



PLAINS COTTON  
COOPERATIVE ASSOCIATION



# Cotton Market Weekly

**MAY 30, 2025**

Markets were busy despite the holiday-shortened trade week, with cotton slipping to the low end of its range amid renewed trade tensions and mixed economic data. With uncertainty still looming in every headline, where do prices go from here? Get QuickTake's read on the week's events in five minutes.

**Cotton futures settled near the bottom of their months-long trading range, slipping despite strength in broader markets.**

- July futures slid 79 points during the week, settling at 64.84 cents per pound.
- Ongoing trade war uncertainty has kept cotton prices rangebound, with the market closely tracking broader trends but remaining confined to a narrow range. Given China's role as a key buyer of U.S. agricultural goods, adverse

developments added pressure on commodities this week. Additional pressure came from aggressive selling by managed money, which significantly increased its short position compared to the previous week.

- On a potentially positive note for new crop cotton, India is set to raise its Minimum Support Price (MSP) by 8% for the 2025/26 season, which is well above expectations of 3–4%. This could support Indian cotton prices, which could help improve U.S. cotton's competitiveness on the global market through higher import parity.
- Senator Hyde-Smith of Mississippi introduced the “Buying American Cotton Act,” a bill aimed at boosting demand for U.S. cotton. The legislation would provide a transferable tax credit to end-stage sellers of products made wholly or partially from U.S. cotton. Eligible goods would include those manufactured domestically or imported into the U.S., as long as they contain verified U.S.-grown cotton.
- U.S. cotton planting has passed the 50% mark but remains behind the 5-year average. In the mid-South and Southeast, recent rains have delayed fieldwork and prevented some acres from being planted. Meanwhile, much of the Southwest is on pace or ahead of schedule. South Texas received beneficial rainfall this week, though continued clear skies would help support crop development. Rainfall has been spotty throughout the Southwest, and additional moisture would be welcome as planting progresses.
- Trading volume was moderate this week, and open interest rose by 2,962 contracts to 238,055. Certified stocks increased to 41,863 bales with 2,067 new certifications.

**Despite the shortened trade week, markets saw plenty of activity. Stocks remained rangebound as investors digested**

## **key inflation data, assessed mixed economic indicators, and reacted to ongoing trade and tariff developments.**

- Headline risk continues to drive market sentiment. Late last week, President Trump threatened 50% tariffs on the EU and a 25% tariff on iPhones not made in the U.S., though the EU tariffs were delayed until July 9 — helping lift markets. Later in the week, a federal court ruled the administration's global tariff policy illegal, though that decision was later stayed, adding another layer of uncertainty. In a separate move, the administration also announced plans to revoke Chinese student visas.
- The ongoing legal back-and-forth and escalating policy actions continue to keep headline risk elevated. While broader markets initially responded positively, the legal uncertainty and the 10-day compliance window could temper that optimism. The situation remains fluid, and markets will likely remain sensitive to further developments in the coming days.
- A slew of inflation-related economic data was released this week, adding another layer of complexity to market movement. U.S. Consumer Confidence rebounded in May after five straight months of decline. The second estimate of first-quarter U.S. Gross Domestic Product (GDP) came in slightly better than expected, contracting 0.2% versus forecasts for a 0.3% decline, compared to 2.4% growth in Q4 2024. The slowdown was largely attributed to a rise in imports and a decrease in government spending. The news painted a mixed picture, keeping price expectations cautious, and reinforcing the importance of import-export markets to U.S. commodities, particularly cotton. Personal income increased 0.8% in April, marking the fourth consecutive month of

increases and exceeding expectations of 0.2%. Some believe this to be primarily driven by an increase in transfer payments.

**U.S. export sales remained strong again this week, and shipments were up 10% from the week prior as they remain above the pace needed to meet USDA's export target.**

- For the 2024/25 marketing year, U.S. merchandisers booked 118,700 Upland bales and shipped 275,400, with new crop sales totaling 13,800 bales. Sales were again stronger than expected, and total commitments continue to remain above 100% of the current crop. Shipments increased from the previous week, with Vietnam leading the way at 117,000 bales, followed by Pakistan and Turkey with 34,300 and 33,900 bales, respectively. Exports are still above the pace needed to meet USDA's 11.1 million bale export estimate.
- Pima sales decreased from the week prior to a marketing-year low of net sales reductions of 1,700 bales. Shipments slowed as well, showing a decrease of 12% from last week at 6,700 bales.

## **The Week Ahead**

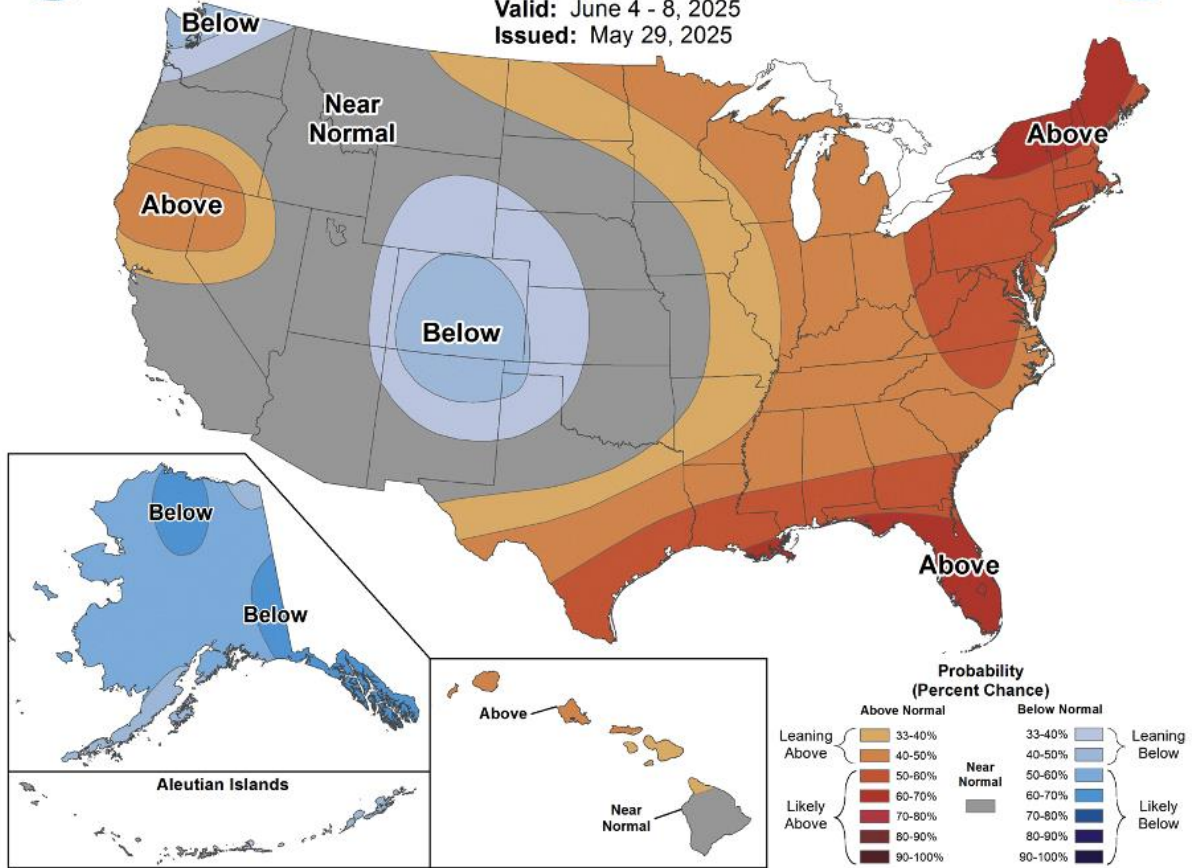
June will kick off with a relatively busy start. Cotton reports will return to their regular release schedule, including Crop Progress and Export Sales. In addition, we'll get an update on unemployment at the end of the week. Supply and demand estimate updates are on the horizon, scheduled for release at 11:00 a.m. CST on Thursday, June 12, offering the next key insight into market direction.



# 6-10 Day Temperature Outlook



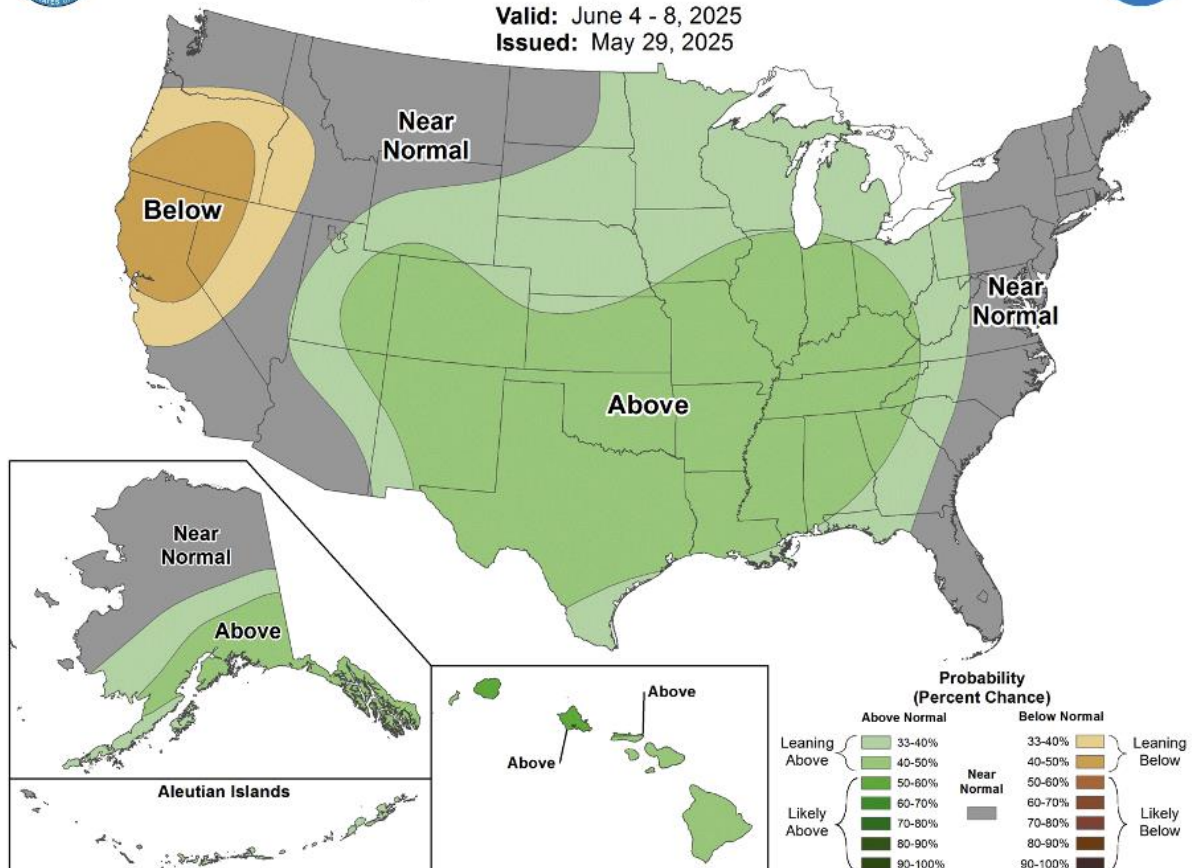
Valid: June 4 - 8, 2025  
Issued: May 29, 2025



# 6-10 Day Precipitation Outlook



Valid: June 4 - 8, 2025  
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# The Seam

As of Thursday afternoon, grower offers totaled 40,963 bales. There were 762 bales that were traded on the G2B platform during the week with an average price of 60.29 cents per lb. The average loan was 52.50, which resulted in a premium of 7.79 cents per lb. over the loan.

## ICE Futures Ending 5/29/2025

	Settlement	Daily Change	Weekly Change
July '25	64.84	-0.49	-0.79
Dec. '25	67.76	-0.34	-0.50
Mar. '26	69.29	-0.29	-0.34
May '26	70.37	-0.28	-0.17

## Adjusted World Price (AWP)

Official 5/30/25 thru 6/5/25	
AWP	53.84
LDP/MLG	0.00
2024 FCA	0.00
Coarse Count	0.00