

## Executive Summary:

- All India, cumulative onion arrival during 3<sup>rd</sup> of December month is approximately 30% higher compared to previous year arrival during same time. If we compare on a week on week basis, arrivals in 3<sup>rd</sup> week of December are approximately 15% higher compared to previous week.
- According to international Business Information Services (IBIS), approximately 265 MT of processed onion was exported from India as on 22.12.2013.
- Government has slashed down the onion MEP (Minimum Export Price) to \$ 150 from \$ 350 so that onion prices may found their way in international market.
- Across the country prices of onion are continuously falling with increase in arrivals from major producing regions like Maharashtra, Rajasthan, M.P and Karnataka.
- In benchmark market of Lasalgaon and Pimpalgaon market prices have fallen to Rs 980 and Rs 930/ quintal from Rs 1000 and Rs 960/ quintal respectively in last one week.
- In Karnataka, total targeted area for Rabi crop is approximately 21967 hectares. So far, 20682 hectares of area has been sown. Maximum area is in Bijapur and Bagalkot district where sowing is still in progress with total targeted area of 5439 and 5671 hectares respectively.

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

Center Name	Avg. Wholesale Price(23 December-28 December)	Avg. Wholesale Price(16 December-21 December)	% Change in Wholesale Price over prev. week	Avg. Retail Price(23 December-28December)	Avg. Retail Price(16 December-21 December)	% Change in Retail Price over prev. week
BANGALORE	1200	1383	-13.23	2000	2117	-5.53
BHUBANESHWAR	1930	2100	-8.10	2125	2100	1.19
CHENNAI	1950	2100	-7.14	2866	2550	12.39
DELHI	1185	1242	-4.59	3000	3200	-6.25
HYDERABAD	980	1590	-38.36	1480	2900	-48.97
JAIPUR	1200	1583	-24.19	2100	3500	-40.00
KOLKATA	1462	1938	-24.56	2360	3583	-34.13
MUMBAI	1235	1288	-4.11	2000	2000	0.00
PATNA	1455	1621	-10.24	2000	2250	-11.11

(Source: Agriwatch, NHB)

Above table shows wholesale and retail prices of onion across different markets. Prices have reduced in almost all the markets in both retail and wholesale markets. The reason is continuous arrivals of crop from major producing regions. In wholesale market maximum prices have fallen in Hyderabad by 38% followed by Jaipur and Kolkata by 24% respectively.

In Retail market maximum prices have decreased in Hyderabad followed by Jaipur and Kolkata by 48%, 40% and 35% respectively.

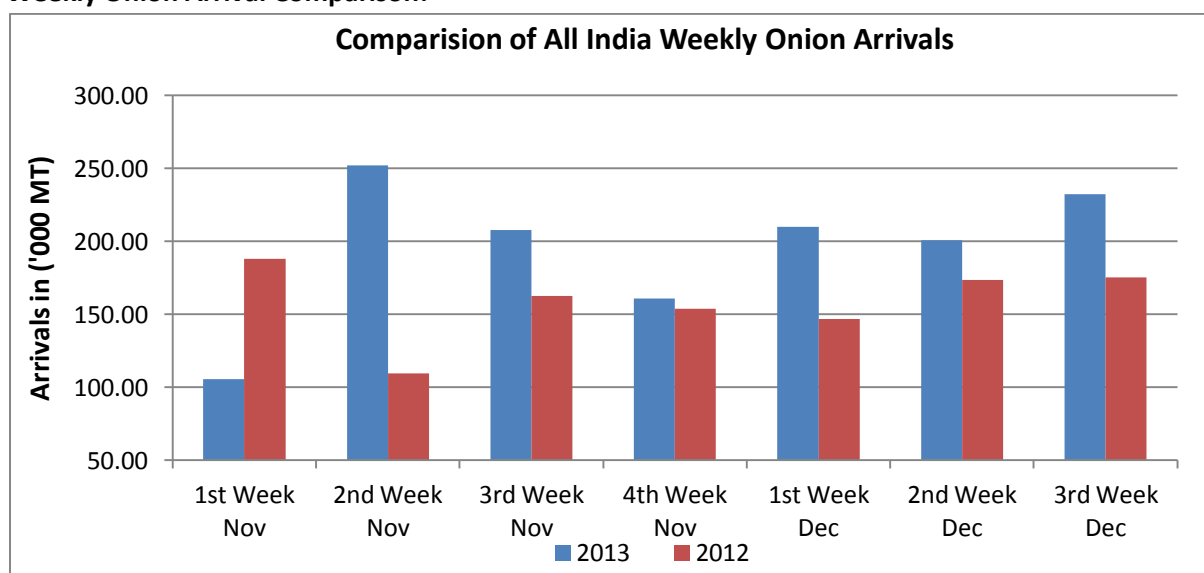
## Weekly Wholesale Prices and Arrivals in producing regions:

Center Name	Avg. Wholesale Price(23 Dec - 28 Dec)	Avg. Wholesale Price(16 Dec -21 Dec)	% Change in Wholesale Price over prev. week	Average Arrivals (23 Dec -28 Dec) Quintals	Average Arrivals (16 Dec -21 Dec) Quintals	% Change in Arrivals over prev. week
AHMEDNAGAR	1147	950	20.74	15700	10916	43.83
SOLAPUR	950	1008	-5.75	30000	43500	-31.03
BANGALORE	1200	1383	-13.23	33600	44000	-23.64
INDORE	850	904	-5.97	25500	34333	-25.73
LASALGAON	981	1028	-4.57	22625	24250	-6.70
PIMPALGAON	933	963	-3.12	20833	26500	-21.38

(Source: Agriwatch)

The above table shows the weekly difference between prices and arrivals in producing regions. Prices have decreased in all markets due to continuous supply of onion from different parts of the country. Overall market is expected to be sluggish ahead due to continuous supply of onion crop.

## 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 are comparatively higher than last year in every week because of delayed harvesting this year. In 3rd week of December arrivals were 15% higher than previous week but arrivals are continuously arriving in market as harvesting of late kharif onion is in full swing.

## 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. As we expected prices are continuously falling and touched a level below Rs 1000/ quintal and expected to be range bound for next coming week. On the higher side prices may find resistance at a level of Rs 1200/ quintal and on the lower side prices may find support at level of Rs 800/ quintal. Relative Strength Indicator is moving downward (RSI) which suggest that price are in downward trend and market is bearish for coming weeks.

### 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