

Commodities: Cotton market sluggish

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MULTAN: The cotton market was dismal on Tuesday as buyers and sellers continued to remain on the sidelines. The Karachi Cotton Association kept its spot rate unchanged at Rs9,100.

Cotton expert Syed Muddabir Shah said that ginner and spinner are engaging in a battle of wits over lint prices. "The two sides have adopted a policy of wait and see," he said.

"Although the international market is under pressure, it is for the first time that local ginner and spinner are not losing their confidence and are staying away from selling the commodity at low rates. They are well aware that not much unsold cotton stocks are left and eventually demand for the commodity will increase," he said.

The following are Tuesday's Karachi Cotton Association (KCA) official spot rates for the crop (2019-20) local dealings in Pak rupees for base grade 3 staple length 1-1/16" micronaire value between 3.8 to 4.9 NCL.

Rate for	Ex-Gin Price	Upcountry Expenses	Spot rate Ex-Karachi
37.324kg	9,100	160	9,260
Equivalent 40kg	9,752	171	9,923

Shah added that the ginner and spinner are not in a dire need of money to keep their factories functional. The arrival of phutti (seed cotton) has dropped significantly.

Phutti prices in both Sindh and Punjab were pegged between Rs3,200-4,800.

The following deals were reported to have changed hands on ready counter: 200 bales, station Ghotki, at Rs9,150; 400 bales, Bahawalpur, at Rs8,500; 200 bales, Faqirwali, at Rs8,600, 200 bales, Haroonabad, at Rs8,675; and 400 bales, Vehari, at Rs8,500.

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