

Executive Summary:

- Across the country, prices have dropped down as compared to previous week because of increase in arrival from Gujarat and Maharashtra and it is expected that Gujarat has good late kharif crop.
- According to trade sources in Bhavnagar (Gujarat) arrivals are expected to be high for next two weeks and prices may remain stable. In Bhavnagar (Gujarat), weekly average arrivals were approximately 42750 qtls.
- In Delhi, onion is coming in market from Bhavnagar and Maharashtra region which are contributing approximately 40-45% each to the total arrival. Remaining quantity is coming from Rajasthan and Haryana.
- According to trade sources in Delhi, maximum prices of Rs 17-18/kg are being fetched by Maharashtra onion because of premium quality, compared to Bhavnagar onion whose prices are hovering in the range of Rs 14-15/kg.
- According to news reports, Pakistan's onion export has reached 170,000 metric tons mark and is anticipated to reach 200,000 MT mark by the end of March 2013. Pakistan onion is being traded at \$250 MT.
- In Pune, farmers are bringing maximum of their produce in market in fear of further decline in price and secondly low shelf life of this late kharif crop. According to trade sources, average arrivals throughout the week were approximately 24000 qtls in anticipation of lower prices ahead.
- According to NHRDF, recent rains / hail storm in Maharashtra affected the onion crop only in Kalwan and Deola Talukas and no damage in other parts of the state was reported.

Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India:

Center Name	Avg. Wholesale Price (17th Feb-23rd Feb)	Avg. Wholesale Price (11th Feb-16th Feb)	% Change in Wholesale Price over prev. week	Avg. Retail Price (17th Feb-23rd Feb)	Avg Retail Price (11th Feb-16 th Feb)	% Change in Retail Price over prev. week
BANGALORE	1530	1633	-6.31	2400	2167	10.75
BHUBANESHWAR	2000	2080	-3.85	2300	2380	-3.36
CHENNAI	1800	2117	-14.97	2650	3000	-11.67
DELHI	1650	1582	4.30	2500	2620	-4.58
Hyderabad	1642	1875	-12.43	2300	2700	-14.81
JAIPUR	1400	1542	-9.21	2200	2550	-13.73
KOLKATA	1866	2090	-10.72	2500	2840	-11.97
MUMBAI	1350	1562	-13.57	2150	2500	-14.00
PATNA	1775	1920	-7.55	2500	2880	-13.19

(Source: Agriwatch, NHB)

The above table shows the wholesale and retail prices of onion in major cities of India. Both wholesale and retail prices have declined as onion from Gujarat is arriving in market in full pace. In Delhi wholesale prices have

25 February, 2013

increased marginally because of low arrivals during the week because of rains and strikes (Bharat Bandh). In Lasalgaon market, arrivals are still low though the railway train rakes services has resumed. The reason for stagnant arrival may be low crop production in Maharashtra region.

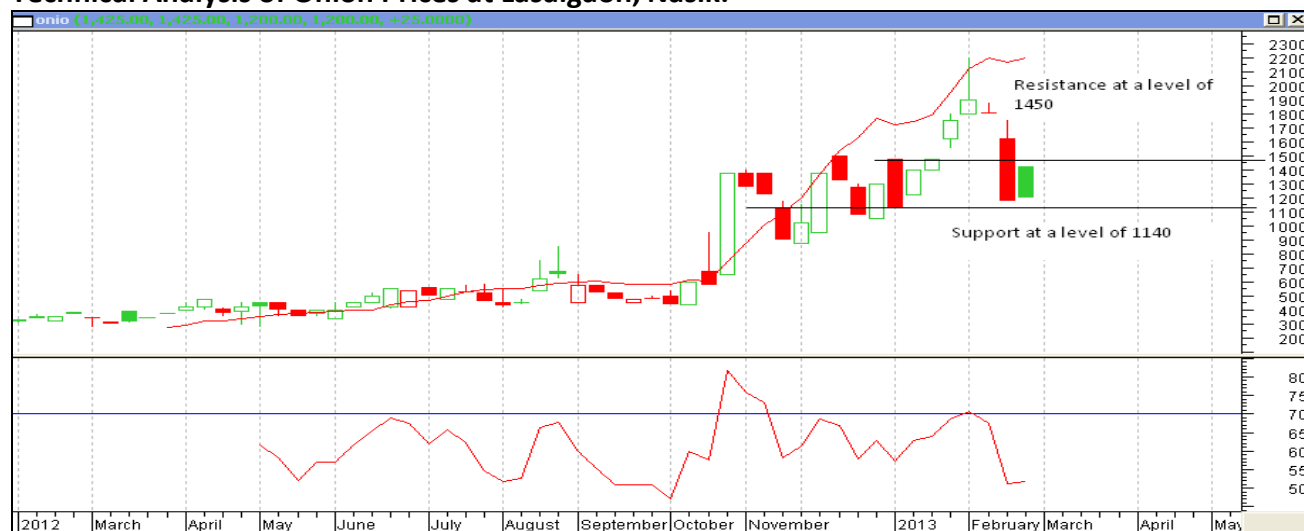
Onion arrivals (Qtls) in major cities of India markets:

Center Name	Total Arrivals (18th Feb-23rd Feb)	Total Arrivals (11th Feb-16th Feb)	% Change in arrivals over prev. week	Total Arrivals (4th Feb-9th Feb)
BANGALORE	55500	60500	-8.26	41700
BHUBANESHWAR	10000	14000	-28.57	9500
CHENNAI	35600	31600	12.66	30000
DELHI	45050	53600	-15.95	35300
Hyderabad	6450	8180	-21.15	10500
JAIPUR	13840	12870	7.54	18990
KOLKATA	77700	63860	21.67	67910
MUMBAI	39900	50400	-20.83	66100
PATNA	2250	5250	-57.14	7750

(Source: NHB)

The above table shows the total arrivals trend during last three weeks in major cities. Mixed trend is seen over the weeks. In Chennai, Jaipur and Kolkata arrivals has increased compared to previous week's arrival. Maximum arrivals were in Kolkata followed by Bangalore and Mumbai. Increase in arrivals from Gujarat has led the arrivals fall down across the country.

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.)

25 February, 2013

The above chart shows the weekly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. Prices are trading between 1200 to 1400 level. On the lower side, prices may find support at a level of 1140. On the higher side price may find strong resistance near 1450. Relative Strength Index (RSI) Indicator is stable after a steep fall and hovering in neutral zone. This suggests prices are likely to trade in the range in coming week.

Prices are expected to trade in the range due to continuous supply from producing region and stable demand from domestic market. Sukhsagar variety from west Bengal is feeding the eastern states which have reduced the demand of Maharashtra region onion. Prices are expected to remain stable for next week also.

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