PLAINS COTTON COOPERATIVE ASSOCIATION



NOVEMBER 23, 2026

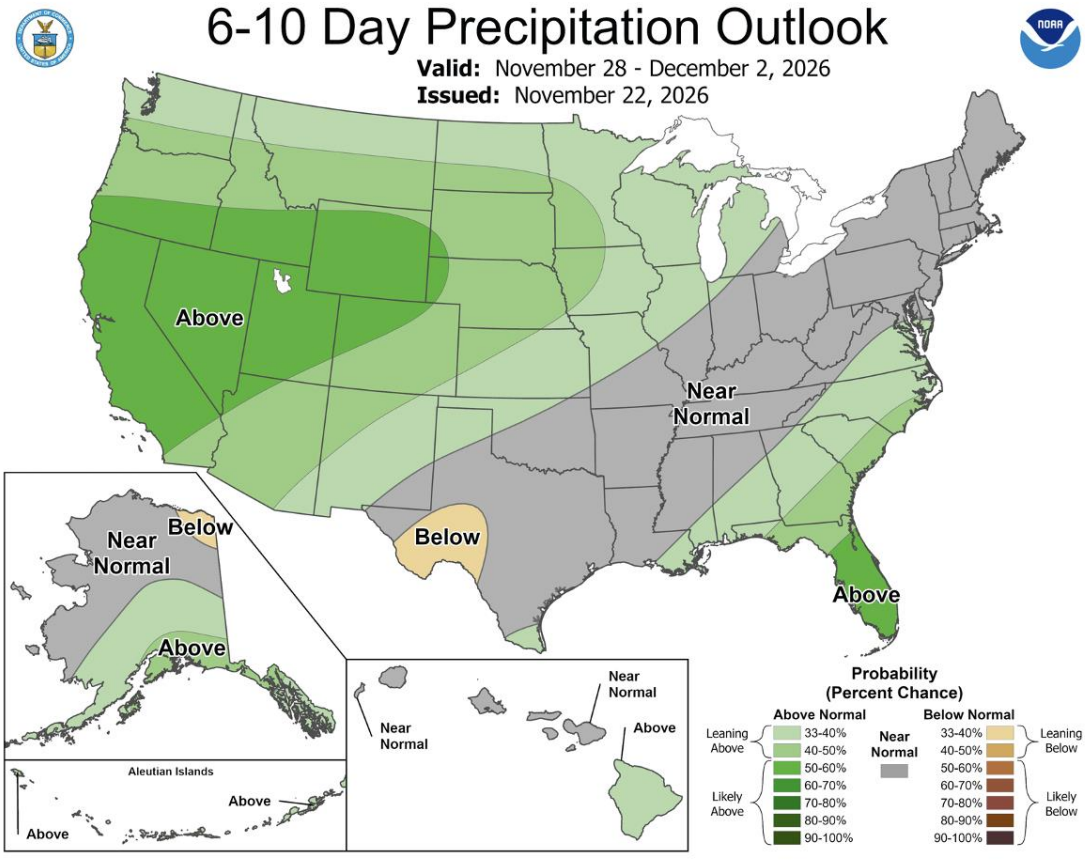
The Week Ahead

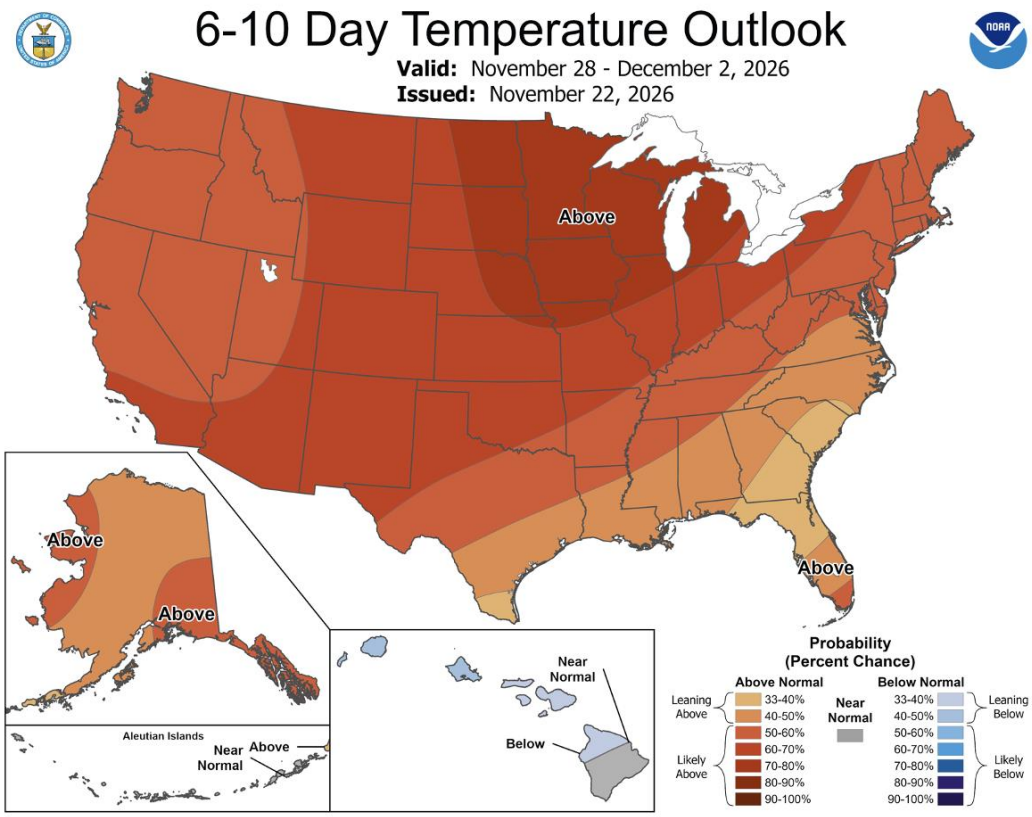
Cotton is starting the Thanksgiving holiday week on a stronger note following last week's sharp selloff. A rebound in equity markets, particularly technology stocks, has helped improve investor sentiment, although uncertainty surrounding demand and outside markets could limit any recovery.

- **Wednesday will bring important economic data, including inflation and economic growth figures.** These reports could influence expectations for the Federal Reserve's December interest rate decision and the direction of the U.S. dollar.
- **Historical seasonal patterns offer some encouragement for cotton heading into December.** March futures have

historically performed well from late November into the new year, although current market conditions could limit that potential.

- **November 23 marks First Notice Day for December cotton futures, shifting attention more firmly toward March.** Lighter trading volumes could lead to larger price swings.
- **The cotton market will be closed Thursday for Thanksgiving and reopen for a shortened session on Friday.**
- **Colder temperatures across the Southwest will be another factor to watch as harvest progresses.** Freezing temperatures were recorded in parts of the region over the weekend, with cold conditions expected throughout the week. Recent wet weather has delayed fieldwork, while classing reports are showing more bark than usual, lower color grades, and higher leaf content.





Market Recap

- **Cotton futures faced significant selling pressure last week, with March falling 332 points to settle Friday at 79.29 cents per pound.** December futures finished at 75.47 cents per pound, down 331 points for the week. Much of the decline came on Monday and Wednesday, with March falling below 80 cents per pound for the first time since early July.
- **Wednesday brought the week's sharpest decline, with March futures losing over 200 points in a single session.** Prices broke below the 200-day moving average, triggering additional selling as weakness across equity and commodity markets weighed on cotton. March recovered some ground Thursday but struggled to maintain those gains heading into the weekend.
- **Trading activity picked up last week as December futures neared First Notice Day.** Open interest fell sharply as traders exited the December contract, while mills rolled some outstanding on-call pricing commitments into March rather than fixing prices. A considerable amount of mill cotton is still

awaiting pricing, which could provide some support to futures in the coming months.

- **Outside markets added pressure as major U.S. stock indexes posted steep losses for the week.** Concerns surrounding technology stocks and the interest rate outlook weighed on investor confidence, while currency movements made Brazilian cotton more competitive internationally.
- **Trade discussions between the U.S. and China offered little encouragement for cotton.** Last week's discussions produced no new commitments on cotton purchases or meaningful changes to existing trade arrangements. The market is still looking for concrete developments that could improve demand expectations.

Economic and Policy Outlook

- **The broader economy is showing mixed signals as financial markets face uncertainty surrounding inflation and interest rates.** Technology stocks faced another selloff last week, while a stronger U.S. dollar and weaker Brazilian real added pressure to agricultural commodities. Crude oil prices also declined, potentially offering some relief on energy costs. With the Federal Reserve's December interest rate decision approaching, borrowing costs remain an important consideration for growers planning for 2027.
- **U.S. retail sales increased just 0.2% in October, slowing from September's 0.8% gain.** Clothing sales declined 0.7% for the month, raising some concerns about apparel demand heading into the holiday season. However, inflation-adjusted clothing store sales are still running ahead of previous years, while relatively lean apparel inventories offer some encouragement if consumer spending holds up.
- **President Trump called on Congress last week to pass a new Farm Bill before the end of the year, emphasizing the need for certainty ahead of the 2027 planting season.** More than 400 agricultural and rural organizations also urged lawmakers to act. With limited legislative days remaining and

control of Congress set to change in January, passage remains uncertain.

Supply and Demand Overview

- **For the week ending November 12, Upland net sales for 2026/27 totaled 118,700 bales, down 25% from the previous week and 44% below the prior four-week average.** Turkey led purchases with 45,800 bales, followed by Bangladesh and Indonesia. An additional 2,100 bales were booked for 2027/28.
- **Weekly Upland shipments fell to a marketing-year low of 117,800 bales, down 31% from the previous week and 29% below the four-week average.** Vietnam was the leading destination, followed by Mexico and Pakistan.
- **Pima net sales totaled 10,600 bales, down 30% from the previous week, with India accounting for nearly all purchases. Weekly Pima shipments fell to 3,100 bales, led by India and China.**
- **Although sales and shipments slowed, there is some optimism that export activity could improve in the coming weeks.** Last week's COTTON USA Summit brought together international mills, merchants, and other industry participants, providing opportunities for new business. Hopefully, some of those discussions translate into additional purchases that begin showing up in the export sales reports over the next several weeks.



*Source: USDA, *relative to WASDE forecasted exports*

The Seam®

- **As of Friday afternoon, grower offers totaled 28,686 bales.** The past week, 2,383 bales traded on the G2B platform received an average price of 70.76 cents per pound. The average loan redemption rate (LRR) was 51.77, bringing the average premium over the LRR to 18.99 cents per pound.
- ***Note:*** *The Loan Redemption Rate (LRR) is the loan rate minus the current Loan Deficiency Payment (LDP).*

ICE Futures Ending 11/20/2026

	Settlement	Daily Change	Weekly Change
December '26	75.47	-0.48	-3.31
March '27	79.29	-0.22	-3.32
May '27	80.67	-0.18	-3.63
July '27	80.98	-0.31	-3.82

Adjusted World Price (AWP)

	Current Value	Weekly Change
Adjusted World Price	63.01	-1.33
Loan Deficiency Payment	0.00	0.00
Fine Count Adjustment 2025	0.00	0.00
Coarse Count Adjustment	0.00	0.00

Official 11/20/26 - 11/26/26