

Executive Summary:

- Mixed sentiment featured in Onion market during the week. However, Lasalgaon market reported closed from last week due to some traders strike on tax issue.
- During the week period (04th July – 10th July 2016) Onion reported export of 19749 tonnes. Major export destinations are Malaysia, Indonesia, Sri Lanka etc.
- In M.P, total Rabi onion production is estimated to be 30.75 Lakh tons against last year's estimate of 18.86 lakh tons because of higher acreage and relatively good yield this year.
- In Delhi, modal onion prices are trading near Rs 875/ quintal compared to Rs 1700/ quintal in corresponding period of 2015. In coming week prices are expected to trade between Rs 870 to Rs 1300/ quintal.
- Acreage of rabi onion crop in Maharashtra is estimated to be 2.20 lakh hectares, higher by 13.83% against the last years rabi onion acreage. The reasons for higher acreage were higher prices and crop shifting from sugarcane and wheat.
- In M.P, approximately 16.79 lakh tons onion is stored in 2015-16 compared to 12.64 lakh tons in corresponding period of 2015 during Rabi season.

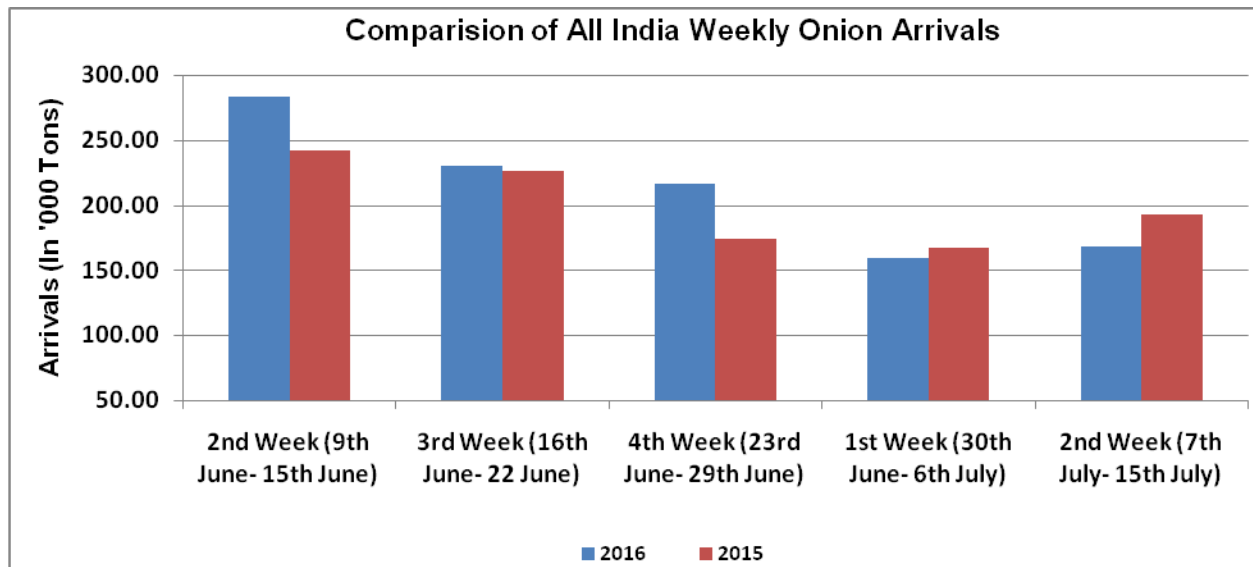
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India

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 13.July.2016	As on 06.July.2016	As on 13.July.2015	As on 13.July.2016	As on 06.July.2016	As on 13.July.2015
DELHI	844	733	1600	2200	2100	3600
LUCKNOW	1000	900	1950	1400	1400	3000
AHMEDABAD	650	NR	1700	2000	2000	3000
INDORE	NR	NR	1500	1000	1000	1500
MUMBAI	NR	NR	1950	2400	1700	2500
JAIPUR	NR	NR	1800	900	900	1700
BHUBANESHWAR	1050	NR	NR	1400	NR	2600
KOLKATA	1375	NR	2375	1200	1200	3000
HYDERABAD	1050	1000	1900	1600	1600	2600
BANGALORE	1000	900	NR	1600	1600	2800
TRIVANDRUM	NR	NR	NR	2000	NR	4300
CHENNAI	NR	NR	NR	1900	1600	2900

(Source: #Agmarknet, *Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Mixed sentiment witnessed in Onion major domestic market during the week. However, Onion prices reported lower this year compared to last year because of higher production estimates this year.

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 5.48% compared to previous week. However, if we compare it from last year same period arrivals have decreased by almost 12.76%. Onion arrivals have declined because almost all the crop is harvested and farmers/traders have stocked the crop in expectations of higher prices ahead.

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. Market closed from last week due to tax issue. From last couple of weeks markets move in range bound movement. Onion prices may take support Rs.500/ qtl in short term, 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 moving up.

Outlook- Prices are expected to trade range bound between Rs 800-Rs 1000/ quintal for coming week.

Disclaimer

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