

## Executive Summary:

- In Begusarai and Samastipur, cold storages are expected to open from next month. Prices are expected to be high as cold storage rent has increased from Rs 190 to Rs 210/quintal. According to trade sources, once cold storages are opened price may start from Rs 850 to Rs 950/ quintal.
- In Tarkeshwar and Burdwan market of West Bengal, release from cold storages is continuously increasing due to good demand. According to trade sources, release from cold storages is approximately 1.5 times higher compared to previous year at same time.
- In Delhi, potatoes are arriving in market from Punjab, Haryana, Una and U.P. According to trade sources, maximum prices are being fetched by Una region at Rs 1300/ quintal followed by U.P cold storage potatoes at Rs 1150/ quintal.
- In Kanpur, 75% of total crop arriving in market is the crop stocked in the fields by the farmers and rest 25% is arriving in market from cold storages.
- According to federation of cold storages association of India, cold storages are filled by approximately 5% more than last year's quantity.
- In Farrukhabad and Kanpur approximately 80% of cold storages are filled whereas 95% of capacity is filled in Hathras.
- According to trade sources, production of potato in Gujarat are expected to be similar like last year whereas production in Bihar and Punjab is expected to be increased to 63 lakh ton and 21.2 lakh tons.

## Weekly Wholesale Potato Prices Analysis for 19th May- 25th May 2013

Market	State	Avg. Price (19 May-25 May)	Avg. Price (13 May- 18 May)	Avg. Prices 19 May-25 May 2012 *	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	950	1021	1000	-6.95	-5.00
Agra	UP	678	694	800	-2.31	-15.25
Kanpur	UP	930	934	900	-0.43	3.33
Kolkata	W. Bengal	906	942	1050	-3.82	-13.71
Ludhiana	Punjab	780	705	1200	10.64	-35.00
Indore	MP	930	860	800	8.14	16.25
Mumbai	Maharashtra	1180	1188	1250	-0.67	-5.60
Bangalore	Karnataka	1370	1392	1500	-1.58	-8.67
Ahmedabad	Gujarat	985	1000	1100	-1.50	-10.45
Hyderabad	AP	1300	1334	1300	-2.55	0.00
Chennai	Tamil Nadu	1460	1617	1400	-9.71	4.29

(Source: #AGRIWATCH,\* AGMARKNET)

The above table shows the weekly wholesale price variation across different markets in the country. Prices have decreased in most of the markets as most of the cold storages have opened and stored potato are

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coming in the markets along with potatoes stored by farmers in their field. Farmers are bringing potatoes in the fear of high temperature which may spoil the quality.

According to trade sources, potato prices are expected to increase in coming months as only cold storages potatoes will be left in the market. The other reason for increase in prices could be higher price of green vegetables after arrival of monsoon. Generally, rain destroys the green vegetables and thus reduces availability.

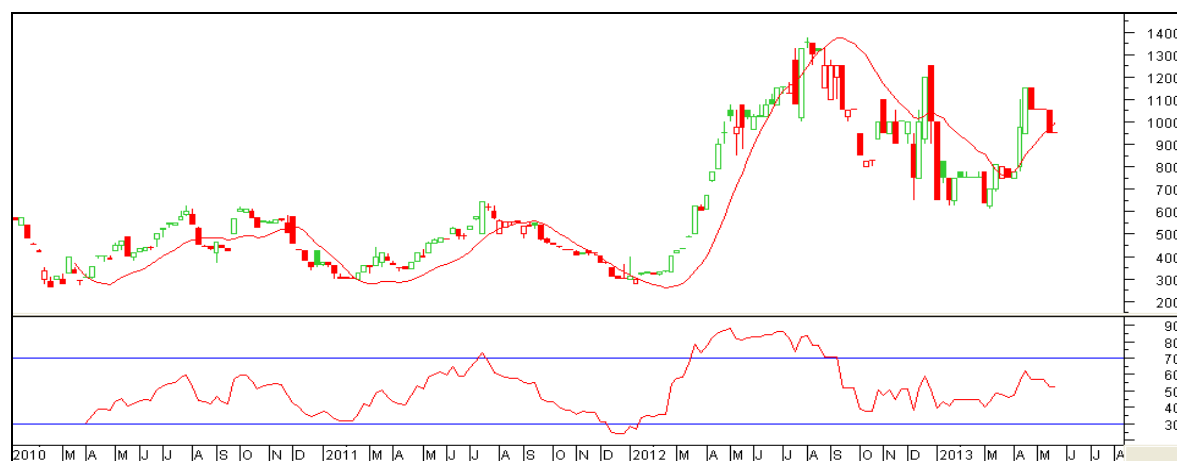
## Weekly Retail Potato Prices Analysis for 12th May-18th May 2013

Market	State	Price as on 25/05/2013	Price as on 18/05/2013	Price one year ago- 25/05/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1820	2040	2000	-10.78	-9.00
Bhubaneswar	Odisha	1200	1225	1300	-2.04	-7.69
Chennai	Tamilnadu	2240	2400	2000	-6.67	12.00
Delhi	Delhi	1600	1600	1400	0.00	14.29
Guwahati	Assam	940	1000	1600	-6.00	-41.25
Hyderabad	AP	2000	2000	1500	0.00	33.33
Kolkata	W. Bengal	1200	1200	1350	0.00	-11.11
Mumbai	Maharashtra	1500	1500	1500	0.00	0.00
Patna	Bihar	1160	1100	1400	5.45	-17.14

(Source NHB)

In Retail market, prices have have either decreased or remain unchanged. Maximum prices were decreased in Bangalore where potatoes are coming from local region and Agra region. Prices have changed or marginally declined because of lower demand in market as green vegetables prices are low and consumer prefer it more rather than potato.

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



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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-Rs 1000/ quintal. On the lower side prices may found a strong support at a level of Rs 800-850 whereas on higher side resistance is in the range of Rs 1100-1150/ quintal. Relative Strength Indicator (RSI) indicates prices to move further downward but it is expected that prices may be range bound for next couple of days.

#### MCX- Potato Futures Weekly Analysis: (13<sup>th</sup> May-18<sup>th</sup> May 2013)

Exchange	Expiry Date	Today's Close Price	Previous Week Close Price	Net Change	Today's Open Interest	Previous Week Open Interest	Change
MCX	16-Jun-13	910	931.2	-21.2	9150	10410	-1260
MCX	15-Jul-13	848.00	867.6	-19.6	5760	7950	-2190
NCDEX	20-Jun-13	861.00	860	1	6600	9800	-3200
NCDEX	19-Jul-13	787.00	825	-38	7300	6800	500
NCDEX	20-Aug-13	770	810	-40	12800	9500	3300

(Source: MCX, NCDEX)

In MCX and NCDEX contracts prices have fallen in all the contracts except NCDEX June contracts. Short build up is seen with increase in open interest and decrease in prices which suggests that market participants are expecting prices to come down further. Fundamental reason for such fall could be the release of potatoes from cold storages is expected to be in full pace which may result into higher supply along with lower demand as green vegetables are also available.

#### Disclaimer

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