



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 248

10th – 14th September 2007

Cocoa Producers' Alliance

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York Futures (US\$/tonne)
10-Sep	1241.57	1915.18	976.33	1861
11-Sep	1240.77	1916.04	973	1866.33
12-Sep	1221.27	1888.29	963.67	1828.33
13-Sep	1218.85	1882.45	957.33	1833.67
14-Sep	1232.61	1901.77	978.67	1849.33
Average	1,231.01	1,900.75	969.80	1,847.73

Up-coming Events

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PROMOTION OF THE CONSUMPTION OF COCOA AND COCOA PRODUCTS BY COPAL DURING THE AFRICAN CUP OF NATIONS 2008 (page 226)

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Do you health a favour,
Drink Cocoa Everyday

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

Monday 10-Sep 2007

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
7-Sep-07	947	942	-6	955	942	10,239
7-Dec-07	960	967	4	977	955	5,263
8-Mar-08	968	976	5	985S	965	929
8-May-08	980	986	5	992	980S	70
8-Jul-08	990	996	5	1005S	987S	272
8-Sep-08	1000	1006	4	1010	1000	7,821
8-Dec-08	1027	1015	4	1027	1014	124
9-Mar-09		1024	4			0
9-May-09		1034	4			0
9-Jul-09		1044	4			0
Totals		999				24718

Tuesday 11-Sep 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	942	932	-10	950	930	4,168
7-Dec-07	967	961	-6	972	957	3,512
8-Mar-08	972	974	-2	983	969	1,900
8-May-08	982	984	-2	987	980	455
8-Jul-08	996	994	-2	998	989S	1,003
8-Sep-08	1004	1005	-1	1005	1002S	41
8-Dec-08	1010	1014	-1	1010	1010	5
9-Mar-09		1022	-2			0
9-May-09		1030	-4			0
9-Jul-09		1042	-2			0
Totals		991				11,084

Wednesday 12-Sep 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	930	915	-17	930	901	3,789
7-Dec-07	962	950	-11	962	935	8,752
8-Mar-08	974	965	-9	974	951	3,070
8-May-08	981	976	-8	981	963S	688
8-Jul-08	985	986	-8	986S	974	288
8-Sep-08	1002	997	-8	1002	984	110
8-Dec-08	1005	1007	-7	1005	1005	10
9-Mar-09	1015	1015	-7	1015S	1015S	1
9-May-09		1023	-7			0
9-Jul-09		1031	-11			0
Totals		987				16,708

Thursday 13-Sep 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	909	907	-8	918	907	5,028
7-Dec-07	947	943	-7	951	936	5,977
8-Mar-08	960	959	-6	967	953	1,432
8-May-08	970	970	-6	977	966	378
8-Jul-08	981	980	-6	982	975	152
8-Sep-08	990	991	-6	992	990	70
8-Dec-08	1002	1000	-7	1002	1002	94
9-Mar-09	1009	1009	-6	1009S	1009S	1
9-May-09		1016	-7			0
9-Jul-09		1024	-7			0
Totals		980				13,132

Friday 14-Sep 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Dec-07	945	967	24	935		4,934
8-Mar-08	958	980	21	953		1,901
8-May-08	966	989	19	965		447
8-Jul-08	982	999	19	975		166
8-Sep-08	989	1010	19	989		608
8-Dec-08	1000	1019	19	998		15
9-Mar-09		1028	19			0
9-May-09		1035	19			0
9-Jul-09		1046	22			0
8-Sep-09		1056				0
Totals		1008				8,071

Average for the week		1065				14743
Total for the week						73,713

Spot Prices (US \$ per tonne)

	10-Sep	11-Sep	12-Sep	13-Sep	14-Sep	Average for the Week
Main Crop Ghana, Grade 1	2322	2309	2282	2271	2290	2295
Main Crop Ivory Coast, Grade 1	2202	2194	2167	2156	2175	2179
Main Crop Nigerian, 1	2174	2171	2144	2133	2152	2155
Superior Arriba	2535	2498	2471	2460	2479	2489
Sanchez f.a.q	2194	2186	2159	2148	2167	2171
Malaysian 110	1859	1851	1824	1813	1832	1836
Sulawesi f.a.q	2025	2026	1999	1988	2007	2009
Ecuador Cocoa Liquor	3389	3403	3353	3333	3368	3369
Pure Prime Press African Type Cocoa Butter	5457	5432	5353	5321	5376	5388
10/12% Natural Cocoa Press Cake	895	909	896	891	900	898

News

Health and Nutrition

Look after your heart: eat chocolate

RICHARD SADLER

Scotsman, United Kingdom - Sep 11, 2007

IT HAS already been credited with improving life expectancy and slowing down the growth of cancer. Now an expert says gourmet chocolate is better than prescription medicine when it comes to reducing the risk of strokes and heart attacks.

Professor Roger Corder, a food scientist, says eating small amounts of chocolate each day has "considerable potential to improve health and wellbeing".

Cocoa flavonoids in quality dark chocolate have a range of beneficial effects on the blood and circulation system, and Prof Corder said the best products to buy were those with at least 70 per cent cocoa, as they were the most likely to have high levels of flavonoids.

His research has confirmed that these improve the elasticity of blood cells, so reducing the risk of high blood pressure, blood clots, strokes and heart disease.

But watch what chocolate you eat. "Milk chocolate, chocolate-covered sweets and the popular chocolates you buy in boxes are a waste of space," Prof Corder, a pharmacologist at London University, said. "They're just sugar, fat and nothing much else, apart from a bit of flavouring. "People who are used to sugary, fatty chocolates should remember it takes two or three weeks to educate the taste buds to higher-quality chocolate - once you do that, if you go back to your old sugary chocolate, it's horribly sweet and tasteless."

He told the British Association for the Advancement of Science's annual conference in York yesterday: "We have to be careful that the whole food industry doesn't jump on the bandwagon without ensuring they have a product that can be independently proven to benefit health. "The problem at the moment is that, during the manufacturing process, 70 to 90 per cent of the flavonoid constituents are destroyed. Flavonoids levels can also vary depending where the cocoa beans come from, so the food industry needs to bring in a quality-control mechanism to accurately measure flavonoid levels and we need a clear labelling system."

Prof Corder explained how his research showed the role played by flavonoids. "We have found cocoa flavonoids make protective changes to the blood vessels by making them more elastic," he said. "They also suppress the mechanisms which normally lead to a build-up of lesions in the blood vessels and eventually lead to angina, heart attacks and strokes. This is a profile of actions which you cannot find in statins or any other prescription medicine."

A study in the US found a group of Panamanian Indians, who drink several cups of cocoa a day, had a 90 per cent reduced risk of developing strokes, heart failure, cancer and diabetes.

Chocolate - the heart of darkness

Monday September 17, 2007

By Peta Mathias



Few foods inspire the passion and loyalty in people that chocolate does. Photo / Michael Bradley

Chocolate - that heart of darkness, that dangerously addictive drug, that corrupter of cocoa virgins. Few foods inspire passion and loyalty on the scale that chocolate does. Like most people, I have eaten chocolate all my life and it has always been associated with a "special treat".

We were chocolate and lolly rationed as children, our parents wanting neither high murder-house bills nor hyperglycemic werewolves instead of children. This we strangely accepted, which

created a culture for us around chocolate - sweet-toothed Dad bringing plain dark chocolate home for us on Friday nights after work, our wealthy and doting grandparents bearing expensive chocolates in boxes at Christmas time... even a Topsy was a special occasion. But it wasn't until I went to Europe that I became a genuine chocophile, seduced by blatantly pornographic displays in those precious glass-plated chocolate shops. I tasted for the first time chocolate drinks made with real chocolate and cream that you could almost stand a spoon up in. It took me a while to get used to quality chocolate with its high cocoa content and to appreciate its slight bitterness, because I had been educated to sugar-and-milk-polluted confectionery - the work of the devil.

If you have ever tasted a "grand cru" chocolate, you will know it is like tasting a grand cru wine. Good chocolate can be recognised by its uniform dark, glossy surface; silky smooth to the touch and making a clean break in your fingers. In your mouth it will break with a crisp snap. As you eat the chocolate, it will melt in your mouth and you will be aware of its silky, uncloying texture, smooth but not fatty, and its intense, deep, rich flavour with a pleasant bitterness and a lingering, fruity finish.

Chocolate contains small amounts of caffeine and theobromine, which are stimulating uppers. These also cause or increase the release of endorphins, natural opiates in the brain that reduce pain - the same chemicals that are released during exercise and create the "runner's high".

Chocolate has also been found to contain trace levels of anandamide, a substance that mildly mimics the effects of marijuana by acting on the same receptors in the brain and increasing levels of serotonin, which alleviates depression. Endorphins and serotonin are found in the presence of orgasms.

Chocolate also contains significant amounts of phenol, a chemical found in wine, which reduces the risk of heart disease by preventing plaque forming in coronary arteries. As you can see from this impressive research, you would be ruining your health and sex life by not eating chocolate.

The latest chocolate drama in New Zealand stars the forbidding of huge chocolate bars in hospital dispensing machines. There have been riots and the anaesthetists have risen up.

You know what I'm thinking and it has to do with orgasms. Who would have known?

Eating dark chocolate can prevent heart disease

Daily Mail, UK - Sep 11, 2007, By Fiona MacRae - 11th September 2007



Recent research showing that chocolate is good for our health may have triggered many a guilt-free binge. Unfortunately, it appears that an ounce a day is all we can justify on medical grounds.

After reviewing previous studies into chocolate and heart disease, one expert has calculated the optimum daily dose. Professor Roger Corder says that an ounce, or 25g - around two or three squares - is best.

The type of chocolate is also crucial as some contain more of the key ingredient, flavonoids. These compounds, which occur naturally in cocoa beans, cut the risk of dangerous blood clots and relax blood vessels, stimulating the flow of blood around the body.

Flavonoids tend to be higher in dark chocolate, as it has a higher cocoa content. But Professor Corder, of Queen Mary, University of London, says some processing techniques damage the compounds more than others. He said levels can even vary greatly between batches of the same brand, and called for manufacturers to include flavonoid content on labels. He does however, have

a few suggestions: "Lindt 85 per cent is what I have been eating. Their 75 per cent Ecuadorian chocolate is also very good."

Speaking at the British Association Festival of Science in York, the researcher said: "Chocolate should be part of a balanced diet. It can't be your fruit and vegetable component of a chips and pizza diet." Professor Corder based his findings on years of research, including studies of tribes in central America whose diet is exceptionally rich in cocoa.

Dark chocolate may also stave off age-related macular degeneration, the most common cause of blindness in the elderly, and dementia.

An ounce of dark chocolate a day may keep heart diseases at bay

Posted on Wednesday, September 12, 2007 (EST)

Chocolate has already been linked with many health benefits, and now, a food scientist has given chocoholics another reason to savor their favorite sweet by suggesting that dark chocolate prevents heart disease.

London, Sep 12 (ANI): Chocolate has already been linked with many health benefits, and now, a food scientist has given chocoholics another reason to savor their favorite sweet by suggesting that dark chocolate prevents heart disease.

But the finding doesn't call for a cocoa binge; for Professor Roger Corder says that eating 'small amounts' of chocolate each day has "considerable potential to improve health and wellbeing".

After reviewing previous studies into chocolate and heart disease, Prof Corder calculated the perfect daily dose to an ounce, or 25g - around two or three squares. He further says that the type of chocolate is also crucial as some contain more of the key ingredient, flavonoids.

Cocoa flavonoids found in quality dark chocolate have a range of beneficial effects on the blood and circulation system – they cut the risk of dangerous blood clots and relax blood vessels, stimulating the flow of blood around the body.

He said that flavonoid levels can even vary greatly between batches of the same brand, and called for manufacturers to include flavonoid content on labels. Prof Corder suggested that the best products to buy were those with at least 70 per cent cocoa, as they were the most likely to have high levels of flavonoids. He added that his research, based on studies of tribes in Central America whose diet is exceptionally rich in cocoa, has confirmed that these boost the elasticity of blood cells, and also cuts down the risk of high blood pressure, blood clots, strokes and heart disease. "Chocolate should be part of a balanced diet. It can't be your fruit and vegetable component of a chips and pizza diet. Lindt 85 per cent is what I have been eating. Their 75 per cent Ecuadorian chocolate is also very good," the Daily Mail quoted him, as stating at the British Association Festival of Science in York.

Another study in the US has found that dark chocolate may also ward off age-related macular degeneration, the most common cause of blindness in the elderly, and dementia. (ANI)

Production & Quality

Ghana cocoa crop seen up despite spreading black pod

Mon 10 Sep 2007, 14:59 GMT

By Orla Ryan

ACCRA, Sept 10 (Reuters) - Heavy rains in Ghana have spurred the spread of the fungal disease black pod, especially in western regions bordering Ivory Coast, but the world's second largest cocoa producer still expects higher output this year. A small 2006/2007 harvest finished abysmally with the mid crop, due to a lack of rain earlier this year.

Although heavy downpours in recent months have raised hopes of a strong 2007/08 main crop, due to open in early October, they also nurtured the fungal blight. "There is already damage, if there is visible damage by now, then it is bad. I am very worried. We haven't seen this much rain in September in a long time," one buyer said.

Torrential rains across West Africa have affected more than 100,000 people, according to the United Nations. The rains destroyed homes, damaged crops and polluted water sources. Unless the rain eases and the sun starts to shine, more cocoa pods will bear the tell-tale black splodges of the fungal disease, growers say. The fungus has already ruined thousands of cocoa pods in war-divided Ivory Coast, the world's no.1 cocoa grower.

Black pod is most severe in Ghana's Western Region which borders Ivory Coast, one of the country's most productive cocoa-growing areas, one buyer said. But the disease did not alter his forecast for a total 2007/08 crop of 740,000 tonnes. Others named Akaatiso and Sefwi Kaase in western Ghana as areas hit hard by the disease.

Business & Economy

Cocoa Prices Open Lower, Then Firm

Friday, September 14, 2007, by Jurgens Bauer of RJOFutures

Cocoa prices opened lower in Thursday trading (testing for support), and then firmed once outcry opened. Of course, the gap area acted as resistance and values responded by backing off and settling lower on the day. The next move now could be in either direction, and might set the tone for whatever imminent potential-even if it measures sideways.

Although holding long calls, I admittedly hedged up a little, selling both futures and strangles. I await a signal as to whether my position is valid or not, sometime in the next few days. So far this morning, the active December contract traded down to 1795 before returning above 1800 (reaching a high of 1830). Dec is currently 1822 bid, offered at 1825.

Trend: Down

Support: 1801, 1780-75

Resistance: 1842-1850, 1865, 1890-1910

Moving Averages: 9-day 1828, 18-day 1805, 40-day 1886

New York crude oil price enjoys record high of \$80.20

Daily Times, Pakistan - Sep 15, 2007

Cocoa: Cocoa prices edged up amid concerns that crop disease could hamper output in leading producer Ivory Coast. By Friday on the LIFFE, London's futures exchange, the price of cocoa for December delivery rose to 967 pounds a tonne, from 963 pounds a week earlier. On the New York Board of Trade (NYBOT), the December contract rose to \$1,840 a tonne, from \$1,835 the previous Friday. afp

DJ ICE Cocoa Review: Down On Origin Sales, Sept Expiration

Thu, Sep 13 2007, DOW JONES NEWSWIRES

U.S. December cocoa futures fell as origin selling capped earlier spec-led gains and forced prices south of unchanged in light to moderate trade, brokers said Thursday. Price pressure was also attributed to the expiration of the September contracts in London and in New York. Most-active December cocoa on ICE Futures US fell \$11 to settle at \$1,818 a metric ton.

Cocoa futures opened slightly lower but ran into ea

Open interest at Wednesday's close fell 1,791 to total 119,611 lots. Just five positions were open in September and traders liquidated 1,611 December contracts to total 63,494 in that month. Five notices were posted against September cocoa overnight, taking the total for the delivery period to 439, ICE said.

Futures volume was estimated at 5,406 lots on ICE and 960 in the ring. In the options, 462 calls and 281 puts traded. About 400 against-actuals traded.

ICE Change Range Liffe Change Range Sep 1,857 dn 10 1,857-1,857 Sep 907 dn 8 907 - 918 Dec 1,818 dn 11 1,805-1,842 Dec 943 dn 7 936 - 951 Mar 1,834 dn 13 1,830-1,834 Mar 959 dn 6 953 - 967

*ICE settlements in dollars per metric ton with intraday range. Liffe settlements in pounds per metric ton.

DJ ICE Cocoa Review: Modest Gains On Light Industry Buying

Tue, Sep 11 2007, 17:11 GMT

DOW JONES NEWSWIRES

U.S. cocoa futures rose slightly, supported by industry buying in a lightly traded session on the sixth anniversary of the terrorist attacks on the World Trade Center, brokers said Tuesday. Most-active December cocoa on ICE Futures US gained \$4 to settle at \$1,856 a metric ton - near the \$1,859 pit-session high. Nearby September, which expires Thursday and has little open interest, lost \$40 to settle at \$1,876, as traders exited positions.

Speculators kept activity to a minimum, and most of the trading was attributed to commercials. "We've got the trade on both sides of the market with the specs mostly on the sidelines right now. We're seeing scale-down industry buying and we're seeing origin selling when it picks its head up," a floor broker said.

Attention was focused on the Sept. 11 anniversary, as the exchange halted open-outcry trading four times during the session for one-minute intervals each- two for when the planes struck the towers and two more for when each of the towers collapsed. "It's been kind of quiet with people talking about what they were doing on that day, and some people don't even come in now," the broker said.

December cocoa has gradually strengthened to nearly four-week highs since falling to \$1,768 last week. The ability of December to hold in the recent range above \$1,840 is supportive for prices and may encourage bulls to reach for higher targets, another broker said.

However, origin selling will likely cap the market just below \$1,900 as the harvest picks up in West Africa, brokers and analysts said.

In news, arrivals of cocoa beans to Ivory Coast ports from the farms totaled 10,500 metric tons in the week to Sept. 9, down from 12,500 tons the previous week. Cumulative arrivals from Oct. 1 to Sept. 9 reached 1.218 million tons, down from 1.363 million tons in the same period one year ago. While the harvest picks up and cocoa beans continue to come in from the farms, quality is mediocre to poor, with moldy beans a problem in some areas, traders said. The Ivory Coast cocoa harvest is coming out of a seasonal lull that began in mid-July.

U.S. cocoa bean imports fell 15% in July from one month ago, and imports were down 71% from year-ago levels, the Commerce Department reported Tuesday. Cocoa open interest Monday rose 543 to total 121,129 lots. Just 64 positions remained open in September, which expires on Thursday. Traders added 535 positions to December, however, to total 65,064 lots.

Futures volume was estimated at 4,482 in screen trading and 743 lots in the ring. In the options, 59 calls and 211 puts traded.

ICE Change Range Liffe Change Range Sep 1,876 dn 40 1,876-1,876 Sep 932 dn 10 930 - 950 Dec 1,856 up 4 1,842-1,859 Dec 961 dn 6 957 - 972 Mar 1,871 up 2 1,863-1,871 Mar 974 dn 2 969 - 983

* ICE settlements in dollars per metric ton with intraday range. Liffe settlements in pounds per metric ton.

Indonesia's Davomas sells 88 million dollars in senior notes

JAKARTA, Sep. 14, 2007 (Thomson Financial delivered by Newstex) -- Indonesia's largest producer and exporter of cocoa products, PT Davomas Abadi, said Friday it has sold 88 million US dollars in senior secured notes due 2011.

It said the proceeds will be used to partly fund the purchase of machineries to produce deodorized cocoa butter and alkalized cocoa powder to boost capacity by 40,000 tons a year.

Currently, the company's annual production capacity for natural cocoa butter and powder is 141,000 tons.

The notes were issued via its wholly-owned subsidiary, Davomas International Finance Co. Ltd.

It said the notes were a reopening of its 11 percent guaranteed senior secured notes worth 150 million dollars issued last year. The latest debt issue will share the same security, terms and conditions as the previous senior secured notes.

Lehman Brothers (NYSE:LEH) was the sole bookrunner for the debt issue.

TradeSignals Cocoa Futures Morning Commentary -- 2007-09-10 07:01:46

TradeSignals, Ireland - Sep 10, 2007

Cocoa:

Nearby Cocoa futures finished the previous session higher extending the prior days gains. Trend indicators are indicating a bearish market. However the overall strength of the trend, as indicated by the ADX, is weak and should be watched as a result.

TREND INDICATORS:

Simple Moving Average (10-Day): The closing price finished above this moving average. Also, the slope of the moving average is in an upward slope from the previous session indicating further strength. As a result the 10-Day simple moving average has a strong bullish bias.

Simple Moving Average (25-Day): The closing price finished above this moving average. However, despite prices trading above the moving average line, the moving average is in a downward slope from the previous session. If prices trade below the moving average then the trend will be clearly established as up. However, this strength in the price will need to be watched. As a result the 25-Day simple moving average has a weak bearish bias.

Simple Moving Average (50-Day): The closing price finished below this moving average. Also, the slope of the moving average is in a downward slope from the previous session indicating further weakness. As a result the 50-Day simple moving average has a strong bearish bias.

ADX: The Average Directional Change (ADX) indicates the strength of a markets underlying trend. A rising ADX is interpreted as building trend strength, while a falling ADX indicates weakness in the underlying trend and the potential of a market reversal. On this market, the 14-Day ADX is falling, while the long term trend, based on a 50-Day moving average, is down. However, the weak ADX indicates that the current trend is deteriorating and may possibly reverse. Look for a chopiness ahead.

MOMENTUM INDICATORS:

MACD: The MACD is in bullish territory.

RSI: The 14-Day RSI is in neutral territory. (RSI is at 47.75). This indicator issues bullish signals when the RSI line dips below the oversold zone (currently set at 20.00); a bearish signal is generated when the RSI rises into the overbought zone (currently set at 80.00). Nevertheless with the RSI at 47.75 the market is somewhat oversold. However, this by itself isn't a strong enough indication to signal a trade. Look for additional evidence of strength from this indicator before getting too bullish here.

VOLATILITY INDICATORS:

Bollinger Bands (20-Day Average +/-1 Standard Deviation): As prices are closer to the bottom band than the top band, the Bollinger Bands are indicating overbought prices. Volatility also appears to be decreasing, as evidenced by a smaller distance between the upper and lower bands over the past few sessions. Despite this overbought condition the market may become more overbought before turning lower. As a result, the market will look for additional weakening in prices before turning bearish on this indicator.

Futures Closing Bell 09/13/2007

Thursday, September 13, 2007

by [Mike Zarembski](#) of [XPRESSTRADE](#)

Cocoa futures declined for the second consecutive session, falling to one-week lows, as drier weather in the Ivory Coast should allow growers to move Cocoa beans to port this week. Origin selling was seen, especially after speculators attempted to rally the December contract, once prices moved above yesterday's close at \$1829. Lower prices in London and expiration of the September contract, were also seen as factors in today's sell-off. The International Cocoa Organization is estimating a world Cocoa surplus in the 2007-08 marketing year of 117,000 tons. Support for December Cocoa is seen at the 20-day moving average of \$1801, with resistance found at \$1872. December Cocoa closed at \$1818, down \$11.

Cameroon: Barry Callebaut Hands Back 29% Stake in SIC Cacaos

Source: FLEXNEWS

11/09/2007

11 September 2007 - Barry Callebaut has confirmed to FLEXNEWS that the firm's President Benoit Villers was in Cameroon last week to sign an agreement with the government to release a 29% stake in subsidiary company Société Industrielle Camerounaise des Cacaos SA (SIC Cacaos), which Barry Callebaut has controlled since June 2004.

Until June 2004, Barry Callebaut owned 70% of SIC Cacaos. However, due to huge financial losses recorded in the past decade by the Cameroonian company, Barry Callebaut, as a rescue measure, boosted its stake to 99%.

According to the new agreement, Barry Callebaut has now returned to the original 70:30 split, by handing back 29% of SIC Cacao to its initial partners, who are local state and private investors.

Société Industrielle Camerounaise des Cacaos SA (SIC Cacaos) is based in Douala. The company transforms cocoa beans into cocoa powder, and manufactures chocolate for Cameroon and neighbouring markets.

German Chocolate Market Is 'Saturated,' Association Head Says

By Marianne Stigset

Sept. 13 (Bloomberg) -- The chocolate market in Germany, the world's second-largest cocoa consumer, is "saturated," spurring confectioners to try to sell more goods abroad, the head of the country's industry association said. "We have to speak of a saturated market," Karsten Keunecke, managing director of the Bonn-based BDSI, said in an interview in London yesterday. Consumption "has reached a level that can hardly be increased," he said.

West Africa produces about 70 percent of the world's cocoa, and Ivory Coast accounts for about 40 percent. The U.S. was the biggest consumer in 2005-2006, followed by Germany and France, according to the London-based International Cocoa Organization.

DJ ICE Cocoa Review: Higher, But Origin Sales Thwart Rally

Mon, Sep 10 2007, 17:20 GMT

U.S. cocoa futures rose Monday, but prices closed near the middle of the day's range after origin sales capped a rally that took prices to new three-week highs in late trade, brokers said.

Most-active December cocoa rose \$16 to settle at \$1,852 a metric ton, with the contract bound by a low of \$1,831 and a pit-session high of \$1,872 a ton. "It looks like we had some origin selling that capped things off here," a floor broker said.

Bids in London sparked buying interest in New York, which activated speculative buy stops and prices rallied. The higher prices were met immediately by origin sales, however, and prices retreated just as quickly, another broker said.

U.S. dollar weakness against the British pound was cited for early strength, but that effect diminished as the greenback turned slightly firmer.

News of spreading black pod disease in Nigeria may have been supportive for the market, though it is getting tough to rally prices with the cocoa bean harvest beginning in many areas.

Cocoa output in Nigeria's Cross River state for 2007-08 is expected to fall because of a black pod disease outbreak brought on by heavy and continuous rain. Cross River, which receives heavy rainfall during the year and high humidity makes it vulnerable to the disease, is the country's largest producer in the eastern region.

Black pod is a fungal disease that could potentially destroy about 40% of Nigeria's annual output if the crops aren't sprayed with fungicides, officials with the Cocoa Research Institute of Nigeria said.

Persistent rains and a lack of sunshine are also concerns in Cameroon, preventing farmers from properly drying their cocoa beans. The beans are peaking at 16% moisture, farmers and traders told Dow Jones Newswires, up from a recommended 8%.

Cameroon has begun its main crop harvest, which normally runs from September through February-March.

Commodity funds trimmed their long exposure to ICE cocoa futures and options by just 572 contracts in the week to Sept. 4, taking their net-long position to 20,028 lots, the Commitments of Traders report showed. As a percent of open interest, funds are 15% net long, versus 15.3% last week.

No delivery notices were posted against September, leaving the total for the period at 375 notices, ICE reported.

Technically, December finds resistance at \$1,872, \$1,883, \$1,895, then at a gap from \$1,922-29. Support is uncovered at \$1,831, then at a downside gap from \$1,819-06, \$1,768 and \$1,753 a ton.

Futures volume was estimated at 6,315 on the electronic platform and 478 in the ring. In the options, 144 calls and 31 puts traded.

About 110 against-actuals traded.

ICE Change Range Liffe Change Range Sep 1,916 up 39 1,916-1,930 Sep 942 dn 6 942 - 955 Dec 1,852 up 16 1,831-1,872 Dec 967 up 4 955 - 977 Mar 1,869 up 17 1,869-1,875 Mar 976 up 5 965 - 985

* ICE settlements in dollars per metric ton with intraday range. Liffe settlements in pounds per metric ton.

Processing & Manufacturing

A food fight over chocolate's fat

It took Europe 30 years to resolve the flight of how much vegetable oil can replace cocoa butter in chocolate.

Push to use vegetable oil raising opponents' hackles

By ANDREW BRIDGE

The Associated Press

last updated: September 12, 2007 05:17:14 AM

about yogurt. People feel very protective about their chocolate," said Beth Kimmerle, author of "Chocolate: The Sweet History."

The FDA is still analyzing the petition. "Greater flexibility is one of the goals of our modernization. However, we always have to look at whether it results in a food that retains the basic nature of the food, retains the essential character of the food and is something that consumers expect. So that would be very difficult to do in a very short time," said Geraldine June, a supervisor in the regulations and review team of the agency's food labeling and standards staff.

For centuries, if not millennia, chocolate has been made from the cacao bean, with cocoa butter an essential ingredient. That ingredient is the essence of the taste, texture and "mouth feel" of chocolate, said Jay King, president of Retail Confectioners International.

Cacao is grown around the globe, within a narrow band that straddles the equator. As many as 50 million people depend upon cocoa for their livelihood, according to the World Cocoa Foundation. The shift would make chocolate cheaper to make, because cocoa butter can be four or more times the cost of shea, palm oil and other vegetable fats. (The European Union has used a 5 percent ceiling for vegetable oil since 2003.)

"If you're able to replace cocoa butter with another fat, even at the 5 percent level, you're saving lots and lots of money, especially if you are a major manufacturer of chocolate bars," said Bernard Pacyniak, editor in chief of Candy Industry magazine. Hildwine said those savings could be passed along to consumers.

But Guittard and others question that and said any change would debase the nature of chocolate. 'Incremental degradation' "This incremental degradation of foods over the years -- it's a degradation that comes from wanting to make it for less money. We're always trying to make a little more money, and that I think is the problem," Guittard said.

The petition comes as scientists find evidence suggesting that chocolate -- when eaten in moderation -- can lower blood pressure, among other health benefits. Chocolate makers have capitalized on those findings and trotted out products they tout as healthful, especially dark chocolates high in flavanols, antioxidants found in cacao beans.

The Grocery Manufacturers Association sees its petition as an effort to bring "new thinking" to the modernization of food standards, allowing tweaks and changes to "old-fashioned recipes" without having to change each standard in the process.

Barry Callebaut Chocolate Concern now in Russia
Russia-InfoCenter, Russia - Sep 10, 2007

Swiss concern Barry Callebaut (BC), the world's biggest manufacturer of high-quality cocoa, chocolate and confectionary products, is launching business in Russia. The first factory built in the town of Chekhov, the Moscow region, is due to start functioning next week. The company invested 17 million Euros in the factory. However, specialists say the location of the new factory will hardly make Barry Callebaut's production cheaper, as the world prices on cocoa beans are increasing. Employing 70 people the factory is expected to produce 25 thousand tons of chocolate products per year.

Barry Callebaut was formed in 1996 as a result of merging Belgian Callebaut and French Cacao Barry. Today the concern has departments in 24 countries all over the worlds. In Russia BC's production is very popular with such transnational corporations as Nestle, Mars Inc., Kraft Foods.

Labour issues

Ghana urged to stamp out child labour
Joy Online, Ghana - Sep 14, 2007

Ghana's cocoa industry would suffer a major setback on the international market if immediate steps are not taken to check the use of child labour in cocoa growing areas. Madam Patience Dapaah, programme officer for the National Programme for the Elimination of Worst Forms of Child Labour explained at a one-day workshop in Sunyani that some major cocoa trading partners had threatened to stop purchasing Ghana's cocoa because a research had revealed that children of school-going age were used on most of the farms.

The workshop was organized by the national programme under the Ministry of Manpower, Youth and Employment for heads of department, Assembly members and opinion leaders drawn from the Sunyani municipality.

Madam Dapaah disclosed that one of the country's western partners had already stopped purchasing her cocoa, adding, the July 1 cocoa certification 'Harkin-Angel protocol', signed in 2001 that gave the nation up to 2005 to stop the practice had to be extended to July 2008 due to Ghana's efforts through West Africa Cocoa Agriculture Programme (WACAP) to help eliminate the practice.

She said the workshop was to sensitize participants who would in turn pass on the information to the various communities to eliminate all worst forms of child labour, especially in the cocoa sector.

The programme officer said a major objective of the workshop was to explore ideas to factor into the Child Rights Act as a form of defence, since children at certain ages could perform light work on cocoa farms to assist their parents.

She called on the government to strengthen the police and the immigration services to enable them to perform their duties well in handling foreigners into the country.

Madam Stella Ofori, a resource person, who gave an overview of the child labour situation in Ghana noted that some parents exposed their children to hazardous work out of ignorance, poverty and illiteracy and urged the participants to keep surveillance on children.

Source: GNA

Ghana: Cocoa Farms And Hypocrisy of the West
Ghanaian Chronicle (Accra), 10 September 2007

I. K. Gyasi

SO THE Western countries of the West have threatened to stop buying our cocoa because they think we use child labour to produce the commodity.

The other day, there was the Minister of Finance, Honourable Kwadwo Baah-Wiredu, telling us how he was confronted in far-away United States of America over the issue. According to him, the Americans he met told him that the implements used in cultivating cocoa cut off the fingers of the children. Secondly, because we use child labour, according to their fevered imagination and monumental ignorance, children had no chance of going to school.

Mr. Baah-Wiredu said he held up his own hands to show that, though he had been a farm boy, he had not lost any of his fingers. Further more, school enrolment all over the country had gone up because of the Capitation Grant and school feeding programme. Whether his audience was convinced, he did not say.

Because we are scientifically technologically, militarily and economically backward, the countries of the West, notably Britain, France, Portugal, The Netherlands and Belgium continue to preach to us while conveniently forgetting their own criminal past.

Sometimes, some of our own people create the wrong impression that those countries built, and continue to build, their economies by working hard. That assertion is only partly true.

The socio-economic history of Britain, for example is a sordid history of the shamefully shameless exploitation of child labour in the homes of the rich, in the coal mines and on the factory floor. British chimneys were too narrow for adults to climb up and sweep away the soot. Consequently, little children were employed. A number of them suffered the displacement of their knee-caps because of the method they had to use to climb up the chimneys.

With the coming of the Industrial revolution in Britain, whole families including fathers, mothers and children worked long hours in the coal-mines at starvation wages and in the factories that were dimly-lit and without any safety measures. The conditions under which they lived were very appalling.

These Western countries mentioned above built their economies largely by shamelessly exploiting peoples in Africa, Asia, the Pacific and the Americas.

In their book, *AID: RHETORIC AND REALITY*, Teresa Hayter and Catherine Watson write, "Over the last four centuries, a situation of massive world inequality has become established."

They go on, "A few countries, mainly in Europe and North America, appropriate a proportion of the world's wealth which is totally unrelated to the size of their population. They have achieved this situation not just by using their own resources, productive skills and efforts, but by appropriating those of the rest of the world on a massive and unprecedented scale, and by methods which have had little to do with fair exchange and more to do with plunder, loot and military might."

First, four hundred years of the trans-Atlantic Slave Trade contributed largely to the building of the economies of these countries and that of North America.

The old slavery was replaced by a new one in which these countries carved up Africa and the rest of the world and brought them under colonial rule for the sole purpose of exploiting the human and natural resources of these lands.

The Scramble for Africa saw these Western European countries establishing spheres of economic and political influence.

The whole of what is now the Democratic Republic of the Congo (DRC) belonged to the Belgian King. Africans were forced to gather rubber for the Belgians. The book, *RED RUBBER*, tells the story of how Africans in the Congo who could not gather enough rubber to satisfy the white masters had their hands cut off.

At the time of Congo's independence, the number of educated people was hopelessly low, there were no doctors and the highest ranking army officer was Joseph Desire Mobutu with the rank of sergeant. That was contrary to the falsehood that the colonial master was carefully preparing the subject people for independence.

The *NEW INTERNATIONAL MAGAZINES* history of the world (issue No. 196 of June 1989) has this entry: "Europeans saw their tropical dependencies as mere suppliers of raw materials. This was why farmers in Mozambique and Angola were forced to stop growing food for local people, and start growing cotton to feed the textile industry in Portugal." Part of the article also states, "Despite all the rhetoric about civilizing and educating the natives, every European power treated its colonies in much the same manner—as a way of transferring wealth from Africa to Europe."

We in the Gold Coast became famous as the world's leading producer of cocoa. Our system was, and still is, not the plantation system but small family holdings. Husband, wife, children and neighbours helped in the production of cocoa beans. The colonial master could not have pretended not to know that the children in the families helped on the cocoa farms and on food farms.

For those of us brought up in the villages, helping our parents and uncles and grandparents to produce food and cash crops was the normal thing. That is how many of us learnt to plant cash crops like cocoa and cotton to feed the factories of Britain and the rest of Europe. Working on the farm did not necessarily stop some of us from going to school. Any tool or implement or machine used in doing something may cause injury. Is it not the case that injuries can occur when the sophisticated farm tools are used on European farms?

If there is incontrovertible evidence that some cocoa farmers exploit other people's children and stop them from going to school, that evidence must be produced instead of the simplistic and contentious assumption that we must be exploiting our children on the cocoa farms.

For centuries, Western Europeans have shockingly and criminally exploited us in the form of slavery, pillage, colonialism, exploitation, expropriation of rich farm lands, killing of those who dared open their mouths in protest, yet they can hypocritically and annoyingly preach to us on so-called best practices.

The Western countries have no right to take the moral high ground, especially when they still exploit through so-called aid, through the International Monetary Fund and the World Bank and through dubious economic

arrangements that result in stealing our wealth. They give us one American dollar in so-called aid, loans or grants and take back about three American dollars.

They still exploit us without shame after all those centuries of under-developing our lands.

Can't they leave us alone?

Others

Chocolate cravings come out of the box

By Rebecca Morelle

Science reporter, BBC News, York

Chocolate seems to have an innate appeal - but is it all in the mind?

Our love of chocolate knows no bounds.

We think about it, dream about it, and probably - just sometimes - eat a bit too much of it. Some people even go so far as to claim to be addicted to it. But what drives our cravings for chocolate? Some believe it contains mind-bending ingredients that can enhance our moods.

"It is explained by culture and not chemistry". Professor Peter Rogers
One bite, they maintain, and chocolate's psychoactive compounds cause warm and fuzzy feelings to wash over us, making us want more and more. But Peter Rogers, professor of biological psychology from Bristol University who is speaking at the BA Festival of Science in York, has carried out research that suggests this is not the case.

Not the culprit

To test chocolate's feel-good power, he gave volunteers some tasteless capsules to swallow. Some contained cocoa powder, which, because it contains a higher concentration of these mood-enhancing chemicals, should cause a marked effect on the volunteers' disposition; other capsules contained nothing but starch.

"Naughty but nice" - is this the basis of chocolate's appeal?

Professor Rogers said: "We tested how they were feeling afterwards - did they feel a buzz or an elevated mood after eating the cocoa?"

"The volunteers did say that they felt a bit more alert and stimulated - but not euphoric. We think any slight stimulation is (down to) the caffeine."

He said that other research had also suggested chocolate's chemical make-up was not the culprit for our lust for the stuff.

"It doesn't stack up," he said.

"A lot of those substances are in other foods that do not have the same appeal as chocolate. Also, the concentration seems too low for them to be having an effect, especially in the UK's favourite type, milk chocolate."

Instead, he suggested that chocoholics were chocoholics because their favourite food was often deemed "naughty but nice".

He explained: "The nice bit is its sweet taste, lovely melt-in-the-mouth texture, and our associations that we have in our food culture - we use it as a gift, a reward and as something to treat ourselves with - which gives it extra appeal."

"On the negative side, it is something we shouldn't eat too much of, it's not a staple food in our diet, it is relatively high in fat and sugar, and therefore

Different strokes

It is this that makes us want it so much. We are wrestling with the desire to eat it because it is so nice; but we restrain ourselves, because we perceive eating it as being naughty. And this unfulfilled desire, said Professor Rogers, was experienced as a craving, which in turn is attributed to addiction. Attitudes towards chocolate around the world also backed up this idea that our want for chocolate stems from the values we place upon it, he added.

In the US, he said, a survey of women showed that they mostly craved chocolate at certain points in their menstrual cycle, while in Spain, women said they wanted to eat it most after dinner. "It is explained by culture and not chemistry," he added.

Tricking the brain

But how can we escape from this chocolate lust that may be all in the mind?

One way, said Professor Rogers, was to try thinking about a piece of fruit each time you thought about chocolate, in the hope that your cravings might transfer to the healthier option.

More realistically though, he suggested that if chocolate consumption was modest, trying to enjoy the experience of eating it rather than feeling bad about it could break the naughty-but-nice cycle.

Chemicals in dark chocolate could prove a boost for the heart

But if this doesn't work and your hankerings for chocolate feel just too overwhelming, then perhaps some other research presented at the BA science festival may bring a little cheer.



Roger Corder, professor of experimental therapeutics at Queen Mary, University of London, has found that eating chocolate can aid a healthy heart. But not just any old stuff - there is chocolate, and then there is chocolate.

Fresh cocoa beans are a rich source of a type of chemical called a flavonoid, and these molecules have been shown to protect cardiovascular systems.

But by the time cocoa beans find their way into chocolate bars, only a tiny proportion of flavonoids are left. Some are lost through the manufacturing process; and in any case, many products contain relatively little cocoa and relatively large amounts of sugar and fat. To get optimum heart-boosting effects, the chocolate needs to contain about 75-85% cocoa solids, and about 25g should be eaten a day, the scientist said.

Professor Corder is about to embark on a clinical trial to test chocolate eating's effect on the heart. He may just find recruiting volunteers for this trial a little easier than normal.

TIT BITS

(Source: Business Recorder—www.becorder.com)

Asian cocoa bean arrivals steady

SINGAPORE (September 16, 2007): Daily cocoa arrivals in Indonesia's main growing island of Sumsatra were steady around 100 tonnes this week despite the end of the main harvest as farmers released remaining stocks before the festive season.

London coffee, cocoa and sugar rise

LONDON (September 15, 2007): London robusta coffee futures surged to an almost three-month high on Friday on speculative buying of the November contract prompted partly by concern about short-term supply tightness, dealers said.

European physical cocoa trade seen picking up soon

LONDON (September 15, 2007): European physical trade in cocoa beans and butter was subdued this week, but is expected to pick up soon as West African harvests should arrive and industry will need to fill its requirements, dealers said.

New York cocoa weaker

NEW YORK (September 15, 2007): US cocoa trading in the pit finished lower Thursday, after a session marked by thin dealings and light fund selling, traders said. "It's a light volume day. The market's just kind of consolidating and waiting for harvest to begin in Ivory Coast," one trader said, referring to the No 1 cocoa grower.

Ivory Coast cocoa arrivals fall

ABIDJAN (September 15, 2007): cocoa arrivals at ports in Ivory Coast from October 1, 2006 to September 9, 2007, reached 1,209,073 tonnes, compared with 1,342,320 tonnes received in the same period last year, exporters said on Friday. The figures showed 12,801 tonnes arrived at ports over the week of September 3-9, up from 8,105 tonnes in the same period of the 2005/06 season.

London sugar, coffee and cocoa fall

LONDON (September 14, 2007): London white sugar fell to a new 26-month low on Thursday with weak physical demand driving prices down ahead of the expiry of October on Friday, dealers said.

New York cocoa easier

NEW YORK (September 14, 2007): US cocoa finished lower on Wednesday, losing ground after weak dealings in London and further pressured by system fund selling, traders said. "London started off trading down system funds are continuing to sell this thing," one trader said.

ICO sees 156,000 tonnes cocoa deficit

LONDON (September 14, 2007): The International cocoa Organisation is forecasting a wider than anticipated global cocoa deficit of 156,000 tonnes in 2006/07, executive director Jan Vingerhoets told Reuters on Wednesday. Vingerhoets told Reuters in an interview in late June that the deficit would be between 100,000 and 125,000 tonnes.

London sugar sets 26-month low; cocoa and coffee down

LONDON (September 13, 2007): London white sugar futures fell to a 26-month low on Wednesday as talk circulated of plentiful Brazilian supplies available to deliver against October which expires on Friday, dealers said. cocoa ended down but held key support around its recent six-month low while robusta coffee ended little changed after earlier setting a fresh two-month high.

New York cocoa settles mostly higher

NEW YORK (September 13, 2007): US cocoa finished mostly firm on Tuesday, near the day's highs after a rangebound session marked with fund buying and arbitrage selling, traders said. "The funds did a little bit of buying here today, some small specs and probably a little bit of trade and arbitrage on the sell side of things," one trader said.

London coffee surges to two-month high; sugar and cocoa down

LONDON (September 12, 2007): London robusta coffee futures set a fresh two-month high on Tuesday, boosted by concern about supply tightness ahead of Vietnam's next crop, dealers said. White sugar touched a 26-month low but ended little changed while cocoa drifted lower but remained well within its recent range.

New York cocoa higher

NEW YORK (September 12, 2007): US cocoa finished higher on Monday, after a day of light trade led by funds as the market waits for new crop results, traders said. "I don't really see the market going anywhere in a hurry, because we're approaching the new crop next month. I think that people are going to wait," one trader said.

London sugar sets 26-month low

LONDON (September 11, 2007): London white sugar futures fell to a fresh 26-month low on Monday, weakened by talk there could be a large amount of sugar delivered against the October contract which expires on Friday, dealers said.

Ivorian cocoa arrivals down

ABIDJAN (September 11, 2007): cocoa arrivals at ports in Ivory Coast from October 1, 2006 to September 2, 2007 reached 1,196,272 tonnes, compared with 1,334,215 tonnes received in the same period last year, exporters said on Monday. The figures showed 12,283 tonnes arrived at ports from August 27 to September 2, up from 8,752 tonnes in the same period of the 2005/06 season.

Asian cocoa: butter softens

SINGAPORE (September 09, 2007): Gains in London futures put pressure on butter prices in Asia on Friday, but grinders expected more chocolate makers to return to the market to meet their fourth-quarter requirements. Ratios for butter, a key ingredient for chocolate, edged down to 2.58 times London futures from 2.63 last week in Malaysia and Indonesia for nearby shipment.

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