

**Executive Summary:**

- In Delhi, modal onion prices are trading near Rs 671/ quintal compared to Rs 3855/ quintal in corresponding period of 2015. In coming week modal prices are expected to trade between Rs 800 to Rs 1000/ quintal.
- In Kharif season, Karnataka, A.P and Maharashtra are a major producing district which contributes approximately 80% of total kharif Area.
- In Karnataka and A.P, so far Kharif sowing area is higher than last year and expected to be higher this year because of favorable weather conditions.
- In A.P, Kurnool alone contributes approximately 75% of the total sown area. So far 20790 ha of area is sown compared to 20648 ha of area in corresponding period of 2015.
- In Maharashtra, kharif area is estimated to be 8%-10% lower than last year because of current prevailing lower prices of onion which led farmers to sow lesser crop.
- Rainfall is comparatively higher than previous year during same time in major kharif producing districts which justifies higher kharif area in major producing districts.

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

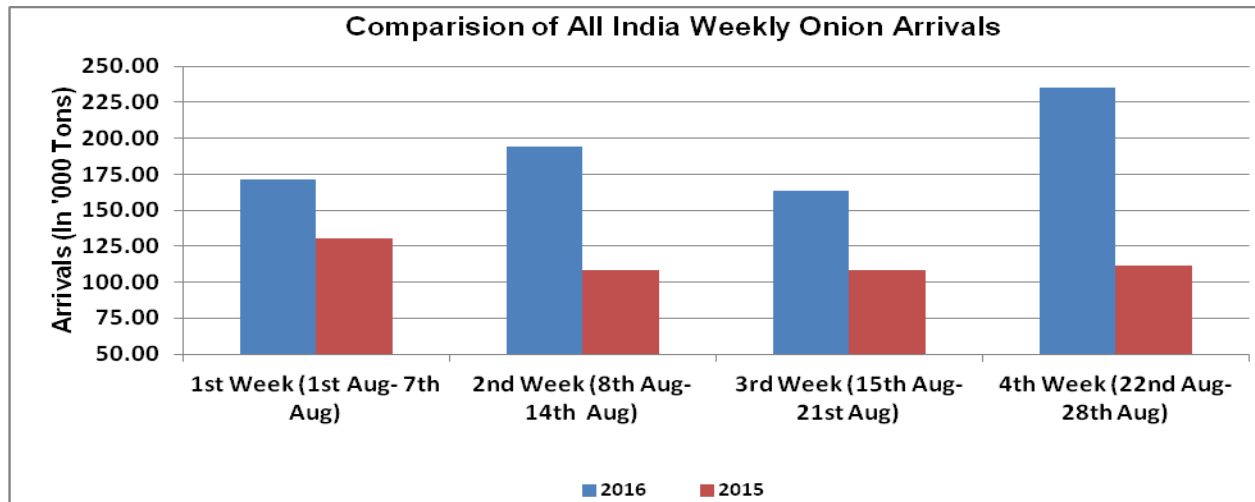
Centre	Wholesale Prices (Rs/Qtl.)#			Retail Prices (Rs. /Qtl.) *		
	Current Week	Previous Week	A year ago	Current Week	Previous Week	A year ago
	As on 31.Aug.2016	As on 24.Aug.2016	As on 31.Aug.2015	As on 31.Aug.2016	As on 24.Aug.2016	As on 31.Aug.2015
DELHI	671	NR	3855	2200	2200	6700
LUCKNOW	NR	NR	3650	1600	2000	NR
AHMEDABAD	NR	NR	4100	2000	2000	5800
INDORE	NR	NR	3500	900	900	4000
MUMBAI	650	800	4375	1700	1800	6100
JAIPUR	NR	NR	NR	1000	1000	4500
BHUBANESHWAR	1100	1100	4800	1500	1500	5200
KOLKATA	1300	1250	4875	2000	1800	6000
HYDERABAD	700	850	5500	1600	1600	6000
BANGALORE	800	900	3500	1200	1900	6000
TRIVANDRUM	NR	NR	NR	2000	2000	5300
CHENNAI	NR	NR	NR	1400	1500	4500

(Source: #Agmarknet, \*Consumer Affairs)

The above table depicts the wholesale and retail prices in major markets. During the week period prices have declined because of continuous arrival from producing regions because higher production in Rabi Season.

This year prices are comparatively much lower than last year because of higher production in M.P and Maharashtra and expectation of higher kharif acreage.

## All India Onion Arrival



(Source: Agmarknet)

The above graph depicts the onion arrivals across the country on a weekly basis. During the week period arrivals have increased by 43.59% compared to previous week. However, if we compare it from last year during same period arrivals have almost doubled this year due to higher production.

## 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. From last couple of weeks market is moving in range bound movement. Onion prices may take support of Rs.500/ qtl on lower side whereas on the higher side prices may find resistance at a level of Rs 1000/ quintal. RSI moving steady in neutral zone indicates prices may remain range bounded.

**Outlook- Prices are expected to trade in the range of Rs 700-Rs 800/ quintal for coming week.**

### Disclaimer

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