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Executive Summary:

- In MCX future market, prices are falling in all the contracts whereas mixed variation was seen in open interest. Overall market is expected to be sluggish in near future.
- In West Bengal, fresh potato from Tarkeshwar and Burdwan is arriving in small quantity and expected to pick up pace in next few weeks. According to trade sources from other parts of Bengal likw Mignapur, Bankura potato arrivals has pick up the pace and expected to increase ahead.
- In Khandauli (U.P), prices are stable and hovering in the range of Rs 600- Rs 700/ quintal from last two weeks and continuous arrivals expected to increase further.
- Across the country prices have fallen in most of the markets as fresh crop has started arriving in market from producing regions like U.P, Punjab, Haryana and Karnataka.
- In Karnataka, Rabi sowing is almost completed in 5388 hectares of the total targeted area of 10205 hectares. In Kolar and Chikballapura districts which are major producing region, approximately 73% and 33% of sowing is completed respectively.

Weekly Wholesale Potato Prices Analysis (6 January – 11 January 2014)

Market	State	Avg. Price (06 January –11 January) 2014	Avg. Price (30 January- 04 December)	Avg. Price (06 January – 11 January) 2013	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	710	867	558	-18.11	27.24
Agra (Khandauli)	UP	625	700	770	-10.71	-18.83
Kanpur	UP	738	765	660	-3.53	11.82
Kolkata	W. Bengal	1376	1375	864	0.07	59.26
Ludhiana	Punjab	658	810	454	-18.77	44.93
Indore	MP	733	880	780	-16.70	-6.03
Mumbai	Maharashtra	1067	1420	1290	-24.86	-17.29
Bangalore	Karnataka	1516	1810	1390	-16.24	9.04
Ahmedabad	Gujarat	947	1270	938	-25.43	0.96
Hyderabad	AP	990	1200	1038	-17.50	-4.62
Chennai	Tamil Nadu	2000	2070	2020	-3.38	-0.99

(Source: AGRIWATCH,* AGMARKNET)

The above table shows the weekly wholesale price movement of different markets across the country. Prices have decreased in almost all the markets because of increase in fresh crop arrivals from producing regions like Punjab and U.P.

Maximum prices have fallen in Ahmedabad and Mumbai by 25% and 24% respectively as arrivals are continuously arriving in market.

If we compare prices on a yearly basis, it is observed that in few markets prices are higher than last year because crop was sown late this year which resulted into late harvesting of crop thus resulted into increase in prices.

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Weekly Retail Potato Prices Analysis for 6 January–11 January 2014

Market	State	Retail Avg. Price (06 January –11 January)	Retail Avg. Price (30 January- 04 December)	Retail Avg. Price (06 January – 11 January) 2013	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	2200	2500	2200	-12.00	0.00
Bhubaneswar	Orissa	1900	1850	1163	2.70	63.37
Chennai	Tamilnadu	2600	2800	2720	-7.14	-4.41
Delhi	Delhi	1600	2000	1200	-20.00	33.33
Guwahati	Assam	1500	1600	1200	-6.25	25.00
Kolkata	W. Bengal	1500	1600	1010	-6.25	48.51
Mumbai	Maharashtra	2000	2000	2000	0.00	0.00
Patna	Bihar	1400	1800	1260	-22.22	11.11

(Source: NHB)

In Retail market, prices have fallen in almost all the markets except Bhubaneswar. Maximum prices have fallen in Patna by approximately 22% followed by Delhi and Bangalore by 20% and 12% respectively. Prices have fallen because of continuous supply of potatoes from producing regions.

But in Bhubaneswar, prices have increased by 2% because lower supply from West Bengal earlier which was continuously supplying potato.

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.)

The above chart shows the weekly price movement of Potato prices in spot market of Khandauli (Agra). In Agra, modal prices are trading around Rs 600/ quintal. On the lower side prices may find a strong support at

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a level of Rs 600/ quintal whereas on the higher side prices may find resistance at a level of Rs800/ quintal. Relative Strength Indicator (RSI) is moving downward in neutral zone which indicates that prices may remain range bound from this point for next couple of weeks.

Potato Futures Weekly Analysis: (4 January – 11 January 2013)

Symbol	Exchange	Expiry Date	This week Close Price	Previous week Close Price	Net Change	This week Open Interest	Previous week Open Interest	Change
POTATO	MCX	31-Mar-14	944.8	975	-30.2	21885	22605	-720
POTATO	MCX	30-Apr-14	925.8	963.6	-37.8	9975	12810	-2835
POTATO	MCX	30-May-14	945.1	979.8	-34.7	11745	8790	2955
POTATO	MCX	30-Jun-14	948.4	986	-37.6	435	300	135

(Source: MCX)

In MCX, March and April month contract market participants are liquidating their long positions with decrease in prices and open interest. In May and June month contract market participants are building short positions.

Disclaimer

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