

**Executive Summary:**

- All India, onion arrival in August 3rd week is approximately 29% lower compared to previous week. If we compare onion arrivals in August 3rd week on a yearly basis we observed that arrivals are 10 % lower than last year during same time.
- According to International Business Information System (IBIS), approximately 17211 tons of onion has exported till 17 August 2014 which includes both processed and unprocessed onion from sea route.
- Government has reduced the MEP to \$350/ton from \$ 500/ton imposed earlier because of softening onion prices in domestic period.
- In Maharashtra so far approximately 30% of kharif sowing is completed from a total targeted area of approximately 73000 hectares. Sowing is expected to be complete by end of August.
- In Karnataka, kharif sowing is in progress. So far approximately 57% of area is sown of the total targeted area for kharif onion is 1, 32,165 hectares. Major onion growing districts are Bagalkot, Bijpur, Chitradurga, Dharwad and Gadag.

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

Centre	Wholesale Prices (Rs/Qtl.) #			Retail Prices (Rs/Kg)*		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 19.08.2014	As on 12.08.2014	As on 19.08.2013	As on 19.08.2014	As on 12.08.2014	As on 19.08.2013
DELHI	1713	1705	3400	3000	3100	6500
LUCKNOW	1875	2100	3900	2500	2500	6000
AHMEDABAD	1375	1400	3800	2000	2000	5000
INDORE	1250	1375	2750	2500	2700	5000
MUMBAI	1950	1750	NA	2900	2100	6000
JAIPUR	1700	1500	NA	2200	2200	4500
BHUBANESHWAR	2450	NA	5400	2500	2600	4900
KOLKATA	NA	2375	5250	2500	3000	6000
HYDERABAD	NA	1900	4000	NR	2800	5700
BENGALURU	2000	1700	NA	2500	3200	6000
TRIVANDRUM	NA	NA	NA	NR	3800	6100
CHENNAI	NA	NA	NA	2600	2400	5300

(Source: #Agmarknet, \*Consumer Affairs)

Above table shows wholesale and retail prices of onion across different markets. Prices have declined in most of the markets. Prices may remain range bound ahead because of strict policies of government. Imposed MEP on onion reduced to \$350/ton which has led the onion prices under control. Prices are expected to remain range bound in coming weeks.

21 Aug 2014

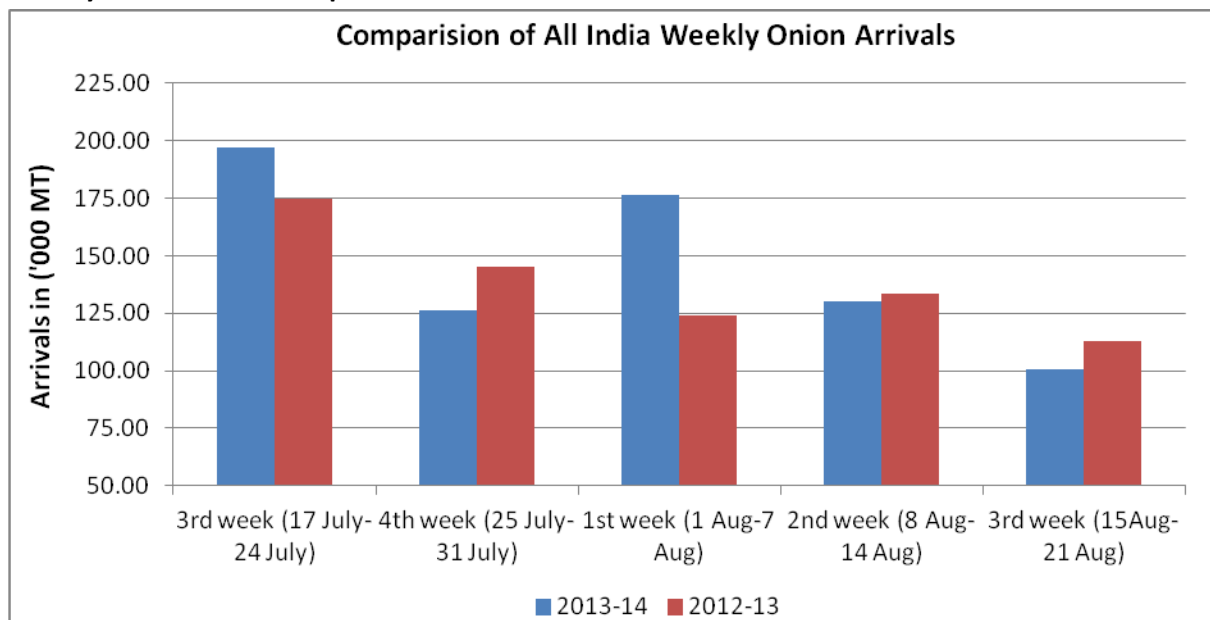
Retail prices have fallen slightly by Rs 100/ quintal in most of the markets .If compared with previous year prices are comparatively down which suggest prices are under control.

**Monsoon Progress as on 20 Aug, 2014**

	Normal (mm)	Actual (mm)	Deficit/Surplus
Madhya Maharashtra	519.3	423.8	-18%
Marathwada	445.8	170.9	-62%
North Karnataka	318.7	243.3	-24%
South Karnataka	472.8	541.8	15%

(Source: IMD)

The above table depicts the rainfall data of kharif onion sowing regions. In South Karnataka, rainfall is comparatively more compared to normal. Maximum rainfall deficit is in Marathwada region. In Karnataka onion sowing is better as compared to Maharashtra.

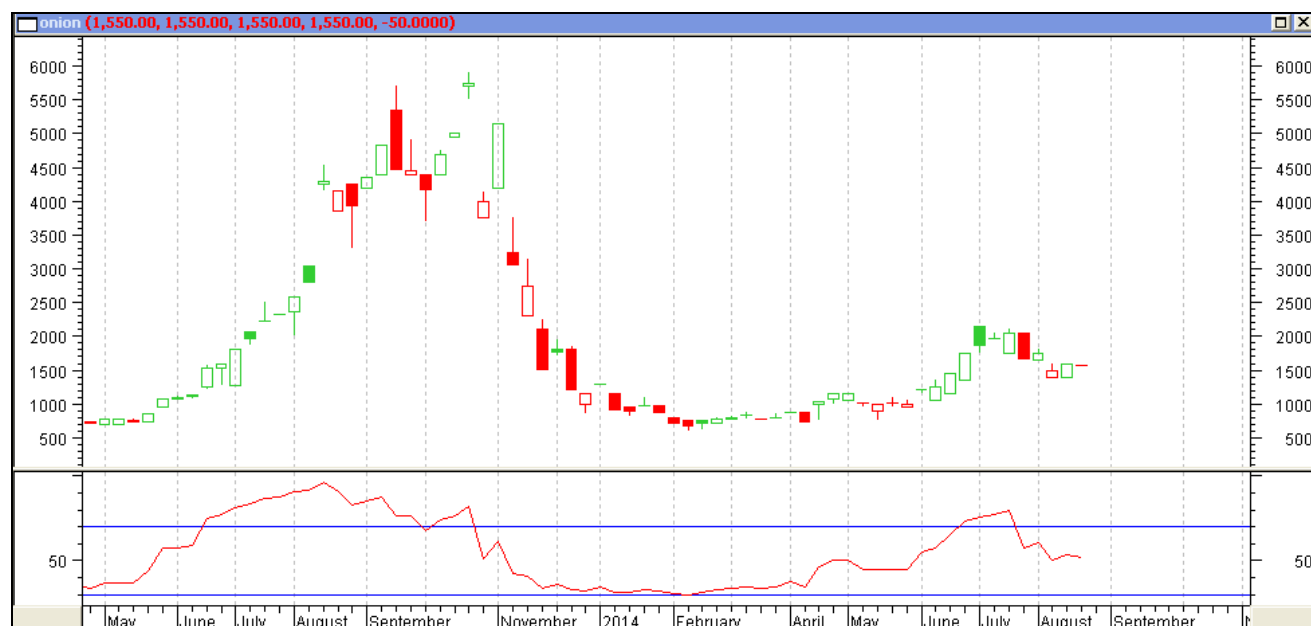
**Weekly Onion Arrival Comparison:**

(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. In third week

of August arrivals have decreased sharply because of holidays during the week period. Further we are expecting less crop arrival in market due to less stock this year.

## 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. Range bound movement reported in the market. On the higher side prices may find strong resistance at a level of Rs 2000/ quintal and on the lower side prices may find support at level of Rs 1200/ quintal. Relative Strength indicator (RSI) oscillator is moving stable in neutral region which suggest prices may go down in coming days. Prices are expected to be range bound in coming weeks in the range Rs 1200- Rs 2000/ quintal.

### Disclaimer

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