

**Executive Summary:**

- All India, onion arrival in month of December is approximately 12.21% higher compared to previous month. If we compare onion arrivals in December month on a yearly basis we observed that arrivals are 2% lower than last year during same time.
- As per IBIS (International Business Information System), approximately 34081 tons of processed and fresh onion has been exported in month of December 2014 compared to previous month export of 30320 tons.
- In Karnataka, total Rabi area is approximately 16676 hectares. As on 5.1.2015 approximately 12269 hectares of area is sown compared to last year area of 23041 hectares.
- As per Agriwatch estimate kharif and late kharif production is expected to be approximately 48-50 lakh tons in 2014-15.
- In Maharashtra, arrivals are approximately similar to previous year in December month. Prices are expected to fall down further with increase in arrivals of late kharif season.
- All India Rabi sowing is almost completed in major producing states. As per initial estimates Rabi sowing is expected to be 5-10% less compared to previous year. Maximum fall in acreage could be seen in Maharashtra due to less water and lower price.

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

Market	Avg. Prices December 2014	Avg. Prices November 2014	% change in prices over previous month	Previous year Avg. December (2013) Price	% change over previous Year	Daily Avg. Arrivals December	Daily Avg. Arrivals November	% change in arrivals over previous month
Delhi	1596	1631	-2.15	1500	6.40	10787	15185	-28.96
Bangalore	1788	1683	6.24	1640	9.02	50560	76500	-33.91
Lasalgaon	1460	1431	2.03	1309	11.54	7185	3676	95.46
Pimpalgaon	1538	1563	-1.60	1292	19.04	16063	5684	182.60
Mumbai	1744	1656	5.31	1529	14.06	19308	17344	11.32
Pune	1802	1794	0.45	1564	15.22	11500	7176	60.26
Jaipur	1674	1670	0.24	1594	5.02	2780	2545	9.23
Chennai	2420	2458	-1.55	2502	-3.28	4796	4988	-3.85
Hyderabad	2125	1900	11.84	1389	52.99	2055	2195	-6.38

(Source: AGRIWATCH)

On a month-on-month basis, prices have increased in most of the markets because of irregular supply of crop due to rains except Delhi, Pimpalgaon and Chennai where prices have decreased marginally in the range of 1% to 2.5% respectively. Maximum prices have increased in Hyderabad by 11%.

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In Bangalore, onion is arriving in market from local region and Maharashtra which are contributing approximately 60% and 40% to the total arrival.

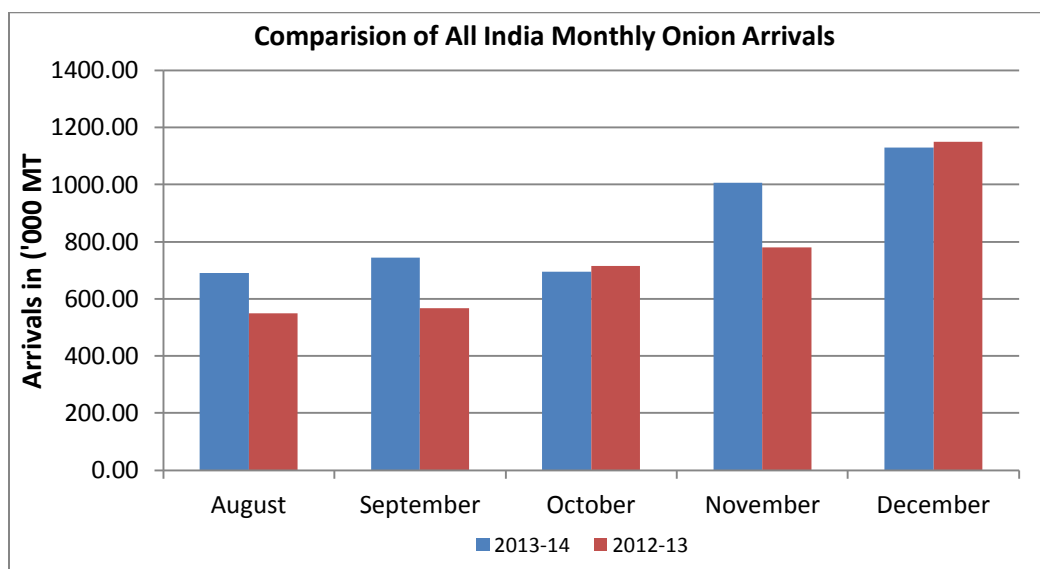
## Monthly Average Retail Price (Rs/Qtl) trend comparison:

Market	Average Retail Price December 2014	Average Retail Price November 2014	Previous year Avg. Retail Price- December 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. year
Bangalore	2300	2100	2700	9.52	-14.81
Bhubaneswar	2500	2400	2500	4.17	Unch
Chennai	2200	2100	2500	4.76	-12.00
Delhi	3000	3200	3300	-6.25	-9.09
Guwahati	2800	2500	2900	12.00	-3.45
Hyderabad	2600	2600	2900	Unch	-10.34
Kolkata	2700	2600	3100	3.85	-12.90
Mumbai	3000	3100	4300	-3.23	-30.23
Patna	2200	2100	2300	4.76	-4.35

(Source: Consumer Affairs)

Also in Retail market prices have increased in most of the markets except Mumbai and Delhi. In coming months prices are expected to fall down with increase in arrivals from producing regions. If prices compared to previous year they are lower than last year because of better crop this year and expectation of higher arrivals in coming months.

## All India Onion Monthly Arrivals:



(Source: Agmarknet)

The above graph shows the monthly all India arrivals. Arrivals are higher in December month than last month because fresh kharif arrivals are arriving in market and picking up pace. In coming months arrivals are expected to increase further because of arrivals of late kharif crop. But arrivals are lesser than previous year in December month because of rains in producing regions which was major constraint to supply.

### Production Estimate of Kharif and Late Kharif in 2014-15

State	Last year Kharif+ late Kharif Area estimate in 000 Ha (2013-14)#	Expected Kharif + Late Kharif Area in (2014-15)*	Kharif+ late kharif Production last year ('000 T)*	Expected Production for 2014-15 (5-10% Rainfall deficit) ('000 T)*
Maharashtra	182	170	2578	2261
Karnataka	114.03	122.86	1485	1597
M.P	1.64	3.26	29	45.64
Gujarat	4.95	4.9	70	70
Rajasthan	15	13	125	120
Andhra Pradesh	25.05	27.1	572	569.1
Others*	10	14	150	210
<b>All India</b>	<b>352.67</b>	<b>356.12</b>	<b>5009</b>	<b>4872.74</b>

# State horticulture Department, \*Agriwatch Research

All India onion kharif and late kharif is estimated to be 48-50 lakh ton in this season.

### 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.)

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The above chart shows the monthly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. During the month of December modal prices touched low of Rs 1200/ quintal and trading near Rs. 1460/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 remain range bound as Relative strength indicator (RSI) oscillator is moving stable in neutral region which suggest prices to remain range bound between Rs1100-Rs 1400/quintal.

### Disclaimer

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