Market Intelligence System

Monthly Potato Report
January, 2015

Executive Summary:

- In U.P, rabi sown area is approximately 601000 hectares compared to last year area of 564940 hectares. Fresh crop (Premature crop) has started arriving in market from different parts of U.P which has led sharp decline in potato prices.
- In M.P, potato area is almost similar to previous year. In M.P approximately 80% of the grown crop is processing varieties. Processing variety like Chipsona 1 and Chipsona 2 is expected to arrive in market from mid January whereas "Atlanta" variety is already arriving in market.
- According to state horticulture department of West Bengal, potato area is approximately 342680 hectares compared to last year area of 320530 hectares. According to trade estimate, area could be higher by 10-15% this year in WB. Local fresh crop is arriving in market and full fledge arrival for trade to other State is expected to start from mid January
- In Karnataka, targeted area for rabi season is 9855 hectares. As on 5-1-2014 approximately 6067 hectares of area is sown compared to last year 5388 hectares during same time.
- Across the country potato prices have fallen in almost all the markets and expected to fall down further or remain range bounded for coming months due to increase in arrivals of fresh crop.

Monthly Wholesale Price Trend in different Producing & Consuming Centers:

Market	December 2014 Avg. Wholesale Price (Rs/Qtl)-(Fresh Potato)	November 2014 Avg. Wholesale Price (Rs/Qtl)-(Fresh Potato)	December 2013 Avg. Wholesale Price (Rs/Qtl)	Absolute Change over Prev. Month (Rs./Qtl)	% Change over Prev. Month	% Change over Prev. Year
Delhi	770	1878	1088	-1108	-59.00	-29.23
Khandauli (Agra)	929	1938	1384	-1009	-52.06	-32.88
Farrukhabad	699	1838	1028	-1139	-61.97	-32.00
Ludhiana	656	1722	926	-1066	-61.90	-29.16
Kolkata	1585	2024	1625	-439	-21.69	-2.46
Jaipur	902	1830	1165	-928	-50.71	-22.58
Mumbai	1881	2327	1651	-446	-19.17	13.93
Bangalore	1984	2325	2039	-341	-14.67	-2.69
Tarkeshwar*	1619	1871	1294	-252	-13.47	25.12

***cold store rates** **(Source: AGRIWATCH)**

The above table shows the monthly average prices of major markets and variation of prices with previous month and year. Prices have declined in most of the markets due to arrivals of fresh crop from producing regions.

If we compare the prices with previous year during same time it is observed that prices are comparatively lower than last year because of regular supply and good condition of crop so far.

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

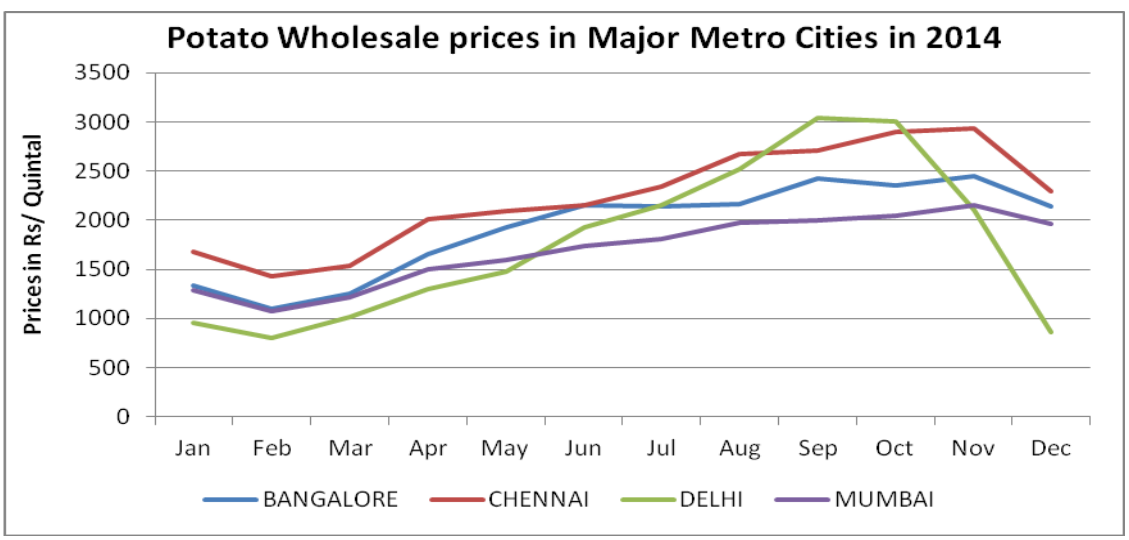
Market	December 2014 Avg. Retail Price (Rs/Qtl)-(Fresh Potato)	November 2014 Avg. Retail Price (Rs/Qtl)-(Fresh Potato)	Previous year Avg. Retail Price-December 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. year	Total Arrivals in December 2014 (in Qtl)*	Total Arrivals in November 2014 (in Qtl)*	Total Arrivals in December 2013 (in Qtl)*
Bangalore	3000	2700	2500	11.11	20.00	229850	160525	152900
Chennai	2700	2900	2300	-6.90	17.39	62200	53600	60950
Delhi	2000	3300	2000	-39.39	Unch	604200	601400	568600
Guwahati	2100	2800	2000	-25.00	5.00	31560	31200	23340
Hyderabad	3300	3500	2400	-5.71	37.50	18530	18700	24980
Mumbai	3100	3200	2300	-3.13	34.78	336450	269250	304950
Ranchi	1700	3000	2200	-43.33	-22.73	61800	49750	52510

(Source: #Consumer Affairs,* Agriwatch)

Retail prices have decreased in almost all the markets except Bangalore where local produced crop Kolar and Chikkballapur is arriving in market. Few crops from Hyderabad is also arriving in Bangalore.

If we compare on a year on year arrivals or on a month on month it is clearly visible that arrivals are much higher compared to previous year and previous month respectively. This higher arrival of fresh is only reason for fall in retail prices.

Potato Price Comparison



(Source: NHB)

The above graph shows prices comparison in major cities. Prices have after mid November in most of the markets as fresh crop from Punjab and U.P starts picking up pace. But in Delhi prices started to fall down after November only because fresh crop from Punjab starts arriving in Delhi market.

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 approximately Rs 929/quintal. In December month prices have fallen by Rs 1000/ quintal with increase in fresh arrival. On the higher side prices may find long term resistance at a level of 1000/ quintal but prices are expected to be range bound for coming month. On the lower side prices may find long term support at a level of Rs 500/ quintal. Relative strength Indicator (RSI) oscillator is also moving downward which suggest that prices may trade range bound for coming month between 600-800/ quintal.