

Executive Summary:

- All India, onion arrival in month of November is approximately 44% higher compared to previous month. If we compare onion arrivals in November month on a yearly basis we observed that arrivals are 29% higher than last year during same time.
- As per IBIS (International Business Information System), approximately 30320 tons of processed and fresh onion has been exported in month of November 2014 compared to previous month export of 17531 tons.
- In Karnataka, total Rabi area is approximately 16676 hectares. As on 1.12.2014 approximately 5727 hectares of area is sown compared to last year area of 8596 hectares.
- As per Agriwatch estimate sowing intentions for late kharif onion is also lower by approx 7% as compared to previous year. Late kharif onion is expected to be around 104700 hectare against previous year's figures of 112300 hectare.
- In Maharashtra, arrivals are approximately 17% higher compared to previous year in November month. Prices are expected to fall down further with increase in arrivals of Kharif and late kharif seasons.

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

Market	Avg. Prices November 2014	Avg. Prices October 2014	% change in prices over previous month	Previous year Avg. November (2013) Price	% change over previous Year	Daily Avg. Arrivals November	Daily Avg. Arrivals October	% change in arrivals over previous month
Delhi	1631	1809	-9.84	3033	-46.22	15185	11737	29.38
Bangalore	1683	1615	4.21	3115	-45.97	76500	97636	-21.65
Lasalgaon	1431	1342	6.63	2950	-51.49	3676	7625	-51.79
Pimplagaon	1563	1427	9.53	2924	-46.55	5684	11442	-50.32
Mumbai	1656	1790	-7.49	3467	-52.24	17344	15413	12.53
Pune	1794	1708	5.04	3266	-45.07	7176	10583	-32.19
Jaipur	1670	1805	-7.48	3926	-57.46	2545	2818	-9.69
Chennai	2458	2309	6.45	4719	-47.91	4988	4622	7.92
Hyderabad	1900	1824	4.17	2214	-14.18	2195	1930	13.73

(Source: AGRIWATCH)

On a month-on-month basis, prices have decreased in Jaipur, Delhi and Mumbai which are near producing regions. In rest of the markets prices have increased by 4% to 10% as kharif crop was picking up pace during November end. Prices are expected to fall down ahead as kharif arrivals are arriving in market full fledged.

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:

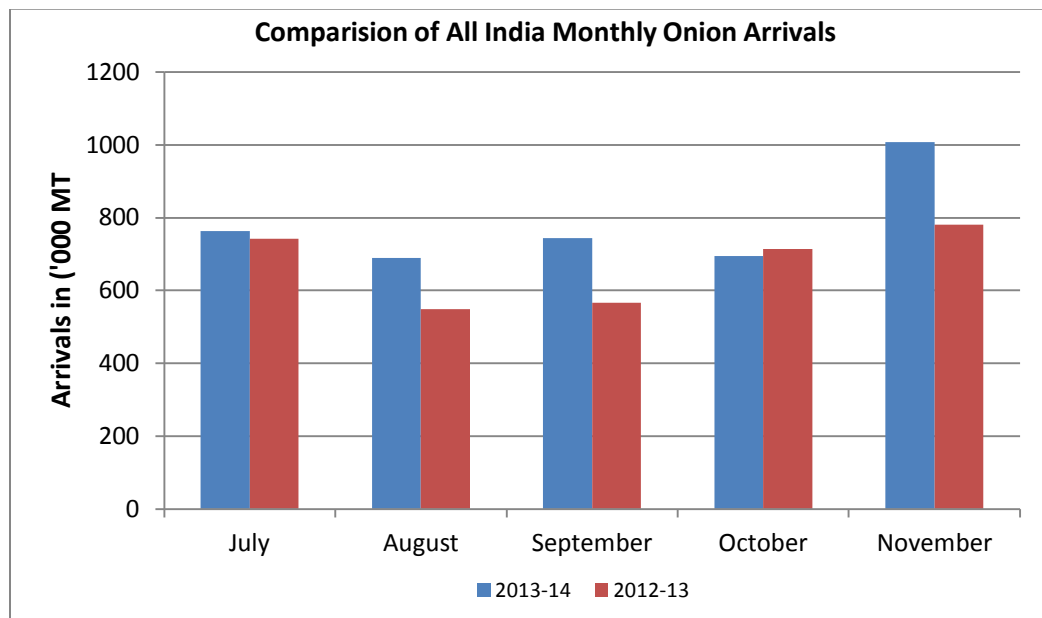
Market	State	Average Retail Price November 2014	Average Retail Price October 2014	Previous year Avg. Retail Price- November 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. year
Bangalore	Karnataka	2100	2100	3700	Unch	-43.24
Bhubaneswar	Odisha	2400	2400	4300	Unch	-44.19
Chennai	Tamil Nadu	2100	2400	4700	-12.50	-55.32
Delhi	Delhi	3200	3300	5800	-3.03	-44.83
Guwahati	Assam	2500	2600	5400	-3.85	-53.70
Hyderabad	AP	2600	2500	3700	4.00	-29.73
Kolkata	W. Bengal	2600	2300	5600	13.04	-53.57
Mumbai	Maharashtra	3100	2900	6600	6.90	-53.03
Patna	Bihar	2100	2100	4600	Unch	-54.35

(Source: Consumer Affairs)

In Retail market, prices have increased in few markets only whereas in rest market it is similar to previous year or has fallen down slightly. In coming months prices are expected to fall down with continuous and increase in arrivals.

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 low this year as crop is in good condition and yield is more compared to previous year.

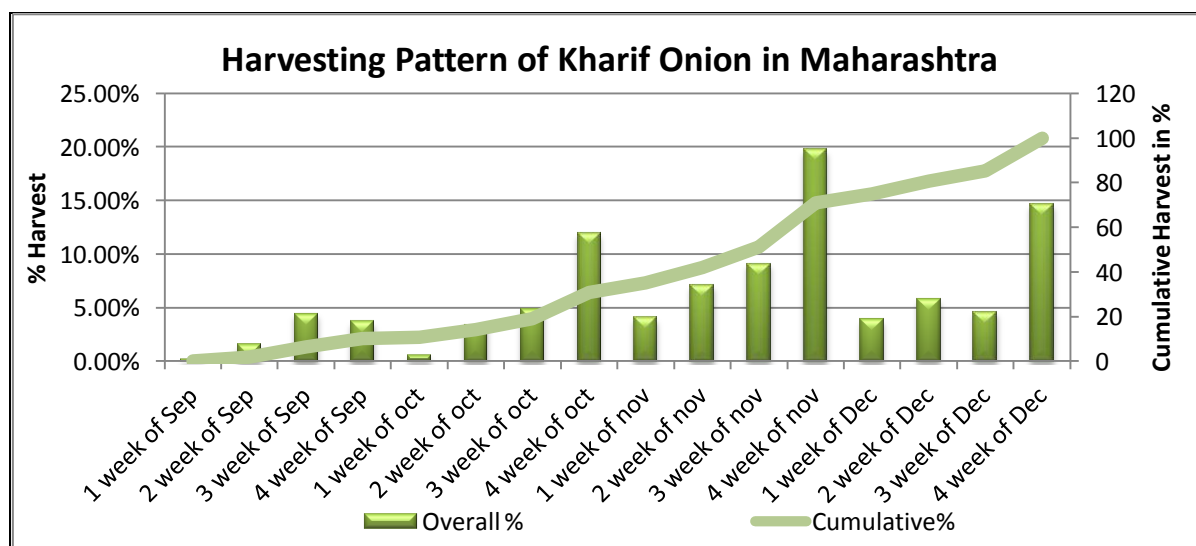
All India Onion Monthly Arrivals:



(Source: Agmarknet)

The above graph shows the monthly all India arrivals. Arrivals are higher in November month than last month because fresh arrivals from different producing regions and majorly from Maharashtra. In coming months arrivals are expected to arrive with this continuous pace. In Maharashtra, maximum kharif crop is harvested in November month.

Harvesting Pattern of Kharif onion in Maharashtra



(Agriwatch survey)

Harvesting starts from 2nd and 3rd week of September in few districts like Dhule, Usmanabad and Ahmadnagar where early kharif crop is sown during mid June. Till end of October, 25-30% crop will be harvested and next 50% crop will be harvested in the month November, maximum during 4th week of November. Remaining 20-

December, 2014

25% is expected to be harvested in the month of December. However, this could change based on price and weather conditions during November and December.

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 November modal prices touched low of Rs 1200/ quintal and trading near Rs. 1431/Qtl. On the upper side prices may find resistance at a level of Rs 1700/ quintal whereas long term support is Rs 1000/ quintal. Overall, onion prices are expected to fall further as Relative strength indicator (RSI) oscillator is moving downward in neutral region which suggest prices may fall down further may be in a range of Rs 1000- Rs 1500/ quintal in coming month.

Disclaimer

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