

Executive Summary:

- In Maharashtra harvesting of kharif onion has started in Kolhapur, Ahmadnagar and Nasik but peak harvest will be during month of November.
- As per our initial estimate kharif production in Maharashtra is estimated to be 5.28 lakh tons compared to last year's production of 7.97 lakh tons.
- Kharif season yield in this year is expected to be 12.75 tons/ Ha compared to last year's yield of 13.30 Ton/Ha. This is because of lower rains required during growth stage.
- 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 30.9.2015 normal area is 23250 hectares but so far 29082 hectares of area is sown compared to last year's 25711 hectares during same time.
- During the period (25th September – 1st October), onion arrival has decreased by 7.30% compared to previous week. If we compared to previous year's arrival during same time it has decreased by 17.63%.

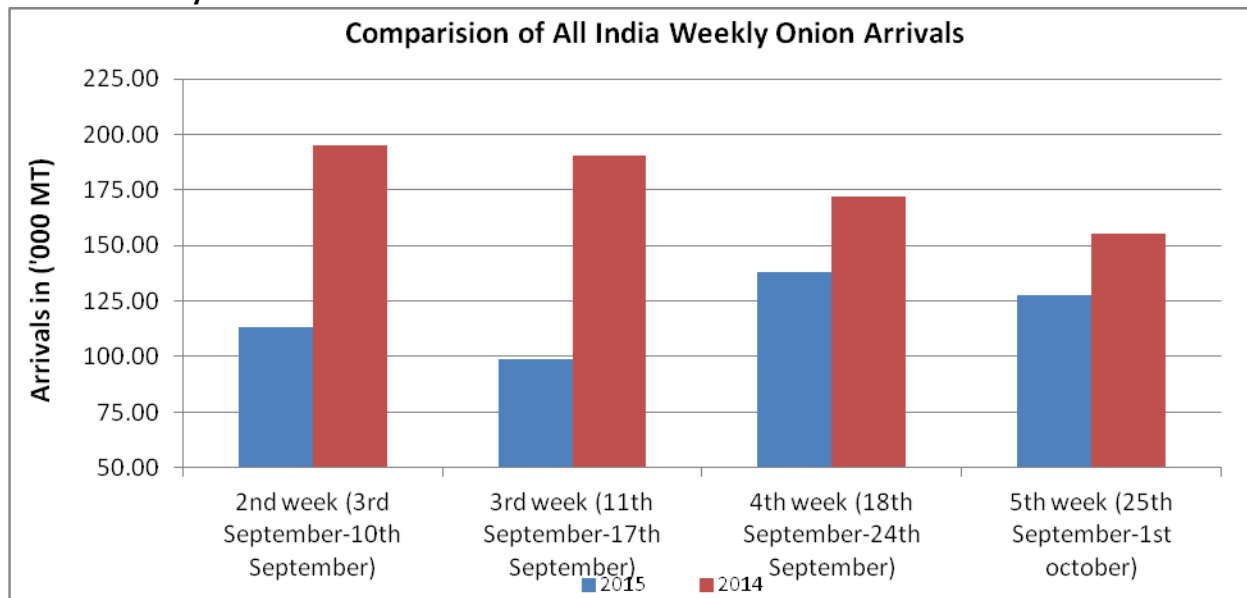
Weekly Wholesale and Retail Onion Prices (Rs/Qtl) in important markets across India

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 30.Sep.2015	As on 23.Sep.2015	As on 30.Sep.2014	As on 30.Sep.2015	As on 23.Sep.2015	As on 30.Sep.2014
DELHI	NR	NR	1595	5700	5900	3000
LUCKNOW	4400	4400	NR	5500	5000	2000
AHMEDABAD	2500	3200	900	4500	4800	2500
INDORE	2000	3000	NR	4400	4400	1500
MUMBAI	4200	4700	1200	5300	5700	2700
JAIPUR	NR	NR	1350	3500	NR	2200
BHUBANESHWAR	4750	4750	2000	4500	4800	2200
KOLKATA	NR	NR	NR	5800	5800	2500
HYDERABAD	3500	NR	NR	5000	5500	2600
BANGALORE	3400	3500	1700	5000	5600	1600
TRIVANDRUM	NR	NR	NR	3400	3500	3500
CHENNAI	NR	NR	NR	4300	5400	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 and Maharashtra 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 lower if compared to previous week and previous year during 25th September-1st October. 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 23rd Sept 2015	Actual as on 25th Sept 2014	% Departure with Normal
Madhya Maharashtra	651	487.5	657	-36
Marathwada	607.7	409.1	398.8	-42
N.I Karnataka	418.5	345.9	483.3	-20
S.I Karnataka	574.7	549.4	795.2	-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 AS expected breached the 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 bearish for coming weeks.

Outlook- Modal Prices are expected to remain in the range Rs 2400-Rs 3000/ quintal for coming week.

Disclaimer

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