

Executive Summary:

- In **Bihar**, release from cold storage is approximately 30-35 % compared to previous year's release of 50% during same time. Potato market ahead seems to be sluggish due to higher stock
- In **Karnataka and other Southern States**, potato crop is arriving in market from Hassan only. Traders are expecting that the pace of arrival from Hassan may slow down in couple of weeks which may increase demand of potato from U.P region.
- In **West Bengal**, Tarkeshwar and Burdwan market prices are hovering in the range of Rs 770 and Rs 720/ quintal respectively. Traders are expecting market to be firm or range bounded in coming days because of higher release from cold storages.
- In **U.P**, release from cold storages is approximately 35-40% compared to previous year's total release of 50-55% during same time. The reason of weak market this year is due to higher production and less release from cold storages.
- In September contract of MCX, market participants are covering their short positions created earlier in expectation of price rise in coming week.

Weekly Wholesale Potato Prices Analysis for 2nd September – 7 September 2013

Market	State	Avg. Price (2 September-7 September)	Avg. Price 26 August -31 August	Avg. Price (2 September-7 September)2012*	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	784	850	1170	-7.76	-32.99
Agra (Khandauli)	UP	759	765	1160	-0.78	-34.57
Kanpur	UP	713	715	1060	-0.28	-32.74
Kolkata	W. Bengal	829	837	1140	-0.96	-27.28
Ludhiana	Punjab	592	634	850	-6.62	-30.35
Indore	MP	767	790	900	-2.91	-14.78
Mumbai	Maharashtra	1163	1019	1435	14.13	-18.95
Bangalore	Karnataka	875	740	1580	18.24	-44.62
Ahmedabad	Gujarat	1000	1040	1175	-3.85	-14.89
Hyderabad	AP	1200	1267	1540	-5.29	-22.08
Chennai	Tamil Nadu	1367	1360	1900	0.51	-28.05

(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 decreased in most of the markets. Prices have fallen because of higher stocks in U.P region and fresh crop arriving in market from 'Hassan' which is also supplying to other parts of

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Southern India. On a year on year basis prices are down in all the markets because of higher production this year. Prices are expected to increase marginally ahead.

Weekly Retail Potato Prices Analysis for 2nd September – 7 September 2013

Market	State	Price as on 7/09/2013	Price as on 31/08/2013	Price one year ago- 7/09/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1234	1275	2200	-3.22	-43.91
Bhubaneswar	Orissa	1090	1100	1382	-0.91	-21.13
Chennai	Tamilnadu	1934	2000	2800	-3.30	-30.93
Delhi	Delhi	1667	1800	1800	-7.39	-7.39
Guwahati	Assam	1300	1300	1840	0.00	-29.35
Kolkata	W. Bengal	1090	1250	1300	-12.80	-16.15
Mumbai	Maharashtra	2000	2000	2400	0.00	-16.67
Patna	Bihar	1300	1300	1700	0.00	-23.53

(Source: NHB)

In Retail market, prices have fallen in almost all the markets due to higher production this year and fresh crop from Hassan available in market.

If we compare year on year basis, weak sentiment witnessed in the markets. Potato stored in cold storages is higher compared to previous years in producing regions because of higher production and cold storage capacities has increased in most of the 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.)

The above chart shows the weekly price movement of Potato prices in spot market of Khandauli (Agra). In Agra, prices are trading between Rs 750- Rs 800/ quintal. On the lower side prices may find a strong support

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at a level of Rs 700 whereas on higher side resistance is in the range of Rs 900/ 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: (2nd September – 7th September 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	795.3	776.9	18.4	11130	15330	-4200
MCX	31-Mar-14	817.6	825.7	-8.1	6630	3450	3180
NCDEX	20-Sep-13	750	752	-2	230	470	-240

(Source: MCX, NCDEX)

In September contract of NCDEX and MCX respectively, market participants are liquidating their long positions and short covering their positions respectively.

In MCX, March contract market participants are building short positions with decrease in prices and increase in open interest.

Disclaimer

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