

Slow trading on cotton market

MULTAN: Prices remained firm on the cotton market on Saturday despite slow trading activity. Shortage of liquidity and unwillingness of ginners to sell the commodity on low prices kept the proceedings from expanding.

The Karachi Cotton Association kept its spot rate unchanged at Rs9,100.

Cotton analyst Naseem Usman said that although delivery of imported cotton has improved, ginners are not ready to sell the commodity on prices they are being offered.

‘The arrival of new crop is at least five months away as cultivation is yet to be done. Meanwhile, unsold cotton stocks in the country stand at a mere 0.8 million bales which is a matter of concern for the industry as the production was fallen significantly this year,’ he said.

In many areas of Sindh, wheat crop harvest is near and partial cotton sowing will begin in March.

Cotton expert Syed Muddabir Shah said that small and medium mill owners are considering the absence of major groups as a blessing since they do not have to purchase the commodity on net cash and can use ginning factories as godowns.

The prices of phutti (seed cotton) in both Sindh and Punjab remained between Rs3,200-4,600.

The following deals were reported to have changed hands on ready counter: 400 bales, station Sadigabad, at Rs9,200; 200 bales, Liaquatpur, at Rs8,650; 200 bales, Yazman, at Rs8,500; 400 bales, Haroonabad, at Rs8,525; 600 bales, Dera Ghazi Khan, at Rs9,000; and 200 bales, Hasilpur at Rs8,300.