

Executive Summary:

- In **Karnataka** and other Southern States, potato crop is arriving in market from Hassan only. Traders are expecting that the pace of arrival from South India will remain stable as potato from 'Dharwad' is also expected to start by next week.
- In **West Bengal**, Tarkeshwar and Burdwan market prices are hovering in the range of Rs 770 and Rs 720/ quintal respectively from last two weeks. 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 at lower pace compared to previous year because of higher production and increased capacity of cold storages. According to trade sources, approximately 35-40% potato has been released whereas last year it was approximately 55% during same time.
- In September contract of NCDEX, market participants are liquidating their long positions created earlier because contract expiry date is near and volumes have declined.
- In **Begusarai (Bihar)**, cold storage capacity is 16 lakh packets in which approximately 13 lakh bags were stored. According to trade sources release from cold storages is approximately 35-45% compared to previous year 25% during same time. Traders are expecting firm market ahead.

Weekly Wholesale Potato Prices Analysis for 9th September – 14th September 2013

Market	State	Avg. Price (9 September-14 September)	Avg. Price (2 September-7 September)	Avg. Price (9 September-14 September)2012	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	770	784	1013	-1.79	-22.61
Agra (Khandauli)	UP	775	759	1100	2.11	-31.00
Kanpur	UP	650	713	1060	-8.84	-32.74
Kolkata	W. Bengal	828	829	1125	-0.12	-26.31
Ludhiana	Punjab	617	592	750	4.22	-21.07
Indore	MP	770	767	884	0.39	-13.24
Mumbai	Maharashtra	1025	1163	1421	-11.87	-18.16
Bangalore	Karnataka	940	875	1242	7.43	-29.55
Ahmedabad	Gujarat	1035	1000	1121	3.50	-10.79
Hyderabad	AP	967	1200	1509	-19.42	-20.48
Chennai	Tamil Nadu	1300	1367	1900	-4.90	-28.05

(Source: AGRIWATCH,* AGMARKNET)

The above table shows the weekly wholesale price movement of different markets across the country. The above table shows mixed variation of prices. 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 Southern India. On a

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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 9th September – 14th September 2013

Market	State	Price as on 14/09/2013	Price as on 7/09/2013	Price one year ago- 14/09/2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1340	1234	1900	8.59	-35.05
Bhubaneswar	Orissa	1050	1090	1410	-3.67	-22.70
Chennai	Tamilnadu	2000	1934	2800	3.41	-30.93
Delhi	Delhi	1680	1667	1700	0.78	-1.94
Guwahati	Assam	1317	1300	1834	1.31	-29.12
Kolkata	W. Bengal	1100	1090	1284	0.92	-15.11
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 increased in almost all the markets due to higher demand in the market as green vegetable prices are very high so consumer are shifting towards potato crop.

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.)

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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 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: (9th September – 14th 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	31-Mar-14	809.30	817.6	-8.3	7830	6630	1200
NCDEX	20-Sep-13	750.00	751	-1	20	230	-210

(Source: MCX, NCDEX)

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

In NCDEX, September contract, prices and open interest are decreasing which suggest that market participants are liquidating their long positions as this contract expiry date is near.

Disclaimer

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