

**Executive Summary:**

- All India, onion arrival in October 2nd week is approximately 43% Higher compared to previous week. If we compare onion arrivals in October 2nd week on a yearly basis we observed that arrivals are 17 % higher than last year during same time.
- According to International Business Information System (IBIS), approximately 15825 tons of onion has exported as on 12-10-2014 which includes both processed and unprocessed onion from sea route.
- In Karnataka, targeted area for kharif season is approximately 132165 hectares. So far 122860 hectares of area is sown. Last year during same time approximately 114030 hectares of area was sown.
- Across the country prices of onion have fallen down as fresh crop of early kharif from few parts of Maharashtra, A.P and Karnataka has started arriving in market. Quality of stored onion is also not good and hence fetching lower prices in market.
- As per Maharashtra horticulture department, this year total target area for kharif onion is 123623 hectares. As on 1<sup>st</sup> October approximately 79652.6 hectares of area is sown (including approximately 10000 ha of late kharif).

**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 14.Oct.2014	As on 7.Oct.2014	As on 14.Oct.2013	As on 14.Oct.2014	As on 7.Oct.2014	As on 14.Oct.2013
DELHI	1927	1527	4143	3400	3100	6000
LUCKNOW	1560	1550	3700	2000	2000	5000
AHMEDABAD	1100	900	4000	2700	2500	3800
INDORE	1500	NR	2500	1500	1800	NR
MUMBAI	NR	1400	NR	2800	2900	5700
JAIPUR	1650	1400	NR	2500	2000	5000
BHUBANESHWAR	2100	NR	NR	2600	NR	4800
KOLKATA	2125	NR	NR	2500	NR	NR
HYDERABAD	1600	1800	NR	2500	2600	NR
BENGALURU	1800	1900	NR	1800	2200	NR
TRIVANDRUM	NR	NR	NR	3500	3500	NR
CHENNAI	NR	NR	NR	2400	2200	NR

(Source: #Agmarknet, \*Consumer Affairs)

Above table shows wholesale and retail prices of onion across different markets. Prices have increased in almost all the markets because of sudden rise in demand and arrival of fresh crop. Prices are expected to fall down further as fresh crop from Maharashtra and Karnataka is picking up pace.

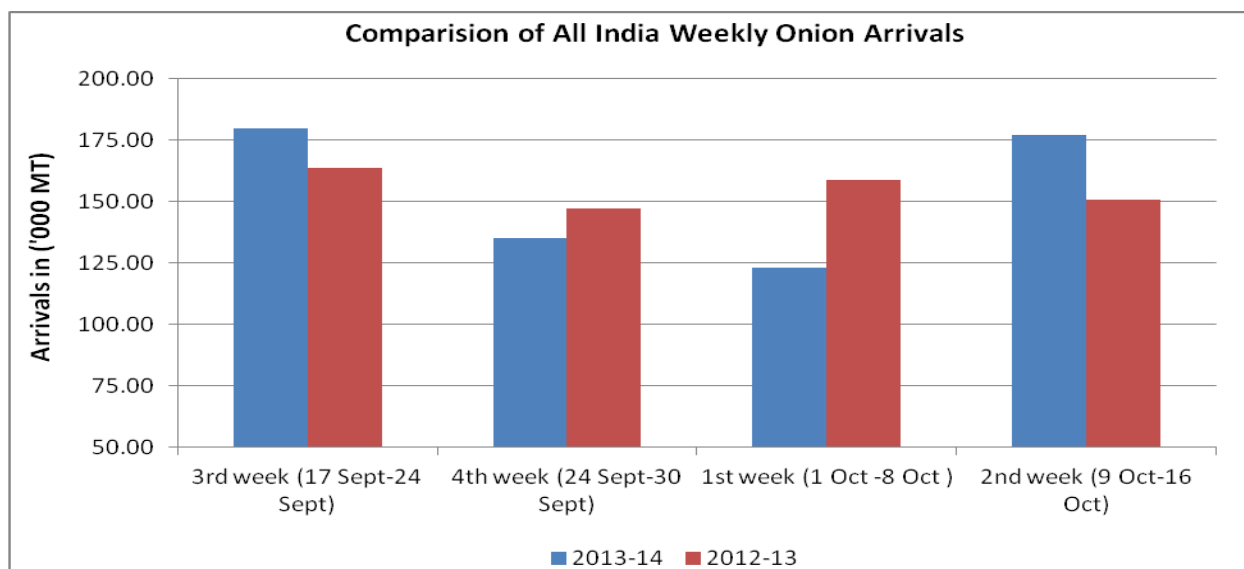
Retail prices are almost similar to previous week or have increased in few market markets but expected to fall down ahead due to higher arrival of fresh crop. If compared with previous year prices are comparatively lower which indicates market to remain stable and prices under control amid lower production this year.

## Kharif Sowing Progress:

In Karnataka, Kharif sowing is completed in a targeted area of 122860 hectares which is almost 8-9% higher than last year because of higher rainfall in Karnataka this year.

In Maharashtra, as per initial estimate of Agriwatch kharif area is expected to be in the range of 60000-62000 Ha against previous year acreage of approximately 63500 ha.

## Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. In second week of October arrivals are higher because of increase in kharif arrivals from Maharashtra, Karnataka and A.P.

## 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. Fibonacci retracement shows that prices may go up to a level of Rs 1800/ quintal and may rebound after that. 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 700/ quintal. Relative Strength indicator (RSI) oscillator is moving upward in neutral region which suggest prices may increase for the coming week and may start declining after that.

### Disclaimer

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