

Executive Summary:

- All India, cumulative onion arrival during 2nd week of March month is approximately 56% higher compared to previous year arrival during same time. If we compare on a week on week basis, arrivals in 2nd week of March are 8% higher than previous week.
- According to International Business Information services (IBIS) data as on 16.3.2014 approximately 60381 tons of processed and unprocessed onion has been exported in the month of March. Among this exported onion approximately 85% of onion has been exported from JNPT Port only.
- As per State department in Maharashtra total Rabi acherage is 1.85 lakh hectares from which approximately 60,000 hectares of area is affected due to heavy rains and hailstorms in Maharashtra region.
- In benchmark market of Lasalgaon and Pimpalgaon market prices have increased by 3% and 14% respectively. Arrivals in Lasalgaon are almost similar whereas arrivals in Pimpalgaon have fallen sharply by 37% compared to previous week.
- Across the country in most of the markets onion prices have increased because of lower arrivals from producing regions due to rains and festival season.

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

Center Name	Avg. Wholesale Price(10 March -15 March) 2014	Avg. Wholesale Price(3 March -8 March) 2014	% Change in Wholesale Price over prev. week	Avg. Retail Price(10 March -15 March) 2014	Avg. Retail Price(3 March -8 March) 2014	% Change in Retail Price over prev. week
BANGALORE	950	887	7.1	1366	1350	1.19
BHUBANESHWAR	1325	1192	11.16	1670	1400	19.29
CHENNAI	1317	1267	3.95	1900	1800	5.56
DELHI	975	971	0.41	1800	1633	10.23
JAIPUR	1017	817	24.48	1525	1566	-2.62
KOLKATA	1171	1263	-7.28	1816	2100	-13.52
MUMBAI	954	825	15.64	1200	1000	20.00
PATNA	1242	1229	1.06	1966	1966	0.00

(Source: Agriwatch, NHB)

Above table shows wholesale and retail prices of onion across different markets. Prices have increased in almost all the markets. Maximum prices have increased in Jaipur by 24% followed by Mumbai and Bhubaneswar where it has increased from 15% and 11% respectively.

In Bangalore, onion is arriving in market from local region (Gulbarga and Chitradurga districts) and Maharashtra region.

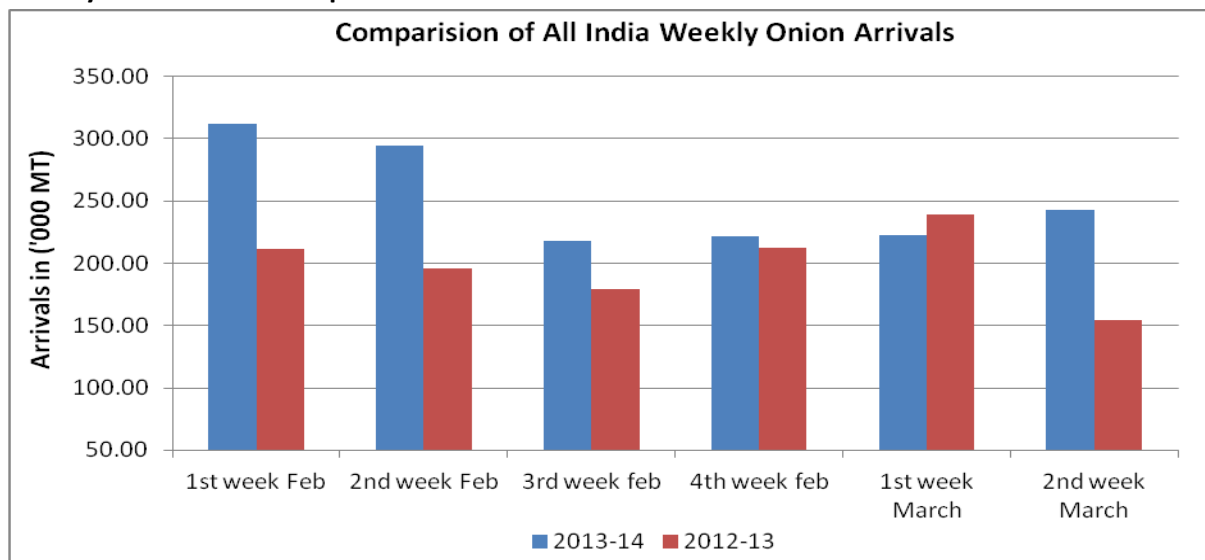
Weekly Wholesale Prices and Arrivals in producing regions:

Center Name	Avg. Wholesale Price(10 March -15 March) 2014	Avg. Wholesale Price(3 March -8 March) 2014	% Change in Wholesale Price over prev. week	Average Arrivals (10 March -15 March) 2014	Average Arrivals (3 March -8 March) 2014	% Change in Arrivals over prev. week
AHMEDNAGAR	987	783	26.05	33166	30000	10.55
SOLAPUR	604	604	0.00	20533	22000	-6.67
BANGALORE	950	867	9.57	28000	27333	2.44
INDORE	792	750	5.60	10167	11250	-9.63
LASALGAON	820	794	3.27	9840	9925	-0.86
PIMPALGAON	894	782	14.32	6450	10400	-37.98

(Source: Agriwatch)

The above table depicts the weekly difference between prices and arrivals in producing regions. Market was firm in all the producing regions because of lower arrivals due rains and lower pace of harvesting. Arrivals are expected to increase further as harvesting of Rabi crop will pick up pace. In Bangalore, arrivals have increased because maximum crop is arriving in market from local region only.

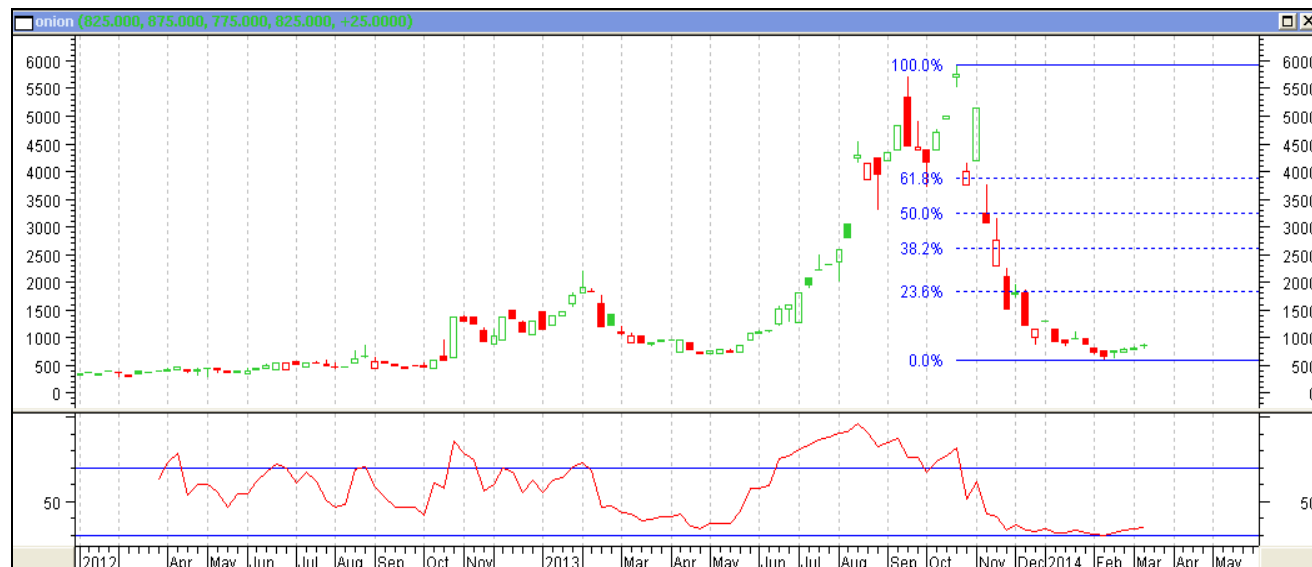
Weekly Onion Arrival Comparison:



(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 attracted farmers to grow onion on larger scale. In 2nd week of March, because Rabi crop harvesting season has started and picking up pace.

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. On the higher side prices may find resistance at a level of Rs 1100/ quintal and on the lower side prices may find support at level of Rs 600/ quintal. As we were expecting that prices may rise as per Fibonacci retracement and that exactly is in continuation for last 3-4 weeks. It is expected that prices will increase before it start falling again with the higher arrivals in coming weeks.

Disclaimer

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