SFAC
लघु कृषक
कृषि व्यापार संघ

ONION & POTATO

Monthly REPORT

Market Intelligence System

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Onion

Executive Summary

- All India, onion arrival in month of February is approximately 39% lower compared to previous month. If we compare onion arrivals in February month on a yearly basis we observed that arrivals are 6% lower than last year during same time.
- In Gujarat as per state horticulture department onion acreage this season has declined to 44500 ha compared to previous year's acreage of 72600 ha.
- Late *Kharif* production in Maharashtra is less as compared to previous year due to less acreage (down by 14%) and further lower yield. Late *Kharif* onion comes in the market till mid of March and after this *Rabi* onion starts coming.
- In Maharashtra, unseasonal rains have damaged the onion crop which has affected the supply in coming days. *Rabi* onion is expected to arrive in market from mid March.
- As per IBIS (International Business Information Services), approximately 70021 tons of processed and fresh onion has been exported in month of February 2015 compared to previous month export of 78383 tons.
- In Karnataka, total *Rabi* area is approximately 16676 ha. As on 27.2.2015 approximately 19286 ha of area is sown compared to last year area of 29137 ha.

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

Market	Avg. Prices Feb 2015	Avg. Prices Jan 2015	% Change in Prices Over Pre. Month	Pre. Year Avg. Feb (2014) Price	% Change Over Pre. Year	Daily Avg. Arrivals Feb	Daily Avg. Arrivals Jan	% Change in Arrivals Over Pre. Month
Delhi	1572	1457	7.89	854	84.07	11050	8189	34.94
Bengaluru	1692	1706	-0.82	830	103.86	26166	32167	-18.66
Lasalgaon	1392	1264	10.13	713	95.23	17647	19250	-8.33
Pimplagaon	1325	1289	2.79	748	77.14	21985	22279	-1.32
Mumbai	1665	1479	12.58	716	132.54	22806	22406	1.79
Pune	1566	1520	3.03	660	137.27	12289	10650	15.39
Jaipur	1744	1531	13.91	821	112.42	3875	3154	22.86
Chennai	2217	2126	4.28	1300	70.54	5333	4560	16.95
Hyderabad	1586	2004	-20.86	660	140.30	1497	2442	-38.70

Source: Agriwatch

On a month-on-month basis, prices have increased in almost all the markets except Hyderabad and Bengaluru with lower arrivals of late *Kharif* onion from Maharashtra and Other parts. Maximum prices have increased in Jaipur, Lasalgaon and Mumbai by 13%, 10% and 12% respectively.

In Delhi, onion is arriving in market from Rajasthan, Haryana, Gujarat and smaller quantity from Maharashtra. Less quantity is coming from these producing regions to Delhi.

Monthly Average Retail Price (₹/qtl) Trend Comparison

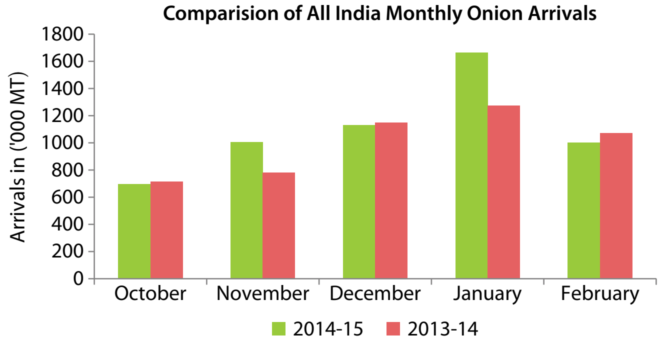
Market	State	Average Retail Price February 2015	Average Retail Price January 2015	Previous Year Avg. Retail Price-February 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. Year
Bengaluru	Karnataka	2400	2300	1500	4.35	60.00
Bhubaneswar	Odisha	2400	2100	1500	14.29	60.00
Chennai	Tamil Nadu	2200	2200	1400	Unch	57.14
Delhi	Delhi	3300	3200	2300	3.13	43.48
Guwahati	Assam	2400	2800	1700	-14.29	41.18
Hyderabad	AP	2500	2500	1400	Unch	78.57
Kolkata	W. Bengal	2300	2600	1700	-11.54	35.29
Mumbai	Maharashtra	2700	2800	2100	-3.57	28.57
Patna	Bihar	1600	1900	1500	-15.79	6.67

Source: Consumer Affairs

In Retail market, mixed variation of prices was seen. Maximum prices have increased in Bhubaneswar and Bengaluru. In coming days prices are expected to decrease with the arrival of *Rabi* crop.

The above graph shows the monthly all India arrivals. Arrivals are lower in February month than last month because of lower late kharif crop. The other reason is unseasonal rains which was major constraint for arrivals. In coming months arrivals are expected to increase as rabi crop will start arriving in market.

All India Onion Monthly Arrivals



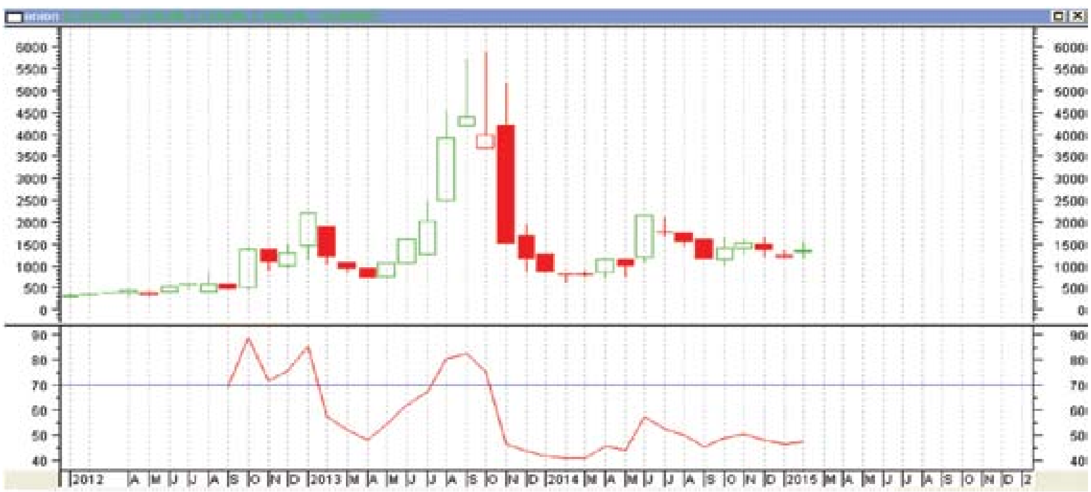
Source: Agmarknet

Onion Balance sheet

(Qty in Lakh Tons)	Jan, 2015	Feb, 2015	Mar, 2015	Apr, 2015	May, 2015	Jun, 2015
Stored/Carry-in	2.58	0.25	1.84	1.44	26.86	49.08
Fresh Production	10.00	14.00	12.50	43.00	40.00	8.00
Imports	0.00	0.00	0.00	0.00	0.00	0.00
Availability	12.58	14.25	14.34	44.44	66.86	57.08
In LT Storage				25.43	47.65	40.16
Consumption	11.00	11.00	11.00	12.00	12.00	11.00
Exports	0.78	0.70	1.25	1.25	1.25	1.25
Post production losses	0.55	0.71	0.65	4.32	4.53	3.24
Total Usage	12.33	12.41	12.90	17.57	17.78	15.49
Carry out (incl temp storage)	0.25	1.84	1.44	26.86	49.08	41.59

Note: Till September Exports are from Nafed and October month to February 2015 exports are from IBIS (International Business Information Services) data Total *Kharif* production (*Kharif*+late *Kharif*) is taken to be 47-50 lakh tons amid lower rainfall in onion producing regions. *Rabi* Production is expected to be 95-100 lakh ton.

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 ₹1392/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 remain stable for next few weeks as Relative strength indicator (RSI) oscillator is moving stable in neutral region which suggest prices may remain range bound in a range of ₹1000- ₹1500/qtl in coming month.

Potato

Executive Summary

- In South West Bengal, approximately 40% of loading has done in cold storages whereas North Bengal loading has just started. South West Bengal and North West Bengal contribute approximately 80% and 20% respectively to the total cold storage capacity.
- In Bihar, so far approximately 60% loading in cold storages is completed compared to last year loading of 30% during same time. Total capacity is approximately 111000 tons.
- In Bihar, normally cold storages loading starts by 3rd week of February but this year due to higher production cold storages opened in 2nd week of February. Average loading price are approximately ₹600- ₹650/qtl compared to last year price of ₹990/qtl.
- In Punjab, unseasonal rains have affected the crop by 5-10%. This year total sown area was approximately 85,000 ha. So far approximately 40% of crop has been harvested.
- In U.P. approximately 20-25% of loading is completed which is less. This situation arises due to rains which affected the supply. In U.P. cold storages loading prices are approximately ₹400 to ₹500/qtl.
- Across the country cold storage potato loading has started and expected to close by March end. Producing regions are expecting 100% cold storage utilization this year because of higher production.

Monthly Wholesale Price Trend in different Producing & Consuming Centers

Market	February 2015 Avg. Wholesale Price (₹/qtl)-(Fresh Potato)	January 2015 Avg. Wholesale Price (₹/qtl)-(Fresh Potato)	February 2014 Avg. Wholesale Price (₹/qtl)	Absolute Change over Prev. Month (₹/qtl)	% Change over Prev. Month	% Change over Prev. Year
Delhi	516	580	681	-64	-11.03	-24.23
Khandauli (Agra)	732	795	703	-63	-7.92	4.13
Farrukhabad	395	495	643	-100	-20.20	-38.57
Ludhiana	413	471	584	-58	-12.31	-29.28
Kolkata	557	823	707	-266	-32.32	-21.22
Jaipur	605	729	877	-124	-17.01	-31.01
Mumbai	821	992	1054	-171	-17.24	-22.11
Bengaluru	1263	1630	1195	-367	-22.52	5.69
Tarkeshwar	544	636	641	-92	-14.47	-15.13

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 because of higher production this year. Maximum prices are in Bengaluru because its local produced and demand is high. Local produced potato contributed approximately 70% to total arrival in February month.

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, better crop condition and higher storage this year in major producing regions.

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

Market	February 2015 Avg. Retail Price (₹/qtl)-(Fresh Potato)	January 2015 Avg. Retail Price (₹/qtl)-(Fresh Potato)	Previous Year Avg. Retail Price-February 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. Year	Total Arrivals in February 2015 (in qtl)*	Total Arrivals in January 2015 (in qtl)*	Total Arrivals in February 2014 (in qtl)*
Bengaluru	2300	2400	1800	-4.17	27.78	211500	206500	142643
Chennai	2000	2300	1600	-13.04	25.00	74000	63100	65217
Delhi	1400	1500	1700	-6.67	-17.65	601000	651200	563918
Guwahati	800	1100	1000	-27.27	-20.00	85400	70950	70956
Hyderabad	2400	2500	1600	-4.00	50.00	22130	56480	42111
Mumbai	2800	2900	2500	-3.45	12.00	306300	346800	257947
Ranchi	1200	1300	1400	-7.69	-14.29	61000	57250	56692

Source: Consumer Affairs, *Agriwatch

Retail prices have decreased in almost all the markets if compared to previous month. Fresh crop is arriving in market with continuous pace as potato is loading in cold storages. 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 close loading by March end.

If we compare on a year on year arrivals are higher almost in all the markets and prices are lower this year. Potato prices are expected to remain on lower side throughout the year.

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 ₹732/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 ₹450/qtl. Relative Strength Indicator (RSI) oscillator is also moving downward in oversold region and suggests that prices may fall down further or remain stable in coming days.

DISCLAIMER

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