

Acute shortage of quality cotton

KARACHI: Selective buying was witnessed on the cotton market on Tuesday with buyers opting for quality cotton on higher rates.

However, trade volume was restricted as textile spinners avoided low grade cotton.

The current cotton season (2018-19) is nearing its end and acute shortage of quality cotton is being felt. The flow of phutti (seed cotton) is also slowing down day by day. Current estimates suggest that cotton production would be less than 10.8 million bales.

Trading activity is also being hampered due to the financial crunch being experienced by most of the commodity markets as payments are being held at each stage of dealing, brokers said.

The world leading cotton markets including New York and China were mixed to steady and Indian cotton closed firm.

The Karachi Cotton Association (KCA) spot rates were pegged at overnight level of Rs8,700 per maund.

The following deals were reported to have changed hands: 1,200 bales, station Ghotki, at Rs8,900; 1,000 bales, Sadiqabad, at Rs8,800; and 200 bales, Rahim Yar Khan, at Rs8,800.

The Newspaper's Staff Reporter