

Executive Summary:

- In Delhi, onion prices are trading in a range of Rs 400 to Rs 1000/ quintal and expected to be in same range for coming week.
- In Lasalgaon, modal prices are trading in the range of Rs 770/ quintal compared to Rs 1060/quintal in corresponding year of 2015 during same period.
- In Bangalore onion is arriving in market from local region and Maharashtra region which are contributing approximately 40% and 60% respectively. Modal prices are trading in the range of Rs 750-Rs 800/ quintal.
- In M.P, rabi onion production is expected to be 33.4 Lakh tons against last year's estimate of 19 lakh tons, following jump in acreage and better yield expectation this year. Higher production in the state is leading to distress sale and lower prices.
- Rabi onion acreage in Maharashtra is estimated to be 1.96 lakh hectares, higher by 6% as compared to previous year. Reasons for higher acreage this year is crop shifting, higher onion prices and water shortage for other crops like wheat and sugarcane.

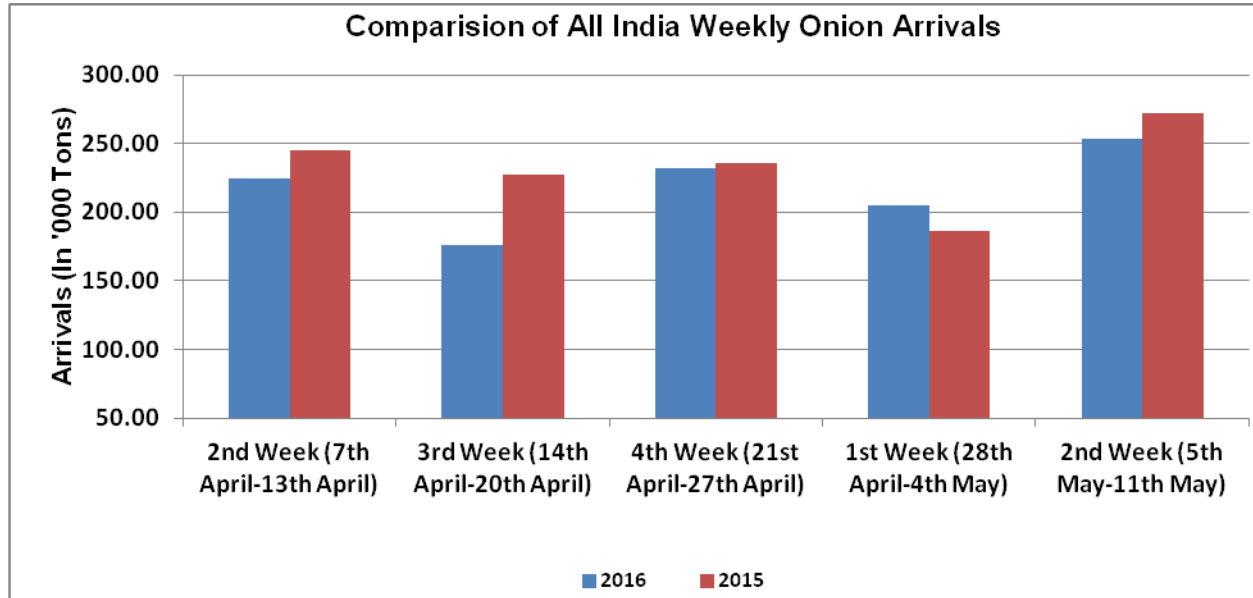
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India

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 11.May.2016	As on 04.May.2016	As on 11.May.2015	As on 11.May.2016	As on 04.May.2016	As on 11.May.2015
DELHI	736	NR	1370	2100	2100	2900
LUCKNOW	1100	1000	1450	1200	2000	2000
AHMEDABAD	600	550	1000	1500	2000	1700
INDORE	450	NR	875	1200	1300	1100
MUMBAI	850	800	1600	1900	1900	2300
JAIPUR	NR	NR	1000	800	NR	1600
BHUBANESHWAR	1000	NR	1650	1500	1500	2000
KOLKATA	NR	NR	1750	1600	1600	2400
HYDERABAD	700	850	1400	1600	1600	2200
BANGALORE	750	750	1650	1800	1800	2200
TRIVANDRUM	NR	NR	NR	1800	2000	3100
CHENNAI	NR	NR	NR	1500	1600	2300

(Source: #Agmarknet, *Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Mixed variation of prices was seen in both wholesale and Retail market. Prices are comparatively lower than last year because of higher production estimates this year. Rabi harvesting continues till mid of May in most of producing regions except Maharashtra. In Maharashtra Rabi/Unhali crop is harvested till mid of June in few parts.

All India Onion Arrival:



(Source: Agmarknet)

The above graph depicts the onion arrivals across the country on a weekly basis. During the week period arrivals have increased by 23.59% compared to previous week and expected to increase further in coming weeks with arrival of Rabi crop from producing regions. Onion arrivals are 7.05% higher compared to corresponding period of 2015.

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. During the week period Candlestick chart pattern indicates range bound movement in market. Rs.500/ qtl is a strong support level, if it breaks it move towards Rs.400/ qtl level in coming weeks, whereas on the higher side prices may find resistance at a level of Rs 1000/ quintal. RSI moving up in neutral zone indicates prices may remain steady.

Outlook- Prices are expected to trade range bound between Rs 700-Rs 1000/ quintal for coming week.

Disclaimer

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