

### **Commodities: Quality cotton in short supply**

MULTAN: Listless conditions prevailed on the cotton market on Wednesday as shortage of quality lint kept buyers at bay. The Karachi Cotton Association kept its spot rate unchanged at Rs9,000.

Cotton experts said shortage of quality cotton due, extreme weather conditions and unconfirmed reports regarding the US-China negotiations over tariff issue were major reasons behind slow trading.

The tariff issue would take a few more months to be resolved as the Trump government wants to take any decision after the US presidential elections.

Some reports suggest that cotton prices in international markets — particularly Brazil, India and China – had decreased. A fall of up to Rs500 per candy was also reported in India which is now largest exporter of the commodity to China.

The following are Wednesday'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" micronair value between 3.8 to 4.9 NCL.

Rate for	Ex-Gin Price	Upcountry Expenses	Spot rate Ex-Karachi
<b>37.324kg</b>	<b>9,000</b>	<b>160</b>	<b>9,160</b>
<b>Equivalent 40kg</b>	<b>9,645</b>	<b>171</b>	<b>9,816</b>

Market experts said that with the opening of Torkham border from Thursday (today), cotton from Afghanistan and Central Asian countries will reach Pakistan. However, prices in the country will not reduce due to the demand and supply situation since the arrival of phutti (seed cotton) has shrunk considerably. Exports of cotton products from the country are likely to go up this year and hence the huge demand for the commodity, they added.

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

The following deals were reported to have changed hands on ready counter: 400 bales, station Ghotki, at Rs9,100; 400 bales, Dera Ghazi Khan, at Rs9,200; 600 bales, Khanewal, at Rs8,450; 800 bales, Khanpur, at Rs8,900; 200 bales, Fort Abbas, at Rs8,500; and 400 bales, Faqirwali, at Rs8,425.