



# Potato

## Spread opportunities

### 1. Calendar Spread

Exchange	Contract	Position	Difference	Target Difference	Stoploss
MCX	March	Sell	51.40	25	65
MCX	April	Buy			

### 2. Inter-exchange spread

Exchange	Contract	Position	Current price	Current Difference	Target Difference	Stoploss
MCX	March	Sell	573.5	46.40	25	65
NCDEX	March	Buy	527			

### 3. Investment call (Buy May contract)

Exchange	1st lot	2nd lot	1st Target	2nd Target	Stoploss
MCX	520	500-510	600	650	450
NCDEX	510	500	590	630	450

### Potato - Balance sheet (Lakh tonnes)

Particulars (all figures million tons)	
Carry forward stocks	nil
Production (2009-10)	32.73
<b>Total supply</b>	<b>32.73</b>
Annual Demand	20.3
Export	0.18
<b>Total demand</b>	<b>20.48</b>
Ending stocks 2010	12.25
<b>Supply pressure to remain till the month of April 2010 there onwards produce stored in cold storage</b>	

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### Factors to watch for

- Output (2009-10): 32.73 million tons vs. 25 million tons last year (2008-09)
- Demand (annual): 20.3 million tons
- Export : 0.18 million tons
- Lower spot rate: Rs 500 per quintal (Agra Market)
- Demand is good
- Production expectation higher
- Government interventions: export for potato is still banned since August 2009

### Three spread opportunities

1. Calendar Spread
2. Inter-exchange spread
3. Investment call

