

## Executive Summary:

- In West Bengal, so far approximately 30% of cold storage potatoes have been released from total storage of approximately 52 lakh tons. State government has also fixed wholesale and retail prices at Rs 1200/ quintal and Rs 1400/ quintal respectively.
- In U.P, approximately 22 lakh tons of potatoes have been released from cold storages out of the total storage of 90 Lakh ton. Further prices are proportionally related to Kharif crop from Hasan.
- Government has imposed Minimum Export PRICE (MEP) of \$450/ton to curb down rising prices in domestic market. This step was taken after restriction on new positions in future market and increase in margin money for running contracts.
- In Karnataka, potato sowing has started and completed in 18148 hectares of the total targeted area of 29783 hectares.
- Hasan district in Karnataka contributes approximately 70% of the total area. This year total targeted area is 20267 hectares out of which 18004 hectares of area are sown so far.

## Weekly Wholesale and Retail Potato Price Analysis

Centre	Wholesale Prices (Rs/Qtl.)#			Retail Prices (Rs./Kg.) *		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 15.07.2014	As on 08.07.2014	As on 15.07.2013	As on 15.07.2014	As on 08.07.2014	As on 15.07.2013
DELHI	1696	NA	1148	2600	2900	2200
MUMBAI	1800	1775	1230	2800	2700	2400
KOLKATA	1420	1430	790	1600	1700	1100
CHENNAI	NA	NA	NA	2500	2500	2200
AHMEDABAD	1500	1500	950	2600	2600	1500
BENGALURU	2300	2150	950	2700	2800	2200
BHOPAL	NA	NA	NA	1800	1800	1400
BHUBANESHWAR	NA	1500	NA	1700	1800	1100
HYDERABAD	NA	1700	NA	2800	2700	1800
JAIPUR	NA	NA	NA	1800	2000	1200
TRIVANDRUM	NA	NA	NA	3300	3300	2700
LUCKNOW	NA	NA	1050	2000	2500	1700

(Source: Agmarknet #, Consumer Affairs\*)

The above table depicts the weekly wholesale and retail price movement of different markets across the country. Prices are almost similar to previous year in almost all the markets.

If we compare on a year on year basis, prices of potatoes have increased this year due to crop loss in West Bengal and U.P. The other reason behind rising prices is less stored potato in cold storages of U.P and Bengal.

Prices are expected to remain range bounded or may fall down slightly after few days because of strict decisions taken by Government or State government.

## 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 1540/ quintal which have decreased from previous week by Rs 55/quintal. On the lower side prices may find a strong support at a level of Rs 1200/ quintal whereas on the higher side prices may find a resistance at a level of Rs 1600/ quintal. Relative Strength Indicator (RSI) oscillator is in neutral region so prices are expected to remain range bound between Rs 1250 to Rs 1500/ quintal.

## Potato Futures Weekly Analysis: (8 July-15 July 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-Jul-14	1362	1382.3	-20.3	1890	3975	-2085
POTATO	MCX	28-Aug-14	1489	1445.9	43.1	675	1590	-915
POTATO	MCX	30-Sep-14	1575	1464.2	110.8	75	435	-360

(Source: MCX)

In MCX, July month contract market participants are liquidating long positions with decrease in price and open interest.

In MCX, August and September month contract of MCX, market participants are short covering their positions due to impositions of special margins of 25% on long side and no fresh positions allowed by the Exchange

## Disclaimer

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