Executive Summary:

- All India onion arrivals in the month of September is approximately 7.82% higher compared to the previous month because fresh kharif crop has started arriving in market. If we compare onion arrivals in September month on a yearly basis we observed that arrivals are 39.37% lower than last year during same time.
- Kharif sown area in Karnataka is approximately 133574 hectares compared to last year's 122860 hectares. This year area is approximately 8.72% higher than last year.
- In A.P, as on 30.9.2015 normal area is 23250 hectares but so far 29082 hectares of area is sown compared to last year's 25711 hectares during same time.
- In Maharashtra, kharif acreage of onion in Maharashtra is estimated to be 42261 hectares, down by 29.52% compared to previous year. Last year kharif acreage estimation by "Agriwatch" was 59964 hectares.
- Across the country prices of onion has started coming down with increase in fresh arrivals from Southern India States and Maharashtra.
- As per IBIS (International Business Information Services), approximately 9277.357 tons of processed and fresh onion has been exported in month of September 2015 compared to export of 12,723 tons in August. It includes only sea route.

Monthly Average Wholesale Price (Rs/Qtl) and Arrivals (in Quintals) Trend Comparison

Market	Avg. Prices Sept. 2015	Avg. Prices Aug. 2015	% change in prices over previous month	Previous year Avg. Sept.(2014) Price	% change over previous Year	Daily Avg. Arrivals Sept.	Daily Avg. Arrivals Aug.	% change in arrivals over previous month
Delhi	4076	3433	**18.73**	1830	**122.73**	13596	11847	**14.76**
Bangalore	3496	4730	**-26.09**	1878	**86.16**	46448	39604	**17.28**
Lasalgaon	4072	4144	**-1.74**	1459	**179.10**	2206	4064	**-45.72**
Pimplagaon	4322	4119	**4.93**	1499	**188.33**	5146	6971	**-26.18**
Mumbai	4437	4156	**6.76**	1690	**162.54**	11451	12744	**-10.15**
Pune	4470	4438	**0.72**	1602	**179.03**	7163	7750	**-7.57**
Jaipur	3963	3560	**11.32**	1836	**115.85**	4200	4075	**3.07**
Chennai	5306	4890	**8.51**	2430	**118.35**	5312	5317	**-0.09**
Hyderabad	4396	4133	**6.36**	1868	**135.33**	8504	9304	**-8.60**

(Source: AGRIWATCH)

On a month-on-month basis, wholesale prices have increased in almost all the markets. Prices have increased during the month in almost all the markets except Bangalore and lasalgaon. Prices if compared to last year are higher in almost all the markets.

Arrivals are also lower than last year in major markets except Delhi and Bangalore where local produced fresh crop and crop from Pakistan/Afghanistan respectively are arriving in higher quantity.

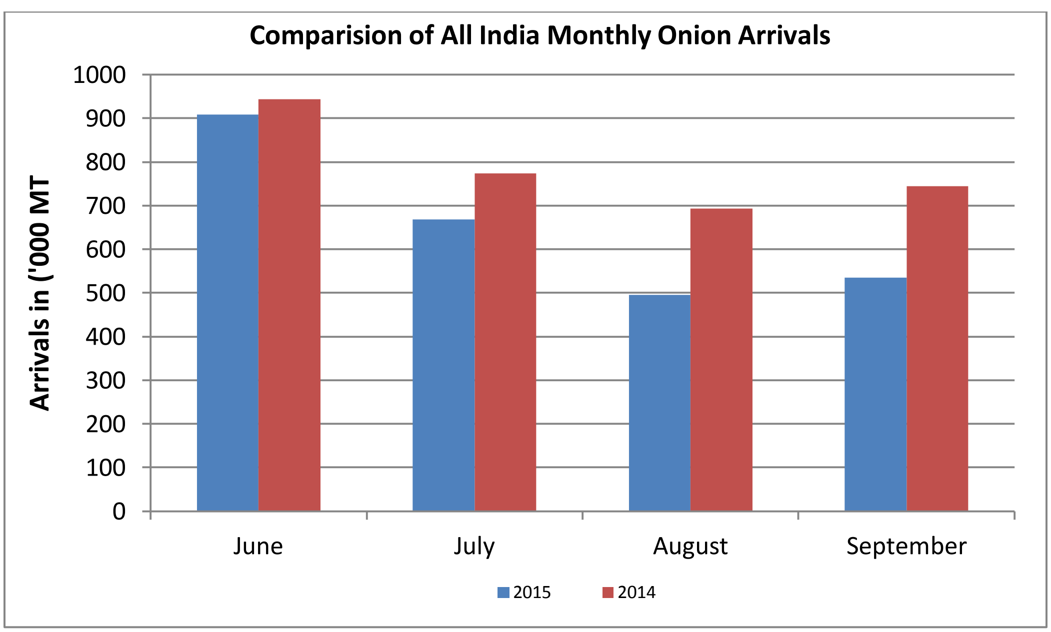
Monthly Average Retail Price (Rs/Qtl) trend comparison:

Market	State	Average Retail Price Sept. 2015	Average Retail Price Aug. 2015	Previous year Avg. Retail Price- Sept. 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. year
Bangalore	Karnataka	5700	4900	2400	**16.33**	**137.50**
Bhubaneswar	Odisha	5000	4500	2400	**11.11**	**108.33**
Chennai	Tamil Nadu	4700	4300	2200	**9.30**	**113.64**
Delhi	Delhi	5900	5500	3100	**7.27**	**90.32**
Guwahati	Assam	5300	4500	2500	**17.78**	**112.00**
Hyderabad	AP	5700	4500	2700	**26.67**	**111.11**
Kolkata	W. Bengal	5800	5200	2500	**11.54**	**132.00**
Mumbai	Maharashtra	5800	4900	3000	**18.37**	**93.33**
Patna	Bihar	4900	4100	2300	**19.51**	**113.04**

(Source: Consumer Affairs)

In Retail markets, prices have increased compared to previous month and previous year. Prices are expected to ease down in coming months with increase in arrival of kharif crop. Prices if compared to previous year are much higher this year due to lower arrivals in producing regions. Prices are expected to come down in coming days.

All India Onion Monthly Arrivals:



(Source: Agmarknet)

The above graph shows the monthly all India onion arrivals. Arrivals are higher in September month compared to previous month but are lower if compared to the previous year. As expected arrivals have increased and expected to increase ahead as fresh kharif crop has started arriving in market. Fresh crop is arriving in market from A.P, Karnataka and Maharashtra.

All India kharif and late kharif Production Estimate:

State	Normal Kharif+Late kharif Area ('000 Ha)	Kharif + Late Kharif Area in (2014-15) ('000 Ha)	Sowing as on 24.9.2015	Expected Kharif + Late Kharif Area in (2015-16) ('000 Ha)	Yield (2014-15) Ton/Ha	Yield (2015-16) Ton/Ha	Production for 2014-15 ('000 Tons)	Expected production Normal 2015-16 ('000 Tons)	Expected Production for 2015-16 (5-10% Rainfall deficit) ('000 Tons)
Maharashtra	**178.30**	164	68.11	170	14	14	2296	2380	2261
Karnataka	**118.04**	122.86	124.73	128	13	13.5	1597.18	1728	1641.60
M.P	**2.45**	3.26	25.6	25.6	15	14	48.9	358.4	340.48
Rajasthan	**13.00**	15	11.77	13	10.4	11	156	143	135.85
Andhra Pradesh	**25.79**	27.1	22.56	30	21	20	569.1	600	570
Others	**25.00**	21	22	30	14.6	14.5	306.6	435	413.25
All India	**362.58**	353.22	274.79	396.60	14.08	14.23	4973.78	5644.4	5362.18

(Source: Agriwatch Research)

Above table gives the production estimate (Kharif +Late kharif season) in major producing regions. This year monsoon is expected to be normal as it may be deficit by 10-15% with normal rainfall. Area is higher in A.P compared to previous year. Yield is also maximum in A.P. All India production estimate in kharif and late kharif season together is expected to be 52-57 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 month. 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.)

1. Onion prices at Lasalgaon are moving downside this month.
2. Overall primary trend is in bullish state at present. Breach of Rs 2300 level from upside in the last couple of months takes the prices near to its next resistance levels i.e. 5900. However, recently it has not able to breach its recent highs and settled at Rs 5500.
3. RSI is moving in a neutral region as chart depicts.
4. Last candlestick also depicts bearishness.
5. We expect prices to continue its short term bearish run and likely to test its next support levels i.e. Rs 2300 per quintal in the coming month which is also lying over 100% Fibonacci retracement level.

Support1: 2300, **Support 2:** 1800, **Resistance1:** 4000, **Resistance 2:** 5500