

Executive Summary:

- All India, onion arrival in September 2nd week is approximately 5% higher compared to previous week. If we compare onion arrivals in September 2nd week on a yearly basis we observed that arrivals are 46 % higher than last year during same time.
- According to International Business Information System (IBIS), approximately 15403 tons of onion has exported as on 14-9-2014 which includes both processed and unprocessed onion from sea route.
- In Karnataka this year total targeted area is approximately 132165 hectares. Till 15th September, 113381 hectares of area is sown compared to last year's sown area of 90301 hectares during same time.
- In Delhi, onion is arriving in market from Rajasthan, M.P, Maharashtra and Karnataka which are contributing approximately 43% 26%, 22% and 9% respectively. Fresh crop from Karnataka and few parts of Maharashtra has started arriving in market and further expected to pick up pace.
- In Bangalore, onion is arriving in market from Kurnool and local region (Chitradurga and Gadag districts)

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

| Centre | Wholesale Prices (Rs/Qtl.)# | | | Retail Prices (Rs./Kg.) * | | |
|--------------|-----------------------------|------------------|-------------------|---------------------------|------------------|-------------------|
| | Current Week | Previous Week | A year ago | Current Week | Previous Week | A year ago |
| | As on 16.Sep.2014 | As on 9.Sep.2014 | As on 16.Sep.2013 | As on 16.Sep.2014 | As on 9.Sep.2014 | As on 16.Sep.2013 |
| DELHI | 1713 | 1775 | 5076 | 3100 | 3300 | 6000 |
| LUCKNOW | NR | NR | 4000 | 2000 | NR | 6500 |
| AHMEDABAD | 1400 | 1500 | 5500 | 2500 | 2500 | 3200 |
| INDORE | 1125 | NR | 4700 | 2300 | NR | 5000 |
| MUMBAI | 1800 | 1700 | NR | 3100 | 3100 | 5900 |
| JAIPUR | 1600 | NR | NR | 2200 | 2200 | 5500 |
| BHUBANESHWAR | 2300 | 2300 | 4200 | 2400 | 2600 | 5000 |
| KOLKATA | 2000 | 2250 | 5000 | 2500 | 2500 | NR |
| HYDERABAD | NR | 1800 | 5000 | 2600 | 2800 | 5500 |
| BENGALURU | 1300 | 1600 | NR | NR | 2600 | 3800 |
| TRIVANDRUM | NR | NR | NR | 3700 | NR | NR |
| CHENNAI | NR | NR | NR | 2300 | 2400 | NR |

(Source: #Agmarknet, *Consumer Affairs)

Above table shows wholesale and retail prices of onion across different markets. Prices have fallen down in most of the markets and have slightly increased in few markets. Prices have fallen down in most of the markets as fresh crop from Kurnool, Bangalore and few parts of Maharashtra has started arriving in market and may pick up pace in coming days.

Prices are expected to remain range bound in coming until or unless kharif crop arrival from Maharashtra pick up pace.

Retail prices are almost similar to previous week or have fallen in most of the markets .If compared with previous year prices are comparatively lower which indicates market to remain stable and prices under control amid lower production this year.

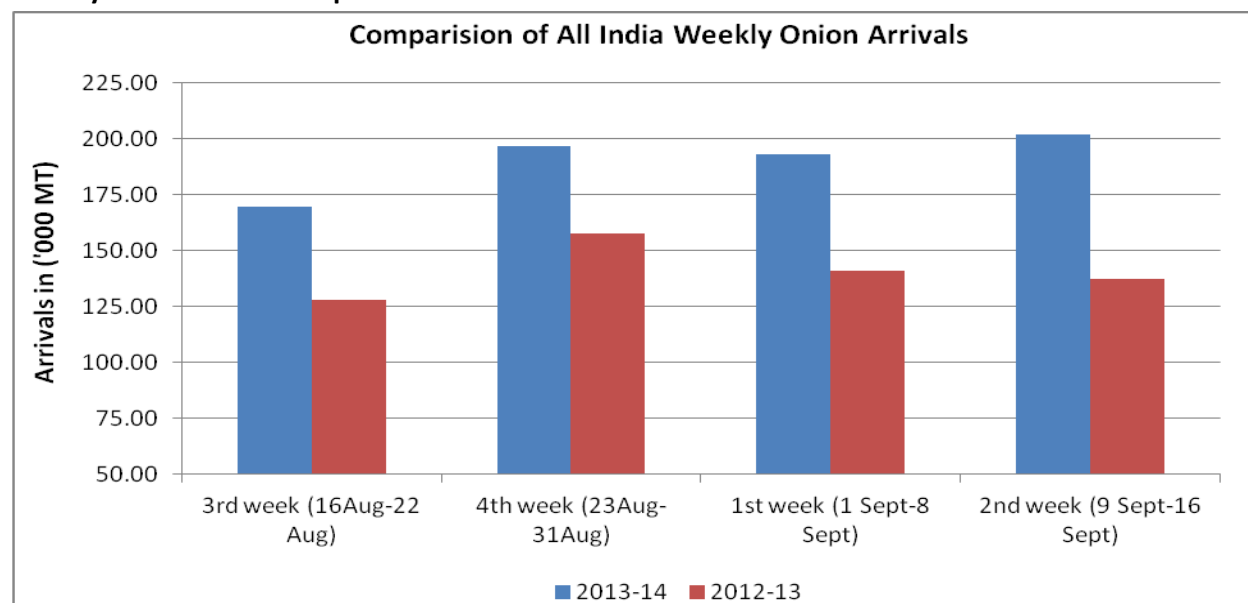
Monsoon Progress as on 17 September, 2014

| | Normal (mm) | Actual (mm) | Deficit/Surplus |
|--------------------|-------------|-------------|-----------------|
| Madhya Maharashtra | 655.4 | 657 | 0 |
| Marathwada | 613.1 | 391.2 | -36 |
| North Karnataka | 425 | 443.6 | 4 |
| South Karnataka | 581.8 | 686.5 | 18 |

(Source: IMD)

The above table depicts the rainfall data of kharif onion sowing regions. In South and North Karnataka, rainfall is comparatively more compared to normal. In Karnataka onion sowing is comparatively higher than last year. In Mahaashtra, sowing is less if compared to previous year during same time but expected to increase in Late kharif season.

Weekly Onion Arrival Comparison:



(Source: Agmarknet)

The above graph depicts the week on week basis All India onion arrivals compared to last year. In second

week arrivals have increased because fresh crop from A.P, Karnataka and Maharashtra has started arriving in market. Further arrivals are expected to increase as fresh crop is expected to pick up pace.

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. Range bound movement reported in the market. On the higher side prices may find strong resistance at a level of Rs 2000/ quintal and on the lower side prices may find support at level of Rs 1000/ quintal. Relative Strength indicator (RSI) oscillator is moving downward in neutral region which suggest prices may fall down or remain range bound in coming weeks. Prices are expected to be in the range of Rs 1200- Rs 1800/ quintal.

Disclaimer

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