

Executive Summary:

- Rabi crop has started arriving in market and expected in full swing in next couple of weeks
- India's total onion export till March (14.3.2013) in the current FY 2012-13 has increased and reached to around 1635452 MT compared to previous year export of 1552904 MT which is approximately 5% higher than last year and expected to increase further.
- According to official sources, onion export in the month of February 2013 is 100319 tons compared to previous year export of 152197 tons. Reason for decline in export in month of February may be high domestic prices this year.
- In Jaipur, onion is arriving in market from local region and Maharashtra region. According to trade sources, Onion from local region which is of 'white' variety is in high demand.
- In Bhavnagar, white onion is arriving in market from Maharashtra and Alwar region whereas Red variety onion is coming from local region only. White variety onion is able to fetch high prices compared to Red variety onion.
- In Kanpur onion is arriving in market from M.P region and Nasik region which are contributing approximately 15% and 85% respectively to the total arrival.
- According to trade sources Maharashtra State districts APMC markets are closed from 27th March and auction will resume from 2nd April.

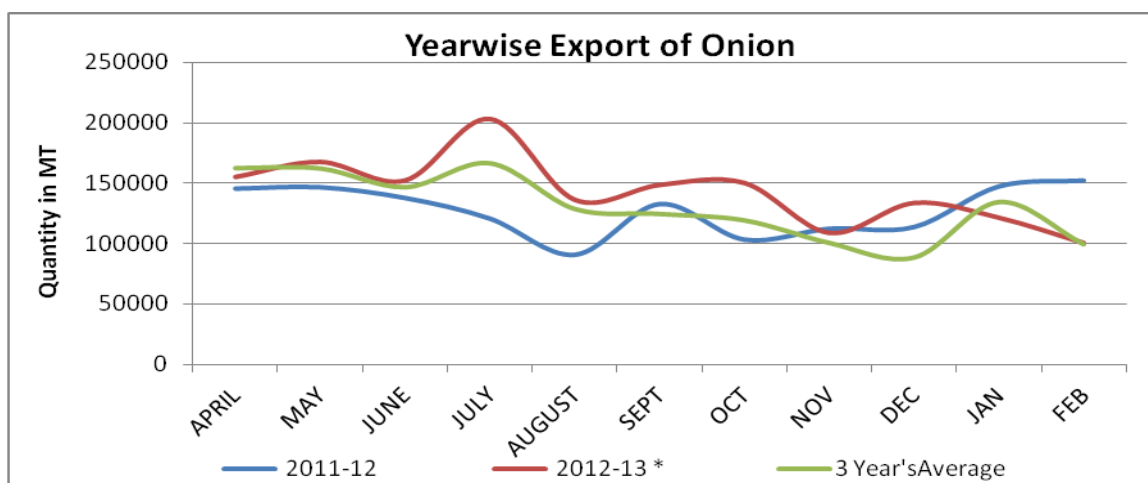
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India:

Center Name	Avg. Wholesale Price (24th March-30th March)	Avg. Wholesale Price (18th March-23rd March)	% Change in Wholesale Price over prev. week	Avg. Retail Price (24th March-30th March)	Avg. Retail Price (18th March-23rd March)	% Change in Retail Price over prev. week
BANGALORE	1037.5	1055	-1.66	1800	1800	0.00
BHUBANESHWAR	1392	1372	1.46	1700	1760	-3.41
CHENNAI	1500	1384	8.38	2100	2100	0.00
DELHI	1263	1417	-10.87	2000	2000	0.00
Hyderabad	1088	1267	-14.13	2000	2000	0.00
JAIPUR	1100	1092	0.73	1833	1950	-6.00
KOLKATA	1245	1135	9.69	1800	1933	-6.88
MUMBAI	1063	1134	-6.26	1500	1500	0.00
Patna	1250	1250	0.00	1800	1800	0.00

(Source: Agriwatch, NHB)

The above table shows the wholesale and retail prices of onion in major cities of India. Mixed pattern of wholesale prices was seen. Maximum wholesale prices were increased in Kolkata and Chennai by 9.69% and 8.38% respectively. In Delhi and Hyderabad, prices have declined by 10% and 14% respectively. In retail market prices have fallen slightly in Jaipur, Kolkata and Bhubaneswar whereas in rest places prices were unchanged.

India's Onion Export:



(Source: NAFED)

The above graph shows the monthly export of onion. This year in month of February, onion export was approximately 34% less compared to previous year February month due to higher prices in domestic markets following less late kharif crop. The other reason could be low price of onion from Pakistan available in market. In March (till 14.03.11) month approximately, 58738 tons of onion has been exported. It is expected that India's total onion export would be 5% more compared to previous year export.

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. Prices are trading in the range of Rs 800 to Rs 950/ quintal. On higher side, prices are expected to find resistance near 1050 level. On the lower once the level of 800 is breached, prices may found support at a level of 700. Relative Strength Index (RSI) is moving upward which suggest prices may go up for short term.

Disclaimer

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