Executive Summary:

- In benchmark market Agra (khandauli), prices are expected to rise and trade between Rs 500-Rs 600/quintal in coming month because loading in cold storages is expected to start from 20th Feb.
- In U.P, Rabi sowing is expected to be 6.23 lakh hectares which is almost similar to corresponding year. According to traders and farmers rabi yield is expected to be lower by approx 15-20% compared to normal yield in U.P which is 24.50 ton/Ha.
- In West Bengal, traders are expecting area to be 5-10% lower compared to corresponding year's 4.7 Lakh hectares. Presently, hybrid variety (Phukraj)/ "kachha Aloo" is arriving in market and yield is lower this year of this crop because of unfavorable weather conditions.
- In M.P, Rabi sowing is higher than corresponding year 1.11 lakh hectares. But production is expected to be lower this year due to unfavorable weather condition which has affected the yield.
- In Delhi, potato is arriving in market from U.P, Punjab and smaller quantity from Himanchal Pradesh and Haryana. "LR" variety from Punjab is able to fetch maximum price between Rs 480-Rs 600/ quintal.
- In Major producing regions cold storages are expected to start loading after 20th February. Prices are expected to be firm this year amid lower production estimates.

Monthly Wholesale Price Trend in different Producing & Consuming Centers:

Market	Jan. 2016 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	Dec. 2015 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	Jan. 2015 Avg. Wholesale Price (Rs/Qtl)	Absolute Change over Prev. Month (Rs./Qtl)	% Change over Prev. Month	% Change over Prev. Year
Delhi	450	706	580	**-256**	**-36.26**	**-22.41**
Khandauli (Agra)	460	750	795	**-290**	**-38.67**	**-42.14**
Farrukhabad	387	573	495	**-186**	**-32.46**	**-21.82**
Ludhiana	341	518	472	**-177**	**-34.17**	**-27.75**
Kolkata	740	1086	823	**-346**	**-31.86**	**-10.09**
Jaipur	554	754	729	**-200**	**-26.53**	**-24.01**
Mumbai	945	1104	992	**-159**	**-14.40**	**-4.74**
Bangalore	1347	1346	1630	**1**	**0.07**	**-17.36**
Tarkeshwar	780	787	636	**-7**	**-0.89**	**22.64**

(Source: AGRIWATCH)

The above table shows monthly price trend of potato in wholesale markets. Prices have decreased in almost all the markets. In Bangalore, prices are almost similar to corresponding month and fresh crop is coming in market from U.P, Punjab and West Bengal.

Prices are lower than corresponding year because of continuous supply of fresh crop but in coming months prices are expected to be firm as potato will be stored in cold storages. Yield is expected to be low in major producing regions which will result into lower production.

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

Market	Jan. 2016 Avg. Retail Price (Rs/Qtl)-(Fresh Potato)	Dec. 2015 Avg. Retail Price (Rs/Qtl)-(Fresh Potato)	Previous year Avg. Retail Price-Jan. 2015	% Change in Price Over Prev. Month	% Change in Price Over Prev. year	Total Arrivals in Jan. 2016 (in Qtl)*	Total Arrivals in Dec. 2015 (in Qtl)*	Total Arrivals in Jan. 2015 (in Qtl)*
Bangalore	2000	2100	2400	-4.76	-16.67	219000	239000	206500
Chennai	1800	2100	2300	-14.29	-21.74	64600	68500	63100
Delhi	1300	1700	1500	-23.53	-13.33	618800	618600	651200
Guwahati	1300	1500	1100	-13.33	18.18	46250	30670	70950
Hyderabad	2000	2000	2500	Unch	-20.00	47213	69290	56480
Mumbai	1900	2000	2900	-5.00	-34.48	337950	372300	346800
Ranchi	1400	1400	1300	Unch	7.69	76900	76870	57250

(Source: #Consumer Affairs,* Agriwatch)

In retail market, prices have declined in most of the markets except Ranchi and Hyderabad where prices are similar to corresponding month. In Coming months prices are expected to rise as crop will be stored in cold storages and production of stored crop is estimated to be low by 10-15% compared to corresponding year production.

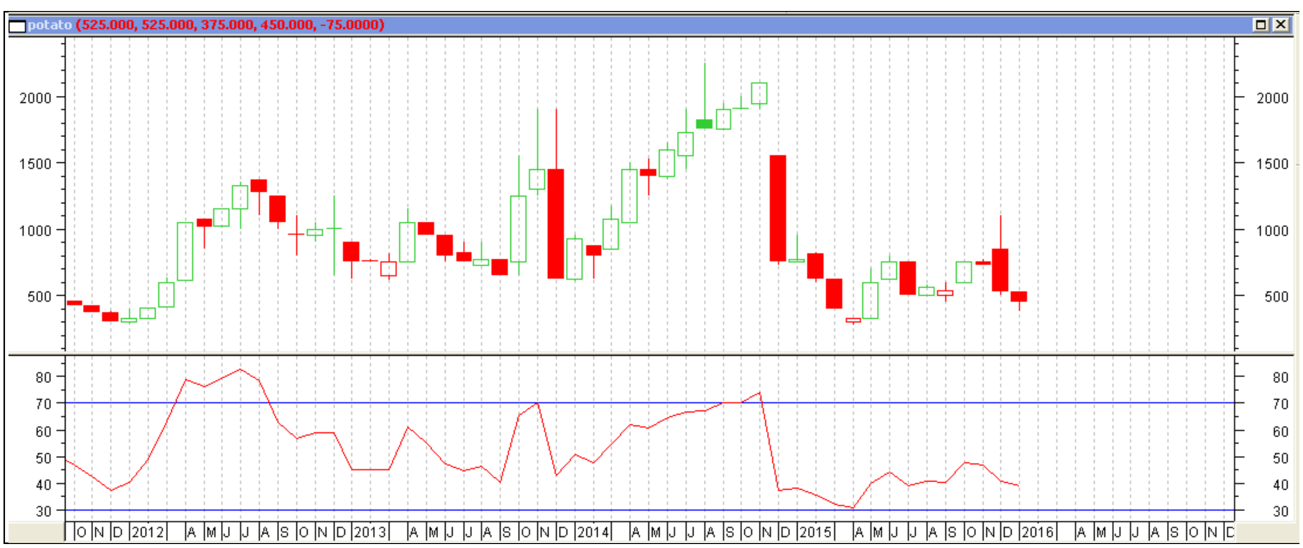
Fresh arrival is arriving in market with continuous pace but in coming months arrival may be dropped down as crop will be stored in cold storages and production is estimated to be lower.

Potato Balance sheet:

Year	2015-16	2015-16	2016	2016
Fig in Million MT	Nov-Jan	Feb-April	May-July	Aug-Oct
Carry-in	10.44	6.27	29.92	17.92
Production	3.00	35.00	0.00	3.00
Total Availability	13.44	41.27	29.92	20.92
Table Consumption	6.50	6.50	8.00	7.50
Processing Purpose	0.15	2.60	1.50	0.00
Post-harvest losses	0.52	1.75	1.50	0.90
Exports	0.00	0.50	0.50	0.50
Disappearance	7.17	11.35	11.50	8.90
Seed Purpose	0.00	0.00	0.50	4.00
Balance	6.27	29.92	17.92	8.03

Assumptions:
Potato year is taken as Oct-Nov, as fresh arrivals starts from Punjab in Nov
Post-harvest losses are 15-20%. We have taken it as 20%. Losses in Feb to Oct are equally spread
Potato Processing industry growing at CAGR 5-6%
Tables consumption is approx 19-20 Kg/capita
60-70% of Rabi prod goes to store
Table consumption growing at 3% p.a
Seed requirement is approx 10% of Production.
Kharif potato arrivals starts from Aug. Kharif potato production share is 10-15%

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. Average Modal prices during January month were Rs 460/quintal. On the higher side prices may find short term resistance at a level of 700/ quintal. On the lower side prices may find long term support at a level of Rs 300/ quintal. Relative strength Indicator (RSI) oscillator is moving steady in neutral region. Prices are expected to firm in coming days as loading in cold storages will start. Overall potato market is expected to be in a range between Rs 500 –Rs 600/ quintal.