50
Chennai	Tamilnadu	1700	2000	1200	-15.00	41.67
Delhi	Delhi	1200	1200	900	0.00	33.33
Guwahati	Assam	800	900	800	-11.11	0.00
Hyderabad	Andhra Pradesh	2000	2125	1000	-5.88	100.00
Kolkata	W. Bengal	900	900	600	0.00	50.00
Mumbai	Maharashtra	2000	1800	1400	11.11	42.86
Patna	Bihar	1300	1100	800	18.18	62.50

(Source: NHB, DC)

In Retail prices, a mixed variation is seen. Retail prices have increased in all the markets except Chennai, Guwahati and Hyderabad whereas in Delhi and Kolkata it remained unchanged. Reason for increase in prices was due to strike and lower arrival in market from producing regions because of rainfall.

Prices are still high by 12%-100% 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 find a support at a level of 625 whereas on higher side prices may find resistance at level of 850. Relative Strength Indicator (RSI) is stable and is expected that prices may remain range bound for a couple of days. Once the arrivals from U.P and West Bengal are on peak, prices are expected to fall down further.

**MCX- Potato Futures Weekly Analysis: (18<sup>th</sup> -23rd 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	841.9	839.1	2.8	14220	14430	-210
POTATO	AGRA	15-Apr-13	825	818.9	6.1	9810	10260	-450
POTATO	AGRA	15-May-12	823.1	819.4	3.7	25560	27960	-2400
				Total			52650	-3060

(Source: MCX)

In futures markets potato prices are trading above Rs. 800/Qtl. March futures closed at 839.1/Qtl, up by Rs. 2.8 from previous week. In MCX, March, April and May contract, prices have increased whereas open interest has decreased which suggest short covering by market participants.

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