

**Executive Summary:**

- In year, 2012-13 till December total onion export is 12.95 Lakh tons where as last year at the same time total onion export was 11.04 Lakh tons. In year 2012-13 December month export was 15% less compared to previous year at same time because of high prices in domestic market.
- Onion prices in different markets are stable amid adequate supply from producing region. At present, Kharif crop and late kharif onion is coming in the markets.
- As per initial estimate, rabi onion crop in Maharashtra could be down by 30-40% due to less acreage and shortage of water.
- Onion arrivals in Sholapur of Maharashtra are good and mainly going to Karnataka region. Sowing of onion is done here as per water availability and most of the onion is planted during Sep to Nov month. Hardly 30-35% of farmers go for Rabi season as water availability is low.
- In Hubli market of Dharwad district in Karnataka already 80% of arrivals are from Maharashtra region and it is expected that after January month onion will arrive in market from Maharashtra region.
- In Karnataka, Bagalkot and Bijapur districts onion is grown more as compared to other districts because of availability of rivers and dams in those particular districts.
- According to trade sources, approximately 60-70% of Rabi crop is to be expected in Ahmadnagar (Maharashtra).
- In Bangalore, approximately 15% of onion is coming from local region only whereas rest 85% is arriving in market from Maharashtra region.

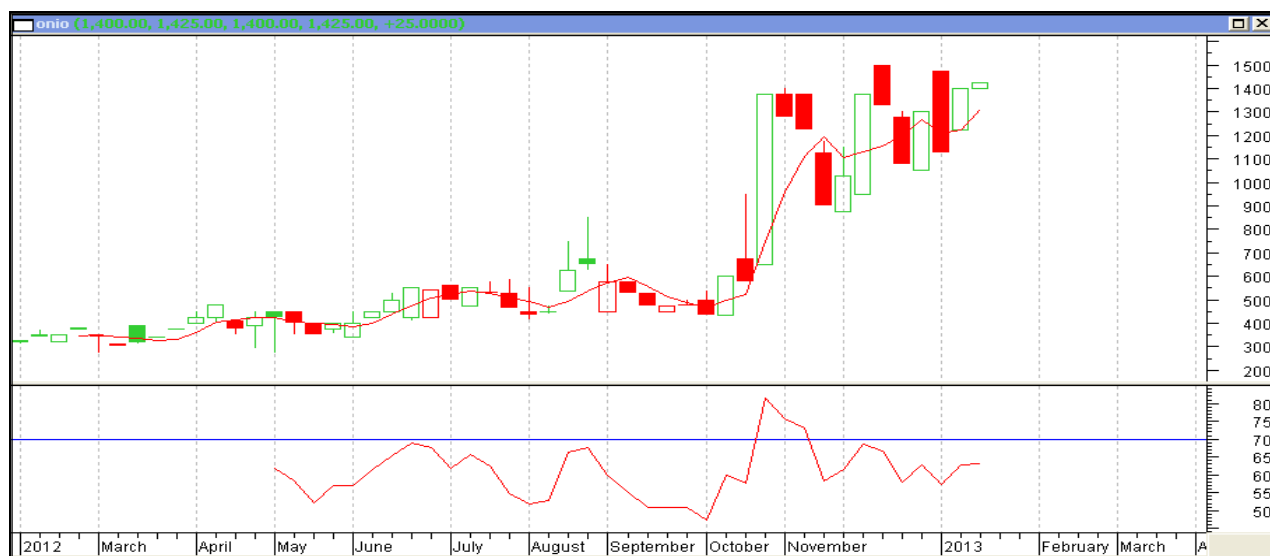
**Weekly Onion Prices (Rs/Qtl) and Arrivals (in Quintals) trend in important markets across India:**

Market	State	Avg. Prices 14th Jan - 19th Jan 2013	Avg. Prices 7th Jan - 12th Jan 2013	Avg. Prices 14th Jan - 19th Jan 2012	% Change in Price Over Prev. Week	% Change in Price Over Prev. year
Delhi	Delhi	1270	1110	445	14.41	185.39
Bangalore	Karnataka	1420	1320	900	7.58	57.78
Lasalgaon	Maharashtra	1428	1320	362	8.18	294.48
Pimpalgaon	Maharashtra	1310	1280	341	2.34	284.16
Mumbai	Maharashtra	1400	1345	525	4.09	166.67
Hyderabad	AP	1563	1475	800	5.97	95.38
Jaipur	Rajasthan	1280	1140	300	12.28	326.67
Indore	MP	940	900	550	4.44	70.91
Chennai	Tamilnadu	1834	1717	400	6.81	358.50

(Source: Agriwatch)

As visible from above table, this week average modal prices are much higher compared to previous year at same time. The reason for increase in wholesale prices is because of lower kharif and late kharif production this year from major producing regions like Maharashtra and Karnataka. The production was less because of lower rainfall and late arrival of monsoon. In Maharashtra region late kharif onion is arriving in market and will be available till mid of February is approximately 40%-50% less compared to previous year.

## Technical 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 we were expecting that if the prices would breach the resistance level of Rs 1400 price could inch up further by another Rs.50- Rs 100 and exactly that happen. Prices are expected to remain firm for next couple of weeks.

Prices may increase ahead due to lower late Kharif production in major producing regions. Export demand seems to be sluggish as onions in domestic market are fetching relatively good prices as compared to export market. Prices are expected to remain firm.

### Disclaimer

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