

Executive Summary:

- In Karnataka, approximately 92354.8 hectares of area is sown as on 31.8.2015 compared to last year's area of 108782 hectares.
- In A.P, as on 02.9.2015 normal area is 20930 hectares but so far 24278 hectares of area is sown compared to last year's 22663 hectares during same time.
- In Lasalgaon, during the week period modal prices were trading at Rs 4975/ quintal compared to last year price of Rs 1600/ quintal during same time.
- During the period (26th August – 2nd September), onion arrival has decreased by 7.63% compared to previous week. If we compared to previous year's arrival during same time it has decreased by 43.18%.
- Total onion production in Kharif season (kharif + late kharif) is expected to be between 48-50 lakh tons. If further rainfall happens in Maharashtra and Karnataka it may increase the prospect of late kharif crop.
- Across the country prices of onion are coming down from last one week due to strict decision taken by Government against exports, hoarders and import of onion. Secondly fresh crop from A.P and Karnataka and availability of imported onion.

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

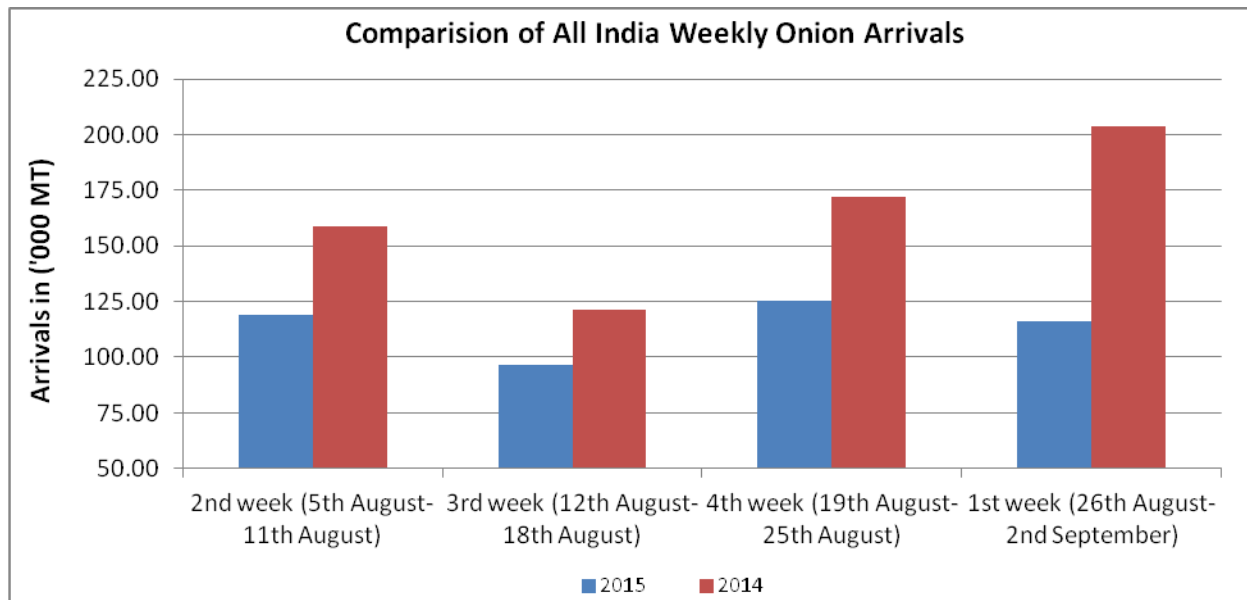
Centre	Wholesale Prices (Rs/Qtl.)#			Retail Prices (Rs./Qtl.) *		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 02.Sep.2015	As on 26.Aug.2015	As on 02.Sept.2014	As on 02.Sep.2015	As on 26.Aug.2015	As on 02.Sep.2014
DELHI	3839	NR	1731	5900	6700	3000
LUCKNOW	4800	NR	NR	NR	6500	2500
AHMEDABAD	3800	NR	1400	5500	5500	2100
INDORE	3750	NR	NR	4000	3500	2700
MUMBAI	4150	4650	1750	5900	6400	3200
JAIPUR	NR	NR	1500	4000	4500	2300
BHUBANESHWAR	4750	NR	2350	5000	5500	2500
KOLKATA	NR	NR	2375	5800	7000	2500
HYDERABAD	5000	5500	2000	6000	6000	2800
BANGALORE	3500	3800	1400	6000	6000	2800
TRIVANDRUM	NR	NR	NR	5300	5300	3700
CHENNAI	NR	NR	NR	4400	6000	2900

(Source: #Agmarknet, *Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Wholesale prices have decreased in almost all the markets during week period. Fresh crop from southern India and imported onion has started

arriving in market. Retail prices are comparatively higher than last year due to crop loss during harvesting time and lesser crop storage.

All India Weekly Arrival



(Source: Agmarknet)

Increased supply reported during 27th August- 2nd September as compared to previous week and expected to pick up in coming weeks. Fresh crop has started arriving in market from Karnataka and A.P. Government has also started importing onion from Egypt, China and Pakistan to increase the onion availability in domestic market.

Cumulative Rainfall Comparison:

Sub Divisions	Normal	Actual 2014, 28 Aug	Actual 2015, 26 Aug	% Departure with Normal
Madhya Maharashtra	551.3	522.2	339.4	-38
Marathwada	486.9	267.1	245.2	-50
N.I Karnataka	341.4	350.1	190.4	-44
S.I Karnataka	500.6	612.7	430	-14

(Source: IMD)

The above table gives a comparison between cumulative rainfalls this year and last year. This year rainfall is lesser in all the subdivision if compared to previous year. This lower rainfall may leads to lower area in kharif and late kharif season.

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 reversal pattern now as it has touched its highest point of Rs 5500/ quintal. Relative Strength Indicator (RSI) which is moving in over bought region indicates prices may come down in coming weeks. On the upper side prices may find resistance at a level of Rs 5800/ quintal whereas on the lower side prices may find support at a level of Rs 3900/ quintal. Overall market is expected to remain slightly bearish for coming weeks.

Outlook- Modal Prices are expected to remain in the range Rs 4500-Rs 4800/ quintal for coming week.

Disclaimer

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