

REPORT ON ONION EXPORTS 2020

CURRENT ONION MARKET SCENARIO

[1]

Onions are famous all over the world for their ability to improve the taste of food. People all over the world not only use them in their day-to-day cooking, but it is also eaten raw and contains medicinal properties. Although every country relishes it, very few countries produce it and India is one of them.

[2]

When it comes to onion export, it ranks second, coming only after China. It is sought after due to its spiciness and zingy flavor and its availability throughout the year.

[3]

The global onion cultivation area spans around 20 lakh hectares. India has the largest of it at 4 hectares, with China and others following up.

[4]

In the year 2019-20, India exported 9,82,470.54 Metric Tonnes of fresh onions worth a value of Rupees 1,91,897.79 lakhs

[5]

Around 45 percent of total onion produce takes place in the 'Three Agri Export Zone,' which comprises three states, namely, Maharashtra, Karnataka, and Madhya Pradesh. Lasalgaon, Asia's largest wholesale onion market, supplies 80-90 % of the Maharashtra's supply.

VARIETIES OF ONION PRODUCED IN INDIA



RED ONION

Bhima Red, Bhima Super, Arka Kalyan, Bhima Dark Red, Bhima Shakti, Punjab Selection, Pusa Red, N2-4-1, Pusa Madhavi, and Arka Lalima



WHITE ONION

Bhima Shubra, Bhima Safed, Pusa White Round, Udaipur 102, Phule Safed, Bhima Shweta, N25791, Agrifound White, Pusa White Flat, and Arka Yojith



MULTIPLIER ONION

Agrifound Red, MDU 1, Co 1, and Co 2



SPANISH BROWN

Bhima Kiran, Bhima Light Red, Arka Niketan, Arka Kirthiman, and Phule Suvarna



SMALL COMMON ONION

Agrifound Rose and Arka Bindu

LIST OF COUNTRIES IMPORTING ONION FROM INDIA

[1]

As per the 2018-19 statistics, Bangladesh was India's topmost onion importer standing at 5,78,111.71 Metric Tonnes, followed by Malaysia at 3,32,450.83MT and UAE 258492.15 Metric Tonnes. The first half of 2019 was a decent start for the Indian onion export business, but with the prices soaring in September 2019, things started changing.

[2]

The second half of 2019 saw the Indian Government banning the export of onions, which led to a global rise in its prices with countries like Malaysia, Bangladesh, and Sri Lanka taking the biggest hit. Other exporting countries also took advantage and raised their prices.

[3]

The condition was so severe that the prices rose more than 50 percent in both Sri Lanka and Bangladesh when compared to the prevalent cost a fortnight ago. Prices in Bangladesh rose to a record high since December 2013 to 120 Taka, and it was around 280 - 300 Sri Lankan Rupees per kilo, which made them look for an alternative.

[4]

Saudi Arabia, Netherlands, Thailand and Greece are the fastest growing Indian Onion exporting countries. All exporters should try to find more buyers from these countries.

COUNTRY	2018-19		% age growth on Previous year
	QTY (in MT)	Rs. Lacs	
Bangladesh PR	5,78,111.71	1,05,814.01	76.5
Malaysia	3,32,450.83	51,769.83	-12.04
U Arab Emts	2,58,492.15	37,305.47	-10.23
Sri Lanka Dsr	2,29,711.81	35,899.72	-35.94
Nepal	1,39,494.86	14,634.60	1.89
Saudi Arab	77,045.21	11,387.68	101.42
Kuwait	74,715.20	10,980.46	47.55
Qatar	75,293.05	10,730.98	3.68
Oman	74,739.22	10,584.35	66.23

COUNTRY	2018-19		% age growth on Previous year
	QTY (in MT)	Rs. Lacs	
Indonesia	62,272.61	9,430.08	-15.28
Philippines	37,376.00	8,815.88	38.45
Vietnam Soc Rep	57,811.50	7,698.46	3.38
Singapore	34,583.25	5,454.31	-13.91
Baharain Is	28,301.47	4,119.15	20.04
Mauritius	14,066.00	3,084.99	27.28
Thailand	22,985.20	3,038.79	904.92
Greece	14,280.00	2,771.28	28,469.90
Maldives	11,217.23	2,162.53	-26.89

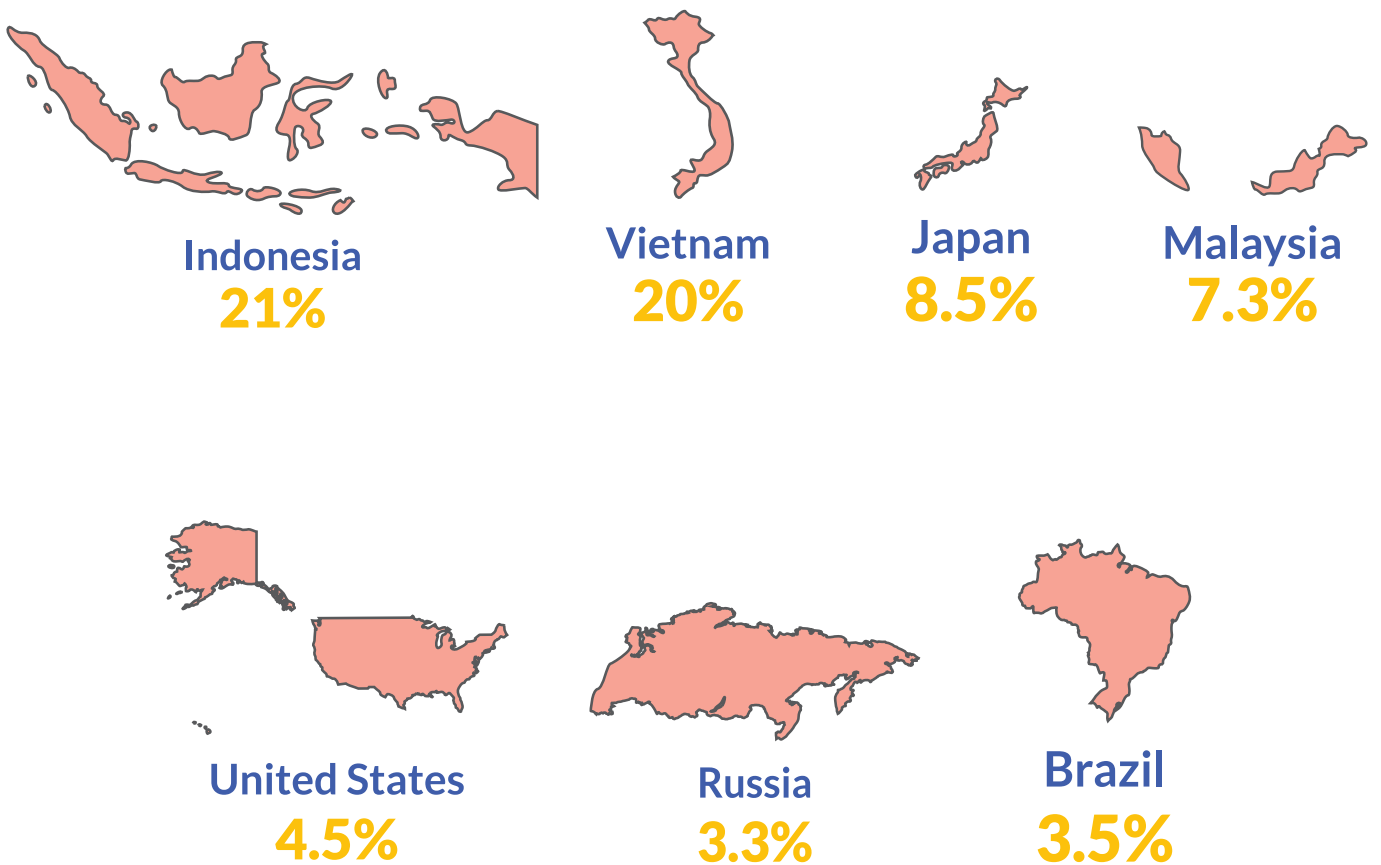
IMPACT OF CORONAVIRUS ON ONION EXPORT?

[1] China is the biggest exporter of onion, and it usually stops its import and export operations between January 20 and February 10. In 2020, unfortunately, things have not got better due to the spread of the pandemic coronavirus, and it has a rippling effect on the economy.

[2] The outbreak has extended the period of the halt, and China has just begun taking baby steps. But due to the phenomenon, most countries have stopped importing and exporting goods to a large extent, jeopardizing the flow. The situation in China gives India an opportunity to improve its exports and supply onions to the top importing countries such as Indonesia, Vietnam, Japan, Malaysia, the USA and Brazil.

Where does China export onions to? (2017)

TOTAL : \$2.78B



IMPACT OF CORONAVIRUS ON ONION EXPORT?

Coronavirus is having a massive impact on trade. India is amongst the top 15 economies most affected due to the slowdown in China. It has affected every product since its inception, and onion is no difference

Here are the possible upcoming trends that may interest the Indian onion traders:

1.



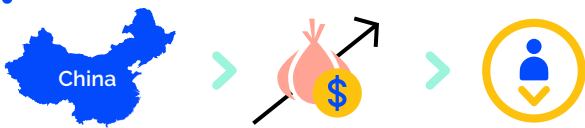
Due to the coronavirus' outbreak, onion prices have shot up in most of the dependent economies. Despite demand from the neighbouring countries, the supply can take a hit due to its outbreak.

2.



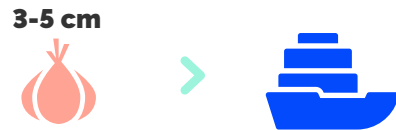
Maharashtra government has allocated grants worth Rupees 60 crore for all the farmers developing onion warehouses under the RKVY (Rashtriya Krishi Vikas Yojana) to ensure farmers don't have to sell their produce at a lower price in Maharashtra.

3.



The onion prices in China are very high, and the demand for it is low. It is primarily because its last production reserves have started running out. It is another situation that should give India an advantage over its rivals.

4.



Even though the new harvest is entering China, it can only export red onions ranging from 3-5 cm. The demand for yellow onions has taken a hit too.

5.



The container supply has been a bit dismal of late. The traders are expecting the situation to improve in the coming months.

6.



Onion traders in Nashik are upbeat on the resumption of exports and hope to ship at least 2 lakh tonne of the commodity.

7.



Exporters can also expect demand from Gulf countries, which should bolster the trade further.