

Executive Summary:

- All India, onion arrival in month of April 3rd week is approximately 13% less compared to previous week. If we compare onion arrivals in 3rd week of April on a yearly basis we observed that arrivals are 31 % higher than last year during same time.
- In benchmark market of Lasalgaon, prices have increased by 15% compared to previous week whereas arrivals have fallen by approximately 30% compared to previous week.
- In M.P, total rabi acreage is approximately 110000 hectares compared to last year 104000 hectares. Area affected due to unseasonal rains and hailstorm is approximately 12000 hectares.
- According to sources, Lower production in Maharashtra seems to be compensated by higher supply from other major states.
- As per IBIS (International Business Information System), approximately 48,400 tons of processed and fresh onion has been exported in month of April 2014 as on 27th April. It includes the exports which are exported through sea routes only and do not include exports through roads.

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

Center Name	Avg. Wholesale Price(21 April- 26 April) 2014	Avg. Wholesale Price(14 April- 19 April) 2014	% Change in Wholesale Price over prev. week	Avg. Retail Price(21 April- 26 April) 2014	Avg. Retail Price(14 April- 19 April) 2014	% Change in Retail Price over prev. week
BANGALORE	1150	1000	15	1360	1433	-5.09
BHUBANESHWAR	1100	1125	-2.22	1700	1550	9.68
CHENNAI	1300	1300	0.00	2000	1800	11.11
DELHI	1117	950	17.58	2000	1667	19.98
JAIPUR	967	925	4.54	1600	1600	0.00
KOLKATA	1275	1100	15.91	2060	1900	8.42
MUMBAI	1005	910	10.44	2000	1400	42.86
PATNA	1392	1117	24.62	2017	1600	26.06

(Source: Agriwatch, NHB)

Above table shows wholesale and retail prices of onion across different markets. Prices have increased in all the markets except Bhubaneswar. Maximum prices have increased in Patna by 24.62% followed by Delhi and Kolkata by 17.58 % and 15.91% respectively.

Prices are expected to be firm ahead as of less storage of onion crop and less shelf life of onion in major growing regions like Maharashtra.

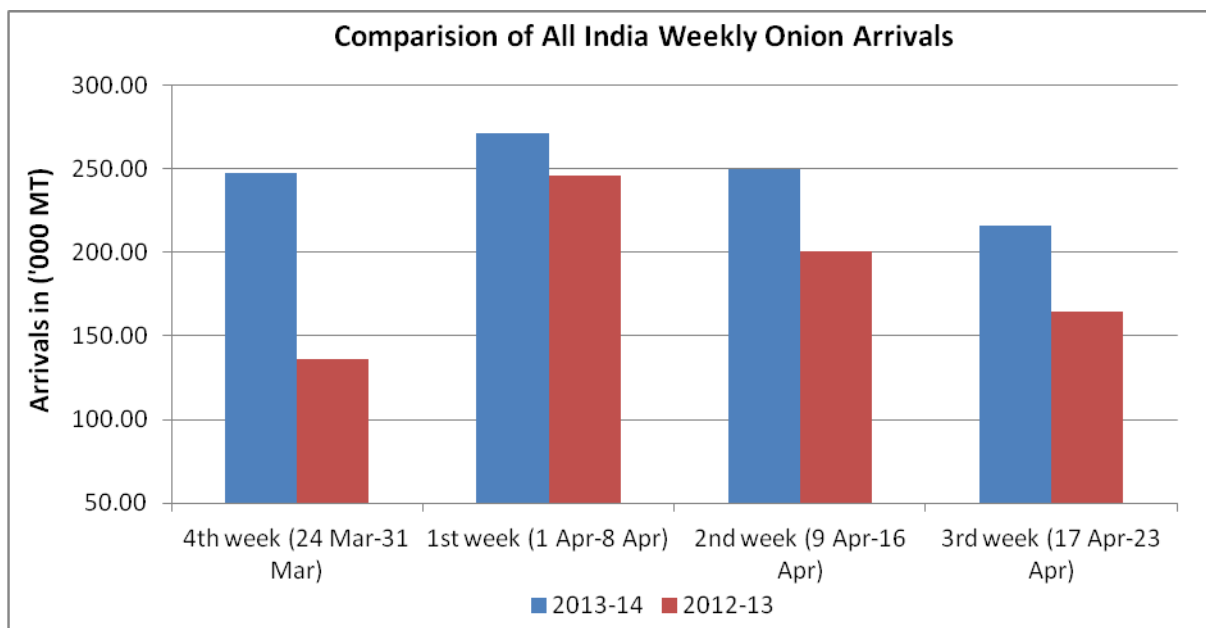
Weekly Wholesale Prices and Arrivals in producing regions:

Center Name	Avg. Wholesale Price(21 April- 26 April) 2014	Avg. Wholesale Price(14 April- 19 April) 2014	% Change in Wholesale Price over prev. week	Average Arrivals (21 April- 26 April) 2014	Average Arrivals (14 April- 19 April) 2014	% Change in Arrivals over prev. week
AHMEDNAGAR	975	650	50	10000	25000	-60
SOLAPUR	660	488	35.25	13917	9500	46.49
BANGALORE	1150	1000	15.00	36833	27500	33.94
INDORE	810	688	17.73	11500	9688	18.70
LASALGAON	1069	925	15.57	9000	13067	-31.12
PIMPALGAON	1058	1050	0.76	13813	9583	44.14

(Source: Agriwatch)

The above table depicts the weekly difference between prices and arrivals in producing regions. Prices have increased in almost all the producing regions. Arrivals have also declined in Ahmednagar and Lasalgaon because of crop loss due to unseasonal rains and hailstorms. Prices are expected to increase ahead as crop has damaged in some parts of Maharashtra and Karnataka. It is expected that farmers are holding the crop as much as they can so that they can fetch higher prices in coming weeks.

Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. Rabi crop arrival in 3rd week of April is comparatively lower than previous week because of crop loss and farmers inclination towards storage. Arrivals may decline further as yield is less this year which is due to unseasonal rains. Arrivals may rise after couple of weeks as farmers may start releasing their stored crop as shelf life of onion has declined due to higher water content in onion crop.

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. Market was seen firm. On the higher side prices may find resistance at a level of Rs 1300/ quintal and on the lower side prices may find support at level of Rs 900/ quintal. As we were expecting that prices may rise as per Fibonacci retracement and that exactly is in continuation from last few weeks and expected to continue ahead. Relative Strength indicator (RSI) oscillator is also increasing which indicates further bullishness in market.

Disclaimer

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