

**Executive Summary:**

- Retail prices of onion are higher on a year-on-year basis despite wholesale mandi prices being lower compared to last year. This shows that retail prices have increased due to other factors like transportation, fuel cost, prices of other vegetables and higher retailer margins.
- Arrivals have started increasing in Maharashtra APMC mandis including arrivals of good quality onions.
- Export demand has started coming from Indonesia, Gulf and Far East countries. According to exporters, Philippines will begin importing Indian onions in a month's time.
- The productivity of onion this year was higher due to favorable weather, prolonged winter and no rain damage unlike last year. Estimates by trade and industry point towards Onion production of around 15.1 million tonnes during 2011-12 as compared to 14.6 million tonnes in the previous year
- As per trader's estimates, cost of production for Onion in Maharashtra this year worked out to be Rs. 3.5-5/Kg. Current ruling prices in Maharashtra mandis is barely covering the cost of production.

**Market Outlook**

With the increased arrivals of Rabi crop, prices have started reducing but we do not foresee any sharp drop in onion prices as other vegetables are also getting dearer. Also, during summer season, consumption of onion will increase. Therefore, looking at (i) the export demand during April, (ii) stocking interest from traders and (iii) higher consumption demand ahead, major fall in prices is unlikely.

**Onion Arrivals in important markets of Maharashtra:**

Market	Per Day Average Arrivals 09-15 Apr 2012 (Days Reported)	Per Day Average Arrivals 01-08 Apr 2012 (Days Reported)	Average Arrivals 09-15 Apr 2011 (Days Reported)	% Change (Over Previous Week)	% Change (Over Previous Month)	% Change (Over Previous Year)
Dhule	382.38 (4)	267.35 (2)	148.7 (3)	43.03	1305.81	157.15
Kolhapur	622.96 (5)	959.28 (6)	875.76 (5)	-35.06	-26.69	-28.87
Lasalgaon	1236.4 (5)	460.75 (2)	427.17 (3)	168.35	-3.4	189.44
Manmad	1100 (3)	750 (2)	276.67 (3)	46.67	26.44	297.59
Nasik	207.92 (5)	219.2 (1)	108.3 (4)	-5.15	115.19	91.99
Pimpalgaon Baswant (Saykheda)	290.45 (2)	465.15 (2)	353.7 (1)	-37.56	-37.51	-17.88
Pune	1613.76 (5)	2014.02 (5)	1655.96 (5)	-19.87	-22.86	-2.55
Solapur	1388.36 (5)	1848.18 (5)	2223.6 (4)	-24.88	-19.98	-37.56
Vashi New Mumbai	1013 (5)	1209 (5)	1023 (5)	-16.21	-1.01	-0.98

(Source: AGMARKNET)

As seen in the table above, a mixed trend is visible in onion arrivals. In Lasalgaon, average daily arrivals have increased from 460 MT to 1,236 MT. This could probably be due to shifting of arrivals from small mandis like Pimpalgaon Baswant and Niphad to the bigger mandi of Lasalgaon. Due to high arrivals, prices have



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softened by 14% in Lasalgaon compared to last week. But demand is good for rabi onion due to its export demand and long-shelf life. On yearly basis, arrivals are higher in almost all mandis which shows higher production in this season.

## Onion Prices in important markets of Maharashtra:

Market	Prices 09-15 Apr 2012	Prices 01-08 Apr 2012	Prices 24-31 Mar 2012	Prices 09-15 Apr 2011	% Change (Over Previous Week)	% Change (Over Previous Fortnight)	% Change (Over Previous Year)
Aurangabad	343.47	326.31	286.05	372.64	5.26	20.07	-7.83
Dhule	371.58	387.56	425.38	378.78	-4.12	-12.65	-1.9
Jalgaon	390.91	413.89	395.67	444.89	-5.55	-1.2	-12.13
Kolhapur	500	466.27	446.79	497.2	7.23	11.91	0.56
Lasalgaon	372.04	432.91	357.7	446.08	-14.06	4.01	-16.6
Manmad	414.55	389	335.19	421.23	6.57	23.68	-1.59
Nasik	394.84	380	396.41	513.26	3.91	-0.4	-23.07
Pimpalgaon Baswant (Saykheda)	362.51	326.91	250	500	10.89	45.0	-27.5
Pune	433.66	424.81	422.32	471.93	2.08	2.69	-8.11
Vashi New Mumbai	560.86	565.8	546.26	605.11	-0.87	2.67	-7.31

(Source: AGMARKNET)

On a week-on-week basis, prices were mostly stable across mandis in Maharashtra with typical deviation of +/- 5 to 7% from the previous week. However, in the benchmark Lasalgaon mandi, prices were down by approximately 14% as compared to previous week due to higher arrivals as shown in the arrivals table.

In the Pimpalgaon Baswant mandi, which is around 40km from Lasalgaon, prices increased by almost 11% due to 38% lower arrivals? Despite the 11% price increase in Pimpalgaon Baswant, prices there are still around 3% lower than Lasalgaon, which clearly indicates that farmers preferred to take their produce to the mandi where they get better prices, i.e. Lasalgaon.

However, prices are still considerably lower on a year-on-year basis because of higher production this year. In most markets, prices are lower by 8-16% compared to last year. However, in the Nashik market which is a major supply centre, prices are almost 23% lower as compared to last year. Similarly in Pimpalgaon Baswant, prices are lower nearly 28% indicating a bumper crop in that region. In the benchmark Lasalgaon mandi, prices are down 16.6% year-on-year.

Onion prices (Rs/Qtl) & Arrivals (in MT) in important consumption centers across India:

Market Name	Price (Rs/Qtl., Arrival(MT.))	01/01/0001	One Week Ago	Fort Night Ago	One Month Ago	One Year Ago	% Variation Over Previous Year
AHMEDABAD	Min.Price	350	350	300	300	200	21.4
	Max.Price	600	620	550	500	500	
	Model.Price	425	480	425	410	350	
	Retail.Price	800	800	900	800	700	
	ArrivalQty	241	210	320	421	334	
BANGALORE	Min.Price	500	650	700	550	550	0
	Max.Price	700	750	800	650	650	
	Model.Price	600	700	750	600	600	
	Retail.Price	1400	1400	1300	1200	900	
	ArrivalQty	1200	1100	1500	1300	1500	
CHANDIGARH	Min.Price	825	750	750	700	650	28.6
	Max.Price	975	875	850	800	750	
	Model.Price	900	813	800	750	700	
	Retail.Price	1400	1000	1000	1200	1200	
	ArrivalQty	65	80	80	90	65	
DELHI	Min.Price	425	425	425	450	500	2.2
	Max.Price	700	750	800	700	750	
	Model.Price	562	590	625	575	550	
	Retail.Price	1200	1200	1200	1200	1200	
	ArrivalQty	1119	2603	99	856	362	
HYDERABAD	Min.Price	600	700	700	500	400	40
	Max.Price	800	900	900	700	600	
	Model.Price	700	800	800	600	500	
	Retail.Price	1100	1100	1100	1000	800	
	ArrivalQty	362	365	385	840	280	
JAMMU	Min.Price	900	700	700	700	700	26.7
	Max.Price	1000	800	800	800	800	



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	Model.Price	950	750	750	750	750	
	Retail.Price	1400	1200	1200	1000	1400	
	ArrivalQty	108	130	170	180	108	
LASALGAON	Min Price	450	420	400	350	525	-12.7
	Max Price	500	460	450	450	575	
	Modal Price	480	440	430	410	550	
	Retail Price	700	660	650	650	775	
	Arrival Qty	240	250	290	280	220	
MUMBAI	Min Price	400	500	500	400	450	6
	Max Price	650	620	650	550	600	
	Modal Price	530	560	575	450	500	
	Retail Price	1000	1000	1000	1000	1000	
	Arrival Qty	9900	9100	1300	9550	1245	
NASIK	Min Price	500	480	450	450	500	-4.5
	Max Price	560	500	500	500	600	
	Modal Price	535	480	480	480	560	
	Retail Price	760	700	700	700	800	
	Arrival Qty	220	200	180	200	160	
SHIMLA	Min Price	1200	1200	1100	1000	900	25
	Max Price	1300	1400	1200	1200	1100	
	Modal Price	1250	1300	1150	1100	1000	
	Retail Price	1500	1500	1500	1400	1200	
	Arrival Qty	12	14	14	14	14	
SURAT	Min Price	500	500	500	500	400	10
	Max Price	600	600	600	600	600	
	Modal Price	550	550	550	550	500	
	Retail Price	1000	1000	1000	1000	1000	
	Arrival Qty	225	230	240	240	250	

(Source: NHB)

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