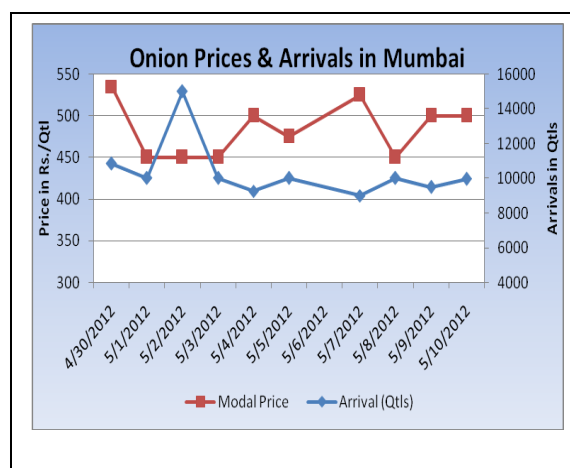
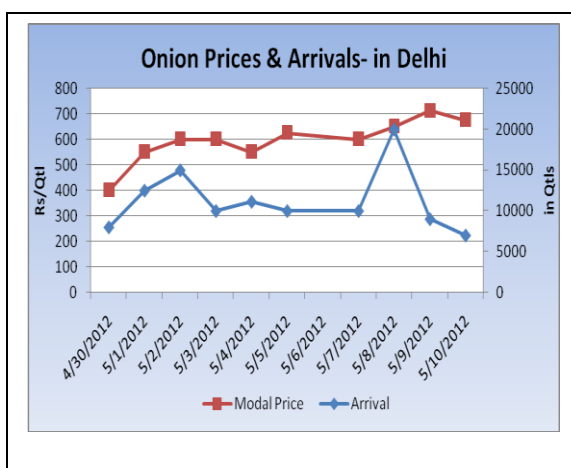
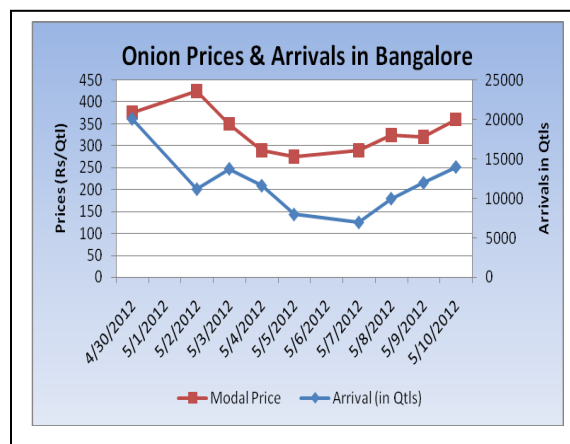
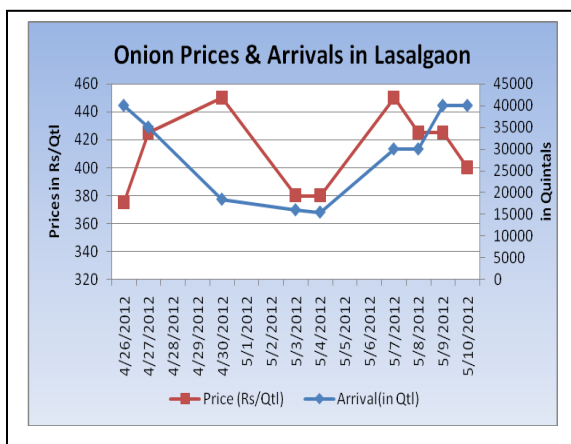


Executive Summary:

- Domestic demand for Nasik Onion was subdued during the week due to regional arrivals in Haryana, Karnataka, Orissa and Punjab.
- Export demand is normal and mainly Far-East and Gulf countries are taking more interest in importing Indian onions at this time. At present, export prices are ranging between \$140-160/tonne FOB (Free-on-Board) based on the quality of onion.
- Traders expect prices could rise by Rs 50-60/qtl in the coming weeks due to rains in some parts of Maharashtra as supply to APMC market yards might decrease.
- In the Financial Year ended 2011-12, India had exported 15.34 lakh metric tonnes of onion valued at Rs. 1,715 crores. In the previous year, onion export stood at 13.41 lakh metric tonnes (Source: APEDA).

Onion Price and Arrivals trend in Producing and Consumption Centers:



(Source: Agriwatch)



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State wise Wholesale Prices (Rs/Qtl) Weekly Analysis of Onion in India:

State	Prices 09-15 May 2012	Prices 01-08 May 2012	Prices 24-30 Apr 2012	Prices 09-15 May 2011	% Change (Over Prev Week)	% Change (Over Prev to Prev Week)	% Change (Over Prev Year)
Andhra Pradesh	486.59	479.32	442.88	415.45	1.52	9.87	17.12
Assam	899.47	923.83	966.1	886.18	-2.64	-6.9	1.5
Gujarat	410.38	437.04	421.98	418.02	-6.1	-2.75	-1.83
Haryana	540.83	507.96	623.43	469.73	6.47	-13.25	15.14
Himachal Pradesh	782.73	783.75	818.09	696.81	-0.13	-4.32	12.33
J & K	731.08	726.29	746.85	737.67	0.66	-2.11	-0.89
Jharkhand	801.63	811.44	829.6	726.31	-1.21	-3.37	10.37
Karnataka	488.1	505.97	511.65	612.27	-3.53	-4.6	-20.28
Kerala	1183.84	1134.21	1103.77	1470.8	4.38	7.25	-19.51
Madhya Pradesh	310.6	319.88	291.49	357.98	-2.9	6.56	-13.24
Maharashtra	378.4	394.39	399.76	513.94	-4.05	-5.34	-26.37
NCT of Delhi	583	581.76	570.48	568.46	0.21	2.19	2.56
Orissa	873.12	906.13	943.65	917.34	-3.64	-7.47	-4.82
Punjab	572.91	579.03	683.22	501.9	-1.06	-16.15	14.15
Rajasthan	442.04	427.69	464.9	405.34	3.36	-4.92	9.05
Uttar Pradesh	613.1	603.15	628.09	612.4	1.65	-2.39	0.11
West Bengal	846.57	781.68	732.79	756.12	8.3	15.53	11.96

(Source: Agmarknet)

Onion prices in West Bengal, Andhra Pradesh and Kerala is seen increasing in the last two weeks. In states like Punjab, Karnataka, Orissa and Gujarat local arrivals have increased which has put further pressure on prices. Prices have fallen in back to back weeks in these states due to local arrivals. Similarly, heavy arrivals in Maharashtra APMC markets and subdued demand from other states have put pressure on onion prices in Maharashtra and prices have fallen in 2 consecutive weeks. It may be noted that prices in Maharashtra are still 26% below the last year's price levels and this might be causing some distress to the farmers.



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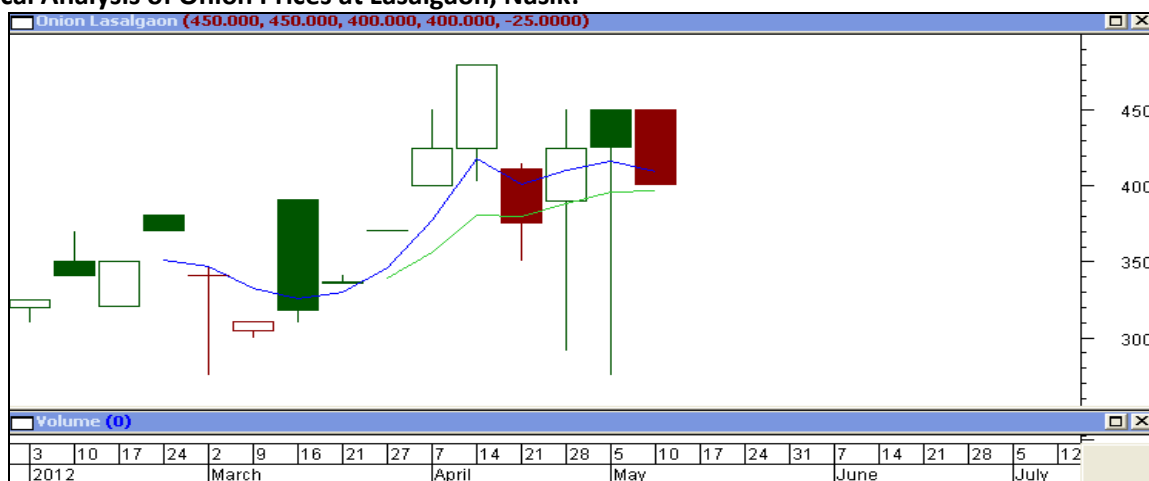
Onion Prices and Arrivals (in MT) trend in important markets across India:

Market	State	Avg. Arrivals 07-11 May 2012	Avg. Arrivals 01-05 May 2012	% Change Over Prev. Week	Avg. Prices 07-11 May 2012	Avg. Prices 01-05 May 2012	% Change in Price Over Prev. Week
Delhi	Delhi	10700	11728	-8.77	662.5	585	13.25
Mumbai	Maharastra	9850	10850	-9.22	495	465	6.45
Bangalore	Karnatka	12600	11152	12.98	324.5	353	-8.07
Belgaum	Karnatka	10400	7000	48.57	515	585	-11.97
Lasalgaon	Maharastra	38000	20600	84.47	410	345	18.84
Pimplagaon	Maharastra	19400	5200	273.08	455	431.25	5.51
Pune	Maharastra	6460	9500	-32.00	500.5	447.5	11.84
Rajkot	Gujarat	1476	925	59.57	372	365	1.92
Gondal	Gujarat	1117	1384	-19.29	294	270	8.89
Jaipur	Rajasthan	3466	3240	6.98	538	567	-5.11
Chennai	Tamilnadu	5080	5300	-4.15	810	790	2.53
Indore	MP	10252	4167	146.03	367	503	-27.04

(Source: Agriwatch)

Arrivals which had fallen two weeks ago in major mandis of Maharashtra have increased substantially in the previous week. It has again become a glut like situation in Lasalgaon and Pimplagaon as onion coming to these mandis could not be completely auctioned on the same day. The Indore mandi, which is not too far from the producing belts around Nasik, also reported higher supply from the Lasalgaon region. In Karnataka, Bangalore and Belgaum division have witnessed increase in arrivals resulting in fall in prices on a week-on-week basis.

Technical Analysis of Onion Prices at Lasalgaon, Nasik:



(Source: Agriwatch Research)

(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 Onion in the benchmark Lasalgaon Mandi of Nasik. Prices on a weekly basis were not able to close above Rs. 450/Qtl in the last three weeks. At around Rs 450, there is lot of supply and selling pressure, indicating that prices will find it difficult to surpass Rs 450 in the next few weeks. At the same time, whenever prices reach close to Rs 300, it bounces back as supply dries up. Chart shows prices are trading in range of Rs 300-450/Qtl in last four weeks. However in the week ending May 12, 2012 prices traded in a narrower range of Rs 400-450.

Prices fell and ended the week below the 4-week exponential moving average which indicates that there might be short term weakness in prices. Technically, prices at Lasalgaon are likely to trade in the range of Rs 375 to Rs 430 in the coming week. Rs 370-380 are a support area and if prices cannot remain above this, it might see more weakness in the short-term, possibly up to the Rs 350-360 level.

Disclaimer

The information contained in this document has been compiled by Agriwatch from sources believed to be reliable, such as NHB, Agmarknet, etc. and directly from traders in mandis. However, users of this data are requested to use the information with due caution and crosscheck with other sources. This document is not, and should not be construed as an offer to sell or buy any commodities. This document may not be reproduced, distributed or published without the express consent of SFAC



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