

Executive Summary:

- In Delhi, retail prices during the week period were trading around Rs 5900/ quintal compared to last year's Rs 3000/ quintal during same time.
- Total kharif acreage of onion in Maharashtra is estimated to be 43044 hectares, down by 29.88% compared to previous year. Last year kharif acreage estimation by "Agriwatch" was 59964 hectares.
- In Maharashtra, farmers in late kharif season are expecting higher area as prospect of rains may improve and kharif area may be covered up during late kharif season.
- In A.P, as on 23.9.2015 normal area is 22692 hectares but so far 28981 hectares of area is sown compared to last year's 24569 hectares during same time.
- During the period (18th September – 24th September), onion arrival has increased by 39% compared to previous week. If we compared to previous year's arrival during same time it has decreased by 19.77%.

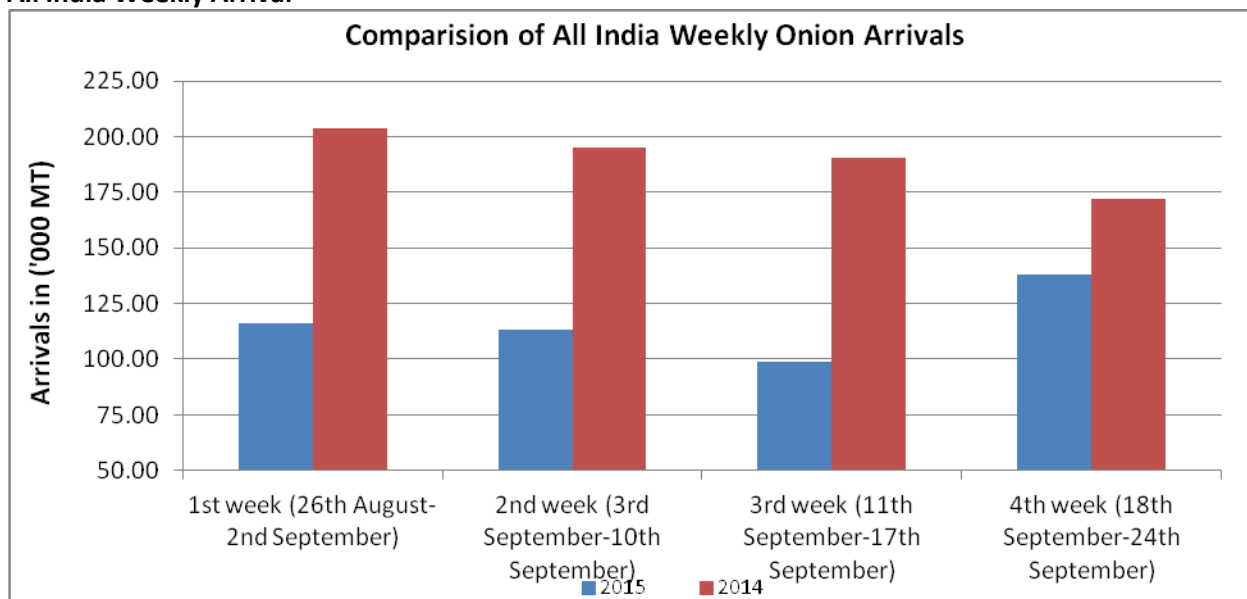
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India

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 23.Sep.2015	As on 16.Sep.2015	As on 23.Sep.2014	As on 23.Sep.2015	As on 16.Sep.2015	As on 23.Sep.2014
DELHI	NR	4209	1641	5900	5900	3000
LUCKNOW	4400	4900	1640	5000	6000	NR
AHMEDABAD	3200	3800	1100	4800	5200	2500
INDORE	3000	NR	1000	4400	4400	NR
MUMBAI	4700	5100	1400	5700	5900	2800
JAIPUR	NR	NR	1700	NR	4000	2200
BHUBANESHWAR	4750	4600	NR	4800	5500	2200
KOLKATA	NR	NR	NR	5800	5800	2500
HYDERABAD	NR	5200	1800	5500	5500	2600
BANGALORE	3500	3800	1800	5600	5500	2200
TRIVANDRUM	NR	NR	NR	3500	3500	3600
CHENNAI	NR	NR	NR	5400	5600	1700

(Source: #Agmarknet, *Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. Prices have fallen in wholesale market during week period because fresh crop from South India, Maharashtra, Rajasthan and Gujarat has started arriving in market. Retail prices are moreover similar to previous week or have slightly declined in few markets and expected to decline in coming weeks.

All India Weekly Arrival



(Source: Agmarknet)

Arrivals reported higher if compared to previous week during 18th September-24th September. Fresh crop is arriving in market from Karnataka, A.P and Maharashtra. In coming weeks arrivals are expected to increase with increase in kharif arrivals from Maharashtra.

Cumulative Rainfall Comparison:

Sub Division	Normal	Actual as on 16th Sept 2015	Actual as on 16th Sept 2014	% Departure with Normal
Madhya Maharashtra	651	416.7	666.7	-36
Marathwada	607.7	350.2	398.2	-42
N.I Karnataka	418.5	334.1	474.2	-20
S.I Karnataka	574.7	542.6	720.8	-6

(Source: IMD)

The above table gives a comparison between cumulative rainfalls this year and last year. Rainfall is deficit in almost all onion growing districts of Maharashtra and Karnataka. In Maharashtra, lesser rains are the major reason for lower acreage. Improved rainfall in coming weeks may increase the intention of late kharif crop sowing in producing regions of Maharashtra. Lower rainfall would lead to lesser acreage under late Kharif onion with transplantation also getting delayed. Kharif Yield could also get affected due to shortage of water.

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 reveals reversal pattern now and expected to breach a level of Rs 3300/ quintal on lower side and expected to touch a level of Rs 2600/ quintal in coming weeks. Relative Strength Indicator (RSI) which is moving downward in neutral region indicates prices may come down in coming weeks. Overall market is expected to remain slightly bearish for coming weeks.

Outlook- Modal Prices are expected to remain in the range Rs 3000-Rs 3500/ quintal for coming week.

Disclaimer

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