

Executive Summary:

- All India, onion arrival during 2nd week of October were approximately 12% lower than previous week of October month. But prices have increased as onion arrivals during second week of October were inconsistent because heavy rains were affecting the supply of onion crop.
- In Bangalore, both arrivals and prices have increased by approximately 27% and 10% respectively compared to previous week. Arrivals from local area ('Chitradurga' District) are continuously arriving in market which is majorly supplying to South India and few markets of North India.
- In Lasalgaon and Pimpalgaon markets, prices have increased by 12% compared to previous week because of lower arrivals. Fresh early kharif onion has also started arriving in market from few pockets of Maharashtra and expected to pick up pace in coming weeks.
- Kharif onion sowing is almost completed and it is estimated is to be higher in all major producing states like Maharashtra, Karnataka and Andhra Pradesh.
- In Indore, prices and arrivals both have increased by approximately by 2% and 49% respectively compared to previous week.

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

Center Name	Avg. Wholesale Price(7 October-12 October)	Avg. Wholesale Price(30 September-5 October)	% Change in Wholesale Price over prev. week	Avg. Retail Price (7 October -12 October)	Avg. Retail Price (30 September-5 October)	% Change in Retail Price over prev. week
BANGALORE	3550	3200	10.94	3900	3575	9.09
BHUBANESHWAR	3975	3920	1.40	4467	4075	9.62
CHENNAI	3833	4320	-11.27	5000	5400	-7.41
DELHI	4192	3600	16.44	5500	5300	3.77
HYDERABAD	2800	3800	-26.32	4100	4660	-12.02
JAIPUR	4000	4150	-3.61	5225	5080	2.85
KOLKATA	4563	4083	11.76	5442	5680	-4.19
MUMBAI	4896	4350	12.55	5167	5750	-10.14
Patna	4867	4740	2.68	6100	5625	8.44

(Source: Agriwatch, NHB)

The above table depicts the wholesale and retail prices of onion in major cities of India. In wholesale market onion prices have increased in almost all the markets except Chennai, Hyderabad and Jaipur. In South Indian markets both wholesale and retail prices are less as compared to other markets because of continuous supply of onion from Karnataka region.

Weekly Wholesale Prices and Arrivals in producing regions

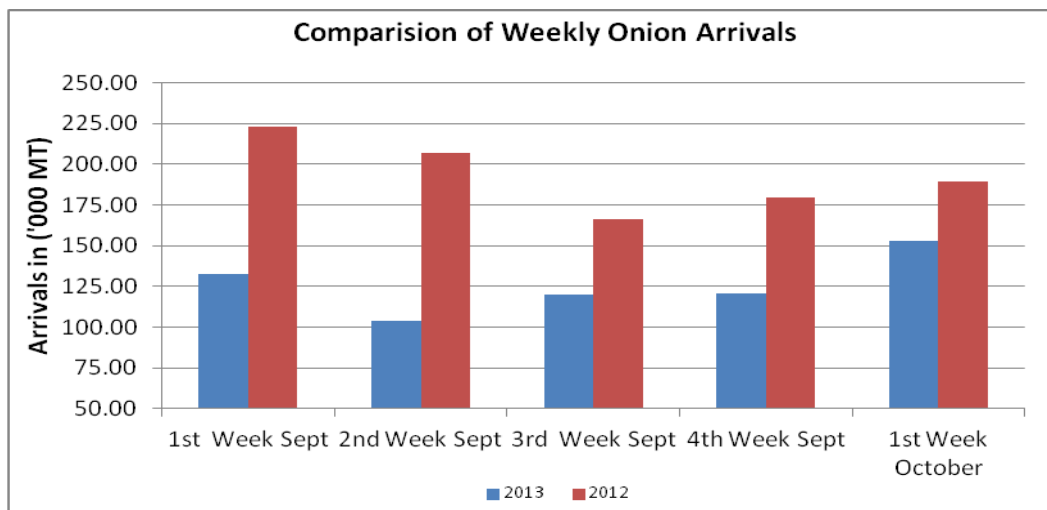
Center Name	Avg. Wholesale Price (7 October -12 October)	Avg. Wholesale Price (30 September-5 October)	% Change in Wholesale Price over prev. week	Total Arrivals (7 October-12 October) Quintals	Total Arrivals (30 September-5 October) Quintals	% Change in Arrivals over prev. week
LASALGAON	4580	4083	12.17	16300	5300	207.55
PIMPALGAON	4350	3883	12.03	4880	9680	-49.59
BANGALORE	3550	3200	10.94	600000	470000	27.66
INDORE	3183	3100	2.68	72500	48500	49.48

(Source: Agriwatch)

The above table shows the weekly difference between prices and arrivals in producing regions. Prices have increased in all the markets.

Prices have increased due to lower arrival in producing region as supply is getting affected due to heavy rains. Maximum arrivals were fallen down in Pimpalgaon by approximately 49%. In Bangalore, arrivals are highest because onion crop is continuously arriving in market from local region with a regular pace.

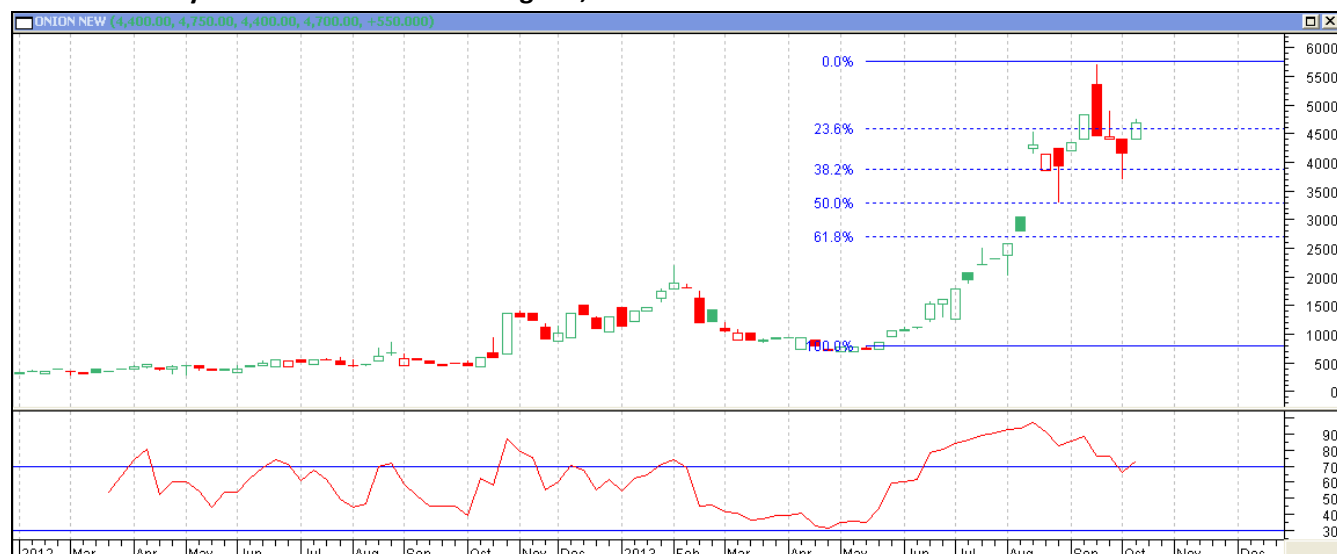
Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph shows the week on week basis all India onion arrivals compared to last year. This year arrivals were comparatively lower than last year in every week. Arrival started increasing after 3rd week of September but slightly fallen down in 2nd week of October because of inconsistent supply due to heavy rains. It is expected that arrivals may increase in coming weeks with regular supply.

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 4700/ quintal. On the higher side prices may find resistance in the range of Rs. 4800-5000/Qtl. On the lower side prices may find support at a level of Rs 3800/ quintal

The Fibonacci retracement shows that if prices fall down it may come down to a level of 3800 in coming weeks. If this level is breached then next support would be around Rs. 3300. But for the coming week market seems to be range bound between Rs 3900- Rs 4600/ quintal.

Disclaimer

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