

**Executive Summary:**

- All India, onion arrival in month of April 4th week is approximately 20% higher compared to previous week. If we compare onion arrivals in 4th week of April on a yearly basis we observed that arrivals are 38 % higher than last year during same time.
- In benchmark market of Lasalgaon, prices have increased by 5% compared to previous week whereas arrivals have also increased by approximately 38% compared to previous week which shows market is firm.
- In Delhi, 50% of onion is arriving in market from Rajasthan, 30% from Madhya Pradesh and rest 20% from Maharashtra and Gujarat.
- 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.
- As per IBIS (International Business Information System), approximately 103522 tons of processed and fresh onion has been exported in month of April 2014 as on 30<sup>th</sup> 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(28 April- 03 May) 2014	Avg. Wholesale Price(21 April- 26 April) 2014	% Change in Wholesale Price over prev. week	Avg. Retail Price(28 April- 03 May) 2014	Avg. Retail Price(21 April- 26 April) 2014	% Change in Retail Price over prev. week
BANGALORE	983	1150	-14.52	1400	1360	2.94
BHUBANESHWAR	1325	1100	20.45	1567	1700	-7.82
CHENNAI	1467	1300	12.85	2000	2000	Unch
DELHI	992	1117	-11.19	1800	2000	-10.00
JAIPUR	1100	967	13.75	1467	1600	-8.31
KOLKATA	1281	1275	0.47	1800	2060	-12.62
MUMBAI	1050	1005	4.48	2000	2000	Unch
PATNA	1342	1392	-3.59	2000	2017	-0.84

(Source: Agriwatch, NHB)

Above table shows wholesale and retail prices of onion across different markets. Mixed variation of prices is seen. Prices have decreased in Bangalore, Delhi and Patna by 14%, 11% and 3% respectively. Prices have declined because of higher arrivals.

Prices are expected to be firm in next couple of weeks because of less storage of onion crop and less shelf life of onion in major growing regions like Maharashtra.

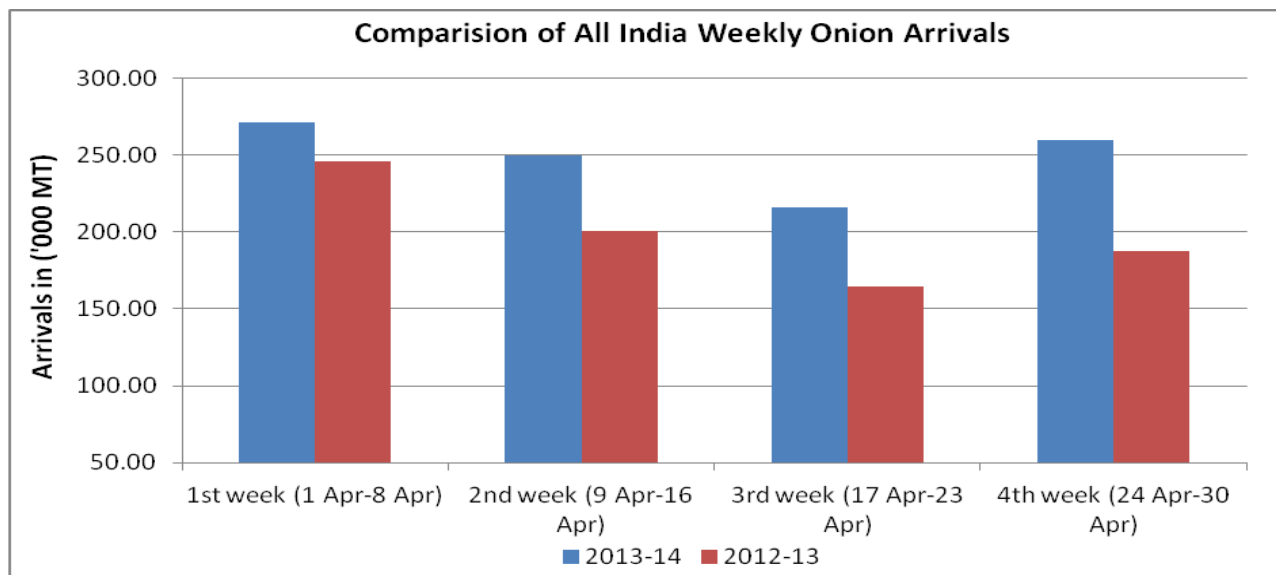
## Weekly Wholesale Prices and Arrivals in producing regions:

Center Name	Avg. Wholesale Price(28 April-03 May) 2014	Avg. Wholesale Price(21 April- 26 April) 2014	% Change in Wholesale Price over prev. week	Average Arrivals(28 April- 03 May) 2014	Average Arrivals (21 April- 26 April) 2014	% Change in Arrivals over prev. week
AHMEDNAGAR	1100	975	12.82	20000	10000	100
SOLAPUR	588	660	-10.91	16000	13917	14.97
BANGALORE	983	1150	-14.52	41427	36833	12.47
INDORE	750	810	-7.41	15000	11500	30.43
LASALGAON	1117	1069	4.49	11333	9000	25.92
PIMPALGAON	950	1058	-10.21	25000	13813	80.99

(Source: Agriwatch)

The above table depicts the weekly difference between prices and arrivals in producing regions. Mixed variation of prices was seen because of higher arrivals in almost all the markets. Higher arrivals are because of low shelf life of onion and farmers are not able to hold the crop for longer period because of higher water content in onion crop. Prices are expected to be range bound for next few weeks and may rise after that because of less storage this year.

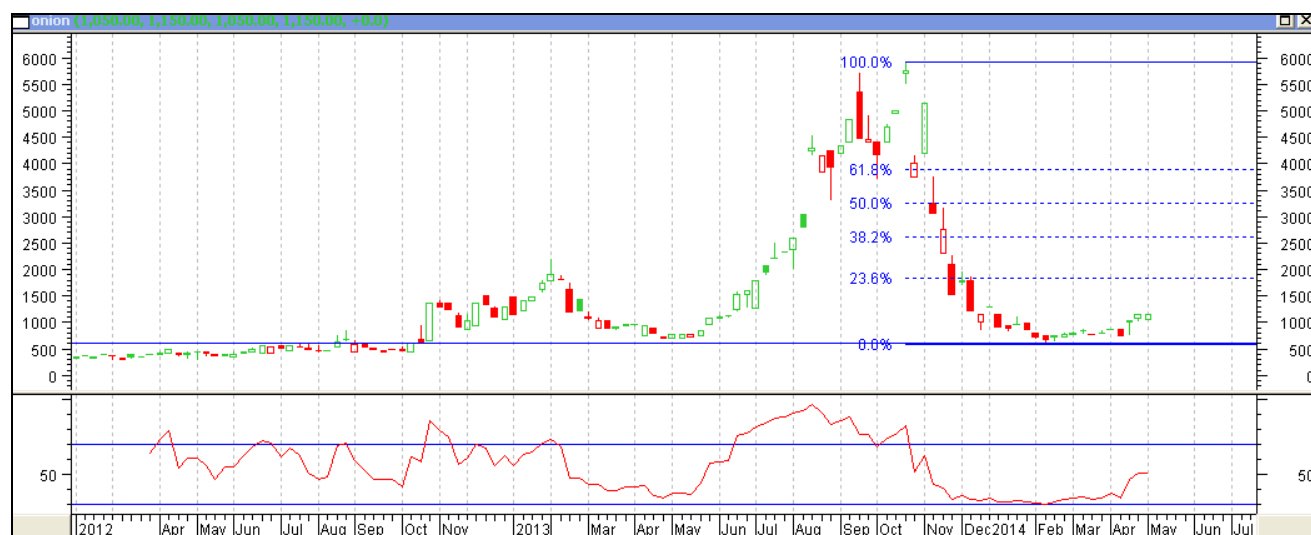
## Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. Rabi crop arrival in 4th week of April is comparatively higher than previous week which has led to decline in prices. Arrivals may be higher continuously for next week as farmers have started releasing their stored crop as shelf life of onion has declined due to higher water content in onion crop. Arrivals may decline further as yield is less this year which is due to unseasonal rains.

### 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 1500/ 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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