



# COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 188

17<sup>th</sup> – 21<sup>st</sup> July 2006

## ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
17 <sup>th</sup> July	1111.56	1631.00	914.67	1589.67
18 <sup>th</sup> July	1069.90	1571.07	878.67	1530.00
19 <sup>th</sup> July	1079.60	1582.59	880.67	1540.00
20 <sup>th</sup> July	1081.70	1594.70	884.33	1547.33
21 <sup>st</sup> July	1071.61	1584.01	875.33	1535.00
Average	1,082.87	1,592.67	886.73	1,548.40

## Up-coming Events

- 69<sup>th</sup> General Assembly and Council of Ministers Meeting, 28<sup>th</sup> August – 2<sup>nd</sup> September 2006, Abidjan, Cote d'Ivoire.
- 15<sup>th</sup> International Cocoa Research Conference, 9<sup>th</sup> – 14<sup>th</sup> October 2006, San José, Costa Rica

### In the News:

- Asian cocoa assn. pledge to help fledging Vietnam industry
- New Gm Development: Meltless Chocolate?
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- Cocoa marketing company tackles purple bean problem
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**International Financial Futures and Options Exchange (LIFFE)  
London Futures Market – Summary of Trading Activities  
(£ per tonne)**

**Monday 17th July 2006**

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Sep 2006	1002	907	-94	1015	904	15,634
Dec 2006	1000	912	-90	1013S	909	5,168
Mar 2007	1008	925	-87	1023	923	3,639
May 2007	1025	935	-85	1030	935	636
Jul 2007	1018	945	-85	1018	943S	58
Sep 2007	1025	955	-85	1025	953S	47
Dec. 2007	1048	966	-84	1048S	966	23
Mar-08	1043	973	-85	1043	971S	81
May-08		983	-85			0
Jul-08		979				0
<b>Totals</b>		<b>948</b>				<b>25,286</b>

**Tuesday 18th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	897	864	-43	901	861	17,047
Dec 2006	904	879	-33	906S	873	7,631
Mar 2007	923	893	-32	923	889	5,701
May 2007	938	904	-31	938	903	1,433
Jul 2007	938	913	-32	938S	912	433
Sep 2007	946	922	-33	946S	919S	919
Dec. 2007	946	936	-30	946S	933S	173
Mar-08	942	943	-30	953S	941	1,231
May-08		952	-31			0
Jul-08		948	-31			0
<b>Totals</b>		<b>915</b>				<b>34,568</b>

**Wednesday 19th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	866	868	4	892	861	8,794
Dec 2006	882	880	1	903	878	6,453
Mar 2007	895	894	1	915	891	1,500
May 2007	925	905	1	925	905	184
Jul 2007	912	914	1	916S	912	5
Sep 2007	920	923	1	923S	920S	4
Dec. 2007	950	937	1	950	950	5
Mar-08	942	945	2	942S	942S	150
May-08		953	1			0
Jul-08		949	1			0
<b>Totals</b>		<b>917</b>				<b>17,095</b>

**Thursday 20th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
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Sep 2006	866	874	6	877	866	6,876
Dec 2006	881	882	2	884	875	5,841
Mar 2007	895	897	3	899S	891	1,125
May 2007	906	908	3	910	904	107
Jul 2007	914	917	3	918	912	101
Sep 2007	921	926	3	921	921	2
Dec. 2007	934	938	1	934	934	2
Mar-08	950	948	3	950S	948S	60
May-08	951	954	1	951	951	10
Jul-08		950	1			0
<b>Totals</b>		<b>919</b>				<b>14,124</b>

**Friday 21st July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	878	862	-12	878	858	5,188
Dec 2006	884	874	-8	884	870	3,854
Mar 2007	897	890	-7	898S	888	1,579
May 2007	905	900	-8	905	898	313
Jul 2007	912	909	-8	912	908	81
Sep 2007	917	918	-8	917S	917S	1
Dec. 2007		931	-7			0
Mar-08	944	941	-7	944	944	10
May-08		947	-7			0
Jul-08		953	3			0
<b>Totals</b>		<b>913</b>				<b>11,026</b>

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

**Monday 17th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	1685 1690	1558	-160	1690	1556	24622
Dec 2006	1720 0	1592	-157	1722	1590	6808
Mar 2007	1750 <sup>B</sup> 1752 <sup>A</sup>	1622	-157	1747	1617	1348
May 2007	1768 <sup>B</sup> 1773 <sup>A</sup>	1642	-158	1750	1688	184
Jul 2007	1788 <sup>B</sup> 1794 <sup>A</sup>	1663	-158	0	0	0
Sep 2007	0 0	1682	-158	1720	1720	2
Dec 2007	0 0	1704	-158	0	0	0
Mar 2008	0 0	1729	-158	1803	1803	5
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1466</b>				<b>32,969</b>

**Tuesday 18th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	1494 1501	1497	-61	1515	1492	21865
Dec 2006	1540 1544	1534	-58	1551	1530	8865
Mar 2007	1571 1580	1563	-59	1580	1559	893
May 2007	1600 1605	1585	-57	1605	1585	723
Jul 2007	1624 0	1606	-57	1624	1620	2
Sep 2007	1637 <sup>B</sup> 1648 <sup>A</sup>	1625	-57	0	0	0
Dec 2007	0 0	1648	-56	1663	1655	668
Mar 2008	0 0	1670	-59	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1414</b>				<b>33,016</b>

**Wednesday 19th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	1517 1520	1503	6	1527	1497	9875
Dec 2006	1555 1558	1539	5	1561	1533	4750
Mar 2007	1585 <sup>B</sup> 1588 <sup>A</sup>	1569	6	1589	1563	1486
May 2007	1603 <sup>B</sup> 1610 <sup>A</sup>	1590	5	1600	1587	196
Jul 2007	1623 <sup>B</sup> 1630 <sup>A</sup>	1611	5	0	0	0
Sep 2007	1643 <sup>B</sup> 1650 <sup>A</sup>	1628	3	0	0	0
Dec 2007	0 0	1652	4	0	0	0
Mar 2008	0 0	1676	6	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1419</b>				<b>16,307</b>

**Thursday 20th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2006	1510 1515	1514	11	1519	1501	5931

<a href="#">Dec 2006</a>	1550 1552	1550	11	1554	1537	1544
<a href="#">Mar 2007</a>	1580 <sup>B</sup> 1581 <sup>A</sup>	1580	11	1583	1568	306
May 2007	1596 <sup>B</sup> 1602 <sup>A</sup>	1601	11	1600	1589	154
Jul 2007	0 1623 <sup>A</sup>	1622	11	0	0	0
Sep 2007	0 0	1638	10	0	0	50
Dec 2007	0 0	1663	11	0	0	5
Mar 2008	0 0	1687	11	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1428</b>				<b>7,990</b>

**Friday 21st July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1503 1509	1502	-12	1510	1495	6257
Sep 2006	1545 1547	1539	-11	1547	1532	1778
Dec 2006	1578 0	1570	-10	1578	1564	731
<a href="#">Mar 2007</a>	1595 0	1590	-11	1595	1595	376
<a href="#">May 2007</a>	1610 <sup>B</sup> 1625 <sup>A</sup>	1611	-11	0	0	0
Jul 2007	0 0	1630	-8	0	0	474
Sep 2007	0 0	1652	-11	0	0	0
Dec 2007	0 0	1677	-10	0	0	0
Mar 2008	0 0	0	0	0	0	0
May 2008						
<b>Totals</b>		<b>1419</b>				<b>9,616</b>

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

	17 <sup>th</sup> July	18 <sup>th</sup> July	19 <sup>th</sup> July	20 <sup>th</sup> July	21 <sup>st</sup> July
Main Crop Ghana, Grade 1	1915	1855	1861	1899	1860
Main Crop Ivory Coast, Grade 1	1814	1754	1760	1798	1759
Main Crop Nigerian, 1	1797	1737	1743	1781	1742
Superior Arriba	1827	1767	1773	1811	1772
Sanchez f.a.q.	1774	1714	1720	1758	1719
Malaysian 110	1570	1510	1516	1554	1515
Sulawesi f.a.q.	1580	1520	1526	1564	1525
Ecuador Cocoa Liquor	2533	2435	2445	2507	2443
Pure Prime Press African Type Cocoa Butter	4090	3932	3948	4048	3945
10/12% Natural Cocoa Press Cake	758	729	731	750	731

Source: Cocoa Merchants' Association

# News

## **Asian cocoa assn. pledge to help fledging Vietnam industry**

Wednesday, July 19, 2006

VNA, Dow Jones

A leader of the Asian cocoa association has confirmed support for Vietnam's cocoa industry as the country plans to expand its crop, hoping to become a net exporter of cocoa products by 2010. The President of the Cocoa Association of Asia (CAA), Yeong Chye, assured Vietnam of assistance from its 19 member companies in cocoa growing and processing at a conference Tuesday in Ho Chi Minh City. Vietnam wanted to expand its cocoa crop to 20,000 hectares by 2010 from 8,100 hectares, Vice President of the Vietnam Cocoa Steering Board Nguyen Van Hoa said.

The national areas under the crop were expected to expand further to between 80,000 and 100,000 hectares by 2020. The Central Highlands, southern central coasts, southeastern region and the Mekong Delta were ideally suited to grow the crop, he said. The Ministry of Agriculture and Rural Development has selected eight good strains of cocoa for production and released standards for Vietnam cocoa beans.

A Dow Jones report in March quoted a Vietnamese government official as saying that the expansion of the cocoa crop in Vietnam was mostly financed by foreign investors, which had the seeds, cultivating techniques and access to markets. Cargill from the US, ED&F Man Group and Amajaro Co. from the UK, and Olam Group International from Singapore had all set up local firms to work with Vietnamese farmers in boosting cocoa plantations, he said. "Our local authorities will support foreign firms to raise cocoa production in the future, aiming to reach a target of as much as 15,000-16,000 metric tons of dried cocoa beans by 2010," Duc said.

Official import figures of cocoa products were not immediately available. Private traders said Vietnam imported about 5,000 tons last year, up 20 percent. According to the report, West Africa supplies about 60 percent of the world's cocoa products, South America supplies 13 percent and South East Asia 17 percent. But increasing instability in West Africa is forcing investors to look for more cocoa supply from other regions, including Vietnam.

## **NEW GM DEVELOPMENT: MELTLESS CHOCOLATE?**

Wednesday, July 19, 2006

FreeMarketNews.com

Genetic engineering just doesn't know when to say when. That's the contention of Whitley Strieber at his Unknown Country website at least, as he notes the latest target for genetic modification: chocolate! He cites a story in Live Science that details a research program in Nigeria, intended to produce a form of chocolate that could withstand even this week's America-wide heatwaves. Normally, the sweet confection melts at between 77 and 91° F, but the Cocoa Research Institute of Nigeria is now mixing cornstarch with cocoa, producing a heat-resistant chocolate that they claim still tastes good, but doesn't start melting until it reaches 122.

The story speculates on whether or not Westerners will accept the grainier texture of the new concoction, or whether it can break through into the Valentine's Day market. Either version, it notes, still contains flavanols that help the heart, and raises serotonin levels (which makes the heart happy in other ways). - ST

Staff Reports - Free-Market News Network

## **Ghana uses cartoons to help sustain cocoa quality**

Thu Jul 20, 2006

By Orla Ryan

KOFORIDUA, Ghana (Reuters) - A cartoon news sheet in Ghana aims to help cocoa farmers enhance quality and output in the world's No. 2 producer -- even if they cannot read. From this week, licensed cocoa buyers will distribute 70,000 copies of the free twice-yearly publication, the Ghana Cocoa Farmers Newspaper, industry officials said on Wednesday at a launch in Koforidua, north of the capital Accra.

The first edition uses cartoons and simple language to provide advice on planting cocoa, proper fermentation methods and disease prevention. "To sustain our industry, it is important we try to develop and transfer technologies to farmers," said Isaac Osei, chief executive of the industry regulator Cocobod, which is funding the publication along with state research body CRIG, chocolate giant Cadbury Schweppes and local cocoa buyers.

"If you cannot read, you can understand the format. Your kids, who have been educated through cocoa money, can read it and explain it to you," Osei said. About 800,000 families depend on cocoa in the West African country, which produces some of the world's highest quality cocoa.

Neighbouring Ivory Coast, the world's top cocoa grower, launched a film earlier this year which aimed to teach farmers the dos and don'ts of cocoa farming through a series of comical sketches. In Ghana, the role of specialised cocoa trainers who previously worked through the Cocobod has declined over the past 10 years as training has been centralised under the agriculture ministry, meaning some farmers have been left out, officials said. But Cocobod and CRIG hope the new publication will be a good way of educating large numbers of farmers. "The newspaper is the first of its kind in the cocoa world. We want our main clients, the farmers, to use technology to sustain high productivity in the cocoa industry," said Yaw Adu-Ampomah, acting head of the CRIG research body.

Ghanaian government and industry sources hope that the promotion of proper agronomic practices, the use of fertiliser and the control of pests and diseases could help boost farmers' yields, currently about 250 kg per hectare. In recent years, Ghana has seen cocoa output rise to record levels, jumping from 340,000 tonnes in 2001/02 to a record high 736,000 tonnes in 2003/04, a rise attributed to Cocobod's efforts to combat pests and disease. Ghana is expected to produce about 700,000 tonnes of cocoa in the 2005/06 season, according to a cocoa expert working in the finance ministry.

### **Cocoa marketing company tackles purple bean problem**

Thursday, July 20, 2006

Sebastian R. Freiku, Bunso, E/R :

OGYAMPA MARKETING Company limited, a licensed cocoa buying company, has taken steps to ensure the purchase of quality cocoa during this year's season. The company has organized a three-day workshop to orient purchasing clerks, marketing officers and district managers about the need to be meticulous during purchases to avoid as much losses as possible.

Addressing the participants drawn from across the country, Mr. David Siale, Managing Director of the company, noted that the cocoa sector was vital to the economy. He urged the purchasing clerks to contribute their quota to supplement efforts by the government to revamp the cocoa industry by ensuring that quality cocoa is purchased. According to him most licensed buying companies made losses since purple beans produced by the farmers over the years were rejected by the International trading markets.

Mr. Siale said the workshop was the company's contribution at tackling the purple bean problem, which he noted is one of the bottlenecks militating against the growth of the cocoa industry. According to him, the problem had cost the government huge losses over the years, and appealed to the staff to ensure that losses are reduced to the minimum this season. About 190 participants who attended the workshop held at the Cocoa College at Bunso in the Eastern region, were taken through purchasing, preparing of various account books, reconciliation, basic stock keeping and quality control. They were also taught to identify "not thoroughly dried" beans (NTD) and well-dried ones to make the difference.

Mr. Paul Takyi Abeam, a Koforidua-based accountant of the Cocoa Marketing Board, and Mr. Duncan Amoah of the Quality Control Division of COCOBOD took the participants through the three-day workshop, while Nana Owusu Mensah, Operations Manager of the company, coordinated the programme. The company has organized a three-day workshop to orient purchasing clerks, marketing officers and district managers about the need to be meticulous during purchases to avoid as much losses as possible.

### **Nigeria: President Obasanjo Challenges Cocoa Alliance**

Nigeria First (Abuja)

July 21, 2006

Abuja

President Olusegun Obasanjo has challenged the Cocoa Producers' Alliance to initiate and lead advocacy for the consumption of cocoa in member countries and the international community. The President was speaking to Mr Dosso Moussa, Cote d'Ivoire Minister of Commerce and current chairman of the Council of Ministers of the Alliance, who led a delegation of the Alliance at the State House, Abuja on July 20. "You must explore additional markets for cocoa, apart from raising awareness about consumption of cocoa products in the producing countries," he said.

President Obasanjo told the delegation that his Administration would continue to sensitize Nigerians on the benefits of cocoa products, and urged other producers to do likewise. He assured the Alliance that its problem of office accommodation would be solved. Earlier, Mr Dosso Moussa had told the President that Nigeria would take over the chair of the Alliance from October 2006 for one year. The Cote d'Ivoire Minister expressed his country's appreciation to President Obasanjo for his "personal involvement in the quest for peace in my country".

#### **Cocoa farms at Twifo District to be sprayed**

Twifo-Praso (C/R),

July 21, GNA

The Twifo-Hemang- lower Denkyira District office of the Ministry of Food and Agriculture has earmarked 55,000 hectares of cocoa farms in the area for spraying against the black pod and capsid. Dr Samuel Hanson, the District Director of Agriculture, told the GNA in an interview that the exercise, which forms part of the government's disease and pest control programme, is to begin on the first of next month. He said the ministry had made available 27 litres of premix fuel and 115 spraying gangs have been formed to undertake the exercise. "Due to financial constraints, the farms will be sprayed once instead of twice."

Dr Hanson said task forces were to be in charge of the inputs for the exercise to ensure that they would be used appropriately. He said last year, 85,000 hectares of cocoa farms were sprayed in the area during a similar exercise.



## TIT BITS

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

### **New York cocoa at three-week low**

NEW YORK (July 19, 2006): US cocoa futures fell 9 percent on Monday, identical to the dive in London, as players reversed speculative buying which propelled the market to 16-month highs a few weeks back. The New York Board of Trade's benchmark cocoa contract for September closed down \$160 at \$1,558 per tonne, having dealt from \$1,690 to a near three-week low of \$1,556.

### **Ivory Coast cocoa prices mixed**

ABIDJAN (July 19, 2006): Farmgate prices in Ivory Coast's cocoa growing regions were mixed from July 10 to 16, Coffee and cocoa Bourse (BCC) data showed on Tuesday, with variable demand for beans and poor quality in places.

### **New York cocoa extends losses**

NEW YORK (July 20, 2006): US cocoa futures settled sharply lower on Tuesday, losing 13 percent in two days, as funds continued to liquidate their huge long position following the market's spike to 16-month highs last week, sources said.

### **Brazil cocoa arrivals fall**

SAO PAULO (July 20, 2006): Brazilian 2006/07 (May/April) cocoa arrivals from Bahia and other states totalled 1.05 million 60-kg bags by July 16, down 18 percent from 1.29 million bags a year ago, the Bahia Commercial Association said on Wednesday.

### **Ghana uses cartoons to help sustain cocoa quality**

KOFORIDUA (July 21, 2006): A cartoon news sheet in Ghana aims to help cocoa farmers enhance quality and output in the world's No 2 producer - even if they cannot read. From this week, licensed cocoa buyers will distribute 70,000 copies of the free twice-yearly publication, the Ghana cocoa Farmers Newspaper, industry officials said on Wednesday at a launch in Koforidua, north of the capital Accra.

### **Cocoa futures up in New York**

NEW YORK (July 21, 2006): US cocoa futures ended with modest gains on Wednesday, keeping to a quiet trading range, as the market digested the nearly 13 percent sell-off seen at the beginning of the week, sources said.

**REGISTRATION FORM**

**15<sup>TH</sup> INTERNATIONAL COCOA RESEARCH CONFERENCE  
9<sup>TH</sup> – 14<sup>TH</sup> OCTOBER 2006  
SAN JOSÈ, COSTA RICA**

**Organised by the Cocoa Producers' Alliance**

Please duly fill and send by fax or email to:

**The Secretary General**

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**The Chairman**

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- I wish to participate at the conference
- Bank Draft or cheque (No. \_\_\_\_\_) made payable to Cocoa Producers' Alliance for the amount of USD \_\_\_\_\_ is enclosed.
- Payment will be made at registration desk.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The Registration Fee does not include a copy of the Conference Proceedings, and is payable at the Conference venue as follows:

Participants who are nationals of Member Countries of the Alliance.....	US\$250.00
Participants from Non-Member Countries.....	US\$350.00

This fee covers the cost of lunch over the 5 days of Conference period.

A late fee of additional US\$50.00 will be charged after the deadline for registration.

Institutions are urgently requested to send their list of participants to COPAL ([15icrc@copal-cpa.org](mailto:15icrc@copal-cpa.org)) and CATIE ([ICRC@catie.ac.cr](mailto:ICRC@catie.ac.cr)).

All interested participants are advised to register **on or before 1<sup>st</sup> September, 2003** to facilitate the smooth organization of the conference.

