



APRIL 4, 2025

Markets plunged into turmoil following the Trump Administration's announcement of tariffs on key U.S. trading partners. The cotton market hit its daily trading limit to close the week under intense risk-off pressure. What's ahead for cotton as we enter another week of certain uncertainty? Get QuickTake's read on the week's events in five minutes.

ICE cotton futures experienced a turbulent week, ultimately hitting the daily limit and closing on a sour note under the heavy pressure of the administration's aggressive tariffs.

- The May contract settled at 64.80 cents per pound, losing 227 points for the week.**
- After the Trump Administration imposed baseline tariffs on nearly all U.S. trading partners, cotton came under intense pressure at the end of the week. The**

announcement swiftly erased early-week gains, which had propelled the market to its highest levels in months, driven by speculative buying and a breakthrough of key technical levels. Speculators remain in a record short position, and the short-term outlook appears technically and fundamentally grim.

- **Trading volumes were substantial, while open interest decreased by 1,794 contracts, totaling 282,791.** Certificated stocks remained unchanged at 14,488 bales.
- **On Monday, March 31, USDA released its Prospective Plantings Report, revealing that expected cotton acreage will be slightly lower than the projections shared at the Ag Outlook Forum in February.** This was USDA’s first official estimate of planted acreage across the Cotton Belt for 2025. The report projects 9.87 million acres of cotton, coming in slightly above the National Cotton Council’s estimate of 9.6 million acres but just shy of the USDA’s earlier 10-million-acre forecast. Texas is forecasted to plant 5.527 million acres, Oklahoma 335,000 acres, and Kansas 140,000 acres.

Regions	USDA 2024	NCC 2025	2025 Prospective Plantings	Year-over-Year Change	% Change
Southeast	2,311	1,867	1,983	(328)	-14.2%
Midsouth	1,990	1,825	1,605	(385)	-19.3%
Southwest	6,516	5,568	5,970	(546)	-8.4%
Far West	158	138	152	(6)	-3.8%
Total Upland	10,975	9,398	9,710	(1,265)	-11.5%
Pima	207	158	157	(50)	-24.2%
Total U.S.	11,182	9,556	9,867	1,315	-11.8%

Source: USDA NASS

Stock markets plummeted this week following the tariff announcement, suffering the most significant single-day

loss since 2020 while also marking the worst quarterly performance since 2022.

- President Trump’s tariff plan, unveiled Wednesday, sent markets into a tailspin. **A 10% blanket tariff was imposed on most countries, with higher rates for countries with a significant trade surplus to the U.S.** Financial markets reacted sharply, while cotton producers and exporters braced for trade disruptions. By week’s end, China retaliated with a 34% tariff on U.S. goods, escalating the trade war. Despite markets taking a beating this week, the path forward remains uncertain, as recent decisions could shift at any moment.
- Tariff turmoil dominated the week, but decent economic data offered some positive news. **Non-farm payrolls added 228,000 jobs, surpassing the expected 140,000, while private payrolls rose by 209,000 versus the 135,000 forecasted.** The unemployment rate, projected at 4.1%, edged up to 4.2%.

Top 10 2024/2025 Cotton Consumption Countries

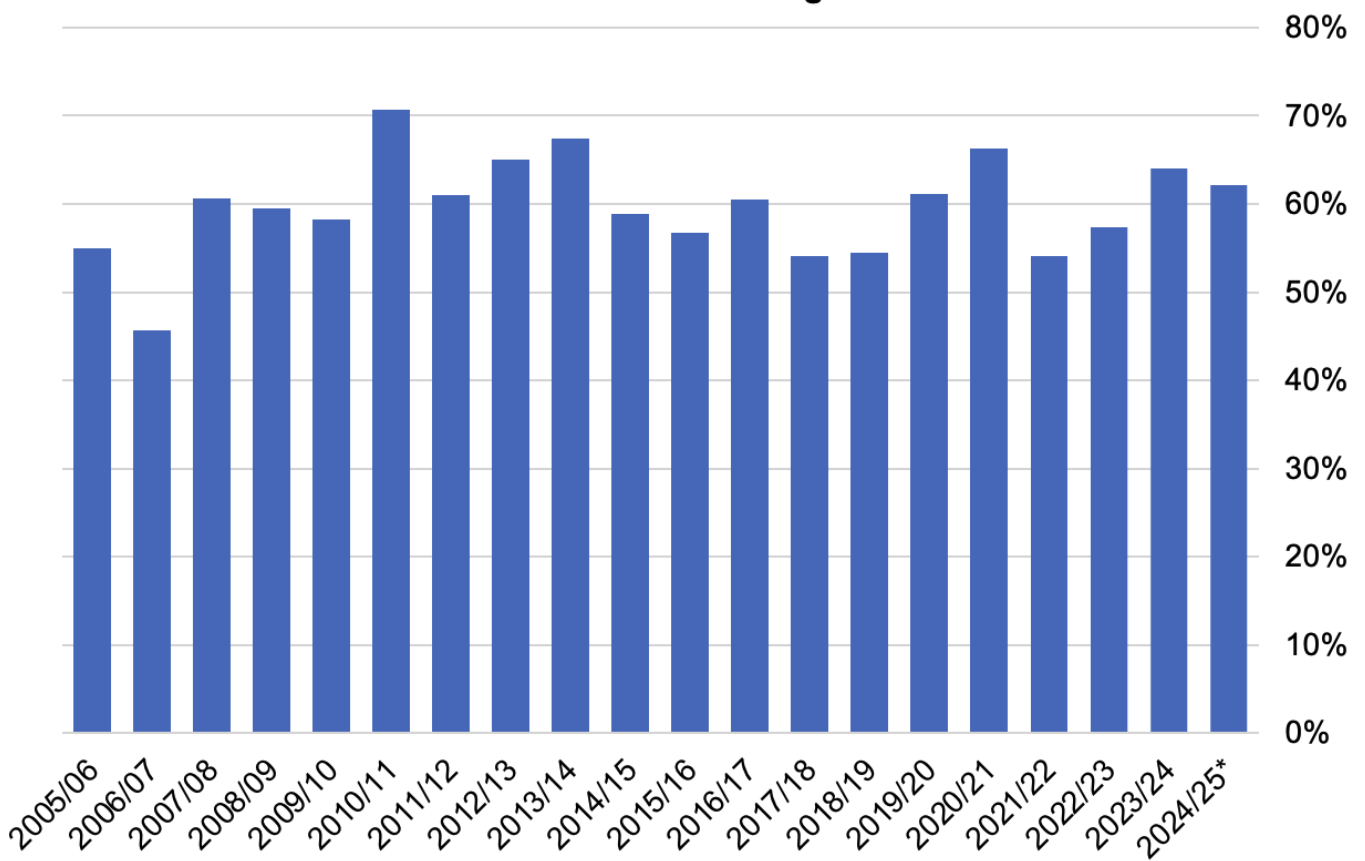
	Consumption (Million Bales)	Share of Global Consumption	Known Retaliatory Tariff on U.S. Imports*
China	37.5	32.6%	82.5%
India	26.0	22.6%	26.0%
Pakistan	9.9	8.6%	29.0%
Bangladesh	7.9	6.9%	37.0%
Vietnam	7.1	6.2%	46.0%
Turkey	7.0	6.1%	10.0%
Brazil	3.3	2.9%	10.0%
Uzbekistan	3.1	2.7%	10.0%
Indonesia	2.0	1.7%	32.0%
United States	1.8	1.6%	N/A

**As of April 4, 2025, the China tariff is without quota
Source: USDA PS&D*

U.S. export sales rose, and shipments remained strong this week, but uncertainty looms.

- For the 2024/25 marketing year, U.S. merchants sold 129,100 Upland bales and shipped 393,800. Mills were more active when prices were lower, but tariff concerns have kept overall demand subdued. The tariffs announced this week will likely maintain a weak demand outlook, with the ongoing trade war posing significant risks to the supply chain.
- **Pima sales and shipments remain strong.** Merchants booked 8,500 bales and shipped 14,400, keeping Pima sales and shipments above the pace needed to reach USDA’s estimates.

Accumulated Exports as % of Final
Week 35 of Marketing Year



Source: USDA FAS, *relative to WASDE forecasted exports

The Week Ahead

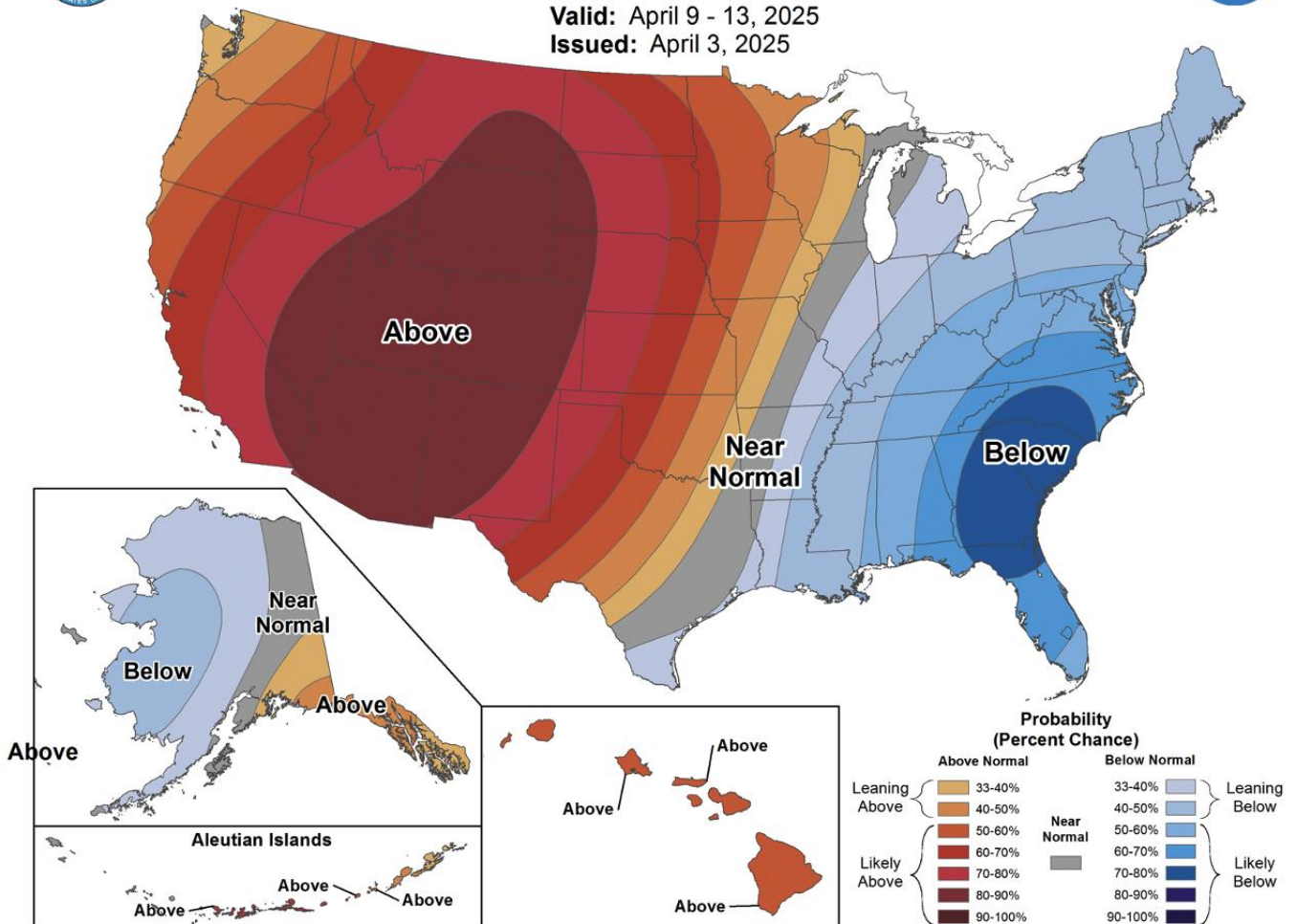
- Next week is another big week for the cotton market. USDA will release supply and demand estimates for April on Thursday, April 10, at 11:00 a.m. CST. There could be some increased market activity as May options expire on Friday, April 11.
- Economic risks will continue in the coming days. Next Thursday and Friday, we will get updated readings on inflation, and tariff policy.



6-10 Day Temperature Outlook



Valid: April 9 - 13, 2025
 Issued: April 3, 2025

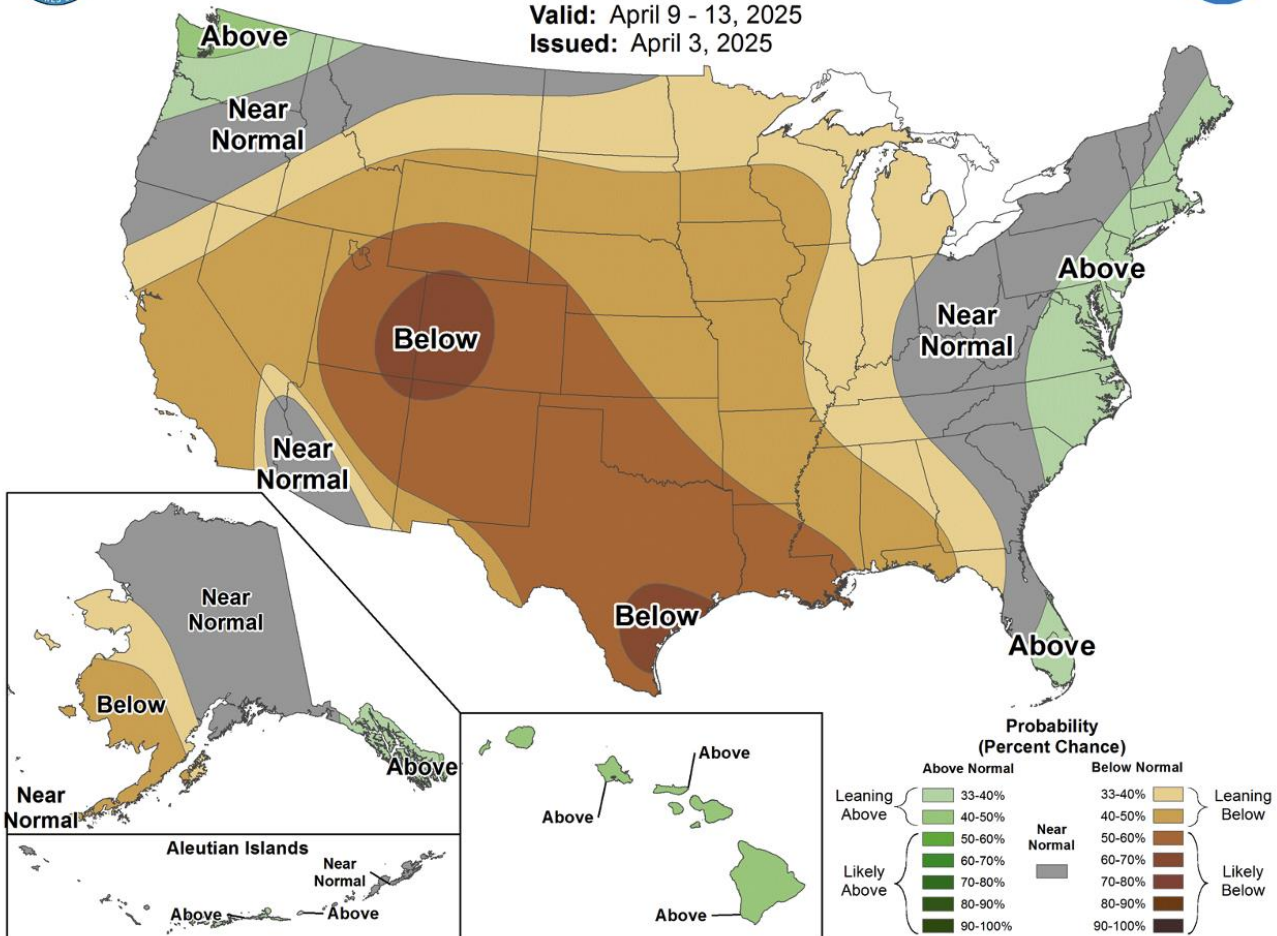




6-10 Day Precipitation Outlook



Valid: April 9 - 13, 2025
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Announcements

- Enrollment for the **U.S. Cotton Trust Protocol** is now open through *April 30, 2025*. Currently enrolled growers will need to renew their membership to continue their involvement in the program. [Click here](#) to see a list of enrollment dates.
- New Grower Enrollment for **Better Cotton** will be open *March 3-May 30*.
- For assistance or questions about enrolling in these programs, contact PCCA at 806-763-8011.

The Seam

As of Thursday afternoon, grower offers totaled 81,246 bales. During the week, 26,288 bales traded on the G2B platform with

an average price of 63.77 cents per lb. The average loan was 52.57, which resulted in a premium of 11.20 cents per lb. over the loan.

ICE Futures Ending 4/3/2025

	Settlement	Daily Change	Weekly Change
May '25	64.80	-3.00	-2.27
July '25	65.71	-3.00	-2.63
Dec. '25	67.55	-2.84	-2.74
Mar. '26	68.74	-2.83	-2.70

Adjusted World Price (AWP)

Official 4/4/25 thru 4/10/25	
AWP	55.22
LDP/MLG	0.00
2024 FCA	0.00
Coarse Count	0.00