

Sluggish trading on cotton market

MULTAN: Trading activity on the cotton market failed on Thursday as ginnerers stayed away from any deals. However, prices remained stable. Karachi Cotton Association kept its spot rate unchanged at Rs9,100.

Cotton analyst Naseem Usman said the market will continue to be sluggish for the remaining part of the season.

There are reports that cotton sowing will begin early in Sindh, he said. "Seed experts are predicting that the germination of the seed was up to 70 per cent in previous years but this year it would hardly be 50pc which will affect the next crop," he added.

According to the latest US Agriculture Department weekly report, there was an increase of 6pc in net sale. Pakistan, which was the second largest buyer during the last couple of weeks, is on third position this time with 49,300 bales. The top two major buyers were Vietnam and Turkey with 152,000 bales and 74,000 bales respectively. There was a reduction of 48,400 bales in net sale to China.

The following are Thursday'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

Pakistan, however, was top on net export with 93,400 bales, followed by Vietnam with 81,500 bales and Turkey with 63,100 bales.

The prices of phutti (seed cotton) in both Sindh and Punjab remained between Rs3,200-4,700.

The following deals were reported to have changed hands on ready counter: 1,200 bales, station Rahim Yar Khan, 800 bales, at Rs9,200 and 400 bales, at Rs9,000; 1,600 bales, Sadiqabad, at Rs9,200; 400 bales, Sadiqabad, at Rs8,950; 340 bales, Chowk Sarwar Shaheed, at Rs8,350; 200 bales, Layyah, at Rs8,400; 200 bales, Faqirwali, at Rs8,600 and 400 bales at Rs8,750.