Onion

Executive Summary

- All India, onion arrival in month of October is approximately 7% lower compared to previous month. If we compare onion arrivals in October month on a yearly basis we observed that arrivals are 3% lower than last year during same time.
- As per IBIS (International Business Information System), approximately 17531 tons of processed and fresh onion has been exported in month of October 2014 compared to previous month export of 44554 tons. Pakistan onion is exporting at a lower price than Indian onion.
- In Karnataka, 95% fresh onion is arriving from local regions like Davangere, Chitradurga, Hubli, Gadag districts and rest 5% from Maharashtra.
- In Karnataka, *Rabi* sowing has started in a total targeted area of 15876 ha. So far 2304 ha of area is sown compared to last year area of 5555 ha.
- Across the country prices of onion have fallen down as fresh *Kharif* crop from Maharashtra, and Karnataka has started arriving in market. Quality of stored onion is also not good and hence fetching lower prices in market and may last for next two weeks.

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

Market	Avg. Prices October 2014	Avg. Prices September 2014	% Change in Prices Over Previous Month	Previous Year Avg. October 2013 Price	% Change Over Previous Year	Daily Avg. Arrivals October	Daily Avg. Arrivals September	% Change in Arrivals Over Previous Month
Delhi	1809	1819	-0.55	4233	-57.26	11737	12734	-7.83
Bengaluru	1615	1835	-11.99	4163	-61.21	97636	53308	83.15
Lasalgaon	1342	1439	-6.74	4834	-72.24	7625	11518	-33.80
Pimplagaon	1427	1507	-5.31	3978	-64.13	11442	16912	-32.34
Mumbai	1790	1660	7.83	4927	-63.67	15413	14275	7.97
Pune	1708	1567	9.00	4321	-60.47	10583	9262	14.26
Jaipur	1805	1850	-2.43	4380	-58.79	2818	2692	4.68
Chennai	2309	2400	-3.79	4722	-51.10	4622	4708	-1.83
Hyderabad	1824	1845	-1.14	3000	-39.20	1930	1711	12.80

Source: Agriwatch

On a month-on-month basis, prices have decreased in almost all the markets except Mumbai and Pune where prices have increased by 7% and 9% respectively. Maximum prices have fallen in Bangalore and Lasalgaon market by 11% and 6% respectively because of arrival of fresh crop. In lasalgaon market approximately 20% is fresh crop and rest 80% is stocked crop and fresh crop is expected to pick up pace in coming days as it was delayed by 20-25 days this year.

In Karnataka onion is arriving in market from local region (Chitradurga, Hubli, Dawangre and Gadag districts) has started arriving in market and expected to continue for coming months also.

Monthly Average Retail Price (₹/qtl) trend comparison

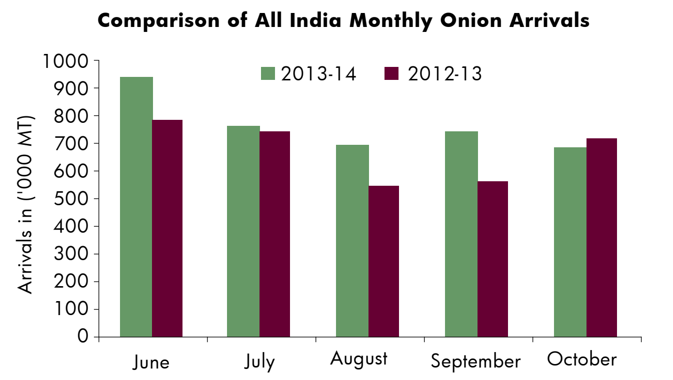
Market	Average Retail Price October 2014	Average Retail Price September 2014	Previous Year Avg. Retail Price-October 2013	% Change in Price Over Prev. Month	% Change in Price Over Prev. Year
Bengaluru	2100	2400	3600	-12.50	-41.67
Bhubaneswar	2400	2400	5000	0.00	-52.00
Chennai	2400	2200	5000	9.09	-52.00
Delhi	3300	3100	6600	6.45	-50.00
Guwahati	2600	2500	5800	4.00	-55.17
Hyderabad	2500	2700	4500	-7.41	-44.44
Kolkata	2300	2500	5800	-8.00	-60.34
Mumbai	2900	3000	6000	-3.33	-51.67
Patna	2100	2300	5600	-8.70	-62.50

Source: Consumer Affairs

In Retail market, mixed variation of prices was seen. In few markets prices were seen marginally higher because of interrupted supply. Prices are expected to fall further as fresh arrival is picking up pace.

If we compare prices on a year on year basis it is observed from above table that prices are almost half of the prices during same time last year. Prices are lower this year due to timely action taken by government if it's banning export or allowing import and ease down the import policy which is reflected in the prices.

All India Onion Monthly Arrivals



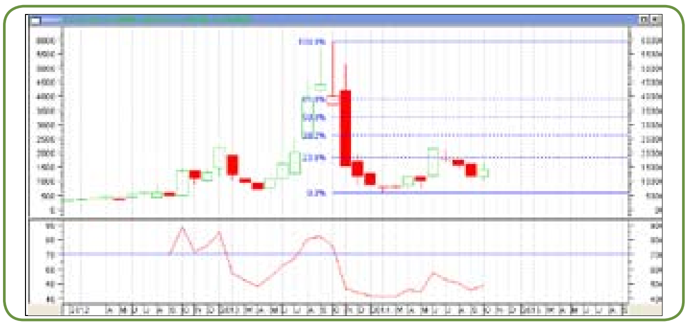
Source: Agmarknet

The graph shows the monthly all India arrivals. Arrivals are lower in October month than last month because fresh arrivals are arriving in smaller quantity as *Kharif* arrivals are expected to pick up pace. In coming months arrivals are expected to increase as area in late *Kharif* is expected to increase because of slower monsoon this year.

Kharif Sowing Progress in Major States

States	*Kharif* Area 2014 ('000 ha)	*Kharif* Area 2013 ('000 ha)
Maharashtra#	61.01	63.56
Karnataka*	122.86	114
A.P.*	23.97	25.04

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 chart shows the monthly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. During the month of October modal prices touched low of ₹ 1000/qtl and trading near ₹ 1342/qtl. On the upper side prices may find resistance at a level of ₹ 1850/qtl whereas long term support is ₹ 6000/qtl. Overall, onion prices are expected to fall further as Relative Strength Indicator (RSI) oscillator is moving in neutral region which suggest prices may fall down further may be in a range of ₹ 800. ₹ 1500/qtl in coming month.

Potato

Executive Summary

- Potato prices country potato prices were firm in October month because of lower available stocks in cold stores as compared to last year.
- In West Bengal, approximately 83% of potatoes have been released from a total storage of 53 lakh ton compared to last year release of 77% by October end.
- In West Bengal, approximately 5% sowing is completed and prices in coming months is expected to rise as only 5 lakh ton will be available for consumption and rest is used as seed. Acreage is expected to increase this year considering higher prevailing prices.
- In Bihar, sowing is in progress and almost 70% area has been covered so far. According to trade sources potato area is expected similar to last year.
- Potato from Punjab and Jharkhand has started arriving in market. Acreage this year is approximately 5% higher than Last year's area.
- In U.P., so far 85% of sowing is completed and maximum cold storages will be closed by 2nd week of November.
- In Bangalore, approximately 20% of potatoes are arriving in market from U.P., and rest is arriving from Belgaum, Hassan and kolar (local region).

Monthly Wholesale Price Trend in different Producing & Consuming Centers

Market	October 2014 Avg. Wholesale Price (₹/qtl)	September 2014 Avg. Wholesale Price (₹/qtl)	October 2013 Avg. Wholesale Price (₹/qtl)	Absolute Change Over Prev. Month (₹/qtl)	% Change Over Prev. Month	% Change Over Prev. Year
Delhi	2102	2045	1197	57	2.79	75.61
Khandauli (Agra)	1914	1892	1107	22	1.16	72.90
Farrukhabad	2267	2244	1009	23	1.02	124.68
Ludhiana	1800	1650	824	150	9.09	118.45
Kolkata	1797	1846	996	-49	-2.65	80.42
Jaipur	1916	1896	1032	20	1.05	85.66
Mumbai	2255	2260	1348	-5	-0.22	67.28
Bengaluru	2236	2063	1441	173	8.39	55.17
Tarkeshwar	1739	1701	1024	38	2.23	69.82

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 increased because of late arrival of fresh crop from Punjab.

If we compare the prices with previous year during same time it is observed that prices are comparatively higher than last year because of higher release of potato this year and delay in arrival of Punjab crop. Another reason for high prices this year is less storage in U.P., West Bengal and Bihar compared to previous year.

Monthly Retail Price (₹/qtl) and arrivals (Tons) trend in different Consuming Centers

Market	Average Retail Price-October 2014#	Average Retail Price-September 2014#	Previous Year Avg. Retail Price-October 2013#	% Change in Price Over Prev. Month	% Change in Price Over Prev. Year	Total Arrivals in October 2014 (in qtl)*	Total Arrivals in September 2014 (in qtl)*	Total Arrivals in October 2013 (in qtl)*
Bengaluru	2600	2600	1500	Unch	73.33	167300	227550	272200
Chennai	3000	2700	2000	11.11	50.00	50400	62200	56100
Delhi	3600	3300	2600	9.09	38.46	462600	561200	580000
Guwahati	2700	2600	1600	3.85	68.75	20920	23660	26300
Hyderabad	3200	3200	2000	Unch	60.00	32550	36010	29870
Mumbai	3100	3000	2400	3.33	29.17	248100	300450	215910
Ranchi	2600	2400	1400	8.33	85.71	51900	58030	24040

Source: #Consumer Affairs, *Agriwatch

Retail prices have increased in almost all the markets except Bengaluru and Hyderabad where local produced crop from Hasan Belgaum and Kolar is arriving in market. Prices have increased this year due to less storage of potato crop in cold storages in major producing regions.

If we compare on a year on year arrivals are lower in few markets as it is clearly visible in Previous table. All India arrivals in month of September is approximately 35% less compared to previous year during same time.

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 approximately ₹ 1914/qtl. On the higher side prices may find long term resistance at a level of 2300/qtl. On the lower side prices may find long term support at a level of ₹ 1800/qtl. As per Fibonacci retracement indicator prices as were expecting that prices may rebound from a level of ₹1800/qtl and that exactly happened. If prices again breach a level of ₹ 2050 it may go upto a level of ₹ 2300/qtl. Relative Strength Indicator (RSI) oscillator is also moving upward which suggest that prices may trade on the higher side for coming month.

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