

Executive Summary:

- All India, onion arrival in September 3rd week is approximately 10% lower compared to previous week. If we compare onion arrivals in September 3rd week on a yearly basis we observed that arrivals are 9 % higher than last year during same time.
- According to International Business Information System (IBIS), approximately 28185 tons of onion has exported as on 21-9-2014 which includes both processed and unprocessed onion from sea route.
- In Karnataka this year total targeted area is approximately 132165 hectares. Till 22nd September, 118091 hectares of area is sown compared to last year's sown area of 102760 hectares during same time.
- In Delhi, onion is arriving in market from Rajasthan, M.P, Maharashtra and Karnataka which are contributing approximately 25% 35%, 30% and 10% respectively. Fresh crop from Karnataka and few parts of Maharashtra has started arriving in market and further expected to pick up pace.
- In Hyderabad, onion from Kurnool has started arriving in market and is contributing approximately 95% to the total arrival.

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 23.Sep.2014	As on 16.Sep.2014	As on 23.Sep.2013	As on 23.Sep.2014	As on 16.Sep.2014	As on 23.Sep.2013
DELHI	1641	1713	4205	3100	3100	6800
LUCKNOW	1640	NR	NR	2000	2000	7500
AHMEDABAD	1100	1400	4000	2500	2500	5800
INDORE	1000	1125	3500	2200	2300	5200
MUMBAI	1400	1800	NR	2900	3100	6200
JAIPUR	NR	1600	NR	2200	2200	5500
BHUBANESHWAR	NR	2300	4600	NR	2400	4800
KOLKATA	NR	2000	5000	NR	2500	6000
HYDERABAD	1800	NR	4500	2600	2600	5400
BENGALURU	1800	1900	NR	2200	NR	4500
TRIVANDRUM	NR	NR	NR	3700	3700	6200
CHENNAI	NR	NR	NR	1700	2300	5000

(Source: #Agmarknet, *Consumer Affairs)

Above table shows wholesale and retail prices of onion across different markets. Prices have fallen down in almost all the markets. Prices have fallen down in most of the markets as fresh crop from Kurnool, Bangalore and few parts of Maharashtra is picking up pace.

Prices are expected to fall down further as kharif onion arrival from other parts of Maharashtra may start arriving in market in a couple of weeks. The other reason for decline in prices ahead may be less demand because of "Navarati" festival.

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.

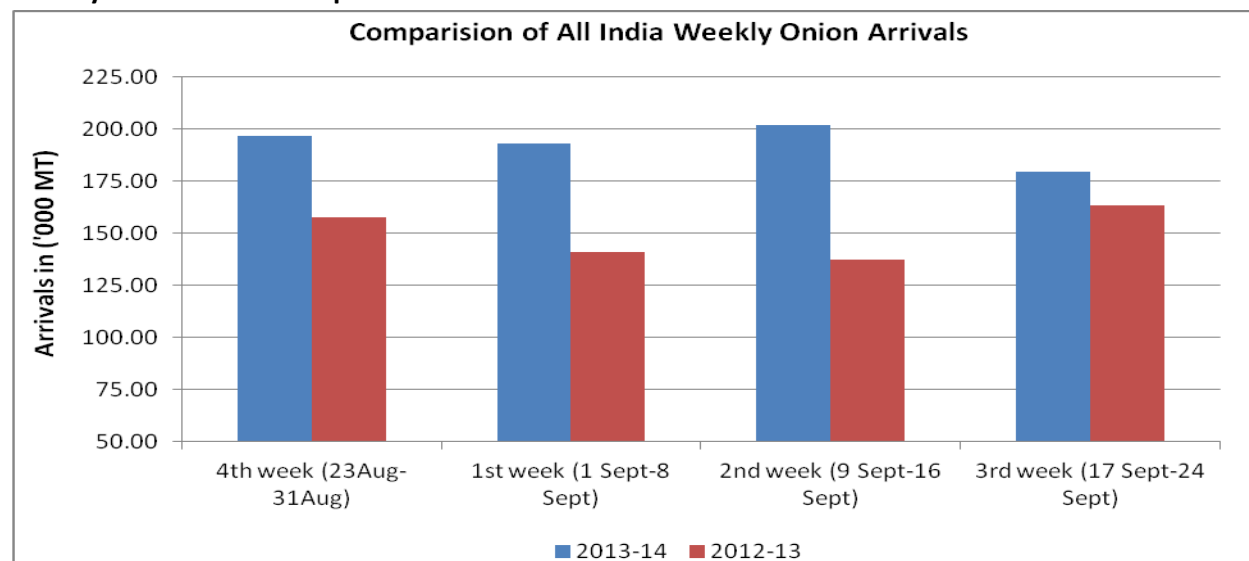
Monsoon Progress as on 25 September, 2014

	Normal (mm)	Actual (mm)	Deficit/Surplus
Madhya Maharashtra	692.9	666.7	-4
Marathwada	650.5	398.2	-39
North Karnataka	470.3	474.2	1
South Karnataka	625.5	720.8	15

(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. Early kharif crop has already started arriving in market. In Maharashtra, 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 third week

arrivals have increased because fresh crop from Karnataka and Maharashtra has started arriving in market. Arrivals are expected to be less ahead as of “Navratri” festival season in coming week.

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 1800/ 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 further 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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