



# spaceCOPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 176

24<sup>th</sup> – 28<sup>th</sup> April 2006

## ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
24 <sup>th</sup> April	1068.77	1561.43	900.33	1512.67
25 <sup>th</sup> April	1092.53	1596.87	916.67	1550.33
26 <sup>th</sup> April	1091.79	1595.53	915.33	1548.00
27 <sup>th</sup> April	1080.70	1581.35	900.33	1536.33
28 <sup>th</sup> April	1086.30	1598.01	901.67	1548.67
Average	1,084.02	1,586.64	906.73	1,539.20

## Up-coming Events

- International Workshop on Chocolate Making Course, Selango, Malaysia, 22<sup>nd</sup> - 25<sup>th</sup> May 2006
- Extra-Ordinary General Assembly of the Cocoa Producers' Alliance, 9<sup>th</sup> June 2006 (After ICCO Executive Council Meeting) London, UK

## On-going Events

International Organising Committee, 15<sup>th</sup> International Cocoa Research Conference (ICRC). 24<sup>th</sup> April – 3<sup>rd</sup> May, 2006. San Jose, Costa Rica.

- To select and classify papers for the 15<sup>th</sup> ICRC
- Choose guest speakers
- Elaborate on conference program
- Visit and inspect conference facilities

### In the News:

- Offinso nurses over 500,000 cocoa, oil palm and citrus seedlings
- ADM gears up to build new US cocoa plant
- Cocoa prices expected to climb

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**International Financial Futures and Options Exchange (LIFFE)**  
**London Futures Market – Summary of Trading Activities**  
 (£ per tonne)

**Monday 24th April 2006**

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
May 2006	874	890	18	892	867	1,687
Jul 2006	869	885	17	886	864	5,883
Sep 2006	882	898	17	899	879	1,015
Dec 2006	904	918	17	919	898	1,118
Mar 2007	912	928	17	929S	910	189
May 2007	937	937	17	937S	937S	1
Jul 2007	925	943	17	946	925	154
Sep 2007		951	17			0
Dec. 2007		961	17			0
Mar-08		964	17			0
<b>Totals</b>		<b>928</b>				<b>10,047</b>

**Tuesday 25th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	888	908	18	909	888	2,593
Jul 2006	885	902	17	902	882	6,662
Sep 2006	898	914	16	915	897	1,378
Dec 2006	919	934	16	935	918	702
Mar 2007	929	943	15	944S	928	81
May 2007	936	952	15	953S	936	35
Jul 2007	945	959	16	945	945	61
Sep 2007		967	16			0
Dec. 2007	962	978	17	966S	962	100
Mar-08		981	17			0
<b>Totals</b>		<b>944</b>				<b>11,612</b>

**Wednesday 26th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	905	905	-3	908	895	944
Jul 2006	900	900	-2	904	892	3,636
Sep 2006	913	913	-1	914	904	1,263
Dec 2006	933	933	-1	933S	924	572
Mar 2007	939	942	-1	946	939	728
May 2007	946	951	-1	946	946	5
Jul 2007	957	958	-1	957S	957S	25
Sep 2007		966	-1			0
Dec. 2007	980	977	-1	980	980	38
Mar-08		980	-1			0
<b>Totals</b>		<b>943</b>				<b>7,211</b>

**Thursday 27th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	897	882	-23	900	881	1,174
<a href="#">Jul 2006</a>	897	885	-15	904	884	3,546
<a href="#">Sep 2006</a>	906	898	-15	917	898S	1,003
Dec 2006	925	918	-15	933	918	768
Mar 2007	938	927	-15	942	929	119
May 2007	941	936	-15	941	941	5
Jul 2007	951	943	-15	964	951	268
Sep 2007		951	-15			0
Dec. 2007	976	962	-15	980	976	6
Mar-08		965	-15			0
<b>Totals</b>		<b>927</b>				<b>6,889</b>

**Friday 28th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	885	887	5	893	884S	1,098
<a href="#">Jul 2006</a>	886	886	1	894	883	2,737
<a href="#">Sep 2006</a>	900	900	2	906	898	1,108
Dec 2006	922	919	1	926	917S	906
Mar 2007	933	928	1	933	926	96
May 2007	938	937	1	938S	935	28
Jul 2007	947	944	1	948	947	15
Sep 2007		952	1			0
Dec. 2007		963	1			0
Mar-08		966	1			0
<b>Totals</b>		<b>928</b>				<b>5,988</b>

**New York Board of Trade**  
**(New York Futures Market – Summary of Trading Activities)**  
(US\$ per tonne)

**Monday 24th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1444 0	1468	21	1490	1444	74
<a href="#">Jul 2006</a>	1467 1470	1488	21	1495	1467	6639
<a href="#">Sep 2006</a>	1491 1494	1509	19	1513	1491	871
<a href="#">Dec 2006</a>	1526 1527	1539	19	1541	1526	140
Mar 2007	1550 <sup>B</sup> 1555 <sup>A</sup>	1567	19	1563	1563	60
May 2007	0 0	1584	19	0	0	20
Jul 2007	0 0	1603	19	0	0	0
Sep 2007	0 0	1615	19	0	0	0
Dec. 2007	0 0	1639	19	0	0	0
Mar-08	0 0	0	0	0	0	0
<b>Totals</b>		<b>1394</b>				<b>7,804</b>

**Tuesday 25th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1450 <sup>B</sup> 1490 <sup>A</sup>	1497	29	1502	1469	47
<a href="#">Jul 2006</a>	1491 1493	1527	39	1530	1491	13614
<a href="#">Sep 2006</a>	1514 0	1546	37	1547	1512	2084
<a href="#">Dec 2006</a>	1543 1544	1577	38	1580	1543	614
<a href="#">Mar 2007</a>	1569 <sup>B</sup> 1572 <sup>A</sup>	1605	38	1577	1573	367
May 2007	1586 <sup>B</sup> 1589 <sup>A</sup>	1623	39	1596	1592	230
Jul 2007	0 0	1642	39	0	0	135
Sep 2007	0 0	1653	38	0	0	0
Dec. 2007	0 0	1677	38	0	0	0
Mar-08	0 0	0	0	0	0	0
<b>Totals</b>		<b>1435</b>				<b>17,091</b>

**Wednesday 26th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1475 <sup>B</sup> 1490 <sup>A</sup>	1507	10	1518	1490	20
<a href="#">Jul 2006</a>	1519 1524	1527	0	1533	1516	10349
<a href="#">Sep 2006</a>	1537 0	1548	2	1551	1537	2116
<a href="#">Dec 2006</a>	1567 <sup>B</sup> 1570 <sup>A</sup>	1578	1	1583	1571	299
<a href="#">Mar 2007</a>	1595 <sup>B</sup> 1600 <sup>A</sup>	1606	1	1612	1600	526
May 2007	1610 <sup>B</sup> 1620 <sup>A</sup>	1623	0	0	0	50
Jul 2007	1632 <sup>B</sup> 1640 <sup>A</sup>	1642	0	0	0	130
Sep 2007	0 0	1658	5	0	0	316
Dec. 2007	0 0	1679	2	0	0	0
Mar-08	0 0	0	0	0	0	0
<b>Totals</b>		<b>1429</b>				<b>13,806</b>

**Thursday 27th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	0 1527 <sup>A</sup>	1488	-19	1505	1482	13
<a href="#">Jul 2006</a>	1525 1527	1508	-19	1527	1502	6850

<a href="#">Sep 2006</a>	1546 0	1530	-18	1548	1525	1700
<a href="#">Dec 2006</a>	1576 <sup>B</sup> 1580 <sup>A</sup>	1560	-18	1575	1560	668
<a href="#">Mar 2007</a>	1609 0	1588	-18	1609	1602	609
May 2007	1620 <sup>B</sup> 1630 <sup>A</sup>	1606	-17	0	0	110
Jul 2007	0 1644 <sup>A</sup>	1624	-18	0	0	464
Sep 2007	0 0	1639	-19	0	0	308
Dec. 2007	0 0	1661	-18	0	0	0
Mar-08	0 0	0	0	0	0	0
<b>Totals</b>		<b>1420</b>				<b>10,722</b>

**Friday 28th April 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1475 <sup>B</sup> 1515 <sup>A</sup>	1501	13	1515	1515	3
<a href="#">Jul 2006</a>	1515 1517	1521	13	1530	1514	4823
<a href="#">Sep 2006</a>	1538 1539	1542	12	1550	1536	333
<a href="#">Dec 2006</a>	1565 <sup>B</sup> 1572 <sup>A</sup>	1573	13	1577	1575	82
<a href="#">Mar 2007</a>	1595 <sup>B</sup> 1598 <sup>A</sup>	1602	14	1606	1597	121
May 2007	1610 <sup>B</sup> 1616 <sup>A</sup>	1620	14	1622	1622	18
Jul 2007	0 0	1636	12	0	0	192
Sep 2007	0 0	1652	13	0	0	187
Dec. 2007	0 0	1674	13	0	0	0
Mar-08	0 0	0	0	0	0	0
<b>Totals</b>		<b>1432</b>				<b>5,759</b>

**Spot Prices (US \$ per tonne)**

	24 <sup>th</sup> April	25 <sup>th</sup> April	26 <sup>th</sup> April	27 <sup>th</sup> April	28 <sup>th</sup> April
Main Crop Ghana, Grade 1	1865	1904	1904	1885	1898
Main Crop Ivory Coast, Grade 1	1761	1800	1800	1781	1794
Main Crop Nigerian, 1	1741	1780	1780	1761	1774
Superior Arriba	1693	1732	1732	1713	1726
Sanchez f.a.q.	1695	1734	1734	1715	1728
Malaysian 110	1481	1520	1520	1501	1514
Sulawesi f.a.q.	1521	1560	1560	1541	1554
Ecuador Cocoa Liquor	2351	2413	2413	2383	2403
Pure Prime Press African Type Cocoa Butter	4071	4179	4179	4127	4162
10/12% Natural Cocoa Press Cake	645	662	662	653	659

Source: Cocoa Merchants' Association

# News

## **Offinso nurses over 500,000 cocoa, oil palm and citrus seedlings**

April 26, 2006,

By Andnetwork.com

The Offinso District Assembly has embarked on a project under which over 500,000 cocoa, oil palm and citrus seedlings have been nursed for distribution to interested farmers to help rehabilitate their farms. The project is under the initiative of Mr Collins Augustine Ntim, the District Chief Executive, Dr Kofi Konadu Apraku, Minister of Regional Integration and NEPAD and Member of Parliament (MP) for Offinso North and Mr Kwabena Sarfo, MP for Offinso South. Mr Ntim, who disclosed this at the launch of the project at Offinso at the weekend, said the project is aimed at reducing poverty, youth unemployment and improve income of farmers.

The project estimated at the cost of 350 million cedis also envisages the establishment of an oil palm processing mills to be known as Offinso Oil Mills to provide ready market for farmers and also serve as employment opportunities to the teeming youth in the area. Mr Ntim said under the project over 3,000 youth in the area were supposed to be employed to cater for the various processes such as cutting of polythene bags into required sizes, filling the bags with sand and watering of the seedlings.

The DCE said that plans were far advanced to employ additional 340 young men and women to be trained as agricultural extension agents to help give technical advice to farmers to improve productivity. He also said beneficiary farmers would start payment for the seedlings after a period of five years, when they have started harvesting. Mr Ntim noted that some of the challenges confronting the project included the delay in the release of poverty alleviation segment of the common fund, which was the main source of funding for the project, as well as the difficulty in getting the required number of hi-tech oil palm nuts and citrus seeds. He appealed to farmers in the district to take advantage of the opportunity of the project and rehabilitate their farms to help improve their incomes. Source: Ghana Web

## **ADM gears up to build new US cocoa plant**

By staff reporter

4/24/2006 - Agribusiness giant Archer Daniels Midland (ADM) is to build a new US cocoa processing facility in a move designed to meet growing demand for its cocoa ingredients. The company last week said it expects the new facility, in Hazelton, Pennsylvania, to be operational by mid-2007. Pending final permitting approvals, construction of the new plant is set to begin this fall, said the company.

ADM, which is one of the world's largest processors of cocoa, said it is confident its new facility will strengthen its position in the global cocoa market. The company, which was unavailable for comment, already has cocoa processing plants in North and South America, Europe, Asia and Africa. It had previously announced plans to build a new cocoa processing facility located in the mid-Atlantic region of the United States. The Decatur-based company is also one of the world's largest processors of soybeans, corn and wheat, as well as a leader in the production of soybean oil and meal, ethanol, corn sweeteners and flour. The company, which owns over 250 processing plants, last year reported net sales of \$35.9 billion.

Sales for the company's second quarter this financial year, ending 31 December 2005, were \$9.3 billion, an increase of three per cent compared to the same period in 2004. Second quarter operating profit increased to \$524 million (€435m), a rise of eight per cent. Management said the results from the quarter reflected the company's strategic use of its worldwide network to expand its food and industrial markets. The company's third quarter results are due to be released on May 2.

## **Cocoa prices expected to climb**

By Peter Stiff

11/29/2005 - Cocoa prices will continue to climb next year as a steady growth in consumer demand is met with somewhat erratic production levels. As it has been for the past few years, the political situation in the Ivory Coast is thought to be the main concern of the industry, whilst issues involving Asia and organic cocoa are not expected to make a significant impact. onfectioneryNews.com spoke to soft commodity expert Judy Ganes of J.Ganes Consulting and Laurent Pipitone head of statistics at the International Cocoa Organisation (ICCO).

The market's reliance on cocoa from Africa is no secret, nor are the producer countries' internal problems that threaten supply. "Cocoa price could well hinge on the political situation in the Ivory Coast, for the past three years shipments have been threatened, yet been ok - any problem could potentially impact on prices," said Ganes.

Ganes also commented on the problems caused by farmers receiving low prices for their crop "producers aren't re-investing and input costs are increasing, which isn't conducive to increasing production." This is a view shared by Pipitone at the ICCO who revealed there was a small deficit for the last cocoa year, ending in September, caused by higher consumption than production.

Many confectioners may be concerned with the growth in the Asian chocolate market and the impact this could have on cocoa prices. However, despite the pressures placed on the 70 per cent of the world's cocoa grown in Africa, the 15 per cent contributed by Asia is enough to meet the local demand. Pipitone said, "Although we expect consumption to grow in Asia it will be slow and local production is increasing."

It's important to note that Asian consumption is starting from a very small base, for instance consumption in Japan is 1.2 kilograms per head, far behind Germany's 3.5 kilograms. With Indonesia now the world's third biggest producer of the commodity and Malaysian production on the rise, cocoa interests in the east may be noteworthy but won't impact on price for some time. Another area where impressive figures relating to rising demand should be put into context is organic chocolate. Despite organic cocoa bean production making up less than one per cent of total cocoa production, the niche trend is one of the key growth areas in the chocolate industry.

"There is growth, but it is coming from a small base. Percentage increases may sound huge but in reality still form a small segment of the market," said Ganes. "There should be no problems with organic production, it's costly and takes three years to cultivate, but should be seen as an investment by growers," said Pipitone. Currently the biggest producer of organic cocoa beans is the Dominican Republic and to make sure prices are kept stable in the future more confectioners and producers must expand their organic programs.

With overall cocoa consumption set to increase through the new cocoa year a more responsible attitude towards sustainable production should be established in order to maintain a stable price.



## Tit Bits

(Source: *Business Recorder* – [www.brecorder.com](http://www.brecorder.com))

### **Sunshine, showers boost Ivory Coast COCOA crop**

ABIDJAN (April 25, 2006): Sunshine and showers in Ivory Coast are helping COCOA pods in the main growing regions gain weight, boding well for the mid crop in the world's top grower, farmers said on Monday.

### **Ghana's COCOA mid-crop picks up**

ACCRA (April 25, 2006): Ghana's mid-crop COCOA volumes are picking up, particularly in the western part of the country, helped by favourable weather, buyers in the world's second biggest grower said on Monday.

### **Ivorian COCOA arrivals seen higher**

ABIDJAN (April 25, 2006): COCOA arrivals at ports in Ivory Coast reached around 969,000 tonnes between October 1 and April 23, exporters contacted by Reuters estimated on Monday.

### **US MIDDAY: COCOA extends gains**

NEW YORK (April 26, 2006): Benchmark COCOA futures settled at a 20-day peak Tuesday, extending this week's gains on active speculative short-covering sparked by positive signals on the price charts and dollar weakness, traders said.

### **Ivorian COCOA farmers occupy state offices in protest**

ABIDJAN (April 26, 2006): Members of an Ivory Coast COCOA farmers' union on Tuesday occupied the building housing the state regulator's offices to protest against delays in promised payments for co-operatives and plantation maintenance.

### **New York COCOA futures scale two-week peak**

NEW YORK (April 26, 2006): COCOA futures prices finished at their loftiest levels in more than two weeks on Monday, boosted by speculators buying back short positions amid bullish signals on the price charts, market sources said.

### **US MIDDAY: cocoa steadies**

NEW YORK (April 27, 2006): US cocoa futures prices finished flat to positive Wednesday, though producer and trade selling capped a new 3-week peak hit earlier in the session, traders said.

### **Ivory Coast's cocoa quality has slipped: minister**

ABIDJAN (April 27, 2006): The quality of cocoa produced in Ivory Coast, the world's top grower, has slipped since the sector was liberalised and needs to be improved over the next few years, the country's agriculture minister said on Wednesday.

### **New York cocoa futures extend gains**

NEW YORK (April 27, 2006): Benchmark cocoa futures settled at a 20-day peak on Tuesday, extending this week's gains on active speculative short-covering sparked by positive signals on the price charts and dollar weakness, traders said.

### **US MIDDAY: cocoa dips**

NEW YORK (April 28, 2006): US cocoa futures wilted just over 1 percent Thursday as flagging bean values in London prompted speculators to bank profits from this week's three-week peak in the July contract, traders said.

### **New York cocoa settles steady**

NEW YORK (April 28, 2006): The US cocoa futures prices finished flat to positive on Wednesday, though producer and trade selling capped a new 3-week peak hit earlier in the session, traders said.

### **US MIDDAY: cocoa rebounds**

NEW YORK (April 29, 2006): US cocoa futures rose Friday as a weaker dollar helped the market recover part of the previous day's losses amid lethargic trade.

**Indonesia's 2006 cocoa bean output likely to fall**

SURABAYA (April 29, 2006): Indonesian cocoa bean production is likely to fall in 2006 because trees are ageing and are not being replaced, a senior government official said on Friday.

**New York cocoa dips on profit-taking**

NEW YORK (April 29, 2006): US cocoa futures wilted just over 1 percent on Thursday as flagging bean values in London prompted speculators to bank profits from this week's three-week peak in the July contract, traders said.

**Ivorian cocoa arrivals fall**

ABIDJAN (April 29, 2006): cocoa arrivals at ports in Ivory Coast reached 969,757 tonnes by April 23 as the flow of beans from the April-September mid crop began to pick up, according to an estimate by major exporters on Friday.