

## Executive Summary:

- In MCX, the additional margin of 15% (in form of cash) levied on long (buy) side and short (sell) sides of all potato (Agra) contracts currently running at the exchanges shall be withdrawn with effective from May 07, 2013.
- In Tarkeshwar and Burdwan market of West Bengal, prices are hovering in the range of Rs 840 and Rs 780/ quintal respectively. Prices are stable from last few days as farmers are bringing their stock from the field to the market and cold storages are also releasing simultaneously.
- In Delhi, potatoes are arriving in market from Una, Punjab and U.P. According to trade sources fresh crop is arriving in market from Una and Punjab which are contributing approximately 7% and 25% respectively.
- In West Bengal 80% of cold storages are opened and rest are expected to open in next couple of days.
- In Kanpur, potatoes are arriving in market from field only. It is expected that cold storages may open in next two weeks.
- In Begusarai (Bihar), cold storage potatoes are available in market and prices are hovering in the range of Rs 850- Rs 900/ quintal.
- In Bangalore, potatoes are arriving in market from local region which is contributing 40% to the total arrival whereas rest 60% is arriving in market from U.P and West Bengal.

## Weekly Wholesale Potato Prices Analysis for 5th May -11<sup>th</sup> May 2013

Market	State	Avg. Prices 5th May 2013 to 11th May 2013#	Avg. Prices 29th April to 4th May 2013#	Avg. Prices 5th May 2012 to 11th May 2012 *	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	922	909	1050	1.43	-12.19
Agra	UP	620	670	800	-7.46	-22.50
Kanpur	UP	886	880	900	0.68	-1.56
Kolkata	W. Bengal	910	874	1050	4.12	-13.33
Ludhiana	Punjab	667	808	1200	-17.45	-44.42
Indore	MP	900	870	800	3.45	12.50
Mumbai	Maharashtra	1304	1263	1215	3.25	7.33
Bangalore	Karnataka	1493	1450	1534	2.97	-2.67
Ahmedabad	Gujarat	1027	1004	950	2.29	8.11
Hyderabad	AP	1372	1250	966	9.76	42.03
Chennai	Tamil Nadu	1615	1525	1684	5.90	-4.10

(Source: #AGRIWATCH,\* AGMARKNET)

14 May, 2013

The above table shows the weekly wholesale price variation across different markets in the country. Prices have increased in almost all the markets except Agra and Ludhiana. The reason for increase in prices is because of release of potatoes from cold storages in U.P. The other reason for increase in prices is because of high prices in Tarkeshwar (West Bengal), where prices are hovering Rs 780 to Rs 840/ quintal.

According to trade sources, potato market is expected to remain firm ahead as potato has started releasing from cold storages and prices are high.

In Kanpur, cold storage potatoes prices are hovering in the range of Rs 1000 to Rs 1050/ quintal whereas farm stocked potatoes prices are hovering in the range of Rs 800 to Rs 1000/ quintal.

## Weekly Retail Potato Prices Analysis for 5th May-11<sup>th</sup> May 2013

Market	State	Price as on 11/05/2013	Price as on 4/05/2013	Price one year ago- 11/05/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	2120	2150	2284	-1.42	-7.18
Bhubaneswar	Odisha	1082	1150	1235	-6.28	-12.39
Chennai	Tamilnadu	2400	1800	2400	25.00	0.00
Delhi	Delhi	1520	1740	1400	-14.47	8.57
Guwahati	Assam	1000	1133	1450	-13.30	-31.03
Hyderabad	AP	1960	1900	1466	3.06	33.70
Kolkata	W. Bengal	1275	1463	1325	-14.75	-3.77
Mumbai	Maharashtra	1500	1500	1400	0.00	7.14
Patna	Bihar	1084	1100	1425	-1.48	-23.93

(Source: NHB)

In Retail market, prices are showing a mixed variation in benchmark market of Khandauli (U.P) and Tarkeshwar (West Bengal). Prices have declined in retail markets by 2 to 14% because of release of potatoes from cold storages. But it is expected that prices may increase or remain range bound in coming weeks due to increase in demand.

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



The above chart shows the weekly price movement of Potato prices in spot market of Agra. In Agra, prices are hovering around Rs 1100/quintal. On the lower side prices may find a strong support at a level of 1000 whereas on higher side resistance at level of Rs 1200/ quintal. Relative Strength Indicator (RSI) indicates prices to remain range bound for coming week but in long term it is expected to remain firm.

MCX- Potato Futures Weekly Analysis: (4<sup>th</sup> May- 11<sup>th</sup> May 2013)

Exchange	Expiry Date	Today's Close Price	Previous Close Price	Net Change	Today's Open Interest	Previous Day Open Interest	Change
MCX	15-May-13	995.1	1003.3	-8.2	3270	5550	-2280
MCX	16-Jun-13	931.9	970.1	-38.2	11160	16590	-5430
MCX	15-Jul-13	897.5	959.3	-61.8	6630	5610	1020
NCDEX	20-May-13	952	990	-38	14800	14900	-100
NCDEX	20-Jun-13	892	997	-105	10500	8000	2500
NCDEX	19-Jul-13	864	1004	-140	5700	100	5600
NCDEX	20-Aug-13	860	952	-92	9500	5100	4400

(Source: MCX, NCDEX)

In futures markets potato prices are trading in a range of 860-1000 level. In MCX May and June contracts, market participants are long liquidating their positions whereas in NCDEX, June July and August contracts market participants are taking short build up positions.

## Disclaimer

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