

AGW DTN Closing Cotton

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Cotton Bucks The Trend, Sorta

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The cotton market was able to pull away from early session lows to close slightly up. Data from the CFTC indicating a dogged bearish fund position, an oversold condition, along with a higher Dow Jones, helped to coerce cotton higher.

Monday afternoon at 4 p.m. EDT, USDA will release its crop progress update. Last week's numbers rated the 2024 crop at 45% good to excellent. Some traders are expecting improved readings in Monday's field tabulations. Last week's U.S. Drought Monitor showed certain drought areas of the Cotton Belt had eased to 16% drought from its prior high reading of 18% drought.

This week, traders will also see several U.S. economic reports, which could support the action of future interest rate cuts. Those potential market-moving reports included the PMI composite, new home sales, gross domestic product, durable goods orders, jobless claims, consumer sentiment and the June PCE price index reports. In addition, USDA will issue its weekly export sales report.

Weatherwise, the 6- to 10- and the 8- to 14-day outlooks indicate below-normal temperatures for West Texas, and normal-to above reading for the Delta and the Southeast. Moreover, West Texas is expected to see normal to slightly above rain chances, while the Delta and the Southeast look to have similar opportunities.

Monday, December ended at 70.62 cents, down 8 points, and March 2025 was 72.51, minus 11 points. Monday's estimated volume was 21,110 contracts.

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