

Cotton wilts on weak global cues

Our Correspondent

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Cotton prices dropped by Rs 300-400 a candy of 356 kg in Gujarat on the back of weak global cues. Reports that the Competition Commission of India has begun an enquiry in duty draw dragged yarn market and it reflected in the cotton market.

The competition panel has begun investigations into allegations that yarn producers were fixing prices and controlling supply.

In Gujarat, new A grade S-6 cotton traded at Rs 32,700-33,000 a candy and B grade at Rs 32,000-32,500. Prices of New V 797 were ruling at Rs 26,000-26,500. About 7,000-8,000 bales of 170 kg arrived in Gujarat and 25,000-27,000 bales arrived in India. In Maharashtra, A grade cotton (low micronaire) quoted at Rs 32,000-32,500 per candy and A grade (high micronaire) 29+ MM quoted



at 32,500-33,000. In Madhya Pradesh, A grade cotton (low micronaire) was at Rs 32,000-32,500 and A grade (high micronaire) 29+ MM was at Rs 32,500-33,000.

A Rajkot broker said that the international market was weak on Thursday and it affected the domestic market. Demand is poor currently and price may decline further next week.

On the international front, cotton futures closed at a one-week low on Thursday on speculative sales.

The spot July cotton contract on the ICE Futures US exchange fell by 5 cent daily limit, or 6 per cent, to end at 78.17 cents an lb, with the day's top at 82.50 cents.