

Executive Summary:

- All India, Onion arrival in 2nd week of December is approximately 31% lower compared to previous week. If arrivals compared with previous year during 2nd week of December it is approximately 34% lower.
- In Maharashtra, arrivals are 25% less in second week of December month compared to previous year because of continuous rains which was a constraint to total arrivals.
- As per IBIS (International Business Information Services), approximately 11782 tons of processed and fresh onion has been exported till 14th December 2014. This export contains both Air and Sea route.
- In M.P, Rabi sowing is in progress and as per initial estimates Rabi acreage is expected to increase by 4-5% compared to previous year. Fresh onion is arriving in market from local region and Maharashtra which are contributing approximately 40% and 60% respectively.
- In Karnataka, onion is arriving in market from local region and Maharashtra which are contributing approximately 70% and 30% respectively.
- Across the country Rabi sowing has started and expected to continue for next couple of weeks. Rabi acreage is expected to increase because of better rains and appropriate weather.

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

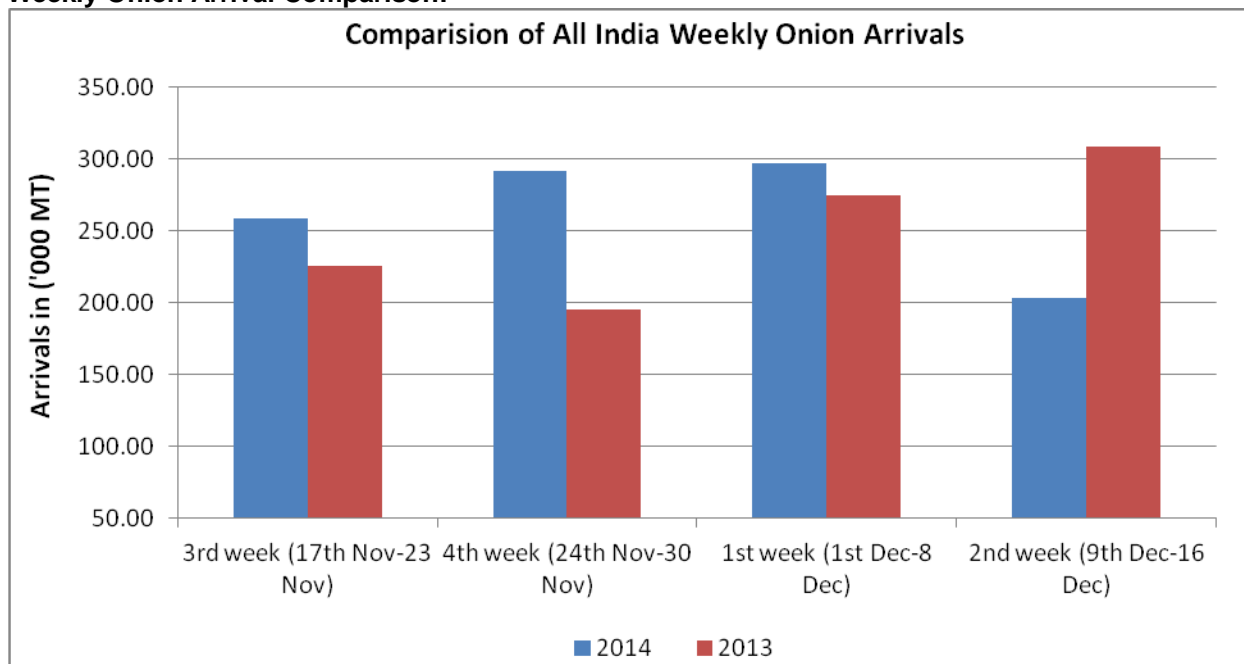
Centre	Wholesale Prices (Rs/Qtl.)#			Retail Prices (Rs. / Qtl.) *		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 16.Dec.2014	As on 9.Dec.2014	As on 16.Dec.2013	As on 16.Dec.2014	As on 9.Dec.2014	As on 16.Dec.2013
DELHI	1714	1552	1397	2900	2700	3100
LUCKNOW	1500	1375	2000	2500	2500	3000
AHMEDABAD	1900	NR	1500	2000	2200	3500
INDORE	1500	1250	1125	1600	1600	2300
MUMBAI	1750	1900	1250	2800	3000	4500
JAIPUR	1400	1275	NR	2400	2200	1500
BHUBANESHWAR	1600	1800	NR	2500	2400	2400
KOLKATA	NR	NR	NR	3000	2600	3200
HYDERABAD	1800	1400	1400	2600	2600	3000
BANGALORE	2100	1700	NR	2400	2400	2700
TRIVANDRUM	NR	NR	NR	3900	3900	NR
CHENNAI	NR	NR	NR	2300	1800	2900

(Source: #Agmarknet, *Consumer Affairs)

Above table shows the wholesale and retail prices in major markets. In wholesale market prices have increased in most of the market except Mumbai and Bhubaneswar. Prices increased because of lower arrivals during week period due to rains in producing regions.

Similarly, prices has also increased in retail market and expected to fall down in coming weeks.

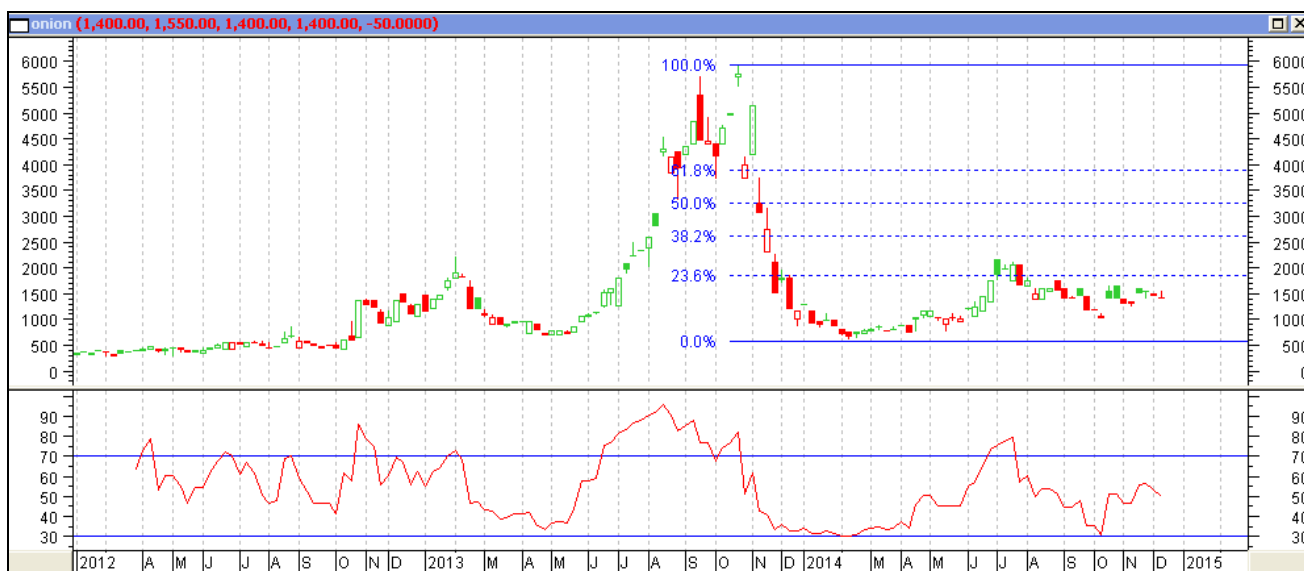
Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. In second week of December arrivals reported lower due to rains in producing regions. In coming weeks arrivals are expected to increase as farmers may bring their harvested kharif onion to market.

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. Candlestick chart indicates range bound movement in the market. Relative Strength Indicator (RSI) is moving downward in neutral zone indicates prices may go down in the market. As per Fibonacci retracement prices may touch a higher level of Rs 1850/ quintal but overall it is expected to remain range bound. For the coming week prices are expected to remain in the range of Rs 1000- Rs 1500/ quintal.

Disclaimer

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