



PLAINS COTTON  
COOPERATIVE ASSOCIATION



# Cotton Market Weekly

**JULY 25, 2025**

Cotton prices held steady again this week, lacking clear direction from global export trade. With the marketing year nearing its end and broader markets gaining strength, will cotton follow suit or continue to drift sideways? Get QuickTake's read on the week's events in five minutes.

**With no clear market-moving news, prices drifted in both directions this week, leaving December futures nearly unchanged.**

- December futures ended the week at 68.71 cents per pound, down just 9 points from the previous week.
- The summer doldrums persisted this week, with tariff-related news offering little incentive to shift market direction. **Ongoing trade negotiations have weighed on sentiment as the Trump Administration's August 1**

**deadline approaches. Separate discussions with China are also underway ahead of their August 12 deadline. Some technical market signals were triggered late in the week, giving prices a modest boost.**

- One notable development this week was the spread between U.S. and Chinese cotton futures reaching its widest level since early June, driven by continued gains in Chinese prices. **Stronger-than-expected consumption in China and lower import levels have contributed to the widening gap.**
- Trading volume was moderate to light this week, with Wednesday marking the fifth-lowest total volume on record, only trailing days around major holidays. **Despite the quiet trade, open interest rose by 8,040 contracts to 220,269. Certificated stocks declined by 1,846 bales to 21,635, the lowest level since early May.**

**The S&P 500 and Nasdaq closed at record highs again this week, supported mostly by strong tech earnings.**

- **Europe's Central Bank held rates steady for the first time in over a year, as EU-U.S. trade talks continue.** Officials appear to be in a wait-and-see mode, with inflation on target and the economy performing better than expected. Another rate cut faces resistance, and a September hold now looks likely, pending the outcome of trade talks with the U.S.
- **U.S. stocks pushed to new highs this week, driven by solid earnings and progress on trade.** A U.S.-Japan framework and signs of a 15% tariff agreement with the EU lifted sentiment, even as more tariff news looms. Earnings season picked up, with tech in focus, and strong results helped offset concerns about stretched valuations.

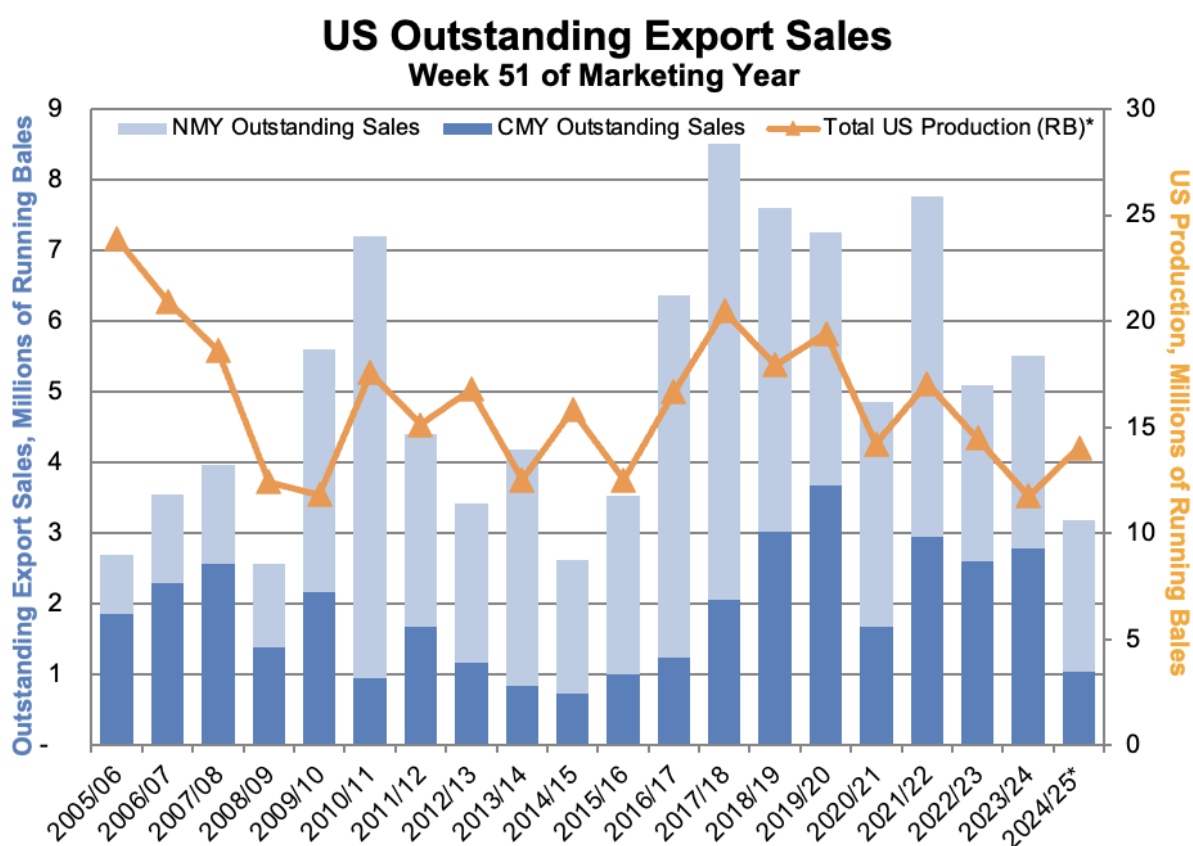
- **U.S. jobless claims fell for a sixth straight week, the longest streak since 2022, highlighting continued labor market strength.** The data added to speculation that the Federal Reserve may hold rates steady, though uncertainty remains ahead of next week's meeting.

**Crop development in the Southwest continues to progress, with conditions showing some improvement over the past week.**

- As of July 20, 65% of Texas cotton is squaring, and 31% is setting bolls. In Oklahoma, 50% is squared and 3% is setting bolls, while Kansas reports 66% squared and 20% setting bolls. **Crop condition ratings improved or held steady across all three states, with Texas at 52%, Oklahoma at 62%, and Kansas at 50% rated good to excellent.**
- Scattered storms brought rain and high winds to parts of West Texas, Oklahoma, and Kansas, followed by warmer, drier weather that helped crop development, though weed pressure remains a concern. **In South Texas, harvest preparations continue in the southernmost areas. Above-average temperatures are expected across the Southwest next week, with a slightly above-normal precipitation outlook.**
- U.S. export sales saw a net reduction for the 2024/25 crop year, with below-average sales reported for the upcoming marketing year.
- Net sales reductions for the current crop year totaled 32,700 bales, which isn't unexpected with just two reports remaining. **Many sales were rolled into the new crop, with net new crop sales totaling 132,600 bales – a below-average number. Buyers came from Vietnam, Pakistan,**

Guatemala, Turkey, and Thailand. Shipments reached 184,800 bales, slightly ahead of the pace needed to meet USDA's 11.8 million bale estimate. Demand for next year's crop remains weak, with commitments at their lowest level since the 2014/15 season.

- Current crop Pima sales rose to 5,500 bales, with new crop sales totaling 17,400 bales. **Shipments were slower, with just 5,000 bales exported.**

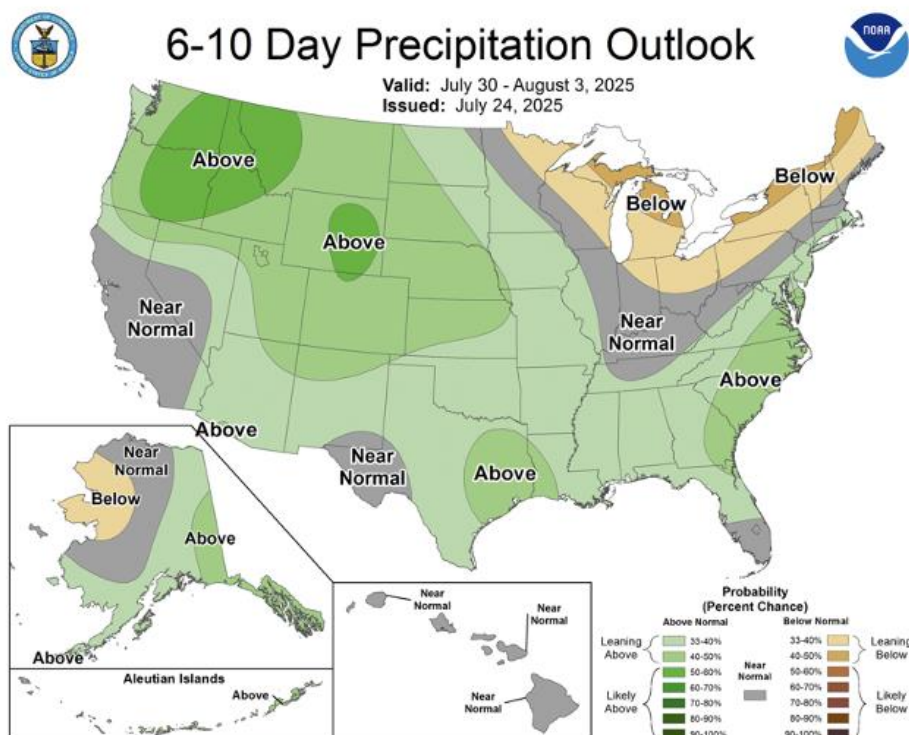
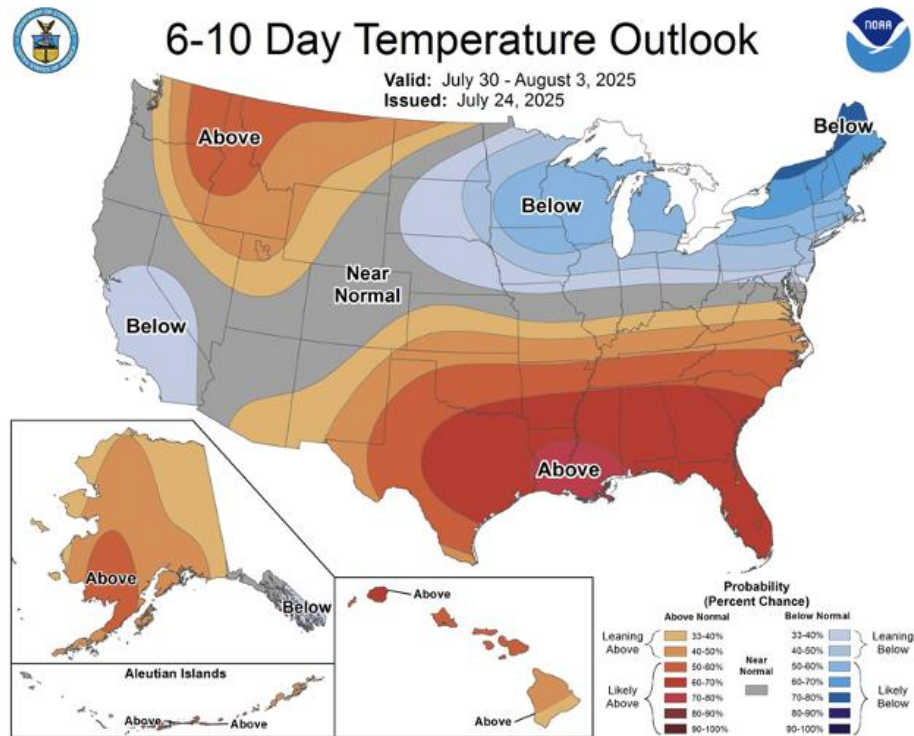


Source: USDA, \*Current Year USDA Production

## The Week Ahead

- Despite some talk of elevated sentiment and complacency, most stock market analysts see room for the rally to continue, assuming earnings hold steady and tariff uncertainty does not escalate. Next week closes out the 2024/25 marketing year for cotton and brings a packed schedule.

- The Federal Open Market Committee meets Tuesday and Wednesday, and rates are expected to remain unchanged. Key economic updates include consumer confidence, Gross Domestic Product (GDP), personal income, unemployment, and the usual cotton reports.



# The Seam

- As of Thursday afternoon, grower offers totaled 23,711 bales. There were 3,569 bales that traded on the G2B platform that received an average price of 62.31 cents per pound. The average loan for these bales was 53.02, bringing the average premium received to 9.29 cents per pound.

## ICE Futures Ending 7/24/2025

	Settlement	Daily Change	Weekly Change
Dec. '25	68.71	+0.47	-0.09
Mar. '26	70.13	+0.50	+0.05
May '26	71.19	+0.46	+0.10
July '26	71.91	+0.41	+0.10

## Adjusted World Price (AWP)

Official 7/25/25 thru 7/31/25	
AWP	54.95
LDP/MLG	0.00
2024 FCA	0.00
Coarse Count	0.00