

15 April, 2013

Executive Summary:

- As per MCX new circular, no fresh position is allowed before five days of expiry date. So, in April contract which is getting expired on 15th no fresh position are allowed.
- In U.P total number of cold storages is 1555 whose total cold storage capacity is 110 lakh tons compared to last year's total capacity of approximately 98 lakh ton.
- In U.P, cold storages are expected to get filled by 80-85% as compared to previous year total storage of 75% of the total capacity.
- In West Bengal cold storages are filled by 95-97% of the total capacity which is approximately 65 lakh ton. According to trade's sources, cold storages are closed now and market is expected to be bullish ahead as of good demand from Southern part of India and Maharashtra region.
- According to trade sources from Khandauli (Agra), potato market is expected to be firm. U.P is expecting high demand from Gujarat where cold storages are filled 20% less compared to previous year's storage.
- In Bangalore, potatoes are arriving in market from Kolkata region, Agra and U.P region. Maximum potatoes are arriving in market from local region and able to fetch maximum prices among all regions.
- In Delhi Potatoes are arriving in market from Punjab, U.P and Haryana which are contributing approximately 35%, 55% and 10% respectively to the total arrival.

Weekly Wholesale Potato Prices Analysis for 1st April- 8th April 2013

Market	State	Avg. Prices 9th April to 13th April 2013#	Avg. Prices 1st April to 8th April 2013#	Avg. Prices 9th April to 13th April 2012 *	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	875	765	871	14.38	0.46
Agra	UP	728	764	670	-4.71	8.66
Kanpur	UP	794	783	800	1.40	-0.75
Kolkata	W. Bengal	635	604	1100	5.13	-42.27
Ludhiana	Punjab	663	543	1100	22.10	-39.73
Indore	MP	884	858	950	3.03	-6.95
Mumbai	Maharashtra	1063	1168	1070	-8.99	-0.65
Bangalore	Karnataka	1342	1250	1220	7.36	10.00
Ahmedabad	Gujarat	992	940	900	5.53	10.22
Hyderabad	AP	1150	1215	1140	-5.35	0.88
Chennai	Tamil Nadu	1475	1458	1200	1.17	22.91

(Source: #AGRIWATCH,* NHB)

15 April, 2013

The above table shows the weekly wholesale price variation across different markets in the country. Prices have increased in almost all the markets because potatoes are stored in cold storages and crop in field is less. In few parts of U.P, cold storages have opened with a starting price of Rs 1100/ quintal whereas potatoes from field are being sold out at Rs 800/ quintal. This week potato prices are expected to increase further as of Navratri festival which may support prices to rise.

If we will compare the prices on a year on year basis we will find that prices have decreased in major producing region like Kolkata and Ludhiana. The reason for decrease in prices is higher production and better yield of potato crop this year.

Weekly Retail Potato Prices Analysis for 1st April- 8th April 2013

Market	State	Price as on 12/04/2013	Price as on 08/04/2013	Price one year ago- 12/04/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1734	1800	1800	-3.67	-3.67
Bhubaneswar	Odisha	950	870	1275	9.20	-25.49
Chennai	Tamilnadu	2000	2000	1800	0.00	11.11
Delhi	Delhi	1225	1200	1180	2.08	3.81
Guwahati	Assam	800	863	1050	-7.30	-23.81
Hyderabad	AP	1800	1800	1700	0.00	5.88
Kolkata	W. Bengal	975	943	1200	3.39	-18.75
Mumbai	Maharashtra	1500	1500	1200	0.00	25.00
Patna	Bihar	900	872	1200	3.21	-25.00

(Source: NHB)

In Retail market, prices are unchanged or marginally increased in few markets. Throughout the week market was steady with a little variation. Maximum prices were increased in Bhubaneswar by 9% as of increase in price in West Bengal which is major supplier to eastern region. It is expected that market is to remain firm in coming days.

15 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 900-1100/ quintal. On the lower side prices may found a strong support at a level of 750 whereas on higher side resistance at level of Rs 1100/ quintal. Relative Strength Indicator (RSI) is moving upward indicates that prices may move up further in coming week. Once prices breach the resistance of 1100, it is expected that prices may cross a level of Rs 1200/ quintal.

MCX- Potato Futures Weekly Analysis: (1st April- 8th April 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-Apr-13	1027.9	992	35.9	720	3060	-2340
POTATO	AGRA	15-May-12	1038.2	1005.4	32.8	16320	18150	-1830
POTATO	AGRA	16-Jun-12	1046.6	1009.3	37.3	18210	16410	1800
				Total	106			-2370

(Source: MCX)

In futures markets potato prices are trading in a range of 1025-1050 level. In April and May contract, short covering was seen with increase in prices and decrease in open interest. In MCX, June contract, long buildup was seen with increase in price and open interest. This indicates prices are expected to firm up in futures market.

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