

Executive Summary:

- All India, cumulative onion arrival during 1st week of February month is approximately 34% higher compared to previous year arrival during same time. If we compare on a week on week basis, arrivals in 1st week of February are approximately 17.3% higher compared to previous week.
- Rabi crop arrivals may come to the market by March - April in all parts of the country. The Rabi crop is expected to be about 25% higher than the previous year.
- According to news sources, total onion production in 2013-14 may touch 190 lakh tonne against 168 lakh tons production in 2012 -13.
- In Maharashtra, transplanting of Rabi onion is almost completed with expected higher area by 20-25% compared to previous year during same time.
- Total production of late kharif onion is expected to be 22 - 23 lakh ton with average yield of 20.10 ton/ha.

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

Center Name	Avg. Wholesale Price(3 February -8 February) 2014	Avg. Wholesale Price(27 January-1 February) 2014	% Change in Wholesale Price over prev. week	Avg. Retail Price(3 February- 8 February) 2014	Avg. Retail Price(27 January-1 February) 2014	% Change in Retail Price over prev. week
BANGALORE	900	958	-6.05	1460	1660	-12.05
BHUBANESHWAR	1142	1200	-4.83	1600	1575	1.59
CHENNAI	1317	1325	-0.60	2000	2000	Unch
DELHI	855	958	-10.75	1950	2040	-4.41
HYDERABAD	700	588	19.05	1200	1180	1.69
JAIPUR	800	975	-17.95	1566	1560	0.38
KOLKATA	1265	1471	-14.00	2100	2400	-12.50
MUMBAI	775	960	-19.27	1240	1700	-27.06
PATNA	1233	1250	-1.36	2000	2000	Unch

(Source: Agriwatch, NHB)

Above table shows wholesale and retail prices of onion across different markets. Prices have declined in most of the markets except Hyderabad. Maximum prices have fallen in Mumbai by 19.27% followed by Jaipur and Kolkata by 17.95 and 14.00% respectively.

In Retail market maximum prices have fallen in almost all the markets because of continuous arrivals of crop from producing regions. Maximum retail prices have fallen in Mumbai followed by Kolkata by 27.06% and 12.50% respectively

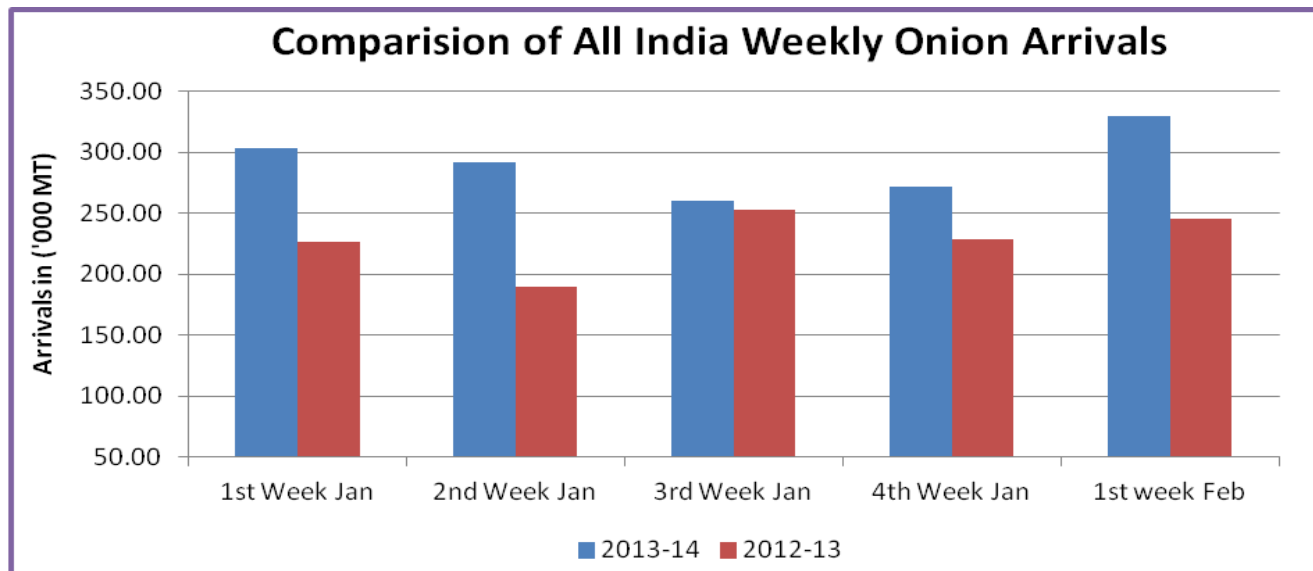
Weekly Wholesale Prices and Arrivals in producing regions:

Center Name	Avg. Wholesale Price(3 February -8 February) 2014	Avg. Wholesale Price(27 January-1 February) 2014	% Change in Wholesale Price over prev. week	Average Arrivals (3 February -8 February)	Average Arrivals (27 January-1 February)	% Change in Arrivals over prev. week
AHMEDNAGAR	787	888	-11.37	17500	11833	47.89
SOLAPUR	554	625	-11.36	31833	31000	2.69
BANGALORE	900	958	-6.05	35100	27800	26.26
INDORE	692	725	-4.55	21667	20833	4.00
LASALGAON	728	927	-21.47	13400	13250	1.13
PIMPALGAON	890	988	-9.92	14000	13438	4.18

(Source: Agriwatch)

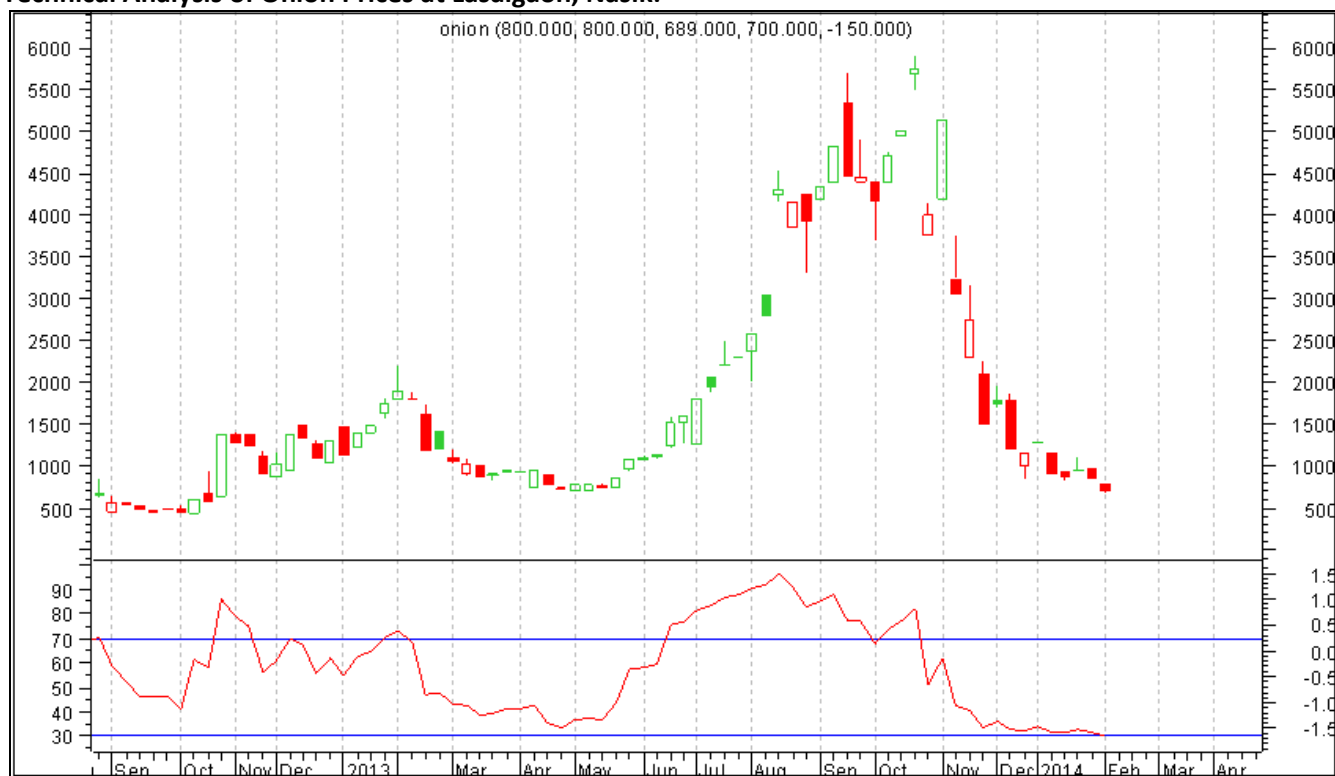
The above table depicts the weekly difference between prices and arrivals in producing regions. Weak prices reported during the week period. Maximum prices have decreased in Lasalgaon by 21.47% followed by Ahmednagar and Solapur by 11.37% and 11.36% respectively. Higher arrivals in the major market put pressure on prices during the period.

Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. This year arrivals are comparatively higher than last year due to higher onion prices which encourage farmers to grow onion on larger scale. These arrivals will increase in coming weeks as new crop arrivals started coming to the market.

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. Candlestick chart formation reveals bearish trend in the market. On the higher side prices may find resistance at a level of Rs 968/ quintal and on the lower side prices may find support at level of Rs 420/ quintal. Prices are moving in range bound movement because of continuous supply of crop from producing regions. Relative Strength Indicator (RSI) indicator is trying to recover current week period. We expect prices moving in a range between Rs. 420 – 968/ qtl in coming week.

Disclaimer

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