



Prices

Yesterday's session in New York saw both the December and March contracts record their lowest settlements since mid-July. The downturn in futures has facilitated some sporadic nearby business but overall merchants express disappointment at the muted response from mill buyers. Confidence continues to be undermined by the lack of any tangible improvement in the cotton yarn market.

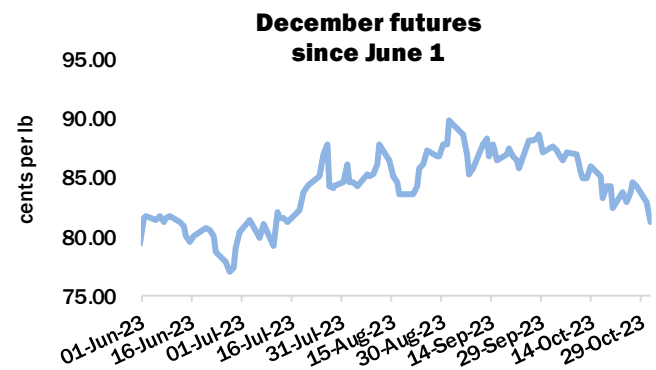
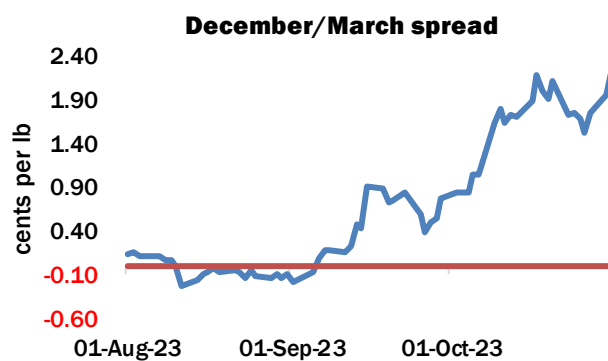
This week's volume in New York has been boosted by spread trading associated with the shift of fund positions from December to March. In the process, the latter contract's premium over the spot month has widened, closing at 229 cent points – one positive development from the trade's perspective.

COTLOOK INDICES

1-Nov

US cents per lb CFR main Far Eastern ports

Cotlook 2023/2024 A Index:	92.60	-1.15
Brazilian	91.75	
Greek	92.50	
Ivory Coast BEMA	92.50	
Burkina Faso RUDY	93.00	
Australian	93.25	



Pakistan

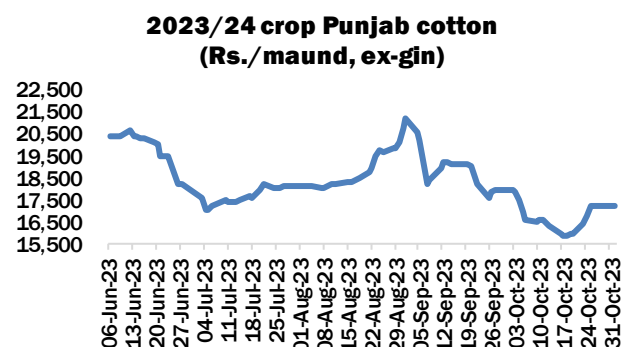
Local market

Domestic lint prices have remained largely unchanged for around a week now. Fluctuations in ICE futures have had little effect, and the market has predominantly been shaped by local supply and demand dynamics throughout much of the current season. Given that many mills are now covered for a few months, business activity is slow despite a cost-based preference for local supplies. Spinners have also been cautious in their buying approach in view of pressure on yarn prices.

Asking prices for Punjab lint are quoted at around Rs. 16,500/18,000 per maund (average 74.25 cents per lb), ex gin, while those for Sindh supplies are placed at Rs. 15,000/16,500 per maund (67.75 cents per lb).

Import business

The recent modest improvement in import buying interest from local textile mills has persisted over the last few days. As New York futures have moved lower, some mills have sought to cover small volumes, mainly of machine-picked cotton. However, as the rupee



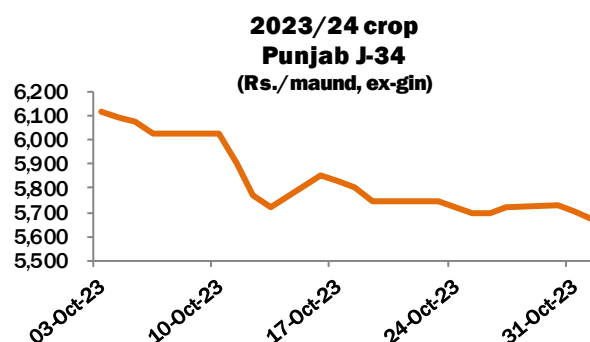
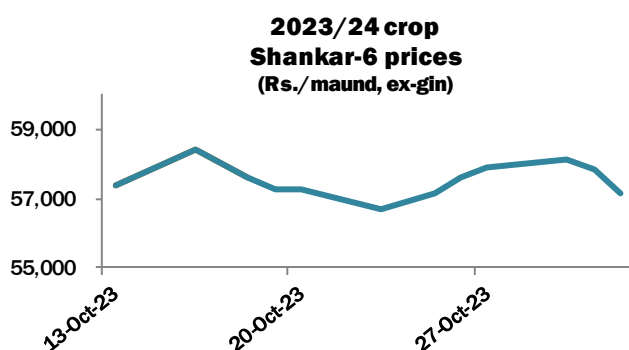


has weakened slightly, spinners are wary of the impact on import costs. Meanwhile, their large outstanding contracts remain a further impediment to new import business. Nonetheless, sales of Brazilian SLM have continued to be reported at 650/700 'on' December 2023, while demand remains in evidence for US recaps. Afghan new crop cotton has also found buyers at around 74/75 cents per lb, on delivered mill terms.

India

Local prices

Offering rates for lint have moved lower once again. Shankar-6 is now quoted at an average of ₹57,150 per candy, ex gin (87.55 cents per lb) and Punjab J-34 at around ₹5,675 per maund (82.85 cents per lb).



MCX futures

Turnover on the MCX cotton futures platform during October amounted to just 205 lots (9,840 candies of 355.58 kilos) in total. The value of the November contract declined, ending the month with a loss of 2,460 per candy. In today's trading, the nearby delivery has again moved lower. By 17.30 IST, it had last changed hands at ₹58,100 per candy, down ₹220 from last night's close.

Arrivals

Today's survey of seed cotton arrivals indicates a total of 92,800 bales, including 28,000 in the Northern Zone, 27,000 in Gujarat and 10,000 in both Maharashtra and Madhya Pradesh.

