

**Executive Summary:**

- In West Bengal, cold stores have opened and loaded approximately 10% of total production. It is expected that this year 10-15% of less storage will be achieved due to 'Blight' disease which affected overall production.
- There are rumors of heavy crop damage in UP potato. Market participants are saying losses could be in between 15-20% due to rains which delayed the harvest. In Gujarat, production is expected to be 15-20% more compared to last year.
- As per initial estimate and market feedback, all India production could be less by 15-20% as compared to previous year but exact estimation are expected to be made once potato starts arriving in cold storages. If production happens to be low as expected then prices may be firm this year.
- In U.P, potato prices have increased from 10 -15% in almost all the markets due to heavy rainfall during early harvesting of potato crop. Actual losses will be known once weather is clear and potato loading in cold storage will pick up pace.
- 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.

**Weekly Wholesale Potato Price Analysis (24 February – 1 March 2014)**

Market	State	Avg. Price (24 Feb – 1 March) 2014	Avg. Price (17 Feb – 22 Feb) 2014	Avg. Price (24 Feb – 1 March) 2013	% Change over Prev. Week	% Change over prev. Year
Delhi	Delhi	797	726	700	9.78	3.71
Agra (Khandauli)	UP	770	675	756	14.07	-10.71
Kanpur	UP	900	817	669	10.16	22.12
Kolkata	W. Bengal	730	660	572	10.61	15.38
Ludhiana	Punjab	725	588	575	23.30	2.26
Indore	MP	810	779	725	3.98	7.45
Mumbai	Maharashtra	1190	1125	1025	5.78	9.76
Bangalore	Karnataka	1275	1188	1125	7.32	5.60
Ahmedabad	Gujarat	912	779	587	17.07	32.71
Hyderabad	AP	875	875	1062	Unch	-17.61
Chennai	Tamil Nadu	1460	1450	1450	0.69	Unch

(Source: AGRIWATCH,\* AGMARKNET)

The above table depicts the weekly wholesale price movement of different markets across the country. Prices have increased in most of the markets because of lower arrivals compared to previous week. Maximum prices have increased in Ludhiana by 23% followed by Ahmadabad and Khandauli by 17% and 14% respectively.

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## Weekly Retail Potato Prices Analysis for 24 February – 1 March 2014

Market	State	Retail Avg. Price (24 February – 1 March 2014)	Retail Avg. Price (17 February – 22 February 2014)	Retail Avg. Price (24 February – 1 March 2014)	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Bangalore	Karnataka	1680	1667	1867	0.78	-10.71
Bhubaneswar	Orissa	950	930	850	2.15	9.41
Chennai	Tamilnadu	2200	2200	2000	Unch	10.00
Delhi	Delhi	1200	1200	1150	Unch	4.35
Guwahati	Assam	1000	1000	800	Unch	25.00
Kolkata	W. Bengal	870	850	825	2.35	3.03
Mumbai	Maharashtra	1500	1500	2000	Unch	-25.00
Patna	Bihar	1220	1200	975	1.67	23.08

(Source: NHB)

In Retail market, prices have increased in few of the markets or are stable in the remaining. Maximum prices have increased in Bhubaneswar and Kolkata by approximately 2% each. Prices have increased marginally from 1-3% because of tight supply in the market due to crop loss in producing regions.

## Technical Analysis Potato weekly Price Chart (Spot Market Khandauli)



(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 770/ quintal. On the lower side prices may find a strong support at a level of Rs 600/ quintal whereas on the higher side prices may find resistance at a level of Rs 950/ quintal.

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Relative Strength Indicator (RSI) oscillator is moving up in neutral region and indicates prices may remain firm for next couple of weeks.

## Potato Futures Weekly Analysis: (24 February-1 March 2014)

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	1182.4	1159	23.4	17340	18450	-1110
POTATO	MCX	30-Apr-14	1194.7	1177.6	17.1	11595	12615	-1020
POTATO	MCX	30-May-14	1256.5	1227.1	29.4	29565	31545	-1980
POTATO	MCX	30-Jun-14	1326.1	1315.9	10.2	13335	11715	1620

(Source: MCX)

In March, April and May month contract of MCX, short covering (exiting from sell positions) is seen with increase in prices and decrease in prices. In June month contract, market participants are building long (buy) positions with increase in prices and open interest. This suggests, market is expecting further increase in prices in coming weeks.

### Disclaimer

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