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Calcot Market Comment – August 26, 2026 -- NEXT COMMENT: MONDAY, AUGUST 31, 2026

Written by Cindy Walters

Cotton futures settled at contract high closes in every month that traded today except Oct-26, which settled at its second highest close. Dec settled at 8914, up 80 points, and that replaced its previous contract high close at 8883, set on Monday.

The other months settled from 25 to 93 points higher, except the back five months ended from 9 to 123 points lower, and those months have barely or not yet traded. It is puzzling why the 2028 months have settled lower for four consecutive sessions, each with 4-session losses totaling 337 points.

Volume was 40,085 contracts, and that nearly tied yesterday's volume of 40,067 contracts. For 2026, today's volume would be considered moderately light. In fact, the last two sessions rank 20th and 21st, among the lightest 2026 volumes. Average daily volume in the 163 sessions to date is 70,981 contracts. This year has been blasting historical volume records, so what looks like an active day historically isn't an active day for 2026.

in contracts	Days Traded	Total Volume	Daily Average
2009	252	3,575,085	14,187
2010	252	5,732,372	22,748
2011	252	5,288,324	20,985
2012	252	6,130,350	24,327
2013	252	6,155,024	24,425
2014	252	5,787,877	22,968
2015	252	6,725,936	26,690
2016	252	7,703,080	30,568
2017	251	7,907,359	31,503
2018	252	8,873,979	35,214
2019	252	8,461,418	33,577
2020	253	8,323,415	32,899

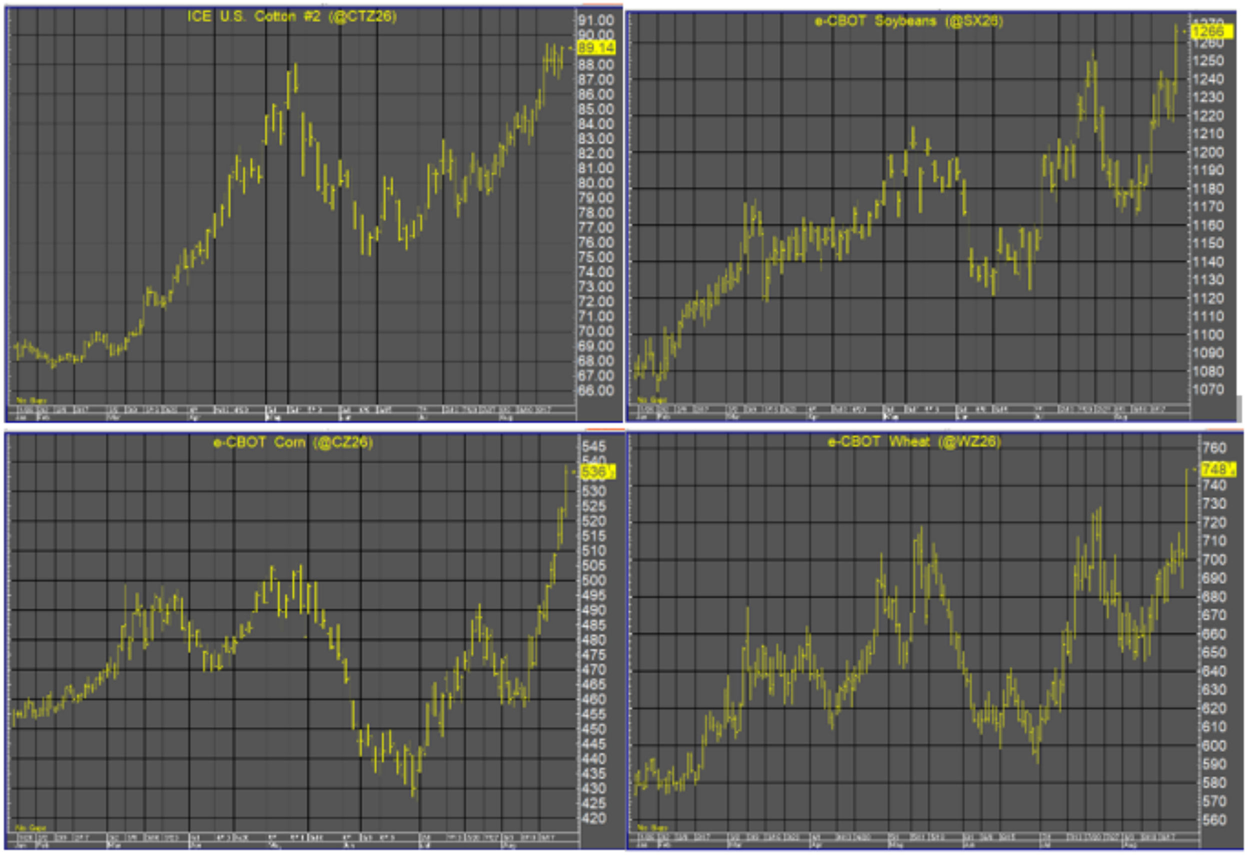
2021	252	8,501,687	**33,737**
2022	251	8,385,033	**33,407**
2023	250	8,479,187	**33,917**
2024	252	11,338,336	**44,993**
2025	251	12,063,635	**48,062**
2026	163	11,569,873	**70,981**

All the volume talk is to note the market has been marking time, either base-building, or topping, on moderately light volume. The accomplishments, though, have been impressive. Based on a continuation chart, Dec closed at the highest level since April 2, 2024, when May-24 settled at 9081. That close was on the way down from May's 103.80 contract high made on February 28, 2024. Is dollar cotton something to look forward to for bulls? Or something to dread for bears? Or neither?

The grains exploded higher, adding another question about whether today's cotton strength was part of a broader commodity buying spree. Dec corn closed at a contract high of 536.50, up 13 cents, as concerns about declining US crop yields continued to build. Nov soybeans gained 28.25 cents to 1266.00, helped by Chinese buying interest, export demand and hotter weather. Wheat jumped 45 cents to 748.25, as fund buying and short covering helped fuel the rally and continuing problems with Black Sea exports remained supportive.

Whether the grain rally represents a fundamental change in the outlook, another round of speculative buying, or some combination of both remains to be seen. Cotton did not join the grain explosion today, but its chart has been forming a similar pattern that may be waiting for its own breakout.

Here are daily charts for Dec-26 Cotton, Nov-26 Soybeans, Dec-26 Corn, and Dec-26 Wheat for the last seven months:



Always in the back of any analyst’s mind is that a breakout or new high can turn out to be a blow-off. Several analysts have warned that cotton hasn’t had the downstream demand to continue to support higher prices. Are they right? And if they are, will that change?

Lots of questions about today’s moves.

Cotton bulls remain uneasy that Dec has been unable to top its 8945-contract high set last week. Also, Dec has been losing a little ground to the more distant months in spreads, and that might be a warning of waning nearby demand, which is not a bullish situation.

Another possible warning for bulls is that open interest had its first drop in 18 sessions yesterday. It was only down 102 contracts, however, to begin today at 374,859 contracts. Has the recent spec buying run its course? The 17-session gain was 53,233 contracts.

China’s State Reserve had its 28th consecutive sold-out auction, and today’s sales were 8,035 tonnes (about 35,354 bales). The 28-day total reached 224,615 tonnes (about 988,306 bales), consisting of roughly 46% US cotton, 22% Brazilian, and 32% Xinjiang.

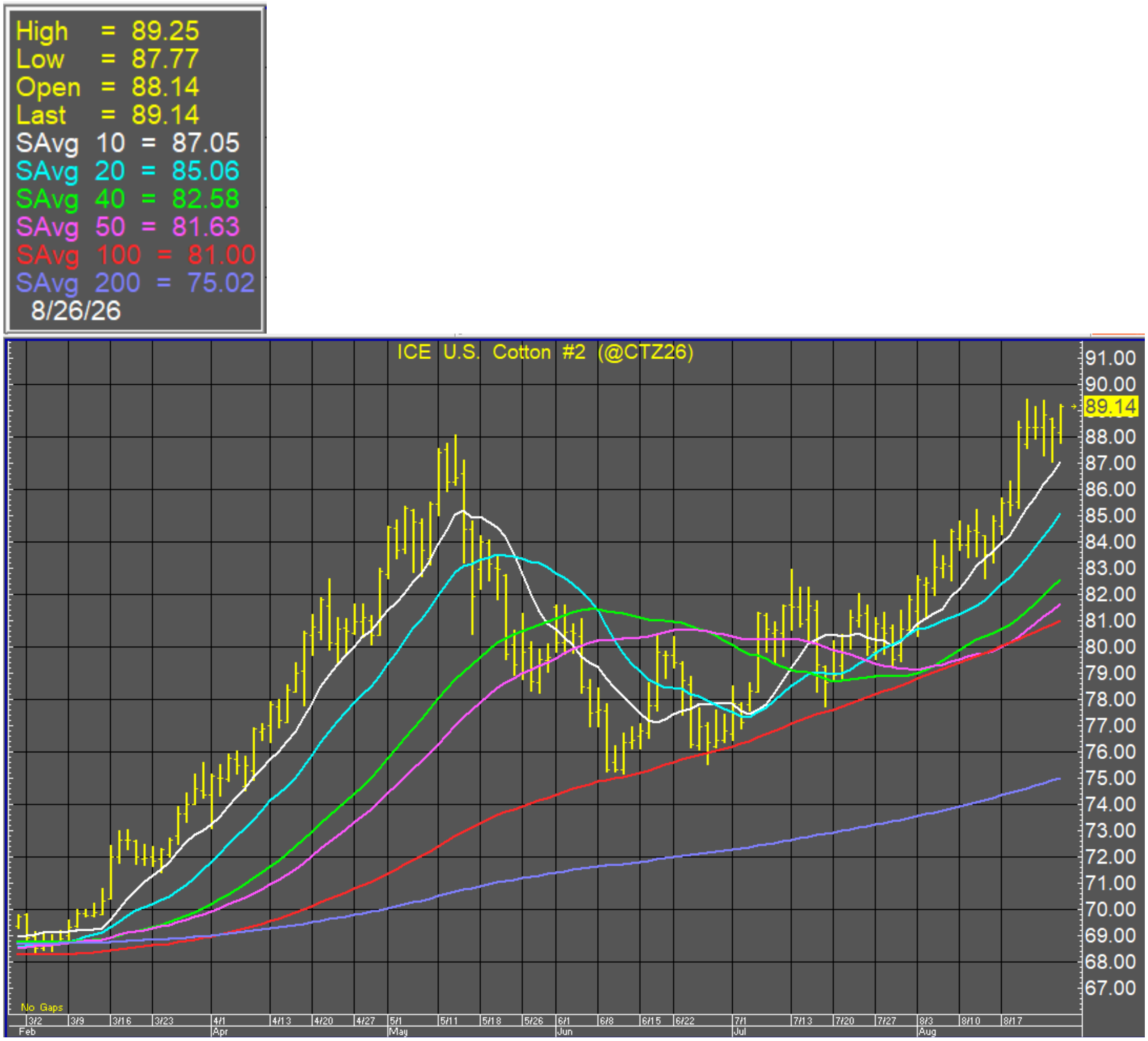
US equities were slightly lower, with all three major indexes closing in negative territory. The quiet session came after July's Personal Consumption Expenditures index showed inflation remained above the Fed's 2% inflation target. The headline PCE rate was 3.7% versus a year ago and core PCE was

3.3%. The numbers did little to settle the debate over whether the Fed will hold rates steady or raise them again in September.

Crude oil closed at $82.23, down 13 cents, its third consecutive lower close for a three-session $4.83 drop. Iran and Oman are still working on an agreement for a temporary shipping corridor through the Strait of Hormuz. The US-Iran war has now reached the six-month mark, and there is still no clear end in sight.

DAILY CLOSES	8/25/2026	8/26/2026	Net Change	% Change
SOYBEANS NOV-26	1237.75	1266.00	28.25	2.3%
CORN DEC-26	523.50	536.50	13.00	2.5%
WHEAT DEC-26	703.25	748.25	45.00	6.4%
ICE COTTON DEC-26	88.34	89.14	0.80	0.9%
ZCE COTTON JAN-27	16960	16910	-50	-0.3%
DOW	53577.40	53463.88	-113.52	-0.2%
S&P	7677.28	7675.70	-1.58	0.0%
NASDAQ	26151.30	26130.20	-21.10	-0.1%
LIGHT CRUDE OCT-26	82.36	82.23	-0.13	-0.2%
ICE US DOLLAR INDEX	98.915	99.165	0.250	0.3%
GOLD DEC-26	4694.5	4653.3	-41.2	-0.9%
SILVER SEP-26	68.682	68.026	-0.656	-1.0%

DEC-26 COTTON Daily Chart plus Moving Averages 10-20-40-50-100-200-Day



Dec traded in a 148-point range, 8777 to 8925, a higher high and higher low than yesterday. Lows continued to be well supported by the 10-day moving average.

Spreads traded 11,497 times, about 57% of the volume. Dec/March traded 6,386 times between 182 and 194 points March premium and it settled at 193 points March premium. About two weeks ago, March had an intraday premium high at 205 points, and a settlement high at 194 points. Today's levels were the highest since.

March/May traded 2,038 times between 108 and 120 points May premium and it settled at 118 points May premium. May's intraday high premium was 132 points on July 24, and its settlement high was 122 points on July 27, and both levels were reached again on August 13.

Oct-26 first notice day is September 24th, four weeks from tomorrow, leaving 19 sessions until then. Oct open interest began today at 166 contracts, down 1 contract yesterday.

Dec-26 first notice day is November 23rd, leaving 61 sessions until then. Dec open interest began today at 198,614 contracts, down 1,520 contracts yesterday.

Cert stocks began today at 66,327 bales, down 2,567 bales in decerts. That brings the total decerts since June 26th to 118,707 bales. Cert stocks peaked for 2026 at 261,648 bales on June 5.

Options volume was 13,743 contracts (calls 10,636/puts 3,107). That was also similar to yesterday's volume of 13,885 contracts (calls 7,421/puts 6,464).

October options have their final trading day on Friday, September 11th, leaving 11 sessions to trade. Beginning today there were only 34 calls in-the-money, and zero puts, all unchanged.

OI as of 8/25/2026	Settlement on OCT-26	8/26/26 87.77	OCT-26 OPTIONS
STRIKE	**CALLS**	**PUTS**	**COMBINED**
60		*2*	2
65		*5*	5
68		*1*	1
69		*20*	20
70		*2*	2
73		*1*	1
74		*3*	3
76	23	*11*	34
77	2	*0*	2
78	0	*3*	3
79	0	*1*	1
80	0	*4*	4
81	1	*2*	3
84	5		5
86	3		3
Total	34	*55*	89
88	*2*		2
90	*29*		29
92	*8*		8
94	*1*		1
95	*1*		1
97	*141*		141
100	*8*		8
120	*2*		2
Total	*192*	0	192

Upcoming events:

- **Thursday – Aug 27-- USDA US Weekly Export Report (week ended 08/20) -- 8:30 am EST**
- **Thursday – Aug 27-- CFTC Cotton On-Call Report (week ended 08/21) -- 3:30 pm EST**
- **Friday – Aug 28-- CFTC Commitment of Traders Report 3:30 pm EST (week ended 08/25)**
- **MONDAY—SEP 7 – ICE CLOSED – LABOR DAY HOLIDAY**
- **FRIDAY – SEP 11 - USDA WORLD SUPPLY/DEMAND REPORT -- 12 NOON EST**

- FRIDAY – SEP 11 – OCT 26 OPTIONS -- LAST TRADING DAY/EXPIRATION
- THURSDAY – SEP 24 – OCT-26 FUTURES -- FIRST NOTICE DAY
- FRIDAY – OCT 16 – NOV 26 OPTIONS -- LAST TRADING DAY/EXPIRATION
- FRIDAY – NOV 13 – DEC 26 OPTIONS -- LAST TRADING DAY/EXPIRATION
- MONDAY – NOV 23 – DEC -26 FUTURES -- FIRST NOTICE DAY
- THURSDAY—NOV 26– ICE CLOSED – THANKSGIVING DAY HOLIDAY

ADJUSTED WORLD PRICE: 69.62
Week-to-date: 71.48

Open Interest 374,859 down 102

ICE	CONTRACT MONTH	DAILY PRICE RANGE 26-AUG-2026				SETTLE		CONTRACT	
		OPEN	HIGH	LOW	LAST	PRICE	CHANGE	HIGH	LOW
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds									
CT	26-Oct	87.22	87.91	87.11	87.91	87.77	0.69	89.04	66.27
CT	26-Dec	88.14	89.25	87.77	89.16	89.14	0.80	89.45	66.20
CT	27-Mar	90.17	91.15	89.70	91.07	91.07	0.84	91.24	68.03
CT	27-May	90.93	92.26	90.81	92.23	92.25	0.93	92.26	68.75
CT	27-Jul	90.13	91.50	90.05	91.43	91.48	0.92	91.50	69.21
CT	27-Oct	0	0	0	0	85.00	0.73	84.74	68.96
CT	27-Dec	79.85	80.48	79.85	80.37	80.45	0.38	80.50	67.71
CT	28-Mar	80.71	80.80	80.66	80.75	80.88	0.36	80.90	69.31
CT	28-May	80.53	80.88	80.52	80.87	80.80	0.25	80.88	70.47
CT	28-Jul	0	0	0	0	80.13	0.25	71.54	71.21
CT	28-Oct	0	0	0	0	79.04	-0.09		
CT	28-Dec	0	0	0	0	77.61	-1.02	77.32	70.00
CT	29-Mar	0	0	0	0	78.50	-1.23		
CT	29-May	0	0	0	0	79.25	-1.23		
CT	29-Jul	0	0	0	0	79.22	-1.23		
			New Contract High						