SFAC
लघु कृषक
कृषि व्यापार संघ

ONION & POTATO

Monthly **REPORT**

Market Intelligence System

Volume 33 February 2015

Onion

Executive Summary

- All India, onion arrival in month of January is approximately 32% higher compared to previous month. If we compare onion arrivals in January month on a yearly basis we observed that arrivals are 30% higher than last year during same time.
- All India *Rabi* production is expected to be approximately 95 lakh ton. According to trade sources, storage onion is expected to arrive in market from 1st week of March.
- As per IBIS (International Business Information Services), approximately 78383 tons of processed and fresh onion has been exported in month of January 2015 compared to previous month export of 34081 tons.
- In Karnataka, total *Rabi* area is approximately 16676 ha. As on 27.1.2015 approximately 18145 ha of area is sown compared to last year area of 23844 ha.
- In Maharashtra, January arrivals are approximately 5% lower compared to previous year during same time. Prices are expected to fall down further with increase in arrivals of late *Kharif* and *Rabi* crop.

Monthly Average Wholesale Price (₹/qtl) and Arrivals (in Quintals) Trend Comparison

Market	Avg. Prices January 2015	Avg. Prices December 2014	% Change in Prices Over Previous Month	Previous Year Avg. January (2014) Price	% Change Over Previous Year	Daily Avg. Arrivals January	Daily Avg. Arrivals December	% Change in Arrivals Over Previous Month
Delhi	1457	1596	-8.71	1129	29.05	8189	10787	-24.08
Bengaluru	1706	1788	-4.59	1052	62.17	32167	50560	-36.38
Lasalgaon	1264	1460	-13.42	985	28.32	19250	7185	167.92
Pimplagaon	1289	1538	-16.19	1032	24.90	22279	16063	38.70
Mumbai	1479	1744	-15.19	1102	34.21	22406	19308	16.05
Pune	1520	1802	-15.65	962	58.00	10650	11500	-7.39
Jaipur	1531	1674	-8.54	1122	36.45	3154	2780	13.45
Chennai	2126	2420	-12.15	1460	45.62	4560	4796	-4.92
Hyderabad	2004	2125	-5.69	875	129.03	2442	2055	18.83

Source: Agriwatch

On a month-on-month basis, prices have decreased in almost all the markets with arrivals of late *Kharif* onion from Maharashtra and Other parts. Maximum prices have decreased in major producing regions of Maharashtra like Lasalgaon, Pimpalgaon and Pune by 13%-16%.

In Bengaluru onion is arriving in market from local region (Bijapur and Gulbarga districts) and Maharashtra which are contributing approximately 40% and 60% respectively.

Monthly Average Retail Price (₹/qtl) Trend Comparison

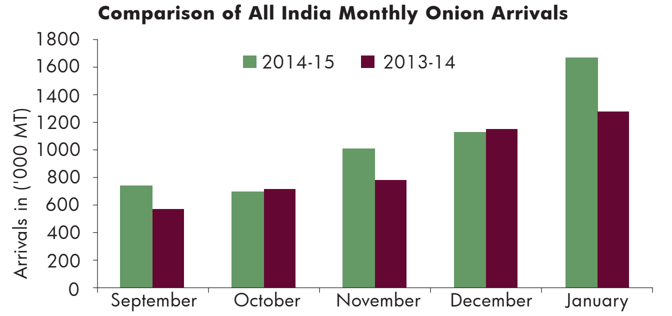
Market	State	Average Retail Price January 2015	Average Retail Price December 2014	Previous Year Avg. Retail Price-January 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. Month
Bengaluru	Karnataka	2314	2263	1600	2.3	44.6
Bhubaneswar	Odisha	2136	2540	1936	-15.9	10.3
Chennai	Tamil Nadu	2161	2159	1740	0.1	24.2
Delhi	Delhi	3150	3000	2525	5.0	24.8
Guwahati	Assam	2766	2819	2054	-1.9	34.7
Hyderabad	A.P.	2544	2600	1400	-2.2	81.7
Kolkata	W. Bengal	2605	2750	2200	-5.3	18.4
Mumbai	Maharashtra	2800	3000	2509	-6.7	11.6
Patna	Bihar	1933	2257	1720	-14.4	12.4

Source: Consumer Affairs

In Retail market, prices have decreased in almost all the markets except Bengaluru, Chennai and Delhi where prices have increased nominally. In Bengaluru prices have increased because almost 60% onion is arriving in market from Maharashtra.

The graph shows the monthly all India arrivals. Arrivals are higher in January month than last month because fresh *Kharif* arrivals are arriving in market with full pace. In coming months arrivals are expected to increase as late *Kharif* and *Rabi* crop will start arriving in market.

All India Onion Monthly Arrivals



Source: Agmarknet

Onion *Rabi* Production Estimate

Name of the State	*Rabi* Targets for 2014 ('000 ha)	Likely Acreage ('000 ha)	Expected Average Yield(Ton/ha)	Expected Production *Rabi* ('000 Tons)*
Maharashtra	196.666	190	15	2850
Madhya Pradesh	119.917	119	21	2499
Karnataka	16.68	16	14.5	232
Andhra Pradesh	5.085	3.8	16	60.8
Gujarat	70	50	24.5	1225
Haryana	30.8	25	22	550
Tamil Nadu	14.345	25.57	11	281.27
Telangana	10.092	11	11	121
West Bengal	24.64	24	14	336
Punjab	7.56	7	22	154
Total Above state	495.785	471		8309.07
All India Total *Rabi* Production				**9555.43**

Source: Agriwatch Research

* *Rabi* onion production this year under normal condition is estimated to be 95.55 lakh tons. It could vary between 95 to 100 lakh tons.

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 monthly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. During the month of January modal prices are trading around ₹1264/qtl. On the upper side prices may find resistance at a level of ₹1500/qtl whereas long term support is ₹1000/qtl. Overall, onion prices are expected to fall further as Relative Strength Indicator (RSI) oscillator is moving stable in neutral region which suggest prices may remain range bound in a range of ₹1000- ₹1300/qtl in coming month.

Potato

Executive Summary

- In U.P., *Rabi* acreage is expected to be higher than last year by approximately 6%. Total estimated area for 2014-15 *Rabi* season is approximately 601000 ha.
- In West Bengal, potato area is expected to be approximately 4.43 lakh ha which is 15% higher than last year due to better price realization in 2014. Crop is expected to arrive in cold storages from February last which is normal time. In some parts Blight disease is seen but that is nominal and would not impact the production much.
- In Karnataka, targeted area for *Rabi* season is 9855 ha. As on 27.01.2015 approximately 8384 ha of area is sown compared to last year 5636 ha during same time.
- In Bihar, potato area is estimated to be approximately 3.53 lakh ha which 10-12% higher than last year. Potato prices are expected to remain low this year because of higher production estimate.
- Across the country potato prices are comparatively lower than last year in January due to higher production estimate this year. Potato prices are expected to remain on lower side throughout the season

Monthly Wholesale Price Trend in Different Producing & Consuming Centers

Market	January 2015 Avg. Wholesale Price (₹/qtl)- (Fresh Potato)	December 2014 Avg. Wholesale Price (₹/qtl)- (Fresh Potato)	January 2014 Avg. Wholesale Price (₹/qtl)	Absolute Change over Prev. Month (₹/qtl)	% Change Over Prev. Month	% Change Over Prev. Year
Delhi	580	770	766	-190	-24.68	-24.28
Khandauli (Agra)	795	929	783	-134	-14.42	1.53
Farrukhabad	495	699	610	-204	-29.18	-18.85
Ludhiana	471	656	694	-185	-28.20	-32.13
Kolkata	823	1585	1089	-762	-48.08	-24.43
Jaipur	729	902	864	-173	-19.18	-15.63
Mumbai	992	1881	1099	-889	-47.26	-9.74
Bengaluru	1630	1984	1392	-354	-17.84	17.10
Tarkeshwar	636	1619	1123	-983	-60.72	-43.37

Source: Agriwatch

The above table shows the monthly average prices of major markets and variation of prices with previous month and year. In most of the markets, prices have decreased as fresh crop from producing regions like Punjab, West Bengal, and U.P. is continuously arriving in market.

If we compare the prices with previous year during same time it is observed that prices are comparatively lower than last year because of higher production and better crop condition this year in major producing regions.

Monthly Retail Price (₹/qtl) and Arrivals (Tons) Trend in Different Consuming Centers

Market	January 2015 Avg. Retail Price (₹/qtl)- (Fresh Potato)	December 2014 Avg. Retail Price (₹/qtl)- (Fresh Potato)	Previous Year Avg. Retail Price- January 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. Year	Total Arrivals in January 2015 (in qtl)*	Total Arrivals in December 2014 (in qtl)*	Total Arrivals in January 2014 (in qtl)*
Bengaluru	2428	3000	2118	-19.07	14.64	206500	239850	180600
Chennai	2322	2700	1793	-14.00	29.50	63100	66200	63900
Delhi	1450	2000	1887	-27.50	-23.16	651200	628200	646750
Guwahati	1080	2100	1373	-48.57	-21.34	70950	33210	52300
Hyderabad	2477	3300	1730	-24.94	43.18	56480	18530	24100
Mumbai	2926	3100	2353	-5.61	24.35	346800	352950	266950
Ranchi	1280	1700	1592	-24.71	-19.60	57250	64300	57600

Source: #Consumer Affairs, *Agriwatch

Retail prices have decreased in almost all the markets if compared to previous month. Arrivals of fresh crop are continuously arriving in market from producing regions. All India production is estimated to be higher so arrivals are arriving in market at a higher pace compared to previous year. Cold storages are expected to open from March 1st week.

If we compare on a year on year arrivals are higher almost in all the markets and prices are lower this year this year except Bengaluru, Chennai, Hyderabad and Mumbai.

Technical Analysis Potato Spot Market (Khandauli, Agra)

Note: Each bar or "candle" in the chart shows the price movement in a particular month. The blue candle signifies prices increased and red candle signifies prices decreased in that month. The length of the "candle" shows the upper and lower end of the price range for the week.

The above chart shows the monthly price movement of potato for Agra (Khandauli) market. Modal prices are trading at ₹795/qtl. On the higher side prices may find long term resistance at a level of 900/qtl. On the lower side prices may find long term support at a level of ₹550/qtl. Relative Strength Indicator (RSI) oscillator is also moving stable in oversold region and suggests that prices may trade in the range bound movement for the coming month.

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