

Executive Summary:

- During the period (28th May-3rd June), onion arrival has decreased by 21% compared to previous week. If we compared to previous year during same time arrivals have decreased by 16%. Prices are expected to be firm in coming weeks.
- As per IBIS (International Business Information Services) around 19147 tons of processed and fresh onion has been exported during 25th May – 30th May compared to previous week export of 25614 tons during 18th May – 24th May 2015.
- Onion prices are comparatively higher than last year in both wholesale and retail market because of crop damaged during harvesting time in producing regions.
- In Maharashtra, kharif onion transplanting may decrease due to delay in monsoon. But if monsoon is timely and proper, kharif area may increase due to higher prices this year.
- According to trade sources in Maharashtra, shelf life of onion has reduced to 3-4 months this year from 6-7 months due to rains and hailstorms during harvesting time.

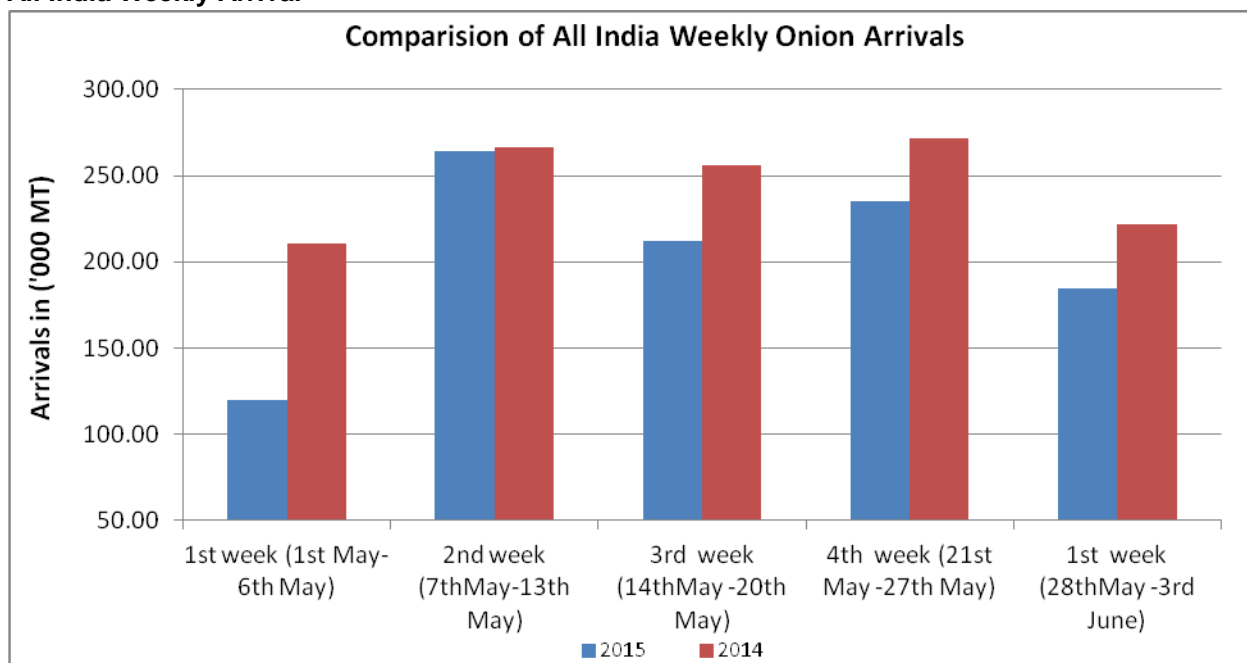
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India

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 2.June.2015	As on 26.May.2015	As on 2.June.2014	As on 2.June.2015	As on 26.May.2015	As on 2.June.2014
DELHI	1419	1238	1105	2800	2900	2100
LUCKNOW	1400	1500	1230	2000	2000	2000
AHMEDABAD	1600	1100	900	2000	1800	2000
INDORE	NR	NR	NR	1300	1000	1200
MUMBAI	1900	1650	1450	2600	2300	2700
JAIPUR	1000	1000	NR	1500	1500	1200
BHUBANESHWAR	1600	NR	1750	2800	2000	1600
KOLKATA	NR	NR	NR	2800	2400	2200
HYDERABAD	NR	1500	1200	2200	2200	1800
BANGALORE	NR	1500	1800	2200	2200	1600
TRIVANDRUM	NR	NR	NR	3100	3100	2700
CHENNAI	NR	NR	NR	2500	1900	NR

(Source: #Agmarknet, *Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Prices has increased in both wholesale and retail markets due to lower arrivals as farmers has stocked onion crop in expectation of higher prices in coming weeks. Onion prices are expected to remain firm this season due to lower quality of stored onion and damaged onion crop.

All India Weekly Arrival



(Source: Agmarknet)

Lower supply reported in 1st week of June as compared to previous week but expected to remain lower in coming weeks as onion crop is stored by farmers in expectation of higher prices ahead. Arrivals are comparatively lower than last year due to damaged in onion crop this year in producing regions.

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 firm market in coming weeks. Relative Strength Indicator (RSI) is approaching

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towards overbought region. Once it enters in overbought region prices are expected to move upward. On the upper side prices may find resistance at a level of Rs 2000/ quintal whereas on the lower side prices may find long term support at a level of Rs 1000/ quintal. Once prices breach a level of Rs 1800/ quintal on higher side then it may go above for a longer period. Overall market is expected to remain range bound for coming weeks.

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