

## Executive Summary:

- Average potato prices in March month were higher by 40-50% as compared to previous year during same time. In benchmark mandi of Agra, spot prices are ruling above Rs. 1000 and in futures market, potato futures for June month is trading in the range of Rs. 1300-1350/Qtl.
- In West Bengal, total production of potato this year is expected to be 93 lakh tons against last year production of 110 lakh tons. In West Bengal, cold storages are filled with approximately 84%-86% of the total capacity which is nearly 60.84 lakh ton.
- In U.P, total area this year is approximately 6.03 lakh hectares compared to previous year 6.15 lakh hectares. Production is expected to be 10-15% lower compared to last year's 130 lakh tons.
- In Gujarat, production is expected to be 15-20% more compared to last year due to higher yield. In M.P, potato production is almost similar to last year but storage capacity has increased whereas in few parts of Punjab and Bihar production is marginally less as compared to previous year.
- Across the country potato prices are firm throughout the week because of lower crop stored in cold storages in major producing region like U.P, West Bengal and Bihar. Prices are expected to remain firm ahead.

## Monthly Wholesale Price Trend in different Producing & Consuming Centers:

Market	March 2014 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	February 2014 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	March 2013 Avg. Wholesale Price (Rs/Qtl)	Absolute Change over Prev. Month (Rs./Qtl)	% Change over Prev. Month	% Change over Prev. Year
Delhi	953	681	688	272	39.94	38.52
Khandauli (Agra)	1004	703	726	301	42.82	38.29
Farrukhabad	938	643	448	295	45.88	109.38
Ludhiana	729	584	488	145	24.83	49.39
Kolkata	910	707	518	203	28.71	75.68
Jaipur	918	877	712	41	4.68	28.93
Mumbai	1244	1054	924	190	18.03	34.63
Bangalore	1324	1195	1172	129	10.79	12.97
Tarkeshwar	901	641	518	260	40.56	73.94

(Source: AGRIWATCH, NHB)

The above table shows the monthly average prices and corresponding change in major markets. Prices have increased in almost all the markets. Maximum prices have increased in Hyderabad by 60% followed by Farrukhabad and khandauli by 45% and 42% respectively.

If we compare the prices with previous year during same time it is observed that prices are comparatively higher than last year because of crop numbers and less capacity utilization in cold stores. Lower storage will support the prices in coming months and may create shortfall at the end of season. Market has started to foresee the lower availability in coming months and impact of the same is seen on prices.

## Monthly Retail Price (Rs/Qtl) and arrivals (Tons) trend in different Consuming Centers:

Market	Average Retail Price- March 2014 (Fresh crop)	Average Retail Price- February 2014 (Fresh crop)	Previous year Avg. Retail Price- March 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. year	Total Arrivals in March 2014 (in Qtl )	Total Arrivals in February 2014 (in Qtl )	Total Arrivals in March 2013 (in Qtl )
Bangalore	1871	1679	1700	11.43	10.05	5731	5943	4808
Chennai	2232	2166	1922	3.05	16.15	2688	2717	2848
Delhi	1468	1286	1142	14.15	28.58	23736	24518	23040
Guwahati	1239	1009	809	22.81	53.23	2568	2956	2636
Hyderabad	1757	1300	1705	35.12	3.05	1172	1845	3282
Mumbai	1579	1514	1696	4.29	-6.88	12061	10747	11776
Ranchi	1300	1217	1000	6.82	30.00	2456	2362	1977

(Source: NHB)

Retail prices have increased in almost all the markets due to less storage of potato crop in cold storages and crop loss in major producing regions.

If we compare on a year on year basis prices are comparatively higher than last year because of less production estimate.

## Technical Analysis Potato Spot Market (Khandauli, Agra):



(Note: Each bar or "candle" in the chart shows the price movement in a particular month. The blue candle signifies prices increased and red candle signifies prices decreased in that month. The length of the "candle" shows the upper and lower end of the price range for the week.)

The above chart shows the monthly price movement of potato for Agra (Khandauli) market. Modal prices are trading above Rs. 1000/quintal. On the higher side prices may find resistance at a level of 1200/ quintal and then Rs. 1350/Qtl and on the lower side prices may find support at a level of Rs 850/ quintal. Relative

April, 2014

strength Indicator (RSI) oscillator is hovering upward in neutral zone which suggest that prices may be firm for this month.

## Monthly Potato Futures (Agra Delivery) Analysis:

Exchange	Expiry Date	Closing price on 31st March 2013	Closing price on 28th February 2013	% Change in Price over previous month	Open Interest as on 31st March 2013	Open Interest as on 28th February 2013	Change in Open Interest
MCX	30-Apr-14	1245.2	1204.4	3.39	9150	12120	-2970
MCX	30-May-14	1298.1	1262.9	2.79	28890	31425	-2535
MCX	30-Jun-14	1344.5	1330.5	1.05	23880	12615	11265
MCX	31-Jul-14	1389.5	1395.6	-0.44	3945	1980	1965

(Source: MCX)

The above table shows the monthly price change of different month contract in MCX exchange. Prices have increased in almost all the contracts except July month contract where prices have fallen slightly. In MCX, April and May month contract prices are increasing and open interest is falling which suggest market participants are short covering their positions.

In June month contract both prices and open interest are increasing which suggest that market participants are building long positions.

### Disclaimer

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