

Executive Summary:

- According to NAFED, approximately 95% of stored onion is over and remaining stored stock is mainly available in Maharashtra & Gujarat, which may continue till end of November 2012.
- Onion from Pakistan has made global market tough as they are available at a competitive prices compared to Indian onion. In this respect Pakistan cargos are easily finding their way to counties such as Malaysia that had been buying from India so far.
- According to trade sources, harvesting of kharif onion in Ferozpur Jhirka area of Haryana and some parts of Odisha has also started and coming in the markets.
- According to trade sources, harvesting of kharif onion in some pockets of Nasik & Dhule district of Maharashtra and also in Gujarat and M.P has already started from 1st week of November and expected to be in full swing during end of November month.
- In Karnataka and Andhra Pradesh, harvesting of kharif crop is still continued and expected to continue till end of December.
- In Rajasthan, harvesting of kharif crop has already started and arrivals are in full swing from Alwar district. At Alwar APMC, daily around 10,000 quintals of fresh onion are arriving in market.
- Harvesting of kharif onion in States like Punjab, U.P, Bihar and West Bengal are expected to start from December.
- In Delhi, approximately 70 % of fresh onion is arriving in market whereas rest 30% is stored onion. According to trade sources, onion is arriving in market from Rajasthan, Gujarat and Nasik.

Weekly Onion Prices (Rs/Qtl) and Arrivals (in Quintals) trend in important markets across India:

Market	State	Avg. Arrivals 9th Nov- 16th Nov 2012	Avg. Arrivals 1st Nov- 8th Nov 2012	% Change in arrivals Over Prev. Week	Avg. Prices 9th Nov- 16th Nov	Avg. Prices 1st Nov- 8th Nov	% Change in Price Over Prev. Week
Delhi	Delhi	18875	23334	-19.11	1369	1323	3.48
Bangalore	Karnataka	50000	35300	41.64	1350	1650	-18.18
Lasalgaon	Maharashtra	26000	27666	-6.02	1275	1333	-4.35
Pimpalgaon	Maharashtra	7500	16350	-54.13	1000	990	1.01
Mumbai	Maharashtra	10650	8847	20.38	1083	1308	-17.20
Hyderabad	AP	10000	8000	25.00	800	1510	-47.02
Jaipur	Rajasthan	3666	4791	-23.48	916	1058	-13.42
Indore	MP	32666	23500	39.00	734	910	-19.34
Ludhiana	Punjab	2440	4300	-43.26	1070	950	12.63

(Source: AGRIWATCH)



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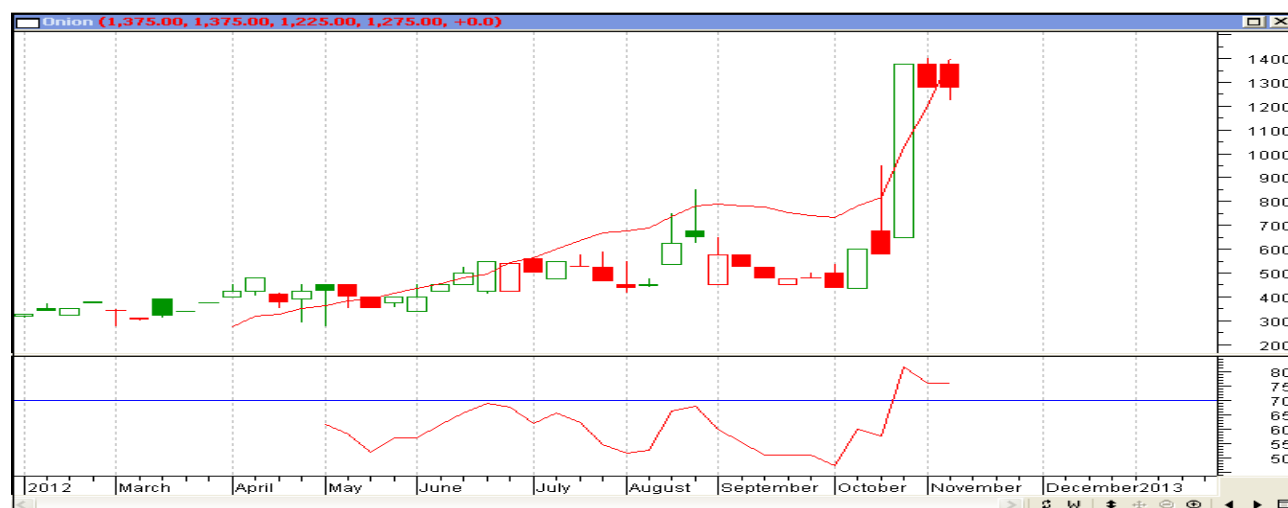
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In above table we can see mixed variation of the Prices. Prices have further increased in Delhi, Pimpalgaon and Ludhiana. Prices have even fallen slightly in few places as kharif crop has started arriving in markets from few parts of Gujarat, Rajasthan and Maharashtra. In Hyderabad and Bangalore maximum prices have fallen by 47.02% and 18 % respectively compared to previous week because of higher supply from local region which is almost to an end. Arrivals in major consuming markets have increased as supply increases in producing region after prices increased substantially. As a result, Prices have softened and have fallen in the range of 15-20% in last one week. Onion prices are likely to decline further with kharif arrivals set to reach markets next week when they begin functioning fully.

Analysis of Onion Prices at Lasalgaon, Nasik:



* Chart last updated on 9-11-2012 because after that market was closed on the occasion of Diwali and other festivals.

(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 spot price movement of Onion in the benchmark Lasalgaon Mandi of Nasik. During the week, prices did not able to cross its previous high of Rs. 1400, touched three weeks ago. The Relative Strength Index oscillator (RSI) is indicating downward and is in overbought region which indicates prices to fall further. The other reason for prices to fall down further is the arrival of kharif crop which is picking up pace. It is expected that prices may remain in the range of Rs. Rs 1250 -Rs 1400/ quintal during coming week. If the level of Rs. 1200 is broken, it is likely that it may come down up to Rs. 1100 in few weeks.

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