

Bullish trend witnessed on cotton market

KARACHI: Bullish trend was witnessed in the local cotton market on Thursday. Buyers took interest in the buying of both old and new cotton.

Market sources told that trading of 5000 bales took place in market. They told that bullish trend was witnessed because of the limited arrival of cotton.

Cotton Analyst Naseem Usman told that chairman Pakistan Cotton Ginners Mian Muhammad Javed Sohail Rehmani during a press conference in Multan termed the abolishing of 5 percent sales tax on Banola Khal as victory of cotton and defeat of mafia. Rehman thanked parliamentarians of all the political parties for playing their role in abolishing the sales tax on Banola Khal. He also said government should play its role for recovering Rs20 billion from the textile sector. He said government should also play its role for providing quality seeds of high germination quality to the farmers.

Naseem told that as per media reports government has failed to achieve export target of 25 billion dollars as export stood at 21 billion dollars during July-June 2019-20. Commerce ministry was expecting a four billion dollars loss due to COVID-19 as the country's export hit massively.

Meanwhile Advisor to Prime Minister on Commerce Abul Razak Dawood in its tweet said that Chief Secretary Punjab informed him that export industries are allowed to work six days a week from 7.00 am to 7.00 pm. This decision will further facilitate exporters.

He told that 1000 bales of Tando Adam were sold at Rs8350 to Rs 8450, 800 bales of Sanghar were sold from Rs8325 to Rs8350, 200 bales of Tando Muhammad Khan were sold at Rs8400 and 200 bales of Shahdadpur were sold at Rs8400.

Naseem said according to the officers of Ministry of National Food Security and Research and Planning Commission the agriculture sector growth target of 3.5 percent for 2019-20 was missed by around one percent and the prospects for achieving 2.8 percent target set for the current financial year are not bright, as the menace of Locust infestation may compromise performance of the sector.

As per details cotton ginning declined by 4.61 percent due to decrease in the production of cotton. Locust attack had damaged cotton crop in some parts of Sindh and Punjab.

Naseem told that every year the cultivated area and production of cotton was announced by Federal Committee of Agriculture but this year nothing was announced from them. They may be announced the estimates after thorough review.

Usman told that minister for National Food Security and Research Syed Fakhir Imam in a press conference showed his apprehension that Locusts may attack Pakistan in July. They can come from Afghanistan, Iran, Africa, Oman and from India. The government of Pakistan is taking steps to save the crop from the attack of Locusts. In this regard National Disaster Management Authority has ordered 11 aeroplanes for spraying in the fields. He also said that China is also helping us in controlling the Locust attack.

Naseem Usman also said that rate of new cotton of Sindh is in between Rs8400 to Rs8450 while in Punjab the rate of new cotton is in between Rs8800 to Rs8900.

He told that Phutti of Sindh was sold in between Rs4200 to Rs4300 per 40 kg. The rate of Phutti in Punjab is in between Rs4300 to Rs4400 per 40 kg.

The rate of Banola in Sindh was in between Rs1925 to Rs2000 while the price of Banola in Punjab was in between Rs2000 to Rs2100.

The spot rate remained unchanged at Rs 8400 per maund. The polyester fiber was available at Rs157 per kg.