

Executive Summary:

- All India, cumulative arrival of Onion in the month of July is approximately 20 % less than last year during same time.
- In Karnataka, fresh early Kharif crop of onion is expected to start from August end and traders are expecting a loss of 20-25% in yield due to heavy rains. Actual estimate can be made when arrivals start.
- In A.P, onion acreage for kharif season is approximately 27,950 ha. So far 13,110 hectares of area is sown as compared to previous year's 9,912 hectare area. The sown area has increased compared to previous year because of timely arrival of monsoon this year.
- In Lasalgaon and Pimpalgaon market, prices have increased by approximately by 3% and 15% whereas arrivals have increased by 80% in both the markets as traders/farmers are releasing maximum of their stocks in market to fetch maximum prices. However, prices are stable at previous week level following stable export and domestic demand.
- In Indore, prices have increased by 12% compared to previous week whereas arrivals have also increased by 16% as stockiest are releasing maximum crop in order to fetch better prices.
- According to trade sources in Maharashtra generally 70% of stock onion is left in Maharashtra during this time but due to lesser production this year only 30% of stocked onion is left. This is the main reason for rise in prices.

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

Center Name	Avg. Wholesale Price (29 July -3 August)	Avg. Wholesale Price (22 July - 27 July)	% Change in Wholesale Price over prev. week	Avg. Retail Price (29 July -3 August)	Avg. Retail Price (22 July - 27 July)	% Change in Retail Price over prev. week
BANGALORE	2583	2467	4.70	3133	3040	3.06
BHUBANESHWAR	2963	2833	4.59	3266	3300	-1.03
CHENNAI	3016	3060	-1.44	3800	3834	-0.89
DELHI	2200	2120	3.77	3500	3040	15.13
HYDERABAD	2516	2180	15.41	2700	2800	-3.57
JAIPUR	2166	2260	-4.16	3166	3400	-6.88
KOLKATA	2918	2479	17.71	3900	3500	11.43
MUMBAI	2530	2456	3.01	4000	3625	10.34
Patna	2591	2350	10.26	3500	3150	11.11

(Source: Agriwatch, NHB)

The above table shows the wholesale and retail prices of onion in major cities of India. Prices have increased in all the markets except Chennai and Jaipur, where prices have fallen by approximately 1 and 2% respectively. Prices have increased in rest of the markets due to domestic demand and prices of other green vegetables have also increased substantially due to rains and supply constraints because of ongoing "Kanwad".

Weekly Wholesale Prices and Arrivals in producing regions

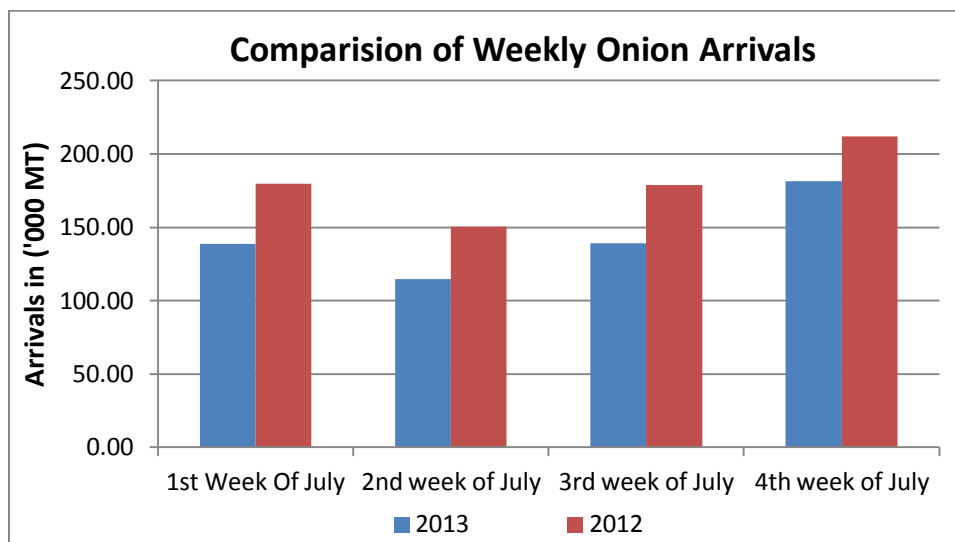
Center Name	Avg. Wholesale Price (29 July - 3 August)	Avg. Wholesale Price (22 July - 27 July)	% Change in Wholesale Price over prev. week	Total Arrivals (29 July - 3 August) Quintals	Total Arrivals (22 July - 27 July) Quintals	% Change in Arrivals over prev. week
LASALGAON	2378.9	2300	3.43	34900	18500	88.65
PIMPALGAON	2440	2120	15.09	37500	20400	83.82
BANGALORE	2530	2460	2.85	76000	104000	-26.92
INDORE	1691	1516	11.54	75500	72500	4.14

(Source: Agriwatch)

The above table shows the weekly difference between prices and arrivals in producing regions. Prices have increased in all the markets due to increase in prices of onion at benchmark Lasalgaon mandi .

In Lasalgaon and Pimpalgaon market, arrivals have increased compared to previous week but arrivals in Bangalore mandi has decreased.

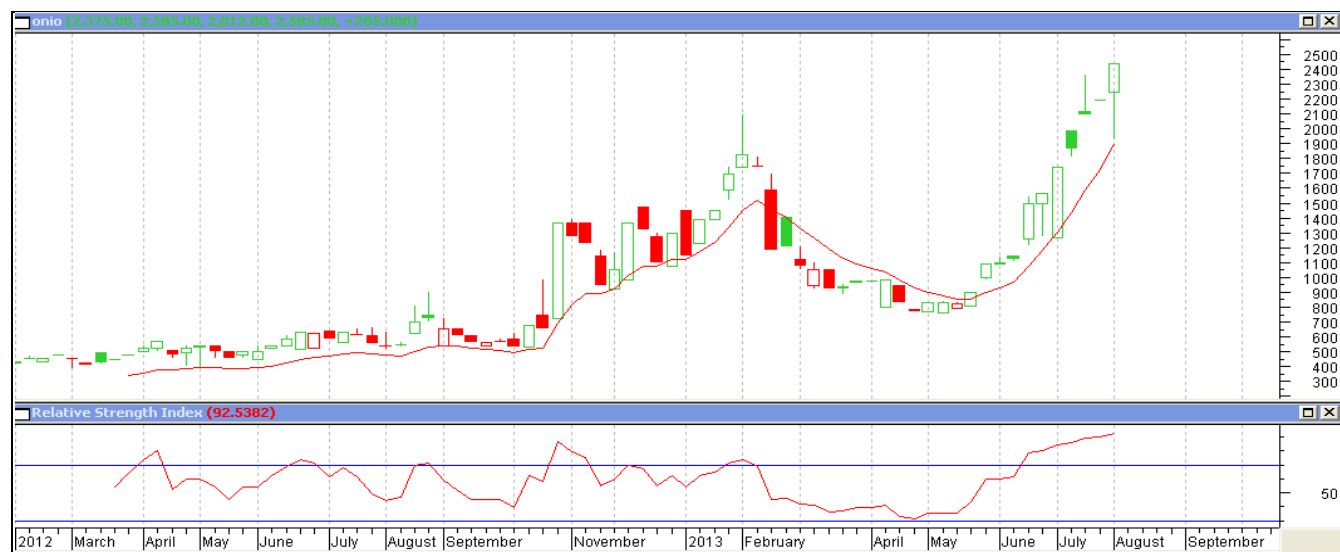
All India- Onion weekly arrival comparison



(Source: Agmarknet)

The above graph shows the weekly all India arrivals. Arrivals are noticeably lower as compared to previous year in every week. In July, arrivals are approximately 20% less compared to previous year because of less stored onion from Rabi season and subsequent slow release from stockiest.

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. Modal prices have increased up to a level of Rs 2500/ quintal and have settled down to Rs 2300/ quintal. On the higher side prices may find resistance at a level of Rs 2600 and on the lower side prices may find support at Rs.2100 / quintal. Relative Strength Indicator (RSI) oscillator is hovering above overbought region which suggest prices to remain firm in coming week also.

Disclaimer

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