

**Executive Summary:**

- During the second week of May (7<sup>th</sup> May-14<sup>th</sup> May), onion arrival has increased by 126.37% compared to previous week. If we compared to previous year during same time arrivals have decreased by - 9.99%.
- Lower onion production reported current year. Due to heavy rainfall Onion area affected and quality damage reported in Madhya Pradesh and Maharashtra state, major damaged reported in Maharashtra around 30 – 40%.
- Lower demand reported for Maharashtra and Madhya Pradesh Onion in Bihar regions as local onion came to the market. Sources revealed that, local Onion came to the markets in Bihar, UP – Bihar border region and Jharkhand.
- Export demand reported during the week. Onion export reported from West Bengal to Bangladesh with higher quantity.
- As per IBIS (International Business Information Services) around 27259 tons of processed and fresh onion has been exported during 4<sup>th</sup> May – 10<sup>th</sup> May compared to previous week export of 21264 tons during 27<sup>th</sup> April – 3<sup>rd</sup> May 2015.
- Onion price likely to increase from July as local onion arrivals will end and domestic as well as export demand will go up. Export demand may increase from Pakistan, UAE countries, Malaysia etc.

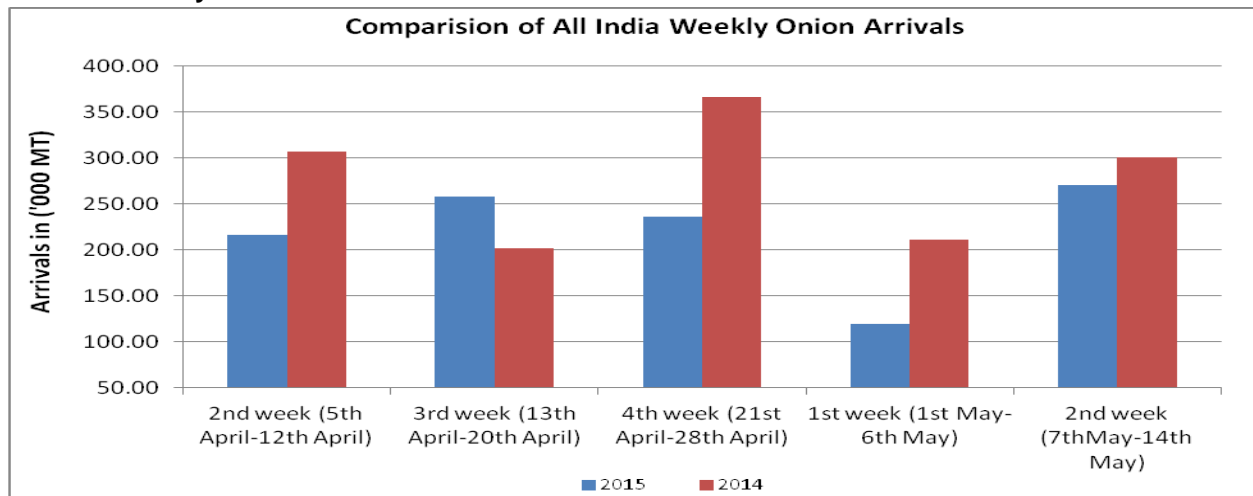
**Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India**

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 12.May.2015	As on 5.May.2015	As on 12.May.2014	As on 12.May.2015	As on 5.May.2015	As on 12.May.2014
DELHI	1370	1329	1183	2900	2900	2400
LUCKNOW	1400	NR	1250	2000	NR	2000
AHMEDABAD	1100	1000	700	1700	1700	1900
INDORE	875	875	750	1100	1100	1500
MUMBAI	1600	NR	1000	2300	2200	2600
JAIPUR	1050	NR	NR	1600	1600	1300
BHUBANESHWAR	1650	1750	1750	2000	2000	1600
KOLKATA	NR	1700	NR	2400	2400	NR
HYDERABAD	1500	1400	1100	2200	2200	1800
BANGALORE	1200	1100	1050	2200	2200	NR
TRIVANDRUM	NR	NR	NR	3100	3100	2600
CHENNAI	NR	NR	NR	2000	NR	1600

(Source: #Agmarknet, \*Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Steady to firm sentiment witnessed in retail and wholesale prices. Prices are expected to steady to weak ahead as onion is arriving in market with full pace. However, steady sentiment witnessed in retail market prices during the week.

## All India Weekly Arrival



(Source: Agmarknet)

Increasing supply reported in 2<sup>nd</sup> week of May as compared to previous week but expected to increase in coming days as Rabi harvesting is in full pace. In Maharashtra, Rabi area is estimated to be 1.84 lakh hectares compared to last year 1.91 lakh hectares. During the week, Maharashtra reported highest supply 98580 tones current week (7 – 14 May, 2015) as compared to the last year same week 74712 tones.

## 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 depicts the weekly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. Candlestick chart indicates range bound movement market. Relative Strength Indicator (RSI) is moving down in neutral zone indicates bearishness in the market. On the upper side prices may find resistance at a level of Rs 1560/ quintal whereas on the lower side prices may find long term support at a level of Rs 880/ quintal. Overall market is expected to remain in the range of Rs 900- Rs 1500/ quintal for coming weeks.

## Disclaimer

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