

**Executive Summary:**

- During the period (15th July – 21st July), onion arrival has decreased by 6.89% compared to previous week. If we compared to previous year during same time arrivals has also decreased by 29.07%.
- In Delhi, modal onion prices are expected to be in the range of Rs 1700 to Rs 2000/ quintal due to lower arrivals in market and expectation of lower crop in kharif season.
- In Karnataka, kharif sowing is in progress. So far, 56266 hectares of area is sown compared to last year's 36663 hectares as on 13-07-2015. Fresh crop has started arriving in market in smaller quantity.
- In Andhra Pradesh, Kharif sowing is in progress. 8000 hectares onion has sown as compared to last year's 13117 hectares during same time. lower sowing is due to lower rainfall in producing districts.
- In A.P, Kurnool district contribute approximately 70% to total production in State. So far 6953 hectares of area is sown compared to last year 12496 hectares during same time.
- Across the country onion prices are increasing due to lower arrivals from producing regions. Karnataka crop may put a slight cap on prices, once the crop starts full fledged arriving in market in next couple of weeks
- In Kharif producing regions, if rainfall in coming weeks doesn't improve it may put an impact on growing crop and lead to lower production and higher prices ahead.

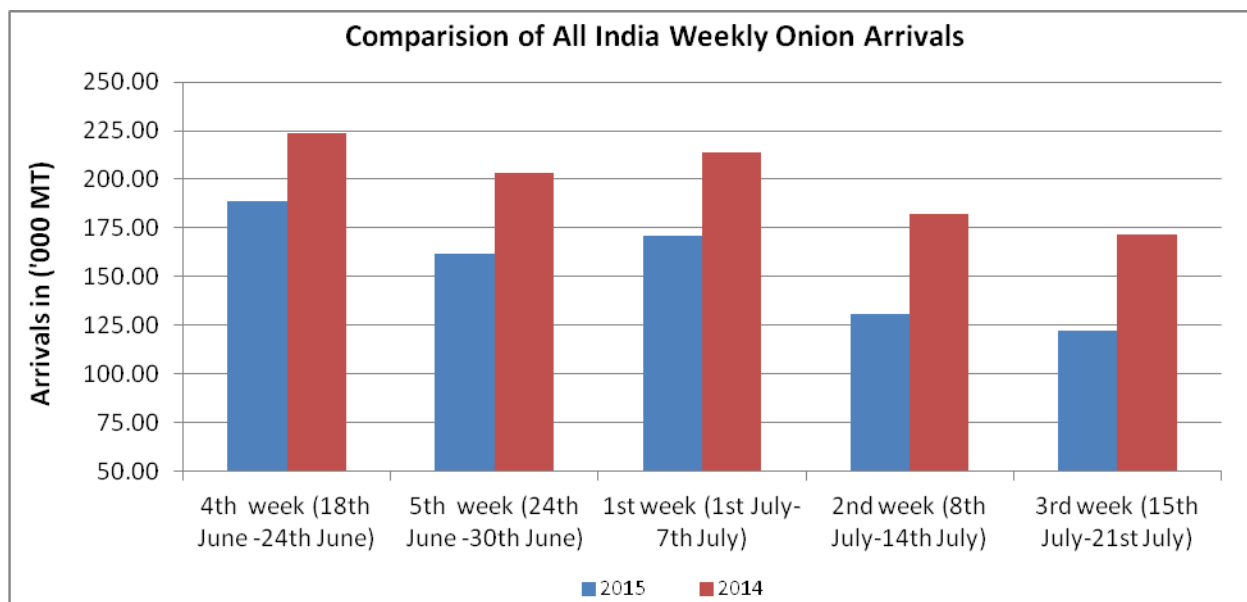
**Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India**

Centre	Wholesale Prices (Rs/Qtl.)#			Retail Prices (Rs./Qtl.) *		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 21.July.2015	As on 14.July.2015	As on 21.July.2014	As on 21.July.2015	As on 14.July.2015	As on 21.July.2014
DELHI	2300	1629	1981	3700	3600	3800
LUCKNOW	1930	1975	2025	NR	3000	NR
AHMEDABAD	1900	1900	1700	3000	3000	3000
INDORE	1750	1625	1375	1500	1500	1200
MUMBAI	2100	2100	2200	2700	2500	2900
JAIPUR	1600	NR	1600	1700	1500	2000
BHUBANESHWAR	NR	NR	2350	3000	2800	2800
KOLKATA	2625	NR	2500	3000	3000	3200
HYDERABAD	2200	1900	1900	2600	2600	NR
BANGALORE	2000	NR	1950	2800	2800	3800
TRIVANDRUM	NR	NR	NR	5600	4900	3400
CHENNAI	NR	NR	NR	2800	3000	2800

(Source: #Agmarknet, \*Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Wholesale prices are reported higher during the week due to lower arrivals in market and prices in retail market are almost similar to previous week. Onion prices are expected to remain on higher side in coming weeks until Karnataka crops starts arriving in market in full pace.

## All India Weekly Arrival



Decreasing supply reported continuously in 3rd week of July as compared to previous week and expected to remain similar in coming weeks until supply from Southern states pick up full fledged pace. Already smaller quantity of fresh crop has started arriving in market from Karnataka and expected to continue in coming weeks. Arrivals are lesser this year due to crop damage during harvesting time in major producing regions.

Farmers and traders are releasing their stocks in lower quantity to fetch higher prices as good quality onion is left by this time with them.

## Cumulative Rainfall Comparison:

22-Jul-14	Normal (mm)	Actual 2014 (mm)	Actual 2015 (mm)	% Departure
Madhya Maharashtra	309.1	163.3	208	-33
Marathwada	256.7	147	130.1	-49
North Karnataka	191.7	130.7	121.1	-37
South Karnataka	290.1	280.9	310.6	7

(Source: IMD)

The above table gives a comparison between cumulative rainfalls this year and last year. This year rainfall is better in South Karnataka and Madhya Maharashtra only if compared to last year during same time. This lower rainfall in coming weeks may decline the intension of kharif crop sowing in producing regions.

## 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 depicts the weekly price movement of onion in the benchmark of Lasalgaon mandi of Nasik. Candlestick chart indicates bullish market. Onion prices have breached the long term support of Rs 1800/quintal. As expected once prices breached the level of Rs 1800/quintal they will keep on moving in upward direction and that exactly is happening. Relative Strength Indicator (RSI) is moving in over bought region indicates firmness in market. On the upper side prices may find resistance at a level of Rs 3000/ quintal whereas on the lower side prices may find long term support at a level of Rs 1800/ quintal. Overall market is expected to remain firm for coming weeks.

**Outlook-** Prices are expected to remain on higher side for coming week in between Rs 1800-Rs 2800/ quintal.

## Disclaimer

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