

### Executive Summary:

- In Delhi, modal prices were trading at Rs 1588/ quintal in December month compared to prices of Rs 1991/ quintal during corresponding time last year. In coming month modal prices are expected to trade between Rs 1100-Rs 1200/ quintal.
- In A.P, total targeted area for Rabi season is approximately is 5054 hectares. As on 30.12.2015, approximately 4392 hectare of area is sown compared to last year area of 2739 hectares. As on date normal sown area is approximately 3808 hectares.
- In Karnataka, Rabi sowing has started and targeted area is 20475 hectares. As on 04.01.2016 approximately 8795 hectares of area is sown compared to corresponding year 12269 hectares during same period.
- During the month period initially Government curb down the MEP to \$400/ ton from \$700/ ton but it didn't support the falling onion prices in domestic market. So later on MEP was completely removed to support the prices and encourage the export.
- All India onion arrivals in the month of December is approximately 34.02% higher compared to the corresponding month. A comparison of onion arrivals in December month on a yearly basis revealed that arrivals are 2.03% higher than the corresponding year during same period.
- As per IBIS (International Business Information Services), approximately 110081 tons of processed and fresh onion has been exported in month of December 2015 compared to export of 72207.88 tons in November. It includes only sea route.

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

Market	Avg. Prices Dec. 2015	Avg. Prices Nov. 2015	% change in prices over previous month	Previous year Avg. Dec. 2014 Price	% change over previous Year	Daily Avg. Arrivals Dec.	Daily Avg. Arrivals Nov.	% change in arrivals over previous month
Delhi	1588	1991	-20.24	2123	-25.20	11571	11720	-1.27
Bangalore	1973	2646	-25.43	2119	-6.89	20846	32630	-36.11
Lasalgaon	1499	2197	-31.77	1619	-7.41	21250	10760	97.49
Pimplagaon	1599	2283	-29.96	1700	-5.94	21410	22500	-4.84
Mumbai	1796	2422	-25.85	2134	-15.84	19620	19357	1.36
Pune	2100	2618	-19.79	2286	-8.14	16431	13650	20.37
Jaipur	1642	2118	-22.47	1996	-17.74	4200	3900	7.69
Chennai	2907	3437	-15.42	2577	12.81	5061	4743	6.70
Hyderabad	2185	2370	-7.81	2313	-5.53	5921	8109	-26.98

(Source: AGRIWATCH)

On a month-on-month basis, wholesale prices have decreased in almost all the markets with higher arrival of kharif crop from producing regions. Maximum prices have fallen in markets of Maharashtra followed by Bangalore.

Arrivals have increased in most of the markets except Bangalore, A.P, Pimpalgaon and Delhi. In South India arrivals have declined because pace of supply from local region has declined and onion is also arriving in market from other nearby producing states. In Bangalore, onion is arriving in market from Maharashtra and Karnataka which are contributing approximately 50% each to the total arrival.

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

Market	State	Average Retail Price Dec. 2015	Average Retail Price Nov. 2015	Previous year Avg. Retail Price- Dec. 2014	% Change in Price Over Prev. Month	% Change in Price Over Prev. year
Bangalore	Karnataka	3400	4400	2300	-22.73	47.83
Bhubaneswar	Odisha	2200	3000	2500	-26.67	-12
Chennai	Tamil Nadu	2800	4100	2200	-31.71	27.27
Delhi	Delhi	3000	4300	3000	-30.23	Unch
Guwahati	Assam	2600	3700	2800	-29.73	-7.14
Hyderabad	AP	3000	3600	2600	-16.67	15.38
Kolkata	W. Bengal	2900	3700	2800	-21.62	3.57
Mumbai	Maharashtra	3300	4000	3000	-17.5	10
Patna	Bihar	2000	3400	2300	-41.18	-13.04

(Source: Consumer Affairs)

In Retail markets, prices have decreased in almost all the markets compared to corresponding month. Prices are expected to ease down in coming months with increase in arrival of late kharif crop. Prices are higher this year in most of the markets compared to corresponding year during same period. Prices are expected to come down in coming days.

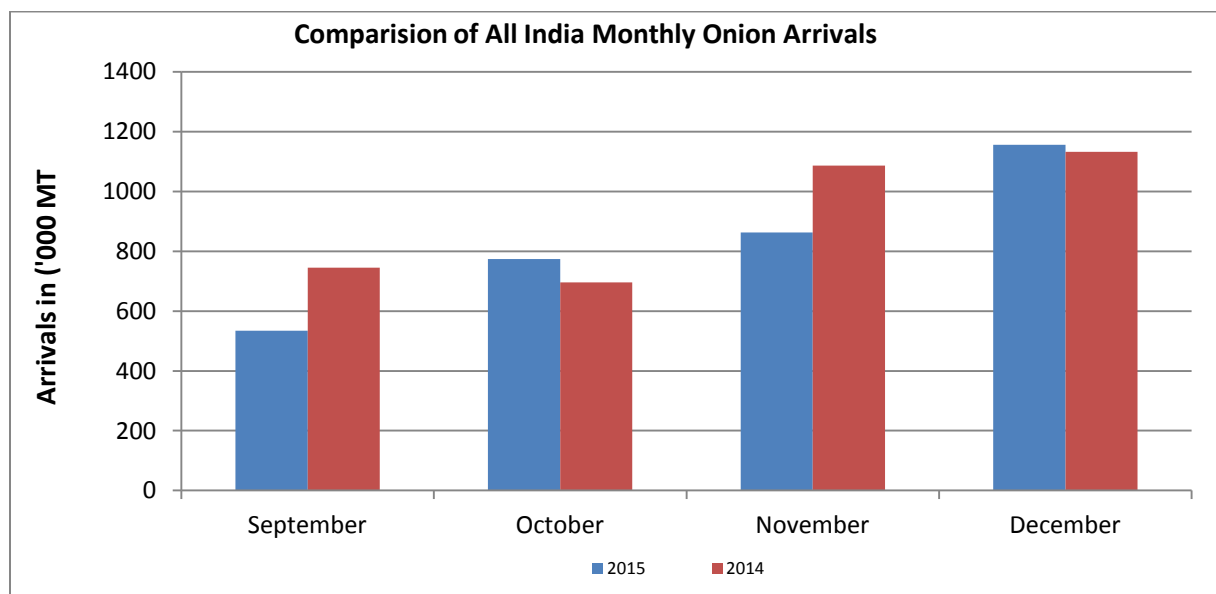


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Small Farmers'  
Agribusiness  
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**AGRIWATCH**

**All India Onion Monthly Arrivals:**

(Source: Agmarknet)

The above graph shows the monthly all India onion arrivals. Arrivals are continuously increasing from October month with increase in kharif crop arrival. During the month period arrivals have increased by 34.02% compared to corresponding month. But arrivals are almost similar to corresponding year during same period. In coming months arrivals are expected to increase with arrival of late kharif crop from Maharashtra, Karnataka and other major producing regions.

**Rabi Sowing Progress:**

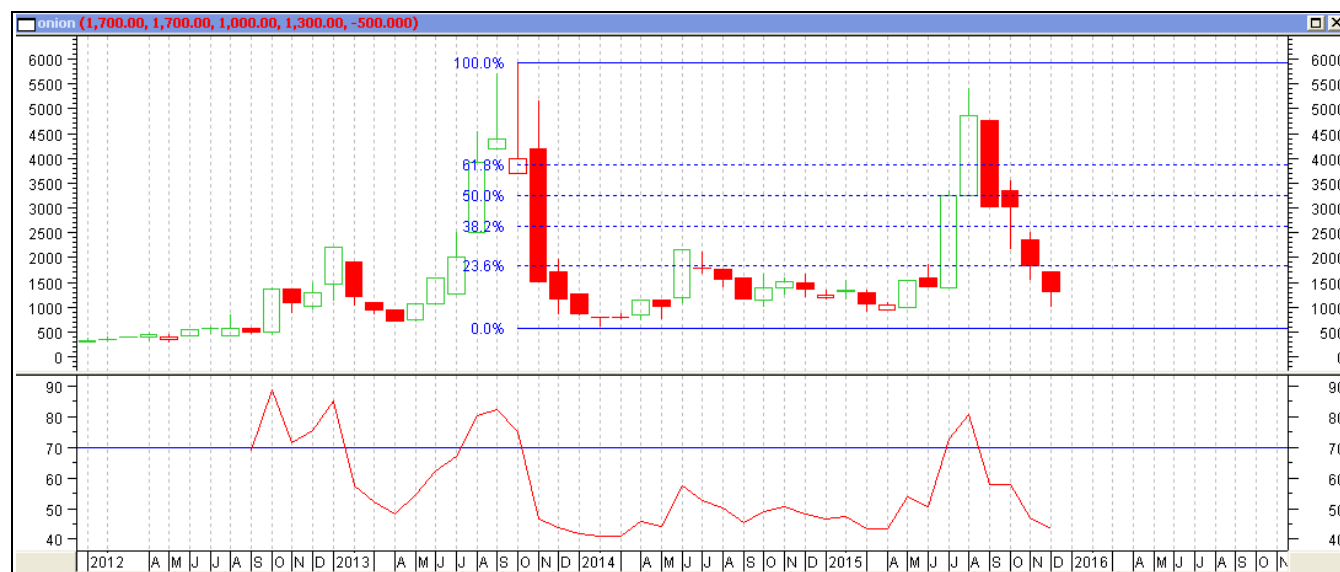
State	Rabi Area 2014 ('000 Ha)#	Rabi Sowing till Dec 2015 ('000 Ha)#	Rabi Sowing till Dec 2014 ('000 Ha)#
MAHARASHTRA	210	160*	139.75
KARNATAKA	19.18	8.79	12.26
MADHYA PRADESH	102	74.08	95.93
ANDHRA PRADESH	2.96	4.32	2.73
TAMIL NADU	30.06	19.68	18.61
HARYANA	25.14	6.62	8.9
TELANGANA	11.38	9.25	10.8

(Source: State horticulture department, \*Agriwatch)

January, 2016

The above table shows the rabi sowing progress in major producing districts. In A.P, Maharashtra and Tamil Nadu sowing is ahead so far by end of December. In Maharashtra Rabi crop area is expected to be higher in regions where water is available and situation may get critical in regions with no water availability. Also yield is expected to be higher due to favorable weather conditions.

## 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 continuously moving downside from last few months.
2. RSI is moving downward in a neutral region as chart depicts.
3. Last candlestick also depicts bearishness.
4. We expect prices to remain range bound for coming month between Rs 1000-Rs 1500/ quintal.

**Support1:** 900, **Support 2:** 800, **Resistance1:** 1850, **Resistance 2:** 2600

### Disclaimer

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