

Cotton market goes slow

MULTAN: Dull and dreary conditions prevailed on the cotton market on Monday as slowdown in trading continued. The Karachi Cotton Association's spot rate was firm at Rs9,000.

Cotton analyst Naseem Usman said internationally all commodity and stock markets were badly affected. Saudi Arabia has announced to slash its export oil price and this decision has affected international cotton markets, he added. Usman said there was a decline of up to 1.75 cent in New York future cotton prices. "Later on, although there was minor increase in the prices. Uncertainty will continue to prevail for a while. It is being expected that the prices of artificial yarn will increase due to a decline in oil prices," he added.

Cotton expert Syed Muddabir Shah, however, said the decline in oil prices did not affect local cotton market since there is a limited unsold stock available.

"The ginneries are still confident that cotton prices in Pakistan will not fall despite the declining trend in international markets," he said.

"Textile and spinning mills are functional in the country as they have succeeded in getting export orders which were cancelled in China due to the coronavirus outbreak," he added.

The following deals were reported to have changed hands on ready counter: 400 bales, Rahim Yar Khan, at Rs9,050; 200 bales, Ahmedpur East, at Rs8,575; 200 bales, Yazman, at Rs8,600 and 500 bales, Layyah, at Rs8,400-8,500 (200 bales and 300 bales respectively).