

**Executive Summary:**

- All India, cumulative arrival of Onion till the third week of August is approximately 27 % less than last year during same time.
- Week on week basis, all India arrivals have increased by approximately 20% in 3<sup>rd</sup> week of Aug as compared to previous week. This could be due to higher prices, Govt's decision to impose MEP, Import tender by NAFED. The govt is keeping close watch on onion prices.
- Last week's average modal prices in benchmark Lasalgaon is reported near Rs. 4056/Qtl which is lower by 6% when compared to prices previous week.
- According to news sources, NAFED has floated a tender to import onion from China, Iran and Pakistan to increase domestic supply.
- In A.P, onion acreage for Kharif season is approximately 27,950 ha. So far 13,477 hectares of area is sown as compared to previous year's 16870 hectare area. The sown area is approximately 35% less from normally sown area of 20599 by this time.
- In Karnataka, sown area for onion is approximately 70,769 hectares of the total targeted area 99506 hectares. Sowing pace is normal and expected to achieve the targeted area this year.
- If we go by historical arrivals trend, all India arrivals are expected to increase by 15-20% from 4<sup>th</sup> week of August and expected to be maintained during the month of September also.
- Arrivals in Bangalore have pick up the pace. According to trade sources, approximately 75% of fresh onion is arriving in market from 'Chitradurga' district. Arrivals are expected to be firm for next couple of weeks.

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

Center Name	Avg. Wholesale Price (19 August -24 August)	Avg. Wholesale Price (12 August -17 August)	% Change in Wholesale Price over prev. week	Avg. Retail Price (19 August - 24 August)	Avg. Retail Price (12 August - 17 August)	% Change in Retail Price over prev. week
BANGALORE	3790	4630	-18.14	4550	4740	-4.01
BHUBANESHWAR	4390	3900	12.56	5020	5250	-4.38
CHENNAI	5200	5440	-4.41	6500	6760	-3.85
DELHI	4062.5	5085	-20.11	5250	6000	-12.50
HYDERABAD	3687.5	4340	-15.03	5000	4420	13.12
JAIPUR	3800	3652	4.05	5500	5960	-7.72
KOLKATA	4850	5313	-8.71	6160	6675	-7.72
MUMBAI	3987.5	4080	-2.27	5000	6400	-21.88
Patna	4240	4640	-8.62	5517	5900	-6.49

(Source: Agriwatch, NHB)

The above table shows the wholesale and retail prices of onion in major cities of India. Prices have decreased in all the markets with decrease in prices from benchmark market.

Maximum prices were decreased in Delhi by 20% followed by Bangalore and Hyderabad by 18% and 15% respectively.

## Weekly Wholesale Prices and Arrivals in producing regions

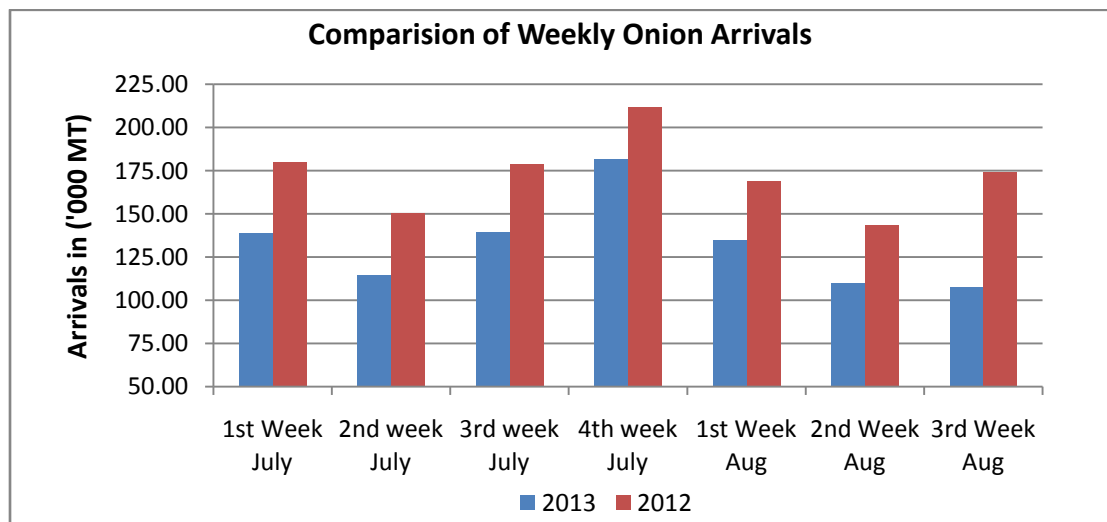
Center Name	Avg. Wholesale Price ( 19 August-24 August)	Avg. Wholesale Price ( 12 August-17 August)	% Change in Wholesale Price over prev. week	Total Arrivals ( 19 August-24 August) Quintals	Total Arrivals ( 12 August-17 August) Quintals	% Change in Arrivals over prev. week
LASALGAON	4056.25	4309	-5.87	23750	25250	-5.94
PIMPALGAON	3920.65	4138	-5.25	27375	44750	-38.83
BANGALORE	3790	4630	-18.14	191000	123000	55.28
INDORE	2887.5	3280	-11.97	48200	76200	-36.75

(Source: Agriwatch)

The above table shows the weekly difference between prices and arrivals in producing regions. Prices have decreased in all the markets due to intervention of the government against the rising prices. Maximum prices have fallen in Bangalore by 18% followed by Indore by 11%.

In Bangalore, arrivals have increased by approximately 55% as local crop has started arriving in market which is contributing 90% to the total arrivals

## All India- Onion weekly arrival comparison

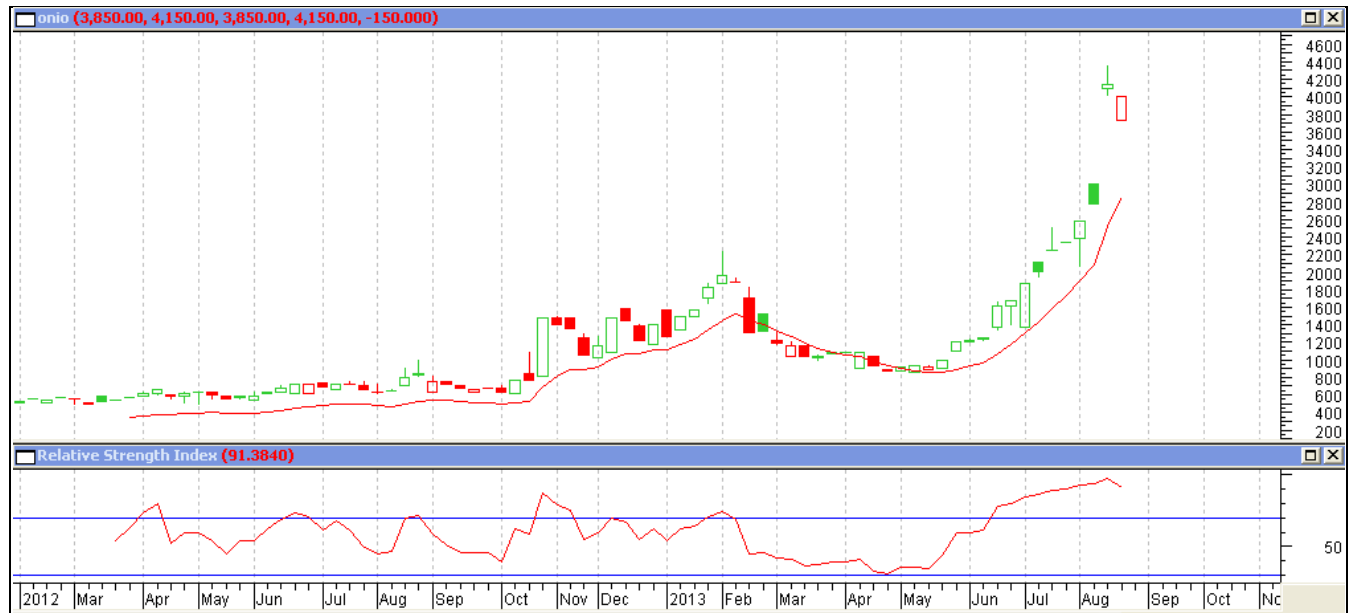


(Source: Agmarknet)

The above graph shows the weekly all India arrivals. Arrivals are noticeably lower as compared to previous year in every week. But it is following the same pattern in both the years. In August, cumulative arrivals till

second week are approximately 27% less compared to previous year because of less stored onion from Rabi season in Maharashtra and also lower arrivals from other states.

### 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 decreased from a level of Rs 4500/ quintal to 4000/ quintal. On the higher side prices may find resistance at previous high Rs 4500 and on the lower side support can be placed near at Rs.3700 / quintal. Relative Strength Indicator (RSI) oscillator is hovering above overbought region and moving downward which suggest prices may correct marginally in coming week.

#### Disclaimer

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