

Executive Summary:

- Export demand is mainly coming from Srilanka, Malaysia and Indonesia. According to trade sources, on a weekly basis approximately 3500-4000 tons of onion is being exported to these countries from Nasik region. Prices are being fetched in the range of Rs 1300 -1400/ quintal.
- In M.P, onion nursery is prepared for rabi crop and it is expected that transplanting may start from last week of December.
- According to NHRDF, in major late kharif onion growing states like Maharashtra, Gujarat, M.P. and parts of Odisha where the crop is under bulb development stage and condition is medium to good. Harvesting expected to start from first fortnight of January 2013 onwards.
- In Karnataka, late kharif onion crop is approximately less by 30-40% compared to previous year. According to trade sources, rabi crop is also expected to be less compared to previous year's. But exact estimation could be made once transplantation is completed.
- According to NHRDF, harvesting of kharif onion in Ferozpur Jhirka area of Haryana and some parts of Odisha has started and arriving in the markets.
- In Kanpur, onion is coming from Maharashtra region only. Contribution of fresh onion to the total arrival is approximately 70% which is able to fetch a price of Rs 1600- Rs 1700/ quintal.
- In Bangalore, average prices of onions are hovering in the range of Rs 1700/ quintal compared to previous year's Rs 1150/ quintal at this time. According to trade sources prices are likely to increase in coming days because of less Kharif area this year.

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

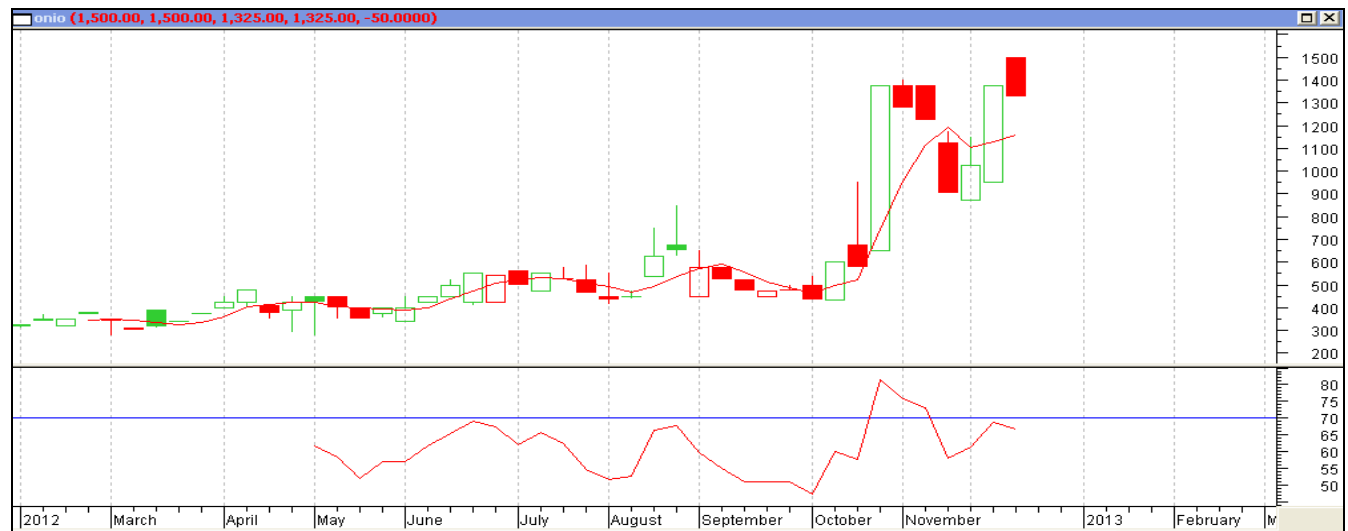
Market	State	Avg. Arrivals 10th Dec-15th Dec 2012	Avg. Arrivals 3 rd Dec-8th Dec 2012	% Change in arrivals Over Prev. Week	Avg. Prices 10th Dec-15th Dec 2012	Avg. Prices 3rd Dec-8th Dec 2012	% Change in Price Over Prev. Week
Delhi	Delhi	9500	14416	-34.10	1500	1300	15.38
Bangalore	Karnataka	23666	26000	-8.98	1675	1800	-6.94
Lasalgaon	Maharashtra	11250	10083	11.57	1237	1441	-14.16
Pimpalgaon	Maharashtra	21000	15000	40.00	1226	1337	-8.30
Mumbai	Maharashtra	8116	12500	-35.07	1333	1341	-0.60
Hyderabad	AP	6666	7833	-14.90	1602	1608	-0.37
Jaipur	Rajasthan	3000	5100	-41.18	950	950	0.00
Indore	MP	36666	34300	6.90	1008	950	6.11

(Source: AGRIWATCH)

In the above table we can see a mixed variation of prices and arrivals. Prices have increased because of good quality of fresh onion crop arriving in the market.

Arrivals have increased in Lasalgaon, Pimpalgaon, Hyderabad and Indore. Maximum arrivals have increased in Pimpalgaon by 40%. Fresh onion is arriving in market from Rajasthan, Maharashtra and Madhya Pradesh. According to trade sources, prices may increase in Karnataka as Kharif crop is less by almost 40-50% and late kharif crop is also expected to be less compared to previous year. It is expected that prices in Bangalore may cross Rs 2000/ quintal by the end of this month.

Analysis of Onion Prices at Lasalgaon, Nasik:



(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 of Lasalgaon mandi of Nasik. As it was expected that prices will rise as fresh crop is fetching highest prices whereas Kharif crop production was less as compared to previous years. But, prices fall at the end of the week because of low quality of onion. Now 1300 level will act as good support. On upside, wholesale prices could touch Rs. 1550 in Lasalgaon in coming weeks.

Arrivals are expected to increase further as arrivals are continuously increasing from Rajasthan, Maharashtra and Madhya Pradesh. Prices may consolidate here for couple of weeks. Export demand is expected to be stable as domestic market prices are high.

Disclaimer

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