

## Executive Summary:

- In futures market of MCX and NCDEX, prices are in backwardation which means near month contract is higher and far month contract are trading at lower prices. This signifies that market is not looking much appreciation in potato prices in coming months.
- **In West Bengal**, approximately 24% of potatoes have been released from cold storage by the end of June as compared to previous year's 21% release during same time. According to trade sources in Tarkeshwar and Burdwan market is expected to be firm for next couple of weeks.
- According to trade sources from West Bengal, potato crop in Hasan which is expected to be in good condition compared to previous year may affect the price in West Bengal as it majorly supply to A.P, Karnataka and T.N. So prices are expected to fall down after a couple of weeks.
- **In Delhi**, prices have fallen to Rs 842/ quintal from Rs 858/ quintal which is almost 2% in last one week. In benchmark market of Agra (Khandauli), prices have fallen to Rs 780/ quintal from Rs 950/ quintal in last one week which is approximately 18% less than previous week.
- **In Kanpur**, approximately 15% of cold storage potato has been released compared to 35% same time last year. Prices are hovering in the range of Rs 700 to 950/ quintal which are 20% lesser than last year.
- **Across the country**, retail prices of potato has increased because green vegetables have become costlier as of rains which have lead to demand of potato crop in market.

## Weekly Wholesale Potato Prices Analysis for 8<sup>th</sup> July -13<sup>th</sup> July 2013

Market	State	Avg. Price 8 July -13 July	Avg. Price 1 July -6 July	Avg. Price 8 July -13 July 2012 *	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	842	858	1220	-1.86	-30.98
Agra (Khandauli)	UP	780	950	1140	-17.89	-31.58
Kanpur	UP	788	845	1280	-6.75	-38.44
Kolkata	W. Bengal	823	824	1258	-0.12	-34.58
Ludhiana	Punjab	853	1000	940	-14.70	-9.26
Indore	MP	808	850	920	-4.94	-12.17
Mumbai	Maharashtra	1012.5	1045	1395	-3.11	-27.42
Bangalore	Karnataka	1208	1395	1540	-13.41	-21.56
Ahmedabad	Gujarat	932	931	1160	0.11	-19.66
Hyderabad	AP	1260	1280	1487	-1.56	-15.27
Chennai	Tamil Nadu	1675	1733	1700	-3.35	-1.47

(Source: AGRIWATCH,\* AGMARKNET)

The above table shows the weekly wholesale price movement of different markets across the country. The above table shows that prices have fallen in most of the markets. The reason is higher release from cold storages of West Bengal and U.P. Maximum prices have fallen in Khandauli by approximately 18% which has lead the prices to fall in Bangalore by 14% as U.P. majorly supplies to Bangalore.

## Weekly Retail Potato Prices Analysis for 8<sup>th</sup> July -13<sup>th</sup> July 2013

Market	State	Price as on 13/07/2013	Price as on 06/07/2013	Price one year ago- 13/07/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1900	1820	2300	4.40	-17.39
Bhubaneswar	Orissa	1085	1060	1525	2.36	-28.85
Chennai	Tamilnadu	2400	2400	2400	0.00	0.00
Delhi	Delhi	1516	1540	1550	-1.56	-2.19
Guwahati	Assam	1600	1350	1800	18.52	-11.11
Kolkata	W. Bengal	1125	1130	1467	-0.44	-23.31
Mumbai	Maharashtra	2416	2000	2400	20.80	0.67
Patna	Bihar	1440	1400	1800	2.86	-20.00

(Source NHB)

In Retail market, prices have increased in almost all the markets except Delhi and Kolkata. Prices are expected to increase green vegetable prices has started rising which has lead to increased demand for potato.

If we compare on a year on year basis, prices are down in most of the markets. The reason is higher productivity and potato stored in cold storages is higher compared to previous years in producing regions.

## 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.)

15 July, 2013

The above chart shows the weekly price movement of Potato prices in spot market of Agra. In Agra, prices are trading between Rs 700- Rs 800/ quintal. On the lower side prices may find a strong support at a level of Rs 700 whereas on higher side resistance is in the range of Rs 950/ quintal. Relative Strength Indicator (RSI) indicates prices to move further downward but it is expected that prices may increase for short term or remain range bounded for next couple of weeks

#### Potato Futures Weekly Analysis: (8<sup>th</sup> July -13<sup>th</sup> July 2013)

Exchange	Expiry Date	Today's Close Price	Previous Week Close Price	Net Change	This week Open Interest	Previous Week Open Interest	Change in Open Interest
MCX	15-Jul-13	834	798	36	3810	1290	2520
MCX	14-Aug-13	784.2	733.8	50.4	13200	13890	-690
MCX	14-Sep-13	732	690.7	41.3	8280	15030	-6750
NCDEX	19-Jul-13	776	746	30	1800	30	1770
NCDEX	20-Aug-13	706	683	23	9400	1150	8250
NCDEX	20-Sep-13	646.00	650	-4	2400	2630	-230

(Source: MCX, NCDEX)

In MCX, August and September contract prices are increasing and open interest is falling which suggest that market participants are short covering their positions. In NCDEX, July and August contract, prices and open interest are increasing which suggest that market participants are taking long positions. In NCDEX, September contract long liquidation was seen by the market participants with decrease in price and open interest.

#### 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