

## Executive Summary:

- Cold storages are opened in West Bengal and Uttar Pradesh and Bihar. Harvesting of potatoes is picking up pace and produce is directly going to cold storages.
- In U.P, cold storage charges to keep potatoes have increased by 20%, compared to previous year. Earlier, a 50kg bag was charged Rs 70 for the season, now this has increased to approximately Rs 85/Bag.
- According to cold storage association of West Bengal, favorable weather condition and extended rains may increase the production this year to approximately 100 lakh ton, 5 % more than last year's 96 lakh ton. In Last two weeks, due to rains potatoes might hit by late blight disease but it is expected that it would not affect the overall production much as acreage and productivity is higher this year.
- In U.P, prices are still hovering between Rs 425 to Rs 650/Qtl. Lowest prices were reported in Farrukhabad between Rs 420 to 540/Qtl in last 4-5 days.
- In Delhi, potatoes are arriving in market from U.P (Aligarh and Sambhal) which are contributing approximately 95% to total arrival and rest 5% is arriving in market from Punjab and Haryana.
- In most of the markets, prices of potatoes this year are more compared to corresponding year at the same time due to high fertilizers cost this year.

## Weekly Wholesale Potato Prices Analysis for 25thFeb 2013 – 1<sup>st</sup> March 2013

Market	State	Avg. Prices 25th Feb - 1st March 2013#	Avg. Prices 18th Feb - 23rd Feb 2013#	Avg. Prices 25th Feb - 1 March 2012*	% Change over Prev. Week	% Change over previous Year
Delhi	Delhi	690	723	490	-4.6	40.8
Agra	UP	520	588	450	-11.6	15.6
Kanpur	UP	670	680	500	-1.5	34.0
Farrukhabad	UP	451	516	450	-12.6	0.2
Kolkata	W. Bengal	738	605	540	22.0	36.7
Ludhiana	Punjab	570	559	560	2.0	1.8
Indore	MP	730	705	525	3.5	39.0
Mumbai	Maharashtra	1010	1050	670	-3.8	50.7
Bangalore	Karnataka	1130	1325	700	-14.7	61.4
Ahmedabad	Gujarat	580	596	360	-2.7	61.1
Hyderabad	AP	1080	1259	900	-14.2	20.0
Chennai	Tamil Nadu	1285	1466	950	-12.3	35.3

(Source: #AGRIWATCH,\* NHB)

4 March, 2013

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 declined as harvesting have picked up the pace. Prices have increased in Kolkata as Jyoti variety has started coming in markets and are going directly to cold storages.

## Weekly Retail Potato Prices Analysis for 25<sup>th</sup> Feb 2013 – 1<sup>st</sup> March 2013

Market	State	Price as on 1/03/2013	Price as on 23/02/2013	Price one year ago- 1/03/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	2200	2200	1200	0.00	83.33
Bhubaneswar	Odisha	900	900	700	0.00	28.57
Chennai	Tamilnadu	2000	1700	1600	17.65	25.00
Delhi	Delhi	1200	1200	800	0.00	50.00
Guwahati	Assam	800	800	800	0.00	0.00
Hyderabad	Andhra Pradesh	1400	2000	1200	-30.00	16.67
Kolkata	W. Bengal	900	900	800	0.00	12.50
Mumbai	Maharashtra	2000	2000	1000	0.00	100.00
Patna	Bihar	900	1300	800	-30.77	12.50

(Source: NHB)

In Retail prices, a mixed variation is seen. Retail prices have decreased in Hyderabad and Patna, whereas prices have increased only in Chennai. Prices in most of the markets remain unchanged because of stable demand and supply in market.

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.)

4 March, 2013

The above chart shows the weekly price movement of Potato prices in spot market of Agra. In Agra, prices were trading between Rs 600-750 from last two weeks. Prices have fallen this week as harvesting from producing region is picking up pace. On the lower side prices may find a support at a level of 600 whereas on higher side prices may find resistance at level of 800. Relative Strength Indicator (RSI) is sloping downward and it is expected that prices may fall in coming days.

**MCX- Potato Futures Weekly Analysis: (25<sup>th</sup> Feb -1<sup>st</sup> March 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	781.5	841.9	-60.4	8370	14220	-5850
POTATO	AGRA	15-Apr-13	741.4	825	-83.6	11010	9810	1200
POTATO	AGRA	15-May-12	722.9	823.1	-100.2	29820	25560	4260
				Total			52650	-390

(Source: MCX)

In futures markets potato prices are trading below Rs. 800/Qtl. March futures closed at 781.5/Qtl, down by Rs. 60.4 from previous week. In MCX, March contract both prices and open interest are decreasing which suggest long liquidation in market. In April and May contract prices are decreasing and open interest are increasing which suggest short build up by market participants. In both the case, market participants are expecting further weakness in prices.

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