

Executive Summary:

- In benchmark market Agra (khandauli), modal prices are expected to trade range bound between Rs 1200-Rs 1400/quintal in September month.
- In U.P, by August end approximately 40% potato crop has been released compared to 45% in corresponding period of 2015. Total storage this year and last year was approximately 112 lakh ton.
- In West Bengal approximately 46% of potato has been released from cold stores compared to 39% in corresponding period of 2015. This year total storage was approximately 54 lakh ton compared to 67 lakh ton in corresponding period of 2015.
- In Bihar approximately 42% potato has been released so far from a total storage capacity of 12.97 lakh tons. Last year total storage was approximately 13.16 lakh tons and release by August end was 40%.
- In Karnataka, fresh crop from “Hassan” has started arriving in market. This year total acreage was 10272.76 ha compared to 15480 ha in corresponding period of 2015. But Lower acreage did not impact much to the prices because of higher stocks availability in cold storages.
- Across the country Prices of potato are stable and didn't increase much during August month which is the crucial time for prices to surg. Stable prices in market directly indicates higher stocks availability in cold storages.

Monthly Wholesale Price Trend in different Producing & Consuming Centers:

Market	August 2016 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	July. 2016 Avg. Wholesale Price (Rs/Qtl)- (Fresh Potato)	August 2015 Avg. Wholesale Price (Rs/Qtl)	Absolute Change over Prev. Month (Rs./Qtl)	% Change over Prev. Month	% Change over Prev. Year
Delhi	1176	1263	772	-87	-6.89	52.31
Khandauli (Agra)	1374	1353	521	21	1.55	163.72
Farrukhabad	1328	1418	491	-90	-6.35	170.47
Ludhiana	903	916	317	-13	-1.42	184.86
Kolkata	1798	1769	728	29	1.64	146.98
Jaipur	1348	1448	474	-100	-6.91	184.39
Mumbai	1544	1653	719	-109	-6.59	114.74
Bangalore	1735	1793	991	-58	-3.23	75.08
Tarkeshwar	1713	1707	622	6	0.35	175.40

(Source: AGRIWATCH)

The above table shows monthly price trend of potato in wholesale markets. In August month prices have declined in most of the markets because of higher availability of stocks in cold storages. In Kolkata and Tarkeshwar markets prices have increased slightly and expected to remain firm in coming months because of lower storage in West Bengal.

Prices are comparatively higher than last year because of lower production estimates and lower storage estimates in producing regions. But storage was lower in West Bengal while rest of the producing regions, have sufficient stocks for coming months.

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

Market	Aug. 2016 Avg. Retail Price (Rs/Qtl)- (Fresh Potato)	July. 2016 Avg. Retail Price (Rs/Qtl)- (Fresh Potato)	Previous year Avg. Retail Price-Aug. 2015	% Change in Price Over Prev. Month	% Change in Price Over Prev. year	Total Arrivals in August 2016 (in Qtl)*	Total Arrivals in July. 2016 (in Qtl)*	Total Arrivals in August 2015 (in Qtl)*
Bangalore	1900	2000	1900	-5.00	Unch	217250	212500	250050
Chennai	2200	2300	1700	-4.35	29.41	54600	54300	60400
Delhi	2900	2800	1900	3.57	52.63	639800	556400	558400
Guwahati	2300	2400	1200	-4.17	91.67	36010	34480	41100
Hyderabad	2600	2600	2200	Unch	18.18	54380	71550	26920
Mumbai	2500	2700	1900	-7.41	31.58	292500	267750	308250
Ranchi	2100	1900	1100	10.53	90.91	53590	65020	49620

(Source: #Consumer Affairs,* Agriwatch)

In retail market, mixed variation of prices was seen amid higher stocks availability in cold storages. Prices have increased slightly in Delhi and Ranchi compared to previous month. Prices are expected to remain range bound for coming months as fresh crop from "Hassan" has started arriving in market and expected to last for a couple of weeks.

Potato storage and availability

STATES	Total Potato storage (in lakh tons)\$			Estimated Release by August End (in lakh tons) #		Available Stocks in cold Stores (in lakh tons)	
State	Year 2014	Year 2015	Year 2016	Year 2015	Year 2016	Year 2015	Year 2016
U.P	83.44	112	112.57	50.6565	45.028	61.3435	67.542
West Bengal	54.36	64.29	55.46	25.0731	25.5116	39.2169	29.9484
Bihar	7.5	13.16	12.97	5.264	5.4474	7.896	7.5226
Punjab	17.11	18.61	19.34	7.0718	6.9624	11.5382	12.3776
Total of Above State	162.41	208.06	200.34	88.0654	82.9494	119.9946	117.3906

(Source: \$ Primary survey, #Trade sources)

The above table shows the potato release by August end, potato storage and remaining stock compared to previous year. This year stocks were lower than last year because of lower storage during harvesting time in West Bengal. But situation is better than 2014 when prices were at its highest peak

The release continues till end of November and sometimes it goes to Mid December (especially in WB). So the available stock will be consumed in next 3.5 months. Fresh potato from Punjab comes in November but mostly supplied to northern India.

Out of available stock, nearly 30-35 lakh tons will be required for seed purpose. Keeping aside the potato for seed, total available stock will be only 80-90 Lakh tons (approx). The use of potato as seed varies depending upon the price during sowing time.

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 month)

The above chart shows the monthly price movement of potato for Agra (Khandauli) market. Average Modal prices during August month were Rs 1374/quintal. On the higher side prices may find long term resistance at a level of Rs 1500/ quintal. If prices breach the level of Rs 1500/ quintal it may touch a level of Rs 1700/ quintal in coming month. On the lower side prices may find long term support at a level of Rs 1000/ quintal. Relative strength Indicator (RSI) oscillator is moving upward toward oversold region. Prices are expected to remain steady in coming month. Overall potato market is expected to be in a range bound between Rs 1200 –Rs 1400/ quintal in coming month.

Disclaimer

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