

Executive Summary:

- All India, onion arrival in month of October is approximately 7% lower compared to previous month. If we compare onion arrivals in October month on a yearly basis we observed that arrivals are 3% lower than last year during same time.
- As per IBIS (International Business Information System), approximately 17531 tons of processed and fresh onion has been exported in month of October 2014 compared to previous month export of 44554 tons. Pakistan onion is exporting at a lower price than Indian onion.
- In Karnataka, 95% fresh onion is arriving from local regions like Davangere, Chitradurga, Hubli, Gadag districts and rest 5% from Maharashtra.
- In Karnataka, Rabi sowing has started in a total targeted area of 15876 hectares. So far 2304 hectares of area is sown compared to last year area of 5555 hectares.
- Across the country prices of onion have fallen down as fresh kharif crop from Maharashtra, and Karnataka has started arriving in market. Quality of stored onion is also not good and hence fetching lower prices in market and may last for next two weeks.

Monthly Average Wholesale Price (Rs/Qtl) and Arrivals (in Quintals) Trend Comparison

Market	Avg. Prices October 2014	Avg. Prices September 2014	% change in prices over previous month	Previous year Avg. October 2013 Price	% change over previous Year	Daily Avg. Arrivals October	Daily Avg. Arrivals September	% change in arrivals over previous month
Delhi	1809	1819	-0.55	4233	-57.26	11737	12734	-7.83
Bangalore	1615	1835	-11.99	4163	-61.21	97636	53308	83.15
Lasalgaon	1342	1439	-6.74	4834	-72.24	7625	11518	-33.80
Pimplagaon	1427	1507	-5.31	3978	-64.13	11442	16912	-32.34
Mumbai	1790	1660	7.83	4927	-63.67	15413	14275	7.97
Pune	1708	1567	9.00	4321	-60.47	10583	9262	14.26
Jaipur	1805	1850	-2.43	4380	-58.79	2818	2692	4.68
Chennai	2309	2400	-3.79	4722	-51.10	4622	4708	-1.83
Hyderabad	1824	1845	-1.14	3000	-39.20	1930	1711	12.80

(Source: AGRIWATCH)

On a month-on-month basis, prices have decreased in almost all the markets except Mumbai and Pune where prices have increased by 7% and 9% respectively. Maximum prices have fallen in Bangalore and Lasalgaon market by 11% and 6% respectively because of arrival of fresh crop. In lasalgaon market approximately 20% is fresh crop and rest 80% is stocked crop and fresh crop is expected to pick up pace in coming days as it was delayed by 20-25 days this year.

In Karnataka onion is arriving in market from local region (Chitradurga, Hubli, Dawangre and Gadag districts) has started arriving in market and expected to continue for coming months also.

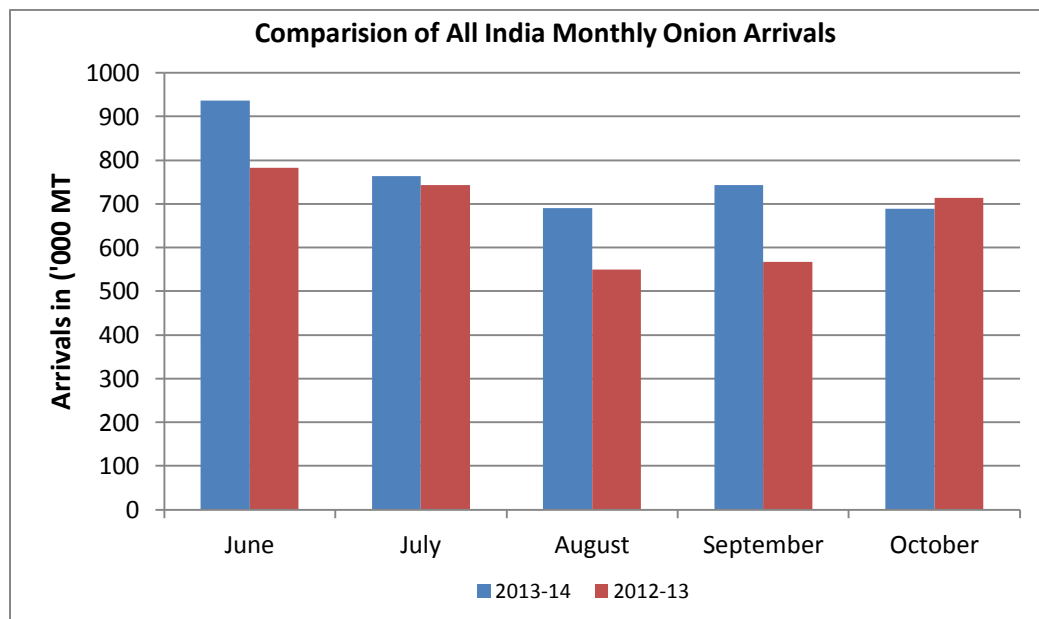
Monthly Average Retail Price (Rs/Qtl) trend comparison:

Market	Average Retail Price October 2014	Average Retail Price September 2014	Previous year Avg. Retail Price- October 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. year
Bangalore	2100	2400	3600	-12.50	-41.67
Bhubaneswar	2400	2400	5000	0.00	-52.00
Chennai	2400	2200	5000	9.09	-52.00
Delhi	3300	3100	6600	6.45	-50.00
Guwahati	2600	2500	5800	4.00	-55.17
Hyderabad	2500	2700	4500	-7.41	-44.44
Kolkata	2300	2500	5800	-8.00	-60.34
Mumbai	2900	3000	6000	-3.33	-51.67
Patna	2100	2300	5600	-8.70	-62.50

(Source: Consumer Affairs)

In Retail market, mixed variation of prices was seen. In few markets prices were seen marginally higher because of interrupted supply. Prices are expected to fall further as fresh arrival is picking up pace.

If we compare prices on a year on year basis it is observed from above table that prices are almost half of the prices during same time last year. Prices are lower this year due to timely action taken by government if it's banning export or allowing import and ease down the import policy which is reflected in the prices.

All India Onion Monthly Arrivals:

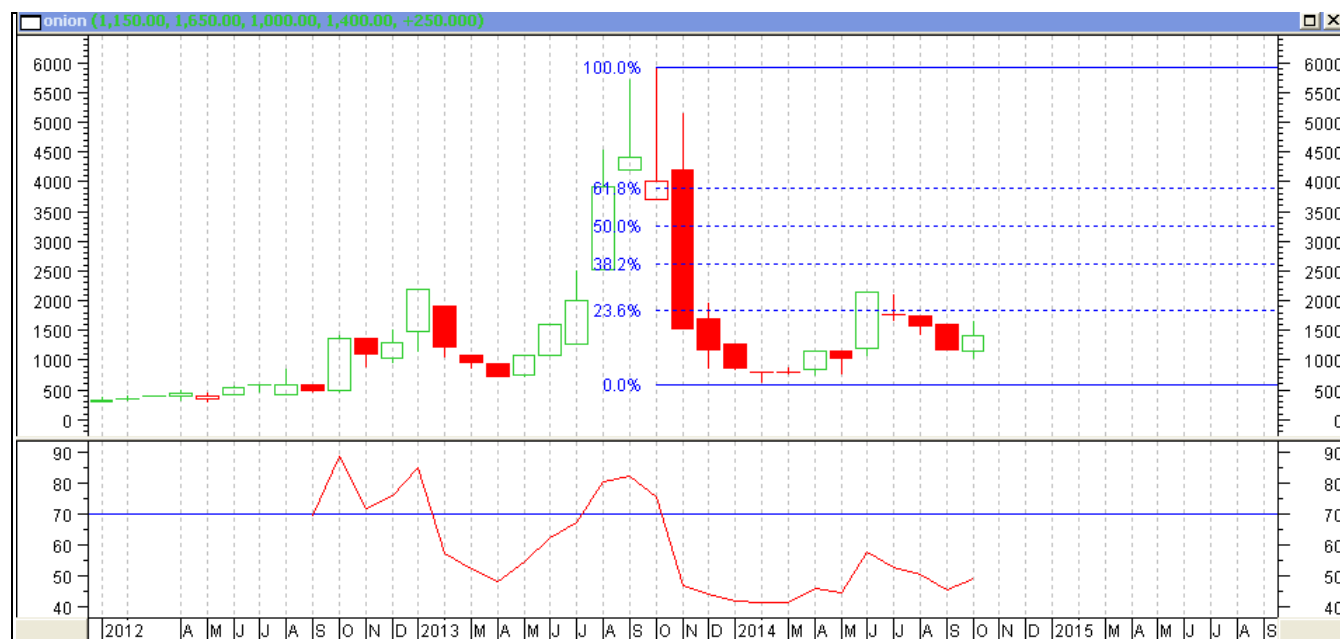
(Source: Agmarknet)

The above graph shows the monthly all India arrivals. Arrivals are lower in October month than last month because fresh arrivals are arriving in smaller quantity as kharif arrivals are expected to pick up pace. In coming months arrivals are expected to increase as area in late kharif is expected to increase because of slower monsoon this year.

Kharif Sowing Progress in Major States:

States	Kharif Area 2014 ('000 Ha)	Kharif Area 2013 ('000 Ha)
Maharashtra #	61.01	63.56
Karnataka *	122.86	114
A.P *	23.97	25.04

(Source: # Agriwatch Research, * State Horticulture Department)

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 monthly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. During the month of October modal prices touched low of Rs 1000/ quintal and trading near Rs. 1342/Qtl. On the upper side prices may find resistance at a level of Rs 1850/ quintal whereas long term support is Rs 6000/ quintal. Overall, onion prices are expected to fall further as Relative strength indicator (RSI) oscillator is moving in neutral region which suggest prices may fall down further may be in a range of Rs 800- Rs 1500/ quintal in coming month.

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.