

## Executive Summary:

- All India, cumulative onion arrival till third week of September is approximately 27% less compared to previous year arrival during same time. However, week on week arrivals have increased in third week of September as compared to second week.
- Government has hiked the Minimum Export price (MEP) to \$900/MT from \$650/MT to curtail exports and bring down the rising onion prices.
- In Lasalgaon and Pimpalgaon market of Maharashtra prices were high by 15% and 17% respectively whereas arrivals have fallen in both the markets by 28% and 47% respectively in last week.
- In Bangalore, prices have fallen by 15% compared to last week because of higher arrivals from local region (Chitradurga and Dharwad). Arrivals have increased by almost 50% as compared to previous week. Pace of arrivals is likely to continue in coming weeks also.
- In Karnataka, targeted onion area for kharif season is approximately 145000 hectare. So, far 90,000 hectare of the targeted area has sown.
- In A.P, onion acreage for kharif season is approximately 27,950 ha. So far 27,072 hectares of area is sown as compared to previous year's 20366 hectare area. Normally sown area during this time is approximately 25587 hectares.
- According to trade and farmers survey, fresh crop from Maharashtra is expected to start from 3<sup>rd</sup>-4<sup>th</sup> week of October but peak arrivals in Maharashtra will be in mid of November.

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

Center Name	Avg. Wholesale Price(16 September-21 September)	Avg. Wholesale Price(9 September-14 September)	% Change in Wholesale Price over prev. week	Avg. Retail Price (16 September-21 September)	Avg. Retail Price (9 September-14 September)	% Change in Retail Price over prev. week
BANGALORE	3709	4370	-15.13	5117	4920	4.00
BHUBANESHWAR	4592	4450	3.19	5238	4860	7.78
CHENNAI	5584	4940	13.04	6867	6360	7.97
DELHI	5575	4770	16.88	6617	5917	11.83
HYDERABAD	3875	3634	6.63	5220	5000	4.40
JAIPUR	5375	4250	26.47	6817	5834	16.85
KOLKATA	4975	4875	2.05	6540	6667	-1.90
MUMBAI	5171	5165	0.12	6750	5700	18.42
PATNA	6025	4850	24.23	7000	5434	28.82

(Source: Agriwatch, NHB)

The above table depicts the wholesale and retail prices of onion in major cities of India. This week wholesale onion prices have increased in almost all the markets except Bangalore. Maximum prices have increased in

Jaipur by 26% followed by Patna and Delhi by 24% and 16% respectively. In Bangalore prices have declined as local produced onion is continuously arriving in market and expected to continue for next couple of weeks.

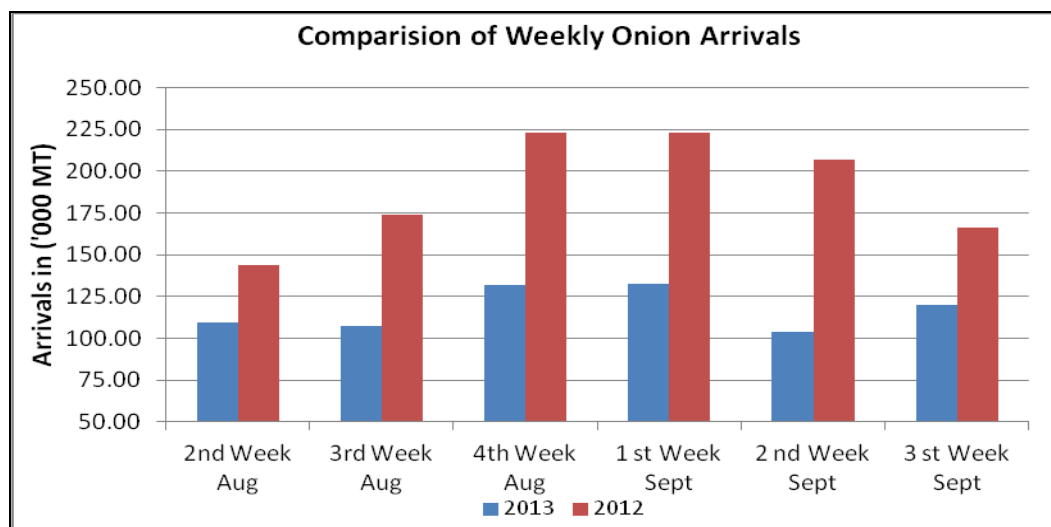
## Weekly Wholesale Prices and Arrivals in producing regions

Center Name	Avg. Wholesale Price (16 September-21 September)	Avg. Wholesale Price (9 September-14 September)	% Change in Wholesale Price over prev. week	Total Arrivals (16 September-21 September) Quintals	Total Arrivals (9 September-14 September) Quintals	% Change in Arrivals over prev. week
LASALGAON	5250	4556.25	15.23	9200	12800	-28.13
PIMPALGAON	5263	4462.5	17.94	11875	22545	-47.33
BANGALORE	3709	4370	-15.13	347500	230500	50.76
INDORE	3750	3200	17.19	34000	37000	-8.11

(Source: Agriwatch)

The above table shows the weekly difference between prices and arrivals in producing regions. Maximum arrivals have increased in Bangalore market by approximately 50% as compared to previous week whereas prices have fallen by approximately 15%. In benchmark market of Lasalgaon and Pimpalgaon, modal prices are hovering around 5200/ quintal.

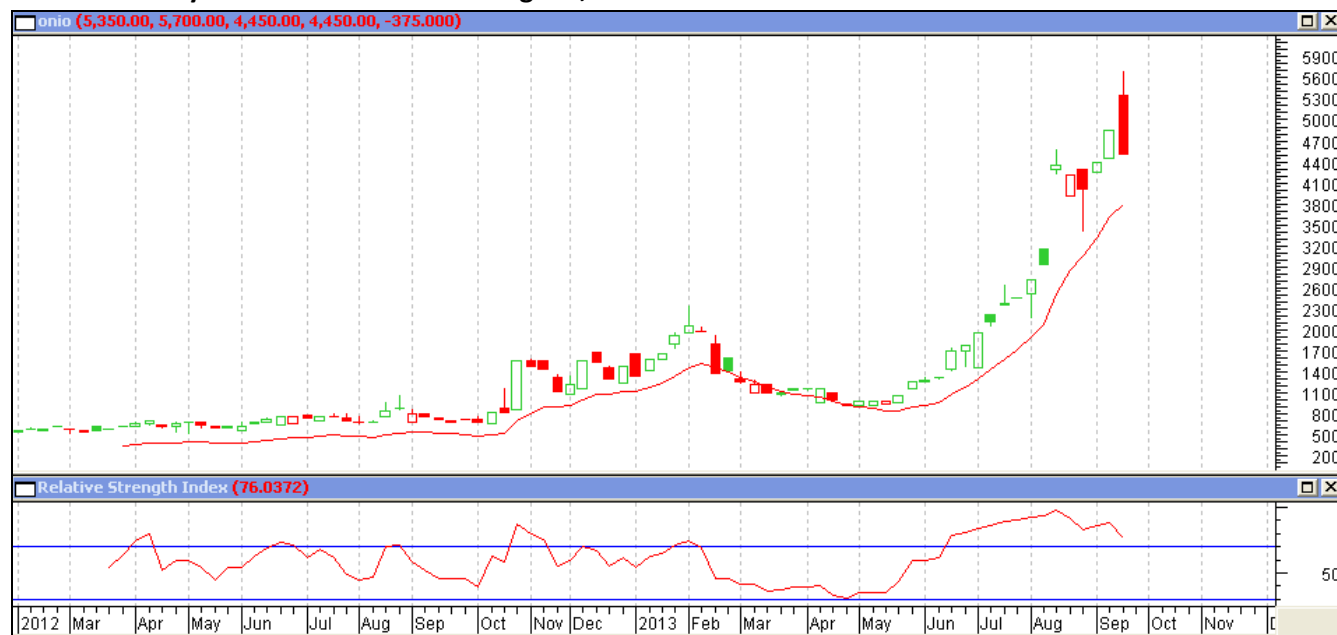
## All India- Onion weekly arrival comparison



(Source: Agmarknet)

The above table shows weekly all India onion arrivals. Arrivals are clearly lower as compared to previous year in every week. However, arrivals have increased in 3<sup>rd</sup> week of September against 2<sup>nd</sup> week of September after price rise and fresh crop arrivals from Karnataka.

## 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 weekly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. Modal prices have increased up to a level of Rs 5700/ quintal and settled down at Rs 4450/ quintal. On the higher side prices may find resistance at level of Rs 5800 and on the lower side support can be placed near at Rs.4100 and then Rs. 3800/ quintal. Relative Strength Indicator (RSI) oscillator is still in overbought region but divergence is seen which suggest price could correct further. Closing below Rs. 3500/Qtl will confirm further downtrend in prices.

### Disclaimer

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