

Executive Summary:

- **In West Bengal**, release from cold storage is approximately 45% by this time compared to previous year release of 40% during this time. Traders are expecting market to be firm ahead or may remain range bound.
- Potato Prices have increased in the range of Rs. 20-50/Qtl over the week in both Futures and Spot Market after news of crop damage in Hassan district of Karnataka due to excess rain. It supplies fresh potatoes to South markets during this time.
- **In Karnataka** region potato new crop from Hassan has started arriving in market In Bangalore, potatoes are arriving in market from 'Hassan' only and may continue for next couple of weeks. According to trade sources, approximately 40-50% of the total crop is expected to be damaged due to heavy rains and blight diseases.
- In **U.P (Khandauli)**, approximately 35-40% of cold storage potato has been released compared to previous year total release of 50 % during same time. According to trade sources, market may be weak ahead as fresh potato from Hassan has started arriving in local market and demand from South India has decreased as Hassan is major supplier to south India during this time.
- In **Begusarai (Bihar)**, release from cold storage is approximately 40% compared to previous year release of 25% during same time. Traders are expecting market to be range bounded ahead due to higher stock in U.P and West Bengal, which is mostly preferred for consumption.

Weekly Wholesale Potato Prices Analysis for 19 August-24 August 2013

Market	State	Avg. Price 19 August - 24 August	Avg. Price 12 August - 17 August	Avg. Price 19 August– 24 August 2012 *	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	770	800	1100	-3.75	-30.00
Agra (Khandauli)	UP	825	845	1265	-2.37	-34.78
Kanpur	UP	730	636	1188	14.78	-38.55
Kolkata	W. Bengal	838	810	1185	3.46	-29.28
Ludhiana	Punjab	650	650	910	0.00	-28.57
Indore	MP	800	770	938	3.90	-14.71
Mumbai	Maharashtra	1150	1135	1480	1.32	-22.30
Bangalore	Karnataka	950	850	1438	11.76	-33.94
Ahmedabad	Gujarat	1020	1000	1200	2.00	-15.00
Hyderabad	AP	1038	1100	1750	-5.64	-40.69
Chennai	Tamil Nadu	1560	1320	1960	18.18	-20.41

(Source: AGRIWATCH,* AGMARKNET)

The above table shows the weekly wholesale price movement of different markets across the country. The above table shows a mixed variation of prices. Prices have increased from 2% to 18% because of higher

rains which have led the prices of green vegetables high, so consumers are shifting towards potato. On a year on year basis prices are lower in all the markets because of higher production this year. Prices are expected to be range bounded for next few weeks.

Weekly Retail Potato Prices Analysis for 19 August-24 August 2013

Market	State	Price as on 24/08/2013	Price as on 17/08/2013	Price one year ago- 24/08/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1500	1540	2080	-2.60	-27.88
Bhubaneswar	Orissa	1100	1100	1496	0.00	-26.47
Chennai	Tamilnadu	2400	2000	2800	20.00	-14.29
Delhi	Delhi	1720	1650	2080	4.24	-17.31
Guwahati	Assam	1650	1660	2200	-0.60	-25.00
Kolkata	W. Bengal	1183	1088	1366	8.73	-13.40
Mumbai	Maharashtra	2000	2000	2200	0.00	-9.09
Patna	Bihar	1300	1300	1800	0.00	-27.78

(Source: NHB)

In Retail market, prices have increased in most of the markets except Bangalore and Guwahati. The reason for rise in prices is increase in price of green vegetables which directly impact the increase in demand of potato.

In Bangalore, prices have fallen as fresh crop from Hassan is arriving in market. Traders are expecting arrivals of Hassan potato for next couple of weeks.

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.)

26 August, 2013

The above chart shows the weekly price movement of Potato prices in spot market of Khandauli (Agra). In Agra, prices are trading between Rs 700- Rs 850/ quintal. On the lower side prices may find a strong support at a level of Rs 750 whereas on higher side resistance is in the range of Rs 950/ quintal. Relative Strength Indicator (RSI) indicates prices may move further downward. However overall, it is likely that prices may remain range bound for next couple of weeks.

Potato Futures Weekly Analysis: (19th August-24th August 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	14-Sep-13	807.3	814.6	-7.3	23130	21540	1590
MCX	31-Mar-14	835.3	834	1.3	2580	1860	720
NCDEX	20-Sep-13	773	790	-17	1620	1140	480

(Source: MCX, NCDEX)

In September contract of MCX and NCDEX, prices are decreasing and open interest is increasing which suggest Short buildup positions by market participants in market.

March 2014 contract is active now on MCX platform at trading near Rs. 830/Qtl. Volumes are very thin in all the running contracts in MCX and NCDEX.

Disclaimer

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