



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 285

26th – 30th May 2008

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
26 th May	-	-	-	-
27 th May	1625.92	2656.70	1390.00	2607.00
28 th May	1642.60	2675.72	1395.67	2625.00
29 th May	1712.89	2780.68	1457.33	2722.33
30 th May	1725.99	2797.29	1461.33	2743.67
Average	1,676.85	2,727.60	1,426.08	2,674.50

Up-coming Events

- 71st General Assembly and Council of Ministers meetings, 8th – 12th September 2008, Punta Cana, Dominican Republic

In the News (from Newspapers worldwide)

Health and Nutrition

- Cocoa can be 'boost to diabetics'
- Cup of cocoa good for diabetic health
- A cup of cocoa can be good for the heart, say researchers
- Cocoa hope for diabetics
- Cocoa could be a healthy treat for Diabetic Patients
- Is cocoa a healthy treat for diabetics?
- Cocoa may help diabetic blood vessels
- Cocoa flavanols show promise for diabetic cardiovascular health
- Enriched Cocoa improves blood flow in Diabetics
- Diabetes - should I cocoa?
- Dip into beans with touch of cocoa
- Cocoa For Diabetes?
- Cocoa officially lowers Blood Pressure
- Chocolate you can feel good about
- MEREDITH CUMMINGS: A review of diabetes news worth reading
- Vaseline(R) Cocoa Butter campaign uncovers Skin's Ability to Speak Volumes
- Study: Cocoa flavanols might benefit Diabetics

Production and Quality

- Cameroon cocoa exports drop as rain curbs deliveries (Update1)
- Vietnam to expand cocoa crop
- Indonesia 2008 Cocoa bean exports seen falling
- Cadbury subsidiary sees growth in Organic Chocolate Cameroon Aug-April cocoa grind edges up to 20,032 T
- Ivorian cocoa prices fall May 19-25, beans mouldy

- Ivorian Cocoa Farmers Fear Disease in 08/9 Main Crop
- Organic chocolate fans unlikely to switch to cheaper options
- Cocoa crop gets clean bill of health
- Ghana Cocobod sets June 5 end to cocoa main crop
- Mou signed to promote cocoa cultivation in TN

The Market

- Cash cocoa trade restrained by jump in futures
- DJ Liffe Softs: Cocoa, Coffee Trade Higher But Lack Liquidity

Processing & Manufacturing

- TNAU, Cadbury to conduct collaborative research in Cocoa
- Cadbury and Tamil Nadu Agricultural University join hands for cocoa research project news

Business & Economy

- Candy companies blame higher prices on Hedge Funds' Chocolate Cravings
- Cocoa: A New Outlook
- Chocolate sales to the Arabs grow 50%
- Malaysian investors prospect African market

Environmental Issues

- Make your garden a "cocoa-free" zone
- Mars, Inc. Collaborates on Global Scale to protect Biological Diversity

Others

- Developing world to become food commodity hub.

The International Cocoa Council of ICCO at its 77th regular session held in Berlin, Germany from 27-28 May 2008 adopted COPAL's proposal of 1st October as a national day for celebration of cocoa and chocolate among cocoa consuming and producing countries.

INSIDE THIS ISSUE:

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Do your health a favour, drink Cocoa everyday

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

Monday 26th May 2008

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2008						
Sep 2008						
Dec 2008						
Mar 2009						
May 2009						
Jul 2009						
Sep 2009						
Dec 2009						
Mar 2010						
May 2010						
Totals		#DIV/0!				0

Tuesday 27th May 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1385	1397	18	1417	1385	3,142
Sep 2008	1372	1392	22	1406	1372	2,512
Dec 2008	1374	1381	19	1392	1373S	424
Mar 2009	1361	1367	18	1382	1359	1,256
May 2009	1379	1372	18	1379	1379	1
Jul 2009	1389	1382	18	1389	1388	114
Sep 2009		1392	18			0
Dec 2009		1404	18			0
Mar 2010		1403	18			0
May 2010		1402	18			0
Totals		1389				7,449

Wednesday 28th May 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1399	1403	6	1407	1387	4,735
Sep 2008	1394	1398	6	1400	1383	2,652
Dec 2008	1382	1386	5	1388	1371	2,036
Mar 2009	1361	1372	5	1375	1361	2,215
May 2009	1369	1377	5	1377S	1369S	263
Jul 2009	1386	1387	5	1386S	1386S	5
Sep 2009		1397	5			0
Dec 2009		1409	5			0
Mar 2010		1408	5			0
May 2010		1407	5			0
Totals		1394				11,906

Thursday 29th May 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1411	1468	65	1475	1411	6,723
Sep 2008	1412	1458	60	1465	1412	5,188
Dec 2008	1398	1446	60	1446	1398	5,060
Mar 2009	1384	1427	55	1430	1384S	2,748
May 2009	1405	1433	56	1433S	1405	655
Jul 2009	1413	1443	56	1413S	1413S	10
Sep 2009		1452	55			0
Dec 2009		1462	53			0
Mar 2010		1461	53			0
May 2010		1460	53			0
Totals		1451				20,384

Friday 30th May 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1467	1472	4	1480	1455	7,850
Sep 2008	1458	1461	3	1469	1446	2,966
Dec 2008	1441	1451	5	1460	1438	3,013
Mar 2009	1421	1429	2	1436	1417	1,174
May 2009	1427	1434	1	1436S	1423	439
Jul 2009	1440	1444	1	1446	1432S	164
Sep 2009		1453	1			0
Dec 2009		1463	1			0
Mar 2010		1462	1			0
May 2010		1461	1			0
Totals		1453				15606

Average for the week	1451					11069
Total for the week						55,345

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

Monday 26th May 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008						
Sep 2008						
Dec 2008						
Mar 2009						
May 2009						
Jul 2009						
Sep 2009						
Dec 2009						
Mar 2010						
Totals						

Tuesday 27th May 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	2589	2590	13	2625	2577	4487
Sep 2008	2600	2602	12	2635	2598	1910
Dec 2008	2597	2602	14	2631	2597	623
Mar 2009	2609	2590	14	2621	2586	1392
May 2009	2610	2596	16	2610	2596	52
Jul 2009	2614	2596	16	2614	2596	1
Sep 2009		2606	16	2606	2606	0
Dec 2009		2621	16	2621	2621	0
Mar 2010		2633	16	2633	2633	0
Totals		2604				8465

Wednesday 28th May 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008						
Sep 2008						
Dec 2008						
Mar 2009						
May 2009						
Jul 2009						
Sep 2009						
Dec 2009						
Mar 2010						
Totals						

Thursday 29th May 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	2626	2730	108	2744	2616	7,949
Sep 2008	2635	2736	106	2746	2626	4,012
Dec 2008	2627	2728	100	2740	2623	1,102
Mar 2009	2662	2711	92	2711	2662	484
May 2009	2672	2716	90	2716	2672	1
Jul 2009	2689	2713	87	2713	2689	0
Sep 2009		2727	91	2727	2727	0
Dec 2009		2743	92	2743	2743	0
Mar 2010		2768	105	2768	2768	0
Totals		2730				13548

Friday 30th May 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	2723	2723	-7	2769	2703	12,900
Sep 2008	2722	2737	1	2775	2710	9,573
Dec 2008	2714	2731	3	2754	2707	1,804
Mar 2009	2593	2718	7	2734	2687	496
May 2009	2722	2723	7	2723	2708	341
Jul 2009	2701	2720	7	2735	2701	3
Sep 2009		2732	5	2732	2732	0
Dec 2009	2734	2747	4	2747	2734	15
Mar 2010	2758	2774	6	2774	2758	0
Totals		2734				25132

Average for the week	2735					11786
Total for the week						47,145

Spot Prices [US\$ per tonne]

	26 th May	27 th May	28 th May	29 th May	30 th May
Main Crop Ghana, Grade 1	-	3047	3079	3187	3180
Main Crop Ivory Coast, Grade 1	-	2913	2945	3053	3046
Main Crop Nigerian, 1	-	2887	2919	3027	3020
Superior Arriba	-	2872	2904	3012	3005
Sanchez f.a.q.	-	2940	2972	3080	3073
Malaysian 110	-	2580	2612	2720	2713
Sulawesi f.a.q.	-	2840	2872	2980	2973
Ecuador Cocoa Liquor	-	4455	4510	4696	4684
Pure Prime Press African Type Cocoa Butter	-	7364	7455	7762	7742
10/12% Natural Cocoa Press Cake	-	1166	1180	1229	1225

Source: Cocoa Merchants' Association

News

Health and Nutrition

Cocoa can be 'boost to diabetics'

BBC News, UK

26 May 2008



A cup of enriched cocoa may help improve the working of blood vessels in diabetic patients, research suggests. Doctors prescribed three mugs of specially formulated cocoa a day for a month, and found "severely impaired" arteries regained normal function.

The German study, featured in the Journal of the American College of Cardiology, suggests chemicals called "flavanols" may be responsible. But charity Diabetes UK said eating more normal chocolate would not work.

The key ingredient is flavonoids

People with diabetes are at greater risk of cardiovascular problems such as heart disease and strokes, partly due to the effects of high blood sugar on the linings of blood vessels, which stops them being able to expand as much when needed by the body. This can result in higher blood pressure, which can then cause further problems. While a healthier lifestyle can reduce the risks, it often does not solve the problem completely. Our results demonstrate that dietary flavanols might have an important impact

Cocoa naturally contains "flavanols", antioxidant chemicals which are also found in some fruit and vegetables, green tea and red wine, and has been linked with health benefits by other studies. The type of cocoa used in the study cannot be found in the shops and is a version enriched with far higher concentrations of the chemicals. Other studies are looking at whether flavanol-enriched chocolate could benefit patients.

Ten patients were told to drink the cocoa three times daily for 30 days, and a special test was used to measure the function of their blood vessels. The ability of the vessels to expand in response to a demand for extra blood from the body appeared to increase almost immediately.

On average, a healthy person's arteries could expand by just over 5%, while the average of the 10 diabetic patients was just 3.3% prior to drinking their first mug of cocoa. Two hours after drinking the cocoa, their response averaged 4.8%, and over the 30 days, this improved, to 4.1% even before cocoa, and 5.7% two hours after a mugful.

Chocolate warning

Dr Malte Kelm, from the University Hospital in Aachen, who led the study, said that the flavanols could be working by increasing the production of nitric oxide, a body chemical which tells arteries to relax and widen.

He said: "Patients with type II diabetes can certainly find ways to fit chocolate into a healthy lifestyle, but this study is not about chocolate, or about urging those with diabetes to eat more chocolate. "Our results demonstrate that dietary flavanols might have an important impact as part of a healthy diet in the prevention of cardiovascular complications in diabetic patients."

A spokesman for Diabetes UK said the findings were "interesting". "Flavanols do seem to offer potential health benefits for people with diabetes but, at this stage, we don't advise people to start drinking lots of hot chocolate as it can be high in sugar and fat. "More research is needed in to the long-term effects of consuming such high amounts of flavanols."

Cup of cocoa good for diabetic health

Ivanhoe, FL

SOURCE: Journal of the American College of Cardiology

May 26, 2008

(Ivanhoe Newswire) – Sipping a hot cut of cocoa might do more than just warm you up if you have diabetes. It could also be helping improve your blood vessel functioning. German researchers have found a key ingredient in cocoa called flavanols makes it easier for the arteries to expand in the face of increased demand for blood. Since people with diabetes generally have problems with artery expansion, anything that helps open up the flow could reduce their risk for cardiovascular complications.

The study involved 41 type 2 diabetics who were randomly assigned to drink specially formulated cocoa with either high or low concentrations of flavonols over a 30-day period. All the participants underwent regular tests to measure blood flow in the arteries. While the initial tests showed diabetics had significantly lower expansion of arterial diameter in the face of increased demand for blood, results improved significantly following the consumption of high flavonol cocoa, and by the end of the study, were at normal levels.

The researchers are quick to note that the cocoa used in the study is not available in stores, so people shouldn't rush out and begin drinking hot chocolate to achieve the same results. The take home message is flavonols – which are also found in tea, red wine, and some fruits and vegetables – may have a role to play in promoting heart health in people with diabetes.

“This study is not about chocolate, and it's not about urging those with diabetes to eat more chocolate. This research focuses on what's at the true heart of the discussion on 'healthy chocolate'—it's about cocoa flavanols, the naturally occurring compounds in cocoa,” study author Malte Kelm, M.D., was quoted as saying. “While more research is needed, our results demonstrate that dietary flavanols might have an important impact as part of a healthy diet in the prevention of cardiovascular complications in diabetic patients.”

A cup of cocoa can be good for the heart, say researchers

Daily Mail, UK

By Daily Mail Reporter

26th May 2008



Healthy chocolate: A cup of cocoa could be good for the heart An ingredient found naturally in cocoa could help diabetics ward off the threat of heart disease, researchers say. They studied the effect of an enriched form of the beverage - which contained higher than usual levels of natural antioxidants called flavanols - on patients with type 2 diabetes.

Scientists, from the University Hospital Aachen in Germany, found drinking cocoa improved patients' arteries. In the space of one month, blood flow through formerly restricted vessels improved by 30 per cent.

Malfunctioning arteries can lead to heart disease - the number one cause of death among diabetics. It is thought flavanols, also found in tea and red wine, raise the body's production of nitric oxide. This is a chemical signal which tells arteries to relax.

Professor Malte Kelm said: "This focuses on the true heart of the discussion on 'healthy chocolate' - cocoa flavanols."

A spokesman for Diabetes UK said: "These are interesting findings. But we don't advise people to start drinking lots of hot chocolate as it can be high in sugar and fat."

Cocoa hope for diabetics

Glasgow Daily Record, UK

May 27 2008

DIABETICS have been offered hope in their fight against heart disease - from cocoa. German researchers studied the effect of an enriched kind of cocoa on type 2 diabetics. They found the drink, which contained higher than normal levels of flavanols, also found in tea and red wine, significantly improved artery function. In one month, there was a 30 per cent improvement in patients with severely impaired blood vessels and restricted blood flow. Heart and artery disease is a major cause of death in diabetics.

Cocoa could be a healthy treat for Diabetic Patients

Source: American College of Cardiology

27/05/2008

For people with diabetes, sipping a mug of steaming, flavorful cocoa may seem a guilty pleasure. But new research suggests that indulging a craving for cocoa can actually help blood vessels to function better and might soon be considered part of a healthy diet for the prevention of cardiovascular disease.

Flavanols, natural plant compounds also found in tea, red wine, and certain fruits and vegetables, are responsible for cocoa's healthful benefits. In fact, according to new research published in the June 3 issue of the Journal of the American College of Cardiology (JACC), after diabetic patients drank specially formulated high-flavanol cocoa for one month, blood vessel function went from severely impaired to normal.

The improvement was as large as has been observed with exercise and many common diabetic medications, the researchers noted. These findings suggest that it may be time to think not just outside the box, but inside the cup, for innovative ways to ward off cardiovascular disease—the number one cause of death in diabetic patients.

“Medical treatments alone often do not prevent complications of diabetes that are associated with atherosclerosis and cardiovascular disease,” said Malte Kelm, M.D., a professor and chairman of cardiology, pulmonology and vascular medicine at the University Hospital Aachen and the Technical University Aachen, in Aachen, Germany. “Physicians should be increasingly looking to lifestyle changes and new approaches to help in addressing the cardiovascular risks associated with diabetes.”

For the study, Dr. Kelm and his colleagues first tested the feasibility of using high-flavanol cocoa to improve cardiovascular health by observing, on three separate days, the effects of cocoa with varying amounts of flavanols on blood vessel function in 10 patients with stable type 2 diabetes.

The second, larger part of the study tested the effectiveness of long-term, routine consumption of high-flavanol cocoa in comparison with low-flavanol cocoa in 41 patients with stable type 2 diabetes. Patients were randomly assigned to drink cocoa with either 321 mg of flavanols per serving or only 25 mg of flavanols per serving three times daily for 30 days. The two types of cocoa tasted and looked the same, despite differences in flavanol content. In addition, neither patients nor investigators were aware of which type of cocoa each patient had been assigned to drink.

Blood vessel function was tested on the first day before the patients consumed any cocoa and again two hours after drinking the beverage. The test was repeated before and after cocoa consumption on day 8 and day 30. To gauge the effect of high-flavanol cocoa on blood vessel function, the researchers used a test called “flow-mediated dilation” (FMD), which evaluates the ability of the arteries to expand (dilate) in response to an increase in the demand for blood, oxygen and nutrients.

The FMD test involves measuring the diameter of the brachial artery in the upper arm using ultrasound, then inflating a blood pressure cuff on the forearm for several minutes. The squeezing of the blood pressure cuff temporarily starves the forearm muscles of blood and oxygen, causing the body to increase blood flow to those muscles. In healthy people, the inner lining of the arteries, or endothelium, senses the increased blood flow and sends a chemical signal telling the arteries to expand. In Dr. Kelm's laboratory, a normal FMD response among healthy people the same age as those participating in the study is a 5.2 percent expansion in arterial diameter, on average.

The researchers found that patients with type 2 diabetes had a severely impaired FMD response at the beginning of the study. Before patients consumed any cocoa, the brachial artery expanded by only 3.3 percent, on average. Two hours after drinking high-flavanol cocoa, the FMD response was 4.8 percent.

Over time, those findings improved, however. After patients drank high-flavanol cocoa three times daily for eight days, the average FMD response improved to 4.1 percent at baseline and to 5.7 percent two hours after cocoa ingestion. By day 30, the FMD response had improved to 4.3 percent at baseline and 5.8 percent after cocoa ingestion. All of the improvements were highly statistically significant.

Among patients who consumed low-flavanol cocoa, there were no significant differences in baseline FMD response over time, or in FMD response after cocoa ingestion on days 8 and 30. FMD measurements can provide valuable information about a person's cardiovascular health. Previous studies have shown that people with an impaired FMD response have an increased risk of heart attack, need for bypass surgery or catheter procedure to open clogged coronary arteries, and even death from heart disease.

Dr. Kelm speculated that cocoa flavanols improve FMD response by increasing the production of nitric oxide, the chemical signal that tells arteries to relax and widen in response to increased blood flow. Relaxation of the arteries takes stress off of the heart and blood vessels.

The high-flavanol cocoa used in this study—which provided many times more flavanols than the typical U.S. dietary intake of 20 to 100 mg daily—is not sold in the supermarket. Dr. Kelm cautioned that the take-home message of the study is not that people with diabetes should guzzle cocoa, but rather, that dietary flavanols hold promise as a way to prevent heart disease.

“Patients with type 2 diabetes can certainly find ways to fit chocolate into a healthy lifestyle, but this study is not about chocolate, and it’s not about urging those with diabetes to eat more chocolate. This research focuses on what’s at the true heart of the discussion on “healthy chocolate”—it’s about cocoa flavanols, the naturally occurring compounds in cocoa,” he said. “While more research is needed, our results demonstrate that dietary flavanols might have an important impact as part of a healthy diet in the prevention of cardiovascular complications in diabetic patients.”

Umberto Campia, M.D., who co-wrote an editorial about the new study in the same issue of JACC, noted that diabetics are an ideal population in which to study the effects of flavanols on arterial function, because high blood sugar damages the endothelium and because these patients have a high risk of cardiovascular disease.

Any therapy that helps the lining of the arteries to function better is potentially important, said Dr. Campia, a research associate with MedStar Research Institute in Washington, D.C.. “The endothelium is one of the largest organs in the body,” he said. “It maintains the health of the arteries and prevents blockages that can cause heart attacks, strokes and limb loss.”

“This study is important and thought-provoking,” he noted. “We now have sizeable evidence that cocoa flavanols have a positive effect on the health of the arteries. This is the foundation we need for doing a much larger prospective study that looks at the effect of cocoa flavanols not just on endothelial function, but also on the risk of heart attack, stroke, and other serious forms of cardiovascular disease.”

This study was supported by an unrestricted grant from Mars Inc., McLean, VA. The company also provided the instant cocoa beverage powders used in the study but had no role in the design, conduct, or analysis of the study. One of the authors, Hagen Schroeter, Ph.D., is employed by Symbioscience, a newly established scientific division of Mars, Inc.

The American College of Cardiology is leading the way to optimal cardiovascular care and disease prevention. The College is a 34,000-member non-profit medical society and bestows the credential Fellow of the American College of Cardiology upon physicians who meet its stringent qualifications. The College is a leader in the formulation of health policy, standards and guidelines, and is a staunch supporter of cardiovascular research. The ACC provides professional education and operates national registries for the measurement and improvement of quality care.

Is cocoa a healthy treat for diabetics?

Times of India, India
27 May 2008



A specially formulated high-flavanol cocoa drink administered to diabetics over a month helped normalise severely impaired blood vessel function.

The improvement was observed to be as large as has been with exercise and many common diabetic medications, a new study has indicated.

These findings suggest that it may be time to think outside the box, for innovative ways to ward off cardiovascular disease - the number one cause of death in diabetic patients. A craving for cocoa might be healthy in the long run since it appears to mend blood vessels and might even be considered part of a healthy diet for prevention of heart disease.

Cocoa: A healthy treat for diabetics?

Flavanols, natural plant compounds found in tea, red wine, and certain fruits and vegetables, are what adds a healthy zing to cocoa.

“Medical treatments alone often do not prevent complications of diabetes that are associated with atherosclerosis and cardiovascular disease,” said Malte Kelm of Technical University Aachen, Germany. For the study, Kelm first tested the

feasibility of using high-flavanol cocoa to improve cardiovascular health by observing, on three separate days, the effects of cocoa with varying amounts of flavanols on blood vessel function in 10 patients with stable type 2 diabetes. The second, larger part of the study tested the effectiveness of long-term, routine consumption of high-flavanol cocoa in comparison with low-flavanol cocoa in 41 patients with stable type 2 diabetes.

The researchers found that patients with type 2 diabetes had a severely impaired fibromuscular dysplasia (FMD) response - or poor expanding of blood vessels - at the beginning of the study.

Before patients consumed any cocoa, the brachial artery expanded by only 3.3 percent, on average. Two hours after drinking high-flavanol cocoa, the FMD response was 4.8 percent. Over time, those findings improved, however. After patients drank high-flavanol cocoa three times daily for eight days, the average FMD response improved to 4.1 percent at baseline and to 5.7 percent two hours after cocoa ingestion.

By day 30, the FMD response had improved to 4.3 percent at baseline and 5.8 percent after cocoa ingestion. All of the improvements were highly statistically significant. The findings of the study are being published in the forthcoming issue of the Journal of the American College of Cardiology.

Cocoa may help diabetic blood vessels

United Press International

May 27, 2008

VICTORIA, Australia, May 27 (UPI) -- Consuming a cocoa flavanol-rich beverage daily may positively impact the blood vessel dysfunction associated with diabetes, Australian researchers say. The study, published in the Journal of the American College of Cardiology, finds study participants who regularly consumed a cocoa flavanol-rich beverage made using the Mars Inc., Cocompro process, experienced a 30 percent improvement in measured vessel function at the completion of a 30-day trial.

Dr. Paul Zimmet, director of the International Diabetes Institute in Australia, led an international group of scientists in the study on the impact of both immediate and regular consumption of a flavanol-rich cocoa drink on vascular function in diabetic adults.

Medically treated adults with type 2 diabetes putting them at higher risk for cardiovascular disease drank a cocoa beverage made using the Cocompro process that contained different flavanol levels, ranging from 75 to 963 milligrams. The researchers found a positive correlation between the flavanol dose consumed and immediate improvements in flow mediated dilation -- a measure of vessel health, or the ability of a vessel to relax. The study is promising, but the researchers indicate that larger trials are necessary to fully demonstrate the clinical relevance of flavanol-rich foods in the context of cardiovascular health and disease.

Cocoa flavanols show promise for diabetic cardiovascular health

NutraIngredients.com, France

By Jess Halliday

27-May-2008

A new study has indicated that cocoa flavanols could help improve blood vessel health in diabetes patients, potentially offering protection against cardiovascular complications that standard medication does not. People who suffer from type 2 diabetes are known to have impaired blood vessel function, which puts them at higher risk of cardiovascular disease. Indeed, even when medical treatment such as insulin addresses the main symptoms of diabetes, as many of two thirds of sufferers are said to eventually expire as a result of cardiovascular disease and stroke.

The researchers of the new study, published in the Journal of the American College of Cardiology, noted that "the overall prognosis is unfavourable due to deteriorated cardiovascular risk". This has caused diabetes experts to cast about for new approaches and lifestyle changes that could help reduce the risk of diabetes complications.

The team, from Germany and the US, was aware of epidemiological data that diets rich in flavanols are associated with a reduced cardiovascular risk. They set out to test the feasibility and efficacy of a dietary intervention based on daily intake of a flavanol-containing cocoa beverage on vascular function in diabetes sufferers. The intervention made use of a beverage prepared by the Cocompro process developed by confectionery firm Mars, which is designed to retain more of the flavanols in cocoa than typical processing methods.

The study was conducted in two parts. The first, a prospective study involving ten people with type 2 diabetes also taking medication, was intended to ascertain the immediate effects of the cocoa beverage on flow-mediated dilation (FMD), the measure of a blood vessel's healthy ability to relax.

The beverages contained different flavanol levels - either 75mg, 371mg, or 963 mg. The participants' blood vessel function was measured in the hours following consumption, and a positive correlation was found between flavanol dose and immediate FMD improvements.

In the second part of the study 41 adults with type 2 diabetes, also currently taking medication, were divided into two groups. Members of one group were given a cocoa beverage containing 321 mg of flavanols three times a day, for 30 days.

Members of the second group received a control cocoa beverage containing just 25mg of cocoa flavanol. The two beverages had the same calories, nutrients and other cocoa compounds, such as caffeine and theobromide.

The researchers saw that the flavanols' immediate effect on FMD was complemented by a sustained improvement over the 30 day period. Indeed, a 30 per cent increase in FMD was seen between day one and day 30.

Other measures, such as endothelium-independent responses, blood pressure, heart rate and glycaemic control were not affected by the intervention. The findings have been met with enthusiasm by Mars. Chief scientific officer Harold Schmitz, PhD, said "the implications with regard to health and quality of life could be remarkable".

Paul Zimmet, MD, PhD, director of the International Diabetes Institute in Australia, was also upbeat about the potential. "While more research is needed, this study shows tremendous potential for future flavanol-based applications," he said.

Indeed, the study researchers agreed over the need for more science in this area. They said larger trials are necessary for the full clinical relevance of flavanol-rich foods to be demonstrated, in the context of cardiovascular health and disease.

Source: Journal of the American College of Cardiology 51:2141-2149; DOI:10.1016/j.jacc.2008.01.059 "Sustained benefits in vascular function through flavanol-containing cocoa in medicated diabetic patients: A double-masked, randomised, controlled trial"; Authors: Balzer J, Rassaf T, Heiss C, Kleinbongard P, Lauer T, Merx M, Heussen N, Gross HB, Keen CL, Schroeter H, Kelm M

Enriched Cocoa improves blood flow in Diabetics

Natural compounds called flavanols may be responsible for the benefit, study says

U.S. News & World Report, DC

By Ed Edelson, HealthDay Reporter

May 27, 2008

(HealthDay News) -- All the talk about chocolate being good for your health is starting to get serious. Mars Inc., of chocolate bar fame, has established a scientific division. And a group of researchers, some in Germany, others with the new Mars division known as Symbioscience, has just published a report showing that an enriched hot cocoa beverage can improve blood flow in people with type 2 diabetes.

"The study is the first of its kind in terms of its rigor, as well as the population studied," said Harold Schmitz, chief science officer of Mars. "Diabetics treated as well as they could be treated with pharmaceutical intervention did see, on average, a 30 percent improvement in vascular function."

The study, published in the June 3 issue of the Journal of the American College of Cardiology, had 41 adults with type 2 diabetes drink cocoa enriched with flavanols, which are natural compounds found in some fruits and vegetables and in chocolate -- especially the dark kind. Flavanols are believed to improve blood flow by increasing the production of nitric oxide, which causes arteries to relax.

After an initial trial of cocoa containing various amounts of flavanols, the participants were assigned to drink cocoa with either 321 milligrams or 25 milligrams of flavanols per serving three times a day for 30 days. The researchers then tested the participants for "flow-mediated dilation," the ability of the arteries to expand in response to the body's demand for more blood and oxygen.

Before the study began, the brachial artery in the upper arms of the participants expanded only 3.3 percent on average. After 30 days of the high-flavanol cocoa, the expansion was 5.8 percent after the beverage was drunk. No increase was seen in the people who consumed low-flavanol cocoa. "This is a nice study, confirming and extending previous work that cocoa compounds can enhance vasodilation in humans to diabetes patients," said Henriette van Praag, an investigator in the U.S. National Institute on Aging's Neuroplasticity and Behavior Unit. It wasn't a perfect study, she added. "The study would have been better if they had tested the individual flavanols they suggest are responsible for the effect separately," van Praag said.

Angela Kurtz, a nutritionist at New York University Medical Center, also had some mild criticism of the study, centering on the caloric content of cocoa. "Those 170 extra calories in the cocoa would promote obesity," she said. "You would have to omit some other calorie sources that match that amount to prevent weight gain."

Still, Kurtz said, "The bottom line is that diabetics who have a poor vascular system can benefit from something that gives pleasure at the same time it helps health. Cocoa increases the amount of endorphins, the feel-good chemicals."

Schmitz said more research is needed to substantiate the findings. "Clearly, the next step is a long study with enough subjects to clearly demonstrate there is a benefit of flavanol-enriched beverages for diabetics," he said. Mars has been sponsoring research on the health benefits of chocolate products for years, Schmitz said. "We've published a lot of peer-reviewed papers, well over 100," he said.

The commercial possibilities aren't being overlooked, Schmitz said. "We have a number of products in development," he said. "Symbiosciences has been working on some. I'm not at liberty to discuss what is in our pipeline." *More information: For more on the health benefits of chocolate, visit the University of Michigan.*

Diabetes - should I cocoa?

NHS Choices, UK

May 27, 2008



Regular cocoa does not contain the same levels of flavanols "An ingredient found naturally in cocoa could help diabetics ward off the threat of heart disease", the Daily Mail reported today. It said that a study has found that giving diabetics cocoa with higher than normal levels of flavanols, a type of antioxidant, improved blood flow through the arteries by 30%. The Daily Express also covered the story and said "patients with type 2 diabetes who drank three cups a day of the cocoa saw their blood vessel function return to normal within a month".

This small study looked at the effects of flavanol-enriched cocoa drinks on the function of the main artery in the upper arm. However, even if the cocoa does have an effect on the function of this artery, it's unclear whether this would have any actual effect on cardiovascular risk.

The type of cocoa used in this study is not available to buy. Food that contains cocoa, such as chocolate, is often also high in levels of fat and sugar, meaning that it's not ideal for diabetics. Flavanols are also found in fruit and vegetables, and it would be better to increase intake of these foods rather than eating chocolate or drinking cocoa beverages in an attempt to reduce cardiovascular risk.

Where did the story come from?

Dr Jan Balzer and colleagues from University Hospital RWTH Aachen, University of California, and Mars Symbioscience carried out the research. The study was funded by Mars Inc., who also provided the cocoa drinks used in the study. The study was published in the peer-reviewed: *Journal of the American College of Cardiology*.

What kind of scientific study was this?

This double blind randomised controlled trial investigated the possibility of using flavanol-enriched cocoa as a daily dietary intervention for improving vascular function in diabetics.

The researchers enrolled people aged 50 to 80 with type 2 diabetes and who had been on stable medication for at least five years. They excluded anyone with congestive heart failure, malignant cancer, chronic kidney disease, severe heart rhythm abnormalities, inflammation, or who smoked currently or had smoked in the last five years.

In the first part of the study, 10 participants were asked not to eat or drink foods with high flavanol content, such as tea, red wine, specific vegetables, and cocoa products. They were given three cocoa drinks, one with a low dose of flavanols (control), one with a medium dose, and one with a high dose, in a randomly assigned order on three different occasions.

Before each drink, and at one, two, three, four, and six hours after each drink, the researchers measured the diameter of the main artery of the upper arm (the brachial artery) before and after blocking off blood supply to the arm using a type of tourniquet for 5 minutes, and calculating the change in diameter. This measurement (the flow-mediated dilation, or FMD) indicates how well the cells lining the artery are functioning; poor functioning of these cells can lead to the development of

atherosclerosis, and a lower FMD has been linked to a greater risk of cardiovascular events (such as heart attacks). The researchers also monitored patients for any adverse effects. People who wanted to increase their intake of flavanols would be better off eating fruit and vegetables that also have high levels of the antioxidants, rather than increasing their intake of chocolate or cocoa drinks.

In the second part of their study, the researchers randomly assigned 41 participants to drink either a flavanol rich cocoa drink, or a control cocoa drink with low levels of flavanol, three times a day for 30 days. The participants continued their normal diets and lifestyle during the study. The researchers measured the FMD of the brachial artery before the study, and at eight and 30 days into the study, and compared the changes in these measures between the flavanol rich cocoa and control groups.

What were the results of the study?

The medium and high dose flavanol cocoa drinks increased FMD of the brachial artery two hours after consumption, and the control (low dose flavanol) cocoa drink did not. The FMD returned to normal by about six hours after the drinks. In the 30-day trial, flavanol rich cocoa increased FMD compared to the control drink at eight and 30 days. The cocoa drinks were not associated with any adverse effects.

What interpretations did the researchers draw from these results?

The researchers concluded, “diets rich in flavanols reverse vascular dysfunction in diabetes”. They said this highlighted the possibility that cocoa could be used as a treatment to reduce the risk of cardiovascular disease.

What does the NHS Knowledge Service make of this study?

This was a relatively small study that used FMD in the brachial artery as a proxy measure for cardiovascular risk. However, it's unclear what effect, if any, the changes in brachial artery FMD seen with flavanol rich cocoa in this study would have on a person's cardiovascular risk. It's also unclear whether long term cocoa use has any adverse effects.

Although it's possible that the flavanols in cocoa may reduce cardiovascular risk, if they are to be used medically they are likely to be extracted and given in pill form, and would need to be regulated as a medicine.

Food that contains cocoa, such as chocolate, is often also high in levels of fat and sugar, meaning it's not ideal for diabetics. People who wanted to increase their intake of flavanols would be better off eating fruit and vegetables that also have high levels of the antioxidants, rather than increasing their intake of chocolate or cocoa drinks. Diabetics should not start eating chocolate to try to reduce their cardiovascular risk.

Dip into beans with touch of cocoa

St. Charles Journal, MO

By Dana Jacobi

May 27, 2008



Most Americans are unfamiliar with authentic Mexican mole (there's an accent on the "E" so it is pronounced MO-lay) sauce. While some may recognize it as "that sauce with chocolate in it," only aficionados of true Mexican cooking know the subtleties of a great mole.

In general, we think of mole as a sauce or family of sauces. But this assumption has been hotly debated. Rick Bayless, who practices his Mexican cooking expertise at his restaurants in Chicago, explains that a sauce is rarely used as just a coating or an accessory in Mexican cooking. This is particularly true for stew-like dishes such as mole poblano, the version which includes chocolate and often is combined with poultry. Dishes like this actually rely on the so-called sauce as a meal's base, providing its essence as well as its glory.

Flavorful bean dip warms appetite for authentic Mexican food.

Intense mole sauces come in a rainbow of colors, ranging from tomatillo-green to earthy, chile red, and almost black. The most famous versions are the seven moles of Oaxaca, including my favorite, mole negro. The flavor of these moles is imparted by a long list of ingredients that can include chile peppers and spices, raisins or other fruit, tomatoes and tomatillos, toasted bread or a torn-up tortilla. A variety of nuts and seeds like pumpkin and sesame add thickness and richness to mole. With a long list of fresh ingredients and techniques that include roasting, soaking and pureeing, it's clear why mole is primarily reserved for

holiday celebrations. To speed the prep time in Mexico, outdoor markets sell pastes to use as a base for various versions. Yet the flavors of mole are so seductive that I constantly look to enjoy them in easier ways. This warm bean dip, which blends several mole ingredients with creamy, pureed pinto beans, gives a hint of its pleasures. It is best paired with torn whole-wheat tortillas or baked corn chips.

Dana Jacobi submits this material on behalf of the American Institute for Cancer Research in Washington, D.C. She is author of "12 Best Foods" cookbook and created recipes for the AICR cookbook, "Stopping Cancer Before It Starts." For nutrition advice from a registered dietitian, call toll-free (800) 843-8114.

In food processor, whirl beans until pureed but still slightly lumpy. Scoop into bowl.

In medium skillet, heat oil over medium heat. Cook onion and jalapeno, stirring often, about 5 minutes until onion is soft. Add chili powder, cocoa, cumin and oregano. Cook and stir 1 minute until fragrant. Mix in tomato paste. Cook 30 seconds. Add to pureed beans. Stir in tomato, salsa, cilantro and salt to beans until combined.

Spread bean mixture in even layer in prepared pan. Sprinkle cheese on top.

Bake in preheated oven 12 to 15 minutes until cheese is melted and bubbly and beans are heated thoroughly. Serve immediately with tortillas. Makes 8 servings; 100 calories, 3.5 g (1.5 g saturated) fat, 11 g carbohydrate, 5 g protein, 370 mg sodium and 3 g dietary fiber each.

Cocoa For Diabetes?

Compounds In Cocoa Could Help Ward Off Heart Complications, Study Shows

CBS News, NY -

By Kelli Stacy

May 28, 2008



(WebMD) A cup of hot cocoa may seem like a no-no for people with diabetes, but the beverage may actually serve up a healthy dose of prevention and ward off heart disease, the leading cause of diabetes-related death.

New research published in the Journal of the American College of Cardiology provides substantial evidence that compounds in cocoa called flavonols improve the function and overall health of blood vessels. Unhealthy blood vessels are a leading cause of cardiovascular complications in people with diabetes. Flavonols are naturally occurring plant compounds found in chocolate, red wine, and certain fruits and vegetables. A growing body of evidence suggests that cocoa flavonols have circulatory health benefits.

For the study, Malte Kelm, MD, a professor and chairman of cardiology, pulmonology and vascular medicine at the University Hospital Aachen and the Technical University Aachen, in Aachen, Germany, and colleagues examined the effect of a specially made flavonol-rich cocoa on patients with stable, treated type 2 diabetes. The study participants randomly received cocoa containing either 25 milligrams or 321 milligrams of flavonol per serving. They drank the cocoa three times a day for 30 days. Researchers calculated each patient's blood vessel function before and after cocoa consumption at the start of the study and on days 8 and 30, using a combination of ultrasound images and blood pressure measurements. Patients who drank the high-flavonol cocoa for one month had their blood vessel function improve from severely impaired to normal. Drinking the low-dose flavonol cocoa did not result in any significant changes in blood vessel function.

Researchers caution that the high-dose flavonol cocoa used in their study greatly exceeds the typical U.S. dietary intake of 20 to 100 milligrams daily, and you can't buy the extra-strength version in stores. Rather, they are optimistic that flavonol-containing diets offer an innovative approach to preventing heart disease. "This research focuses on what's at the true heart of the discussion on 'healthy chocolate' - it's about cocoa flavonols, the naturally occurring compounds in cocoa," Kelm writes. "While more research is needed, our results demonstrate that dietary flavonols might have an important impact as part of a healthy diet in the prevention of cardiovascular complications in diabetic patients."

In an accompanying editorial, Umberto Campia, MD, calls the study "important and thought-provoking," adding that "this is the foundation we need for doing a much larger prospective study that looks at the effect of cocoa flavonols not just on endothelial function, but also on the risk of heart attack, stroke, and other serious forms of cardiovascular disease."

Cocoa officially lowers Blood Pressure

Natural News.com, AZ

By: Leslee Dru Browning

May 28, 2008



Cocoa Beats Tea for BP

NaturalNews) More happy justification for chocolate lovers: blood pressure (BP) responds favorably to cocoa, but not tea, a new meta-analysis suggests. Authors of the study say that while both products are rich in polyphenols, the study findings suggest that phenols in cocoa may be more active than those in tea. The study appears in the April 9 issue of the Archives of Internal Medicine.

"Products rich in cocoa may be considered part of a blood pressure lowering diet, provided that the total energy intake does not increase," lead investigator for the study, Dirk Taubert, MD, PhD, from the University Hospital of Cologne in Cologne, Germany, told heartwire. "I believe that cocoa is healthier than other sugar confectionary or high-fat dairy products."

For their study, Taubert and colleagues conducted a literature search for randomized parallel group or crossover studies evaluating the effects of cocoa products or black or green tea for at least 7 days. They identified 10 studies that met their inclusion criteria: 5 randomized trials evaluated cocoa consumption (median, 2 weeks of cocoa consumption) in a total of 173 subjects and 5 trials evaluated tea consumption in a total of 343 subjects (in whom tea consumption was measured for a median of 4 weeks). In both analyses, study participants were evenly split between active and control groups. In the cocoa studies, cocoa consumption was typically flavonol-rich chocolate in the range of 100 g per day; in the tea studies, consumption was in the range of 4 to 6 cups daily.

In the cocoa studies, systolic BP and diastolic BP dropped in the active group as compared with controls; however, in the tea studies, no differences were seen in BP between the 2 groups. The authors point out that while the 2 substances contain similar amounts of polyphenols, the components of these polyphenols differ between cocoa and tea: cocoa is particularly rich in procyanidins, whereas black and green tea are rich in flavan-3-ols and gallic acid. It may be that the polyphenol components in cocoa are more bioavailable, Taubert and colleagues propose.

According to Taubert and colleagues, the effects of cocoa on systolic BP and diastolic BP were comparable to those achieved with antihypertensive drugs. "The magnitude of the hypotensive effects of cocoa is clinically noteworthy; it is in the range that is usually achieved with monotherapy of β -blockers or angiotensin-converting enzyme inhibitors," they write. "At the population level, a reduction of 4 to 5 millimeters of mercury in systolic BP and 2 to 3 millimeters of mercury in diastolic BP would be expected to substantially reduce the risk of stroke (by about 20%), coronary heart disease (by 10%), and all-cause mortality (by 8%)."

Dr. Taubert acknowledged to heartwire that studies of tea and cocoa have yielded contradictory results. "The inconsistencies may result from differences in research question and research focus," he said. For example, "the reported effects of polyphenols on blood pressure, endothelial function, or platelet aggregation may be caused by different mechanisms and different phenols. The transient effects observed after administration of single phenol doses may be differentiated from the sustained effects observed after multiple daily doses. Moreover, plant foods like cocoa or tea contain many different -- 100 and more -- phenol compounds, but so far, mechanistic studies have focused on the flavonol monomers catechin and epicatechin, for which significant bioavailability has been demonstrated. But these may not be the active ingredients as our meta-analysis indicates." Dr. Taubert believes his study "will not put the debate to rest, but foster a new debate and, more important, new research in this field." *Source: Arch Intern Med. 2007;167:626-634. (<http://www.theheart.org/index.do>)*

Chocolate you can feel good about

phillyBurbs.com, PA

By BETTY CICHY

May 28, 2008 11:15 AM

In case you need a reason (and most people don't) to spend a day immersed in the sight, taste and smell of chocolate, here's one: Choosing the right chocolate could just make the world a better place. You can find out all about it at the Bucks County Chocolate Show, which comes to the New Hope Eagle Fire Co. in New Hope on Sunday. The show will feature 12 vendors offering samples and discounted prices on local and artisan chocolates, baked goods, chocolate-making tools and more.

Organizer Gretchen Tartikoff, a Solebury resident and the owner of a chocolate event company called The Chocolate Bar, wants to bring the world of chocolates to visitors, in part by helping them understand the issues affecting the chocolate industry today.

Cocoa beans, the source of chocolate, are native to tropical rainforests in countries such as Ecuador, Costa Rica and Ghana. But some large-scale cocoa plantations are engaging in practices that damage the rainforest and reduce the diversity that these delicate ecosystems need to survive. And in many places, the small farmers who grow the beans don't make enough money to live on.

Organizations like the Rainforest Alliance are trying to change all that by promoting sustainable cocoa farming and helping to organize cooperatives that will enable farmers make a living wage. Some of those organic and "fair-trade" chocolates will be available at the show. Best of all, you don't have to compromise on flavor when you eat these socially responsible chocolates. "They still taste really good," Tartikoff said.

Like wine, the flavors of chocolate vary depending on the soil and climate of the region where the beans were grown. "It feels like you can travel through the world when you eat chocolate," Tartikoff said.

Kallari Chocolates, made with heirloom beans grown only in one region of Ecuador, is one of those you can taste at the show.

And the recent interest in artisan foods also has spread to chocolates. Small-scale chocolatiers like John & Kira's in Philadelphia and Donna & Company in Cranford, N.J. — both exhibitors at the show — make their chocolates by hand. The show also will feature lectures geared to those who want to make their own chocolate creations, from a discussion on chocolate tempering to a cooking demonstration by Mauricio Marin of Los Sarapes at Horsham. He'll make Chicken Mole Poblano with Sesame Seeds.

Tartikoff, who's donating a portion of the admission price to the National Wildlife Federation and a portion of the sales of the show poster to the Rainforest Alliance, said she hopes to make a difference and make people happy at the same time. "People love chocolate," she said. And if they don't? "It could be that they've never tried it in a different way," Tartikoff said.

MEREDITH CUMMINGS: A review of diabetes news worth reading

Tuscaloosa News (subscription), AL

By Meredith.cummings@tuscaloosanews.com or 205-722-0227

May 29, 2008

It's been a while since I've updated readers on the latest and greatest research in health for diabetics, both type 1 and type 2. Today I'm going to give you a sampler of news from around the globe over the past month or so that intrigued me enough to read though the whole news story. Because I'm in the news business, I've learned to filter out a lot of the riff raff and get to the point of the reputable articles, and here's what I've learned lately:

Just out this week: Researchers at the Joslin Diabetes Center — the same people who told us earlier this year an anti-inflammatory drug called salsalate might prevent type 2 diabetes — are now reporting that the drug may also be helpful in treating the disease. The study, which appears in the May 2008 issue of the journal 'Clinical and Translational Science,' reported that salsalate, which has been used for decades to treat arthritis, may benefit patients with type 2 diabetes by lowering blood sugar and reducing inflammation.

Medtronic, Inc. got its real-time blood glucose monitoring system approved for use in children ages 7-17. The device had previously been approved for adults, and you may remember a column rant I had about insurance companies not approving it without a long, drawn-out battle. Chris O'Connell, President of Medtronic's diabetes business, said in a press release: 'We are particularly excited that children and their families will sleep better at night knowing that REAL-Time CGM is providing a new level of protection against dangerous glucose levels.'

I know parents who are thrilled that it has been approved for their children, yet there are pitfalls, as you will see in the next item.

On the heels of Medtronic's news, came one of the most alarming things I've read recently, from the May issue of the journal 'Pediatrics': It turns out that the more sophisticated technology that allows insulin pump users like myself to manage our blood sugars has an unintended consequence. Between 1996 and 2005, there were 13 deaths and more than 1,500 injuries reported among young people using insulin pumps to treat type 1 diabetes, says a U.S. Food and Drug Administration study. The pumps offer an alternative to multiple daily injections of insulin by syringe. The researchers didn't advise against the use of the pumps, but called for more safety studies of the popular devices and urged parents to be vigilant in monitoring their children's

use of the pumps, the Associated Press reported. In some cases, the insulin pumps malfunctioned, and in other cases users were careless or took risks, according to the study of young people, aged 12 to 21. 'Parental oversight and involvement are important. Certainly teenagers don't always consider the consequences,' said lead author Dr. Judith Cope, the AP reported. For example, some teens didn't know how to use the pumps correctly, while others didn't take care of the pumps or dropped them, the study found.

To end on a happier note: The diabetic gods have finally heard my plea: Many news organizations reported the news that cocoa could actually be good for people with diabetes. Drinking the flavanols in cocoa seems to help the blood vessel function in diabetics, according to a study in the 'Journal of the American College of Cardiology.' The bad news? Eating regular chocolate won't help, and the high-flavanol cocoa use in the study isn't easy to come by. So even though it's 100 degrees outside, fire up the cocoa. But hold the marshmallows. They weren't included in the study. And neither was whipped cream.

Vaseline(R) Cocoa Butter campaign uncovers Skin's Ability to Speak Volumes

UrbanMecca, FL

SOURCE Unilever

May 29, 2008

Skin is amazing: it covers our body, and reveals our soul. For many, skin is a symbol of pride, for others it's a canvas to tell a story — and for almost all it represents a heritage to be honored. Skin means something different to almost everyone you ask. Vaseline(R) Cocoa Butter traveled the globe asking people “what does your skin mean to you?” and compiled responses in a short film, Vaseline Skin Stories, that finds while continents may divide us, the experience of skin unites us.

The film, narrated by Tony Award-nominated actress Sanaa Lathan, premieres at the Essence Music Festival in New Orleans on July 4, 2008. Vaseline Cocoa Butter is giving people a chance to attend the global premiere by asking them to visit <http://www.skinvoice.com> to enter our sweepstakes and add to the Vaseline tapestry of skin stories by sharing how they honor their skin. Winners will also be able to attend the Essence Music Festival, which features performances by some of the best names in music including Mary J. Blige, Chris Brown, Keyshia Cole and Jill Scott.

Skin cloaks us, but only begins to cover who we are as individuals. The 20-minute Vaseline Skin Stories documentary, set against local, social and cultural backdrops, features personal narratives from across the world including the United States, South America, the United Kingdom and Africa. The inspirational stories touch on the similarities and differences between people's skin as it relates to their lives, “My skin is magic, my skin is strength, and my skin is resistance. My ancestors suffered so much, but today here I am, like a queen.” Such eloquence imparts a poignant yet powerful tone to Vaseline Skin Stories.

The film is enriched with a special voice over by Sanaa Lathan, as well as a brief introduction where Lathan shares her own personal story of what her skin means to her: “My caramel brown skin represents me but also my history and those who came before me and will come after. They were all shades and beautiful. I honor, love and take pride in my skin because of them.”

Other notables have joined the conversation by sharing how they honor their skin including Law and Order alum Jesse L. Martin; actress and singer Raven-Symone; Dreamgirls' and Grammy-Award nominee Anika Noni Rose; Access Hollywood correspondent Shaun Robinson; and television and film star Jill Marie Jones. Each examines and shares what their skin means to them at <http://www.skinvoice.com>, where people can also view excerpts of the Skin Stories documentary.

The journey doesn't end with the documentary. Vaseline invites people to help continue the dialogue about skin and make the collection of stories a living documentary by visiting <http://www.skinvoice.com> and sharing how they honor their skin. When they do, they will be entered for a chance to win one of five trips for six to the Essence Music Festival July 4-6, 2008 in New Orleans, where they will attend the premiere of the short film hosted by Lathan and experience first-hand the Essence Music Festival — the largest event of its kind in the world. It is a special occasion in which families and friends come together to celebrate the rich cultural African American legacy. The deadline to enter is June 4, 2008. No purchase necessary. Must be a legal U.S. resident age 18 or older. See <http://www.skinvoice.com> for rules. Void where prohibited.

The Vaseline Cocoa Butter campaign was created in celebration of the product line, featuring products that penetrate skin to restore its natural glow. Let the world know how you honor your skin and become a part of the Vaseline Cocoa Butter tapestry.

Study: Cocoa flavanols might benefit Diabetics

AMonline.com, WI

05/30/2008

Cocoa consumption can improve vascular function among diabetic patients, according to a study published in the Journal of the American College of Cardiology, as reported in CandyBusinessInsider, a candy industry newsletter. It suggests that cocoa flavanols, which are naturally occurring plant compounds, might provide healthful benefits to people with Type 2 diabetes.

Study participants who regularly drank a test beverage rich in cocoa flavanols experienced a 30 percent improvement in measured vessel function. Found naturally in cocoa beans, cocoa flavanols are compounds similar to those found in red wine and green tea. Previously published studies have shown that the consumption of these flavanols can improve blood vessel function and even reduce the tendency of blood clots to form.

Mars, Inc. developed the beverage used in the study through a patented process called Cocompro. It is said to retain the benefits of these compounds, but the beverage is not yet available on the consumer market.

Production and Quality

Cameroon cocoa exports drop as rain curbs deliveries (Update1)

Bloomberg

By Pius Lukong

May 26, 2008

(Bloomberg) -- Cocoa exports from Cameroon, the world's fourth-biggest producer of the chocolate ingredient, dropped 33 percent last week as heavy rains curbed deliveries, the Cocoa and Coffee Board said.

Shipments from the country's main port of Douala declined to 267 metric tons in the week through May 25, from 397 tons a year earlier, the board said in an e-mailed statement from the city yesterday. Week-on-week exports rose 46 percent, it said. "Poor weather and low-quality beans resulted in exporters buying less," Richard Adzogo, an official in charge of cocoa statistics at the board, said in the statement. The average export price dropped from 1,085 CFA francs (\$2.60) a kilogram (2.2 pounds) to 1,066 francs during the week, Adzogo said.

Cocoa for July delivery fell 10 pounds, or 0.7 percent, to 1,379 pounds (\$2,728) a metric ton on May 23 on the Liffe exchange in London. Beans from Cameroon's western growing region sold at 905 francs a kilogram, from 925 a week earlier, Andre Lema, an official of the Cocoa and Coffee Interprofessional Council, said in an e-mailed statement from Douala.

Cocoa from the central region fetched 913 francs a kilogram, from 921 francs a kilogram, while beans from the southern region sold at 905 francs, compared with 915 francs, the council said. Cameroon ranks fourth in world cocoa production, after Ivory Coast, Ghana and Indonesia. *To contact the reporter on this story: Pius Lukong in Yaounde via the Johannesburg bureau at +27- abolleurs@bloomberg.net.*

Vietnam to expand cocoa crop

Thanh Nien Daily, Vietnam

Source: VNA

May 26, 2008

Vietnam plans to expand the nation's cocoa growing area to 80,000 hectares by 2020, an increase of 70,000 hectares, the Ministry of Agriculture and Rural Development said. The ministry's Cultivation Department Director Nguyen Tri Ngoc said the US\$2.5 million project was expected to produce 108,000 tons of dried seed and earn export revenue of between \$100-120 million.

Cocoa growers would be eligible for interest-free loans from state banks, guaranteed by the Vietnam Farmers Association, Ngoc said. Vietnam has been developing its cocoa growing area for the past three years. There are more than 10,000 hectares of cocoa being cultivated, a quarter of which has been harvested.

Indonesia 2008 Cocoa bean exports seen falling

Source: Reuters

27/05/2008

Jakarta

Indonesia's cocoa bean exports are likely to fall to 290,000 tonnes in 2008 from 300,000 tonnes last year due to lower production, the chairman of Indonesia's Cocoa Association, Halim Razak, told Reuters on Tuesday.

bush that require further drying to avoid moulding. 'Two weeks ago my cousin sold cocoa at 425 CFA/kg, but it's hard to find that price now,' said Marcel Aka, who farms cocoa on the outskirts of Daloa town.

In the western region of Soubre, at the heart of the cocoa belt, farmers said the average farm-gate prices in the week of May 19-25 ranged from 350-400 CFA/kg, slightly down on the previous week, because of high humidity and small beans. 'Buyers are concentrating more and more on certain areas where the plantations are young. In the Buyo area (about 80 km or 50 miles from Soubre) there is a lot of cocoa,' said one farmer in the area, Koffi Kouame. (For full Reuters Africa coverage and to have your say on the top issues, visit: <http://africa.reuters.com>) (Editing by Alistair Thomson)
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Ivorian Cocoa Farmers Fear Disease in 08/9 Main Crop

Source: Reuters

29/05/2008

Daloa, Ivory Coast, May 28 - Cocoa farmers in west Ivory Coast have fallen behind with fertiliser and pesticide treatments and this threatens to cut output and raise the risk of disease in the coming 2008/09 main crop, farmers say.

A Reuters reporter visiting the Daloa region, which produces around a quarter of the crop in the world's top grower, saw damage from capsid bugs, which pierce cocoa leaves, and weeping holes in trunks from caterpillars which also attack pods.

The damage was worst in some older plantations, which tend to require more use of fertiliser because nutrients in the soil have had more time to deplete since cocoa groves were first carved out of the lush forest. "The soil here has become poor so we have to use lots of fertiliser or else production is not good," said Simplicie Ouraga, a farmer in his 40s who farms two hectares of cocoa at Zepreguhe, a few km (miles) east of Daloa town.

Harvesting of the current April-September mid crop has been irregular in recent weeks.

Heavy rains have caused many trees to sprout new leaves but little by way of flowers, further diminishing fading hopes for a late mid-crop surge and focusing farmers on the next main crop starting in October. Some of the cocoa fields around Daloa were planted in the 1980s, when the West African country was cementing its position as the world's top grower and the epicentre of production was shifting westwards. But many are now past their best.

Older plantations can also require more pesticides. "You see the diseases that are giving us problems at the moment," said Alexis Gnepka, who farms at Zoukougbeu, 58 km (miles) west of Daloa.

"They tell us to spray the fields and put down fertiliser when it starts to rain in April but we don't have the money. All the money goes on feeding and schooling the kids -- there's nothing left," he said.

Prices have generally been high this 2007/08 season thanks to firm futures prices on international markets, but farmers said the highest prices of the October-March main crop season came too late for the bulk of their sales. "It's true that at the start of this year prices went up, but we saw none of it because we had no cocoa left," Gnepka said.

The high prices recorded each week by the Coffee and Cocoa Bourse (BCC) in major cocoa trading towns have also been negated by surging costs for food to feed large farming families.

Equally, record world oil prices have pushed up transport costs for merchants and cooperatives, thereby increasing the discount between the BCC-recorded prices and the actual amount cocoa farmers get from passing merchants on their doorsteps.

Some farmers called for the revival of the Fund for the Development and Promotion of the Activities of Cocoa and Coffee Producers (FDPCC), which used to distribute fertilisers and pesticides free to farmers but stopped two seasons ago when state funding dried up. "If the fund could see our situation, it would help us a little. We can't afford pesticides and fertiliser," Ouraga said. "If we miss the July treatment it will make things hard for us, because that will threaten our October production," he said, referring to the coming 2008/09 new season main crop.

Organic chocolate fans unlikely to switch to cheaper options

FoodProductionDaily.com, France

By Linda Rano

29-May-2008

In recent years organic confectionery products have become increasingly popular but are consumers willing to stick by their principals in the face of rising food prices or will they turn towards a cheaper alternative? Josiane Kremer, a spokesperson at chocolate manufacturer Barry Callebaut, believes the future is bright for organic chocolate, at least.

She explained to ConfectioneryNews.com: "In general, consumers accept a higher price for organic chocolate, in particular in Great Britain and in the USA, where the price for a kilo of organic chocolate is about three times higher than that for conventional chocolate. "Organic chocolate is a premium product. Therefore the demand for organic chocolate is less price-sensitive." She added that the demand for organic products is not short-term, it is rather a trend that has been around for a decade, one that marks a significant shift in consumer conduct. "Organic products continue to represent a market that is seeing dynamic development and continuous growth in demand", Kremer said.

A spokesperson at the UK Soil Association agreed that those who have made the choice to buy organic in general are likely to continue to do so, even as food prices increase across the board.

She said that those who are committed to organic will probably change their other shopping habits to save money on other products so they can continue buying the organic option. For instance they might cut back on dairy and meat purchases or join the increasing number of people growing their own fresh produce.

The spokesperson was not as optimistic that this would extend through to organic chocolate, though: It is possible that as prices rise organic customers may begin to see their chocolate as a treat and buy it less frequently than before.

Barry Callebaut, however, demonstrated its faith in the future of organic chocolate in April this year when the company acquired a 49 per cent stake in Biolands of Tanzania, Africa's largest exporter of certified organic cocoa, after purchasing 100 per cent of its top-end cocoa for the past eight years.

The All Candy Expo which took place in Chicago earlier this month, highlighted organic, premium and gourmet products, which organisers said were the fastest growing segments in the confectionery and snack markets.

Organic chocolate producers Green & Black's USA conducted interactive tasting and pairings at the event.

Demand for organic

In a European consumer survey, Euromonitor found that half of respondents thought organic food and drink was either important or very important. The organic finished product market is expected to grow by 32 per cent from 2006 - 2011, according to Euromonitor.

Cocoa crop gets clean bill of health

Calgary Herald, Canada

By Herald News Services

May 30, 2008

Ivory Coast's cocoa crop, the world's biggest, is showing no new signs of disease, the country's state agricultural research company said. The crop may be reduced because farmers have fallen behind with pesticide and fertilizer treatments, which increases the risk of disease growers said. "Apart from the diseases we already know, such as black pod rot, we haven't seen anything that could threaten cocoa production," Anatole Kone, a spokesman for state agency the National Center of Agronomic Research, said.

World cocoa production will fall short of demand for at least a second consecutive year, the London-based International Cocoa Organization said May 21. Benchmark prices have advanced 41 per cent this year on the Liffe exchange in London.

The West African nation's main crop is collected from October to March, while the smaller mid-crops are harvested from April to September. Black pod disease is a type of fungus that infects cocoa trees.

Ghana Cocobod sets June 5 end to cocoa main crop

Reuters South Africa, South Africa

By Kwasi Kpodo

30 May 2008

ACCRA, May 30 (Reuters) - Ghana's 2007/08 cocoa main crop season will end at the close of business on June 5, the Cocobod industry regulator producer said on Friday. Cocobod will accept final returns on declared purchases up to 4 p.m. (1600 GMT) on June 12, it said in a statement signed by acting Chief Executive Tony Fofie.

The main crop season in Ghana, the world's second biggest grower after neighbouring Ivory Coast, is the larger of a two-cycle cocoa season. It is followed by the light crop made up of smaller beans which are mainly sold to local grinders. Ghana's main

cocoa crop lasts about 33 weeks, normally from October to May, but the exact start and end dates are usually announced at short notice.

The current main crop, which began mid-October 2007, was initially seen at 600,000 tonnes, up from 587,502 tonnes in 2006-07, but hopes for a bigger crop have risen in recent months and topped the 600,000 tonnes mark in early May.

Purchases declared to Cocobod totalled 613,918 tonnes by May 8, the most recent figures available, and Central Bank Governor Paul Acquah said on May 19 that the main crop would reach 634,000 tonnes.

Along with the light crop, Cocobod officials have said in private they expect the annual 2007/08 crop to total 700,000 tonnes if current good conditions continue, up from Cocobod's pre-season forecast of 650,000 tonnes. Ghana produced 614,469 tonnes of cocoa in 2006/07, down from a record 740,457 tonnes the previous year. *(For full Reuters Africa coverage and to have your say on the top issues, visit: <http://africa.reuters.com>)*

Mou signed to promote cocoa cultivation in TN

Hindu, India

Staff Reporter

05/30/2008

COIMBATORE: Tamil Nadu Agricultural University (TNAU) on Friday signed a memorandum of understanding with Cadbury India Limited (CIL) for promoting cocoa cultivation in the State. Signed by TNAU Vice-Chancellor C. Ramasamy and CIL Associate Vice-President K.P. Magudapathy, it will entail a five-year project that will include collaborative research and cultivation of cocoa with Rs. 50 lakh as the initial start-up. CIL expects to scale up the amount to Rs. 1.5 crore eventually.

The project, based on public-private partnership, will see the university identifying germ-plasm for quality production of cocoa. It will provide the company with the technical know-how that will be transferred to farmers who will cultivate cocoa in their farms. "Cocoa is the main input for producing chocolates, health drinks and pharmaceuticals. We already have a germ-plasm for cocoa in the university. The CIL project will be time-consuming and will be strictly evaluated to promote more yield. The university is interested in the promotion of horticulture. Such measures will help achieve the expected four per cent growth in agriculture," the Vice-Chancellor said.

"The project is part of our corporate social responsibility to reach out to the farming community. Coconut farms do not usually have an inter-crop. Cocoa can be used as an inter-crop to avoid weeding expenditure. Coconut trees will give the required shade to the cocoa plants while the leaves of the cocoa plant can be used by the coconut trees for nourishment. A cocoa tree lives for 50 years. So it ensures sustainable income to the farmer," Mr. Magudapathy said.

Coverage

The total area under cocoa in India is around 75,000 acres with a production of 9,000 to 10,000 tonnes. In the State, it is cultivated in Pollachi, Dindigul, Theni, Salem, Kanyakumari, Thanjavur, Vellore, Erode and Krishnagiri.

"The requirement grows by 15 per cent every year. The university will identify further areas where it can be cultivated. We will sell the saplings to interested farmers. Once the crop is ready, they can sell it to any consumer. We will also buy from them. But, they are not bound to sell it only to us," Mr. Magudapathy said.

T. Bellie, Joint Director of Horticulture, Chennai, said: "Cocoa is being given a major thrust in the State by the National Horticulture Mission. They can plant as many as 200 cocoa plants on a one-acre coconut farm. The Mission gives the farmer a subsidy of Rs.11, 250 a hectare to grow cocoa. "They will get an additional income, besides the income from selling coconuts, from cocoa."

The project is expected to fetch the farmers a profit of Rs.20,000 an acre. The CIL planned to grow cocoa on 6,000 hectares in 2008 and subsequently increase it to 10,000 in 2009. K. Rajamani, Head, Department of Spices and Plantation Crops, TNAU, will be the principal investigator heading a team of professors from the university.

The Market

Cash cocoa trade restrained by jump in futures

HAMBURG, May 30 (Reuters) - European physical cocoa business remained depressed this week with the sudden rise in London futures on Thursday putting a stop to limited fill-in purchases which had been made in previous days, traders said. London September <LCCc2> cocoa futures peaked this week at 1,465 pounds per tonne on Thursday, a two-week high. 'London remains way above the level most industrial customers are willing to pay and London's sudden jump on Thursday took away the purchase interest for spot hand-to-mouth delivery,' one trader said. Differentials were generally little changed. Ivory Coast beans were again quoted substantially lower than other West African origins because of continued quality concerns about the Ivory crop.

Beans from Ghana were quoted on Friday at 140 to 145 pounds over London's July bean contract <LCCN8> against 30 to 40 pounds over for Ivory beans. 'Ghana remains in the focus of interest for the large industry players who need big volumes of good quality to replace Ivory supplies while the state Ghana board is also willing to make large advance sales,' one trader said. The trader said that there was underlying physical interest in other origins such as Nigeria and Cameroon, but these countries don't have the physical volumes the big players need. 'But West African sellers are acutely aware of the quality problems in Ivory Coast and buyers who need guaranteed quality must pay up,' he added. Otherwise many industrial buyers were thought to again be running down inventories in the hope London prices will fall. 'I believe industry does have a large pent-up requirement,' one trader said. 'I think there would be major purchasing if London July was to fall by about 150 pounds.' He noted that background fundamentals are bearish and industrial buyers are still hoping for reduced investment fund interest in cocoa.

The global cocoa market should move into surplus in 2008/09 from a small deficit in 2007/08 as high prices stimulate production, the head of the International Cocoa Organization (ICCO) said this week. [ID:nL27735756] (Reporting by Michael Hogan; editing by David Brough and Peter Blackburn)

DJ Liffe Softs: Cocoa, Coffee Trade Higher But Lack Liquidity

Trading Markets (press release), CA

By Sarah McFarlane, Dow Jones Newswires

May 27, 2008

LONDON, May 27, 2008 (Dow Jones Commodities News via Comtex) -- -- Liffe cocoa and robusta coffee traded higher Tuesday on light volumes as both markets continued to struggle to drum up any significant activity.

COCOA

July cocoa traded up GBP17, or 1.2%, at GBP1,396 a metric ton, with 780 lots moved, as at 1017 GMT.

Trading just above Thursday's six-week low of GBP1,372/ton, there was no fresh news to take July in a strong direction. "There's a lot of against actuals in the volume," so far this session, said a London-based broker.

New York's most active cocoa futures traded up \$10, or 0.4%, at \$2,593/ton, as at 1018 GMT.

COFFEE

July coffee traded up \$23, or 1%, at \$2,265/ton, with 1,360 lots traded, as at 1019 GMT.

After moving near the top-end of its range Wednesday and then back down to the bottom end Thursday, coffee was again rangebound on light volumes at the market opening this week. The recent volatility in the market has been exaggerated by the lack of liquidity, said a London-based broker.

Vietnam, the world's largest robusta coffee producer, is likely to have a 23% drop in coffee exports in May in terms of volume compared with the previous year, but 10.8% higher in dollar value, according to estimates issued Monday by the General Statistics Office.

Vietnamese farmers have been slow to release coffee on to the market in the hope of higher prices.

New York's most-active arabica coffee futures traded up 20 points, or 0.1%, at \$1.3495 a pound, as at 1021 GMT.

Processing & Manufacturing

TNAU, Cadbury to conduct collaborative research in Cocoa

Hindu, India

May 30, 2008

Coimbatore (PTI): Confectionery major, Cadbury India on Friday joined hands with the Tamil Nadu Agricultural University (TNAU) to have a collaborative research project to promote Cocoa cultivation in Tamil Nadu. The main objective of the rs.50 lakh project, spread over five years and to be operated in TNAU, was to develop high yielding, pest and disease tolerant and quality cocoa varieties suitable for Tamil Nadu, TNAU Vice Chancellor, Dr C Ramasamy, told reporters here on Friday.

The scheme contemplated production of available superior seed materials, development of local specific package of practices, partnering Cadbury and Government (TNAU) in popularising scientific cultivation methods, he said. Mainly used for chocolate, health drinks, cosmetics and pharmaceutical industries, India required about 20,000 tonnes of cocoa annually, as against the production of 9,000 to 10,000 tonnes in 75,000 acres, Ramasamy said.

K P Magudapathy, Associate Vice-President, Cadbury India, who signed an MOU with Ramasamy for the project, said that cocoa requirement in India was growing 15 per cent every year and there was vast scope for its promotion as an intercrop in Coconut farms.

About 500 cocoa plants can be planted in one hectare as intercrop, Madugapathy said adding farmers could get a additional income of about rs.40,000 from one hectare of cocoa plantation by intercropping in coconut/arecanut plantations.

Cadbury and Tamil Nadu Agricultural University join hands for cocoa research project news

domain-B, India

30 May 2008

Mumbai: Cadbury India Ltd, today announced an extensive cocoa research project in partnership with the Tamil Nadu Agricultural University to help promote cocoa cultivation in the state. The research project is part of the Cadbury Cocoa partnership established to help secure the economic, social and environmental sustainability of cocoa farmers and their communities in India and other cocoa growing areas.

The research project will focus on improving cocoa farmer incomes, by helping them increase their yields through superior planting material, disease resistant varieties and produce top quality beans. Through research materials it will support the Tamil Nadu government's efforts in promoting cocoa as an inter crop in coconut to increase the income of farmers.

According to experts, five hundred cocoa plants can be planted in one hectare as inter crop in coconut with improved varieties come to yield in three years. The farmers can get an additional income of about Rs40,000 from one hectare of cocoa plantation by inter cropping in coconut / areca nut plantations.

The project also plans to introduce location specific practices for local farmer communities by understanding the impact of geographical variations in the region.

Speaking on behalf of Cadbury India, K P Magudapathy, associate vice president, Cocoa Operations said, "Through this research project in Tamil Nadu, Cadbury is looking to partner the state government by supporting cocoa farmers and help develop cocoa production in an economically, socially, and environmentally sustainable way."

In 2007, Cadbury had signed a memorandum of understanding with the Tamil Nadu government's department of horticulture to enhance the cocoa cultivation in the state through National Horticulture Mission. Cadbury has extended buy-back guarantee, minimum support price and technical advice for the benefit of the farmers.

Cocoa is mainly used for production of chocolates, health drinks, cosmetics and pharmaceutical industries and is globally consumed. It prefers 50 - 60 per cent shade and is normally raised as an inter crop in coconut and areca nut plantations. India has around 75, 000 acres of cocoa farmland with a production of 9000 to 10,000 metric tonnes.

Business & Economy

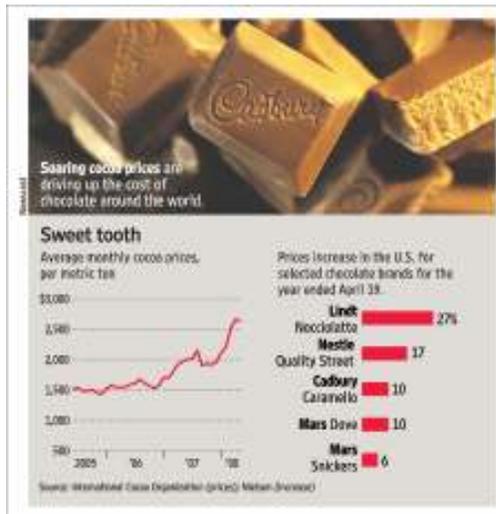
Candy companies blame higher prices on Hedge Funds' Chocolate Cravings

Wall Street Journal

By AARON O. PATRICK at aaron.patrick@wsj.com

May 28, 2008

London: - - - The price of Cadbury PLC's Caramello candy bar is up 10% over the past 12 months, raising a sticky question: Are hedge funds to blame?



Soaring cocoa prices are driving up the cost of chocolate around the world. The chocolate industry points its finger at speculative buying by professional investors, especially hedge funds.

Hedge funds have been accused of many things over the years, including almost bankrupting countries (the 1997 Asian currency crisis), triggering a run on the pound (George Soros in 1992), threatening the integrity of the U.S. financial system (Long-Term Capital Management in 1998) and fraud (Bayou Management LLC in 2005). This is their first fight with chocolatiers. "They definitely influence the market and the prices," says Bernd Rössler, a spokesman for August Storck KG, one of Germany's bigger chocolate makers. "There is a lot of money invested in [cocoa], and it is coming from hedge funds."

Cadbury Chief Financial Officer Ken Hanna says most cocoa demand used to come from chocolate makers. "Now, in common with many other commodities, there is also significant investor demand, and that can add to

pricing pressures," he says. The pricing of chocolate is under scrutiny globally. In the U.S., Canada and Europe, regulators are investigating potential price fixing in the chocolate market and more than 50 lawsuits have been filed, many by customers and resellers.

Chocolate makers are accused of colluding as far back as 2002. The U.S. Justice Department has inquired into their pricing practices, and the German Federal Cartel Office raided the offices of seven candy makers in February. The companies have said they are cooperating with the inquiries.

More recently, the turbulence in global share markets has led hedge funds and other investors to turn to agricultural commodities such as cocoa, wheat and oil looking for big gains. "In my lifetime, it's an entirely new phenomenon," says Stephanie Garner, a cocoa trader for Sucden, a broker owned by Sucres & Denrées SA, on the London International Financial Futures and Options Exchange. "It's to a large extent a fallout of the credit crunch."

Shipped around the world as a powder, paste, liquor or butter, cocoa sells for about \$2,600 a metric ton on New York's Intercontinental Exchange, up from \$1,700 at the beginning of 2007. Globally, chocolate sales rose 6.9% in 2007, according to Nielsen Research.



Some 15% to 30% of the average chocolate bar is made of cocoa. Premium blocks of chocolate contain as much as 99% cocoa, making them more susceptible to changes in the cocoa price.

Given the small size of the cocoa market -- the annual crop is valued at \$10 billion, roughly equal to a day's oil production -- hedge funds can move prices with relatively small amounts of cash. Hans Kilian, a U.S.-based cocoa expert and one of the few independent cocoa forecasters, says he has been hired by hedge funds to dig up information about production in West Africa, Brazil and Indonesia. He declined to disclose his clients.

Cocoa investors acknowledge that they can affect prices but say their influence is strictly short term.

Any increase in prices should lead to farmers growing more cacao trees, which produce cocoa beans, driving prices down again, they say.

Because cocoa investors aren't interested in physically owning cocoa, they have become big players in the cocoa-futures market. For the week ended May 13, speculators on the Intercontinental Exchange owned futures contracts over 654,760 metric tons of cocoa, according to figures from the Commodity Futures Trading Commission. Chocolate makers and other companies involved in the industry owned contracts over 706,430 tons.

Three years ago speculators were much smaller players, holding futures contracts over 260,970 metric tons of cocoa compared with the chocolate industry's 942,700 metric tons.

Tim Pollock, head of operations at Armajaro Holdings Ltd., a big cocoa investor and trader, says he "can see why some chocolate makers may find it quite convenient to blame funds. I don't think it has a long-term impact."

One of the puzzles behind the cocoa-price increase is that it doesn't appear to reflect an imbalance between supply and demand. In the year ending in September, there will be almost enough cocoa grown to meet the world's needs, according to the International Cocoa Organization, a trade group. The expected 51,000-metric-ton shortfall isn't particularly large and can easily be covered by existing stock, the group says.

"The fundamentals do not justify this price, and I haven't heard of any other explanation other than [investment] funds," says Hagen Streichert, a German government official and the spokesman for cocoa-buying countries on the International Cocoa Council.

The Swiss maker of Lindt chocolates, Chocoladefabriken Lindt & Sprüngli AG, says speculative investment is distorting the cocoa market. "The increase in cocoa prices has little to do with supply and demand," CEO Ernst Tanner said in March.

In the U.S., prices of high-quality chocolates rose 6.1% in the year ended April 19, according to Nielsen. Among those, Lindt's Nocciolette range were up an average 27%, and Nestlé SA's Quality Street product rose 17%, Nielsen says, based on surveys of retail prices in shops across the U.S. The companies have cited rising commodity prices, including the prices of milk, cocoa and oil, as reasons for increasing the prices charged at retail for chocolate.

The issue is so vexing that the International Cocoa Organization asked its researchers last year to find out what was going on. The answer: It is unlikely speculative investors are distorting prices -- but they couldn't be sure.

Cocoa: A New Outlook

Elliott Wave, GA

By Nico Isaac

29 May 2008

The number one flaw of fundamental analysis is its lack of account for human error. Think about it: If financial markets are well-oiled machines that react mechanically to outside events, it stands to reason -- If you master the system, there's no way to fail. In theory, all should go according to various plans. For market "x," supply shortages and demand increases cause prices to rise. Trader goes long. For market "y," favorable weather conditions and ample crops = a drop in prices. Trader goes short. In actuality, the story is quite different. In the real world, markets constantly "turn a deaf ear," "defy," and/or "shrug off" their designated fundamentals, leaving the mainstream trader with no escape.

Take, for example, the recent action in Cocoa prices. According to the usual suspects, cocoa fills the opposite seat of a see-saw with the U.S. dollar: i.e. when the greenback rises, investors take their money out of high-risk commodities and put it into dollar-related assets. (See: May 28 headline, "Dollar strength takes wind out of cocoa market," DJ Newswire.)

Here's the problem: On May 29, the U.S. dollar continued to rise, soaring to its highest level in two weeks. At the same time, cocoa prices took a giant leap UP to their loftiest heights since May 13. (Sweet Opportunity in Cocoa. Right now, the May 29 Daily Futures Junctures shows you 3 labeled price charts, a 4-minute video forecast, and objective insights into where cocoa prices may go in the days ahead. Get the details.)

Let me make this perfectly clear: The Elliott Wave Principle is not flawed. But the human beings interpreting it know that sometimes, they are. For this reason, EWI's commodity specialist Jeffrey Kennedy always equips his Futures Junctures Service analysis with a wide array of safety nets: namely, clearly defined support and resistance prices levels to help his subscribers manage the risk.

Case in point: In the May 21 Daily Futures Junctures, Jeffrey Kennedy went on high alert to the possibility that his Cocoa analysis was incorrect. In Jeffrey's own words: "We are not out of the woods yet. Prices action has yet to confirm our wave count. Moreover, the lower boundary of our base channel remains solidly intact. With cocoa inconclusive, we continue to keep a close on what I would call critical resistance. A move beyond this region is where the bearish labeling loses credibility."

With recent gains, cocoa prices violated Jeffrey's resistance levels. And now, in the May 29 Daily Futures Junctures, he revisits the softs market to reveal his "newly adopted" outlook. When it comes to Elliott Wave analysis, room for error is also room for opportunity. Find out how sweet Cocoa prices could become in the days ahead.

Chocolate sales to the Arabs grow 50%

ANBA, Brazil

Isaura Daniel*; isaura.daniel@anba.com.br



05/29/2008

Brazilian exports went up from 141 tonnes in the first four months of 2007 to 210 tonnes during the same period this year. The Brazilian Cocoa and Confectionery Manufacturers Association (Abicab), which congregates companies in the segment, plans to develop actions in the region in order to increase sales.

São Paulo – Brazilian manufacturers increased their chocolate exports to Arab countries by 50% in the beginning of this year. Sales rose from 141.3 tonnes between January and April last year to 210.4 tonnes in the same period this year. In terms of revenues, exports grew at a higher rate - 69% -, from US\$ 326,800 to US\$ 552,300.

Alexandre Rocha/ANBA

"The Arab market is important for us, we need further effort on it," says the executive director at the Brazilian Cocoa and Confectionery Manufacturers Association (Abicab), Clara Singer. According to her, the organisation plans to hold actions in the region, such as participating in trade fairs, in order to increase export volumes.

Stores in the Emirates sell Garoto branded chocolates

The Arab country that purchased the most chocolate from Brazil in the first four months this year was Yemen, 76.6 tonnes, the equivalent to US\$ 225,000. The second largest buyer was Egypt, 29.8 tonnes and US\$ 114,500. The United Arab Emirates ranked third, having bought 30.8 tonnes of Brazilian chocolate, equivalent to US\$ 81,200.

Libya, Mauritania, Morocco, Jordan, Bahrain, Sudan and Lebanon also imported chocolate from Brazil up to April this year. The figures mentioned above also include powdered cocoa exports, but those answered to just US\$ 2,300 of the total, according to data from the Brazilian Ministry of Development, Industry and Foreign Trade.

In Yemen and the Emirates, for example, chocolates of the Brazilian brand Garoto can be found on the shelves of supermarkets and groceries. According to Clara, of the Abicab, the organisation wants to involve the segment in a trade fair in the region that targets the Arab market as a whole.

Last year, national exports of chocolate remained stable and generated revenues of US\$ 132 million, according to figures supplied by the Abicab. According to Clara, Brazil is capable of exporting more. Last year, according to her, foreign sales were affected by the appreciation of the Brazilian real against the dollar.

Malaysian investors prospect African market

AfricaNews, Netherlands

By Walter Nana Wilson in Buea

30 May 2008

The 12-man delegation from South-East Asia has so far been to Ghana, Ivory Coast and Cameroon. The combination of private and public sectors business executives have been exchanging with their Cameroonian counterparts as well as Ministers in related domains.

After having had two working sessions with the Cameroonian Vice-Prime Minister in charge of Agriculture and Rural Development, Jean Kuete and the Minister of Trade, Luc Magloire Mbarga Atangana, focussed on the possibilities of trading in Cameroonian cocoa, the head of the delegation from Malaysia, Nurmula Abdu Raphim, Deputy Secretary General at the Malaysian Ministry in charge of Commodities told reporters that they are criss-crossing the African continent to canvass for a market in the cocoa sector.

This reporter gathered that the government of Cameroon has assured the Malaysians that the former is willing to facilitate the establishment of Malaysian cocoa factories in Cameroon. "Cameroon has an investment charter where the rights and advantages of prospective investors are guaranteed," Mbarga Atangana told the delegation and entreated them to look for possible avenues to establish joint ventures with Cameroonian partners to process cocoa in Cameroon.

Abdu Raphim told journalists "We're here to understand more of the cocoa industry of Cameroon, with the hope that we can buy more cocoa from Cameroon and explore the possibility of joint venture in the down stream activity." He explained the ongoing evolution in the structure of the cocoa industry in Malaysia, which to his analysis is changing now. "We've a lot of down stream activities, especially on grinding. We're exploring alternative ways of getting more cocoa beans from West Africa," he quickly added.

Records have it that Malaysia, which was once a leading producer of cocoa is said to have abandoned the sector in favour of the juicy oil palm production, when problems set in. However, the aforementioned problem was not accompanied by the closure of cocoa processing structures, including grinding machines. Malaysia has a grinding capacity of 360,000 tons but produces only 35,000 tons. Cameroon on her part produces close to 180,000 tons but has only one factory that processes 40,000 tons.

Secretary General of the Cocoa Producers Alliance, Hope Sona Ebai told press men "May be there is room for exchange not only for Malaysia to purchase beans for their factories but also to put up joint ventures factories in Cameroon that can process and add value to the country's cocoa beans."

Other Cameroonian government officials assured the Malaysians of the enabling legal framework that can enhance such partnership.

Environmental Issues

Make your garden a "cocoa-free" zone

San Francisco Chronicle, USA

By Amelia Glynn |

May 27 2008

It's fairly well known that pets should not eat chocolate — or any of its tempting cocoa derivatives. This morning, a friend forwarded me a copy of the latest "cocoa mulch" email, which many of you may have already seen. There are several versions of it floating around cyberspace, but the warning is real and one that should be heeded, especially if you have a dog.



.The gist of the issue is this: commonly sold brands of cocoa mulch contain theobromine, a chemical similar to caffeine which can be lethal to cats and dogs if ingested.

One case in the Journal of the American Veterinary Medical Association (AVMA) reports that a dog that had ingested cocoa mulch developed convulsions and died approximately 17-hours later. An analysis of its stomach showed ingested cacao bean shells and lethal levels of theobromine.

Keep your pets safe with a cocoa-free garden

Most packaging of cocoa mulch now makes it clear that it is not for human or animal consumption. It also appears that all cocoa mulch is not created equal. The maker of Mirana Cocoa Mulch for example claims that as a result of a series of processing steps the level of theobromine in its mulch is barely detectable.

The bottom line? Even though it smells like chocolatey goodness, if you have dogs or cats, it's probably best to skip the cocoa mulch for something with a bit more of that traditional earthy funk. *For more information visit: www.TruthorFiction.com or www.Snopex.com.*

Mars, Inc. Collaborates on Global Scale to protect Biological Diversity

Corporate Sustainability Leader invited to share Expertise on Cocoa Sourcing at Preeminent International Biodiversity Conference

CSRwire.com (press release)

May 27, 2008

(CSRwire) BONN, GERMANY - - Mars, Incorporated is supporting the 'Biodiversity in Good Company' conference this month, reiterating its commitment to sustainable cocoa sourcing for its own products and the global cocoa market.

Part of the ninth Conference of the Parties to the United Nations Convention on Biological Diversity (CBD), the conference is an integral part of the European Union's 'Business and Biodiversity Initiative.' The conference takes place from May 19-30 in Bonn, Germany. Its top objectives are to protect biological diversity and the sustainable use of its components, as well as secure participants' commitment to sharing the benefits that arise from genetic advancements.

Howard Shapiro, global director of plant science and external research, and Philippe Metzger, general manager of Mars Snackfoods Germany and future vice president of sustainability Mars Europe, will participate in the proceedings of the Biodiversity in Good Company initiative to share his insights on biodiversity and cocoa sustainability, as well as the company's own challenges and successes on the subject. Howard Shapiro will be a member of the Business and Biodiversity Expert Forum, where he will discuss how to minimize the impacts and risks of business activities on biodiversity. Philippe Metzger will participate in the High Level Segment Meeting. "As one of the world's largest buyers of cocoa, Mars has an opportunity to share in the responsibility to positively influence sustainable cocoa sourcing and protect the biodiversity of cocoa-growing regions," said Shapiro.

Protecting biodiversity is critical to the viability of the cocoa tree. Mars has partnered with federal, local, and NGO communities around the world to develop and disseminate best practices in cocoa production, investigate new methods to control pests and diseases, and find new ways to improve the quality of cocoa. Mars' leadership efforts in biodiversity and cocoa sustainability are designed to guarantee the long-term future of cocoa supplies, while also promote a responsible approach to its production so that the communities and ecosystems where cocoa is grown can thrive.

Among the many efforts Mars is making to protect biodiversity is through the Mars Center for Cocoa Science, which researches disease-resistant strains of cocoa that can be introduced to cocoa farming regions of Brazil and other countries for greater sustainability. Mars also is supporting cocoa farmers by breeding cocoa trees that are more drought tolerant and use water and soil nutrients more efficiently. The company also owns Seeds of Change, a leading, certified organic food company that has pioneered organics for more than 20 years.

"Mars has a long history of environmental stewardship," said Metzger. "We invest significant resources to help support the sustainability of the cocoa supply chain—in part because it is linked to our own business success, but also because it is critical to protecting this unique and fragile crop for future generations."

The Biodiversity in Good Company conference builds upon the CBD's commitment to significantly reducing biodiversity loss at global, regional, and national levels by 2010. The private sector, in particular, has been called upon by the Conferences of the Parties to ensure the protection and sustainable use of biological diversity.

To help meet this international goal, Mars continues to support efforts to protect biodiversity around the world—particularly those related to cocoa. The company has worked to enhance economic, environmental, and social livelihoods in cocoa-growing communities as part of its integrated business strategy. Participation in Biodiversity in Good Company is another opportunity for Mars and its team of experts to collaborate on sustainability issues for cocoa and other crops.

About Mars, Incorporated

Mars, Incorporated is a family-owned company that produces some of the world's leading confectionery, food and petcare products and has growing beverage and health & nutrition businesses. Headquartered in McLean, Virginia, Mars, Incorporated operates in more than 66 countries and employs more than 48,000 associates worldwide. The company's global net sales are approximately \$22 billion annually. Founded in 1911, the company manufactures and markets a variety of products under many of the world's most recognizable trademarks, including M&M'S®, SNICKERS®, MARS®, UNCLE BEN'S®, ROYAL CANIN®, PEDIGREE® and WHISKAS®. *For more information please contact: Sue D'Arcy, Mars UK, 447850531627; Mark Grundy, Edelman, 19175174412*

OTHERS

Developing world to become food commodity hub

By Jess Halliday
Confectionerynews.com

30-May-2008 - Global agriculture and trade for most commodities are set to centre on developing countries in the next ten years - a prediction that gives weight to food industry strategies to build a presence in emerging markets.

The Food and Agriculture Organisation (FAO) made the forecast in its annual Agricultural Outlook for 2008 to 2018, which was released yesterday, in partnership with the Organisation for Economic Co-operation and Development (OECD).

As food companies are extending their operations into developing countries, with China, India and Russia being amongst the favourites. While the rationale is to be closer to markets where consumer spending powder will likely mushroom, bringing with it a major shift in eating habits, companies are also likely to find themselves closer to raw material sources.

The outlook says the "the epicentre of global agriculture will move from the OECD countries, towards developing countries" in the next ten years. OECD countries include much of Western Europe, as well as the Czech Republic, Slovak Republic, Poland, Turkey, Australia, New Zealand, the US, Canada, Japan, Korea and Mexico.

Both consumption and production are growing faster in developing countries than in developed countries, for all commodities except wheat. The outlook covers cereals, oilseed, sugar, meats, milk and dairy produce. "By 2017, these countries are expected to dominate production and consumption of most commodities, with the exception of coarse grains, cheese, and skim-milk powder," it says.

The organisations say that, of developing countries, China and India will remain the growth leaders, in parallel with GDP growth as they become more integrated into global markets.

Demand for agricultural commodities is linked directly to population, and the fastest population growth is expected in Africa, with annual average growth of over 2 per cent.

In Europe, on the other hand, population is expected to stabilise. The report expects there to be parallel shifts in trade, with developing countries importing more - but other developing and emerging countries are capturing an every larger share of the potential this offers to trade partners.

Grains

Following recent weather factors that have had a fierce impact on harvest, Australia is expected to resume its position of being the second biggest wheat exporter after the US. Ukraine is also expected to increase its exports to coarse grains. Demand for wheat will be fuelled by South and East Asia, Nigeria and Egypt. China is cited as a clear exception, since diets are shifting towards processed foods in keeping with income rises. Trade-wise, Saudi Arabia recently opted to phase out subsidies for wheat, and exports are therefore expected to increase.

Beside this the outlook says it projects expanding exports from OECD countries, but "most of the growth in import demand will be satisfied through larger shipments from emerging and developing countries, particularly Ukraine and Argentina."

Rice

Rice production is expected to increase by around 10 per cent over the outlook period, mainly due to larger crops from Asian and South Asian countries. However this looks to be a result of increased productivity, as rice growing area is set to decrease as land dedicated to rice growing comes under pressure from competition from other crops and uses. Developed countries (EU and Japan) are also likely to plant less.

Rice will become even more important in the African diet, with per capita consumption to rise from 22 to 24kg over ten years. Global rice trade will fall, says the outlook, as there is more self-sufficiency amongst producing countries.

Oilseed

Oilseed demand is driven largely by livestock production, since livestock are fed protein meal derived from oilseed. Biofuels are also a major factor in demand. Oilseed consumption in developing countries will increase by some 50 per cent by 2017, compared to 2005-7 baseline. China and its livestock sector will account for around half of this growth, the outlook says.

The EU is likely to remain the biggest importer, but imports will fall somewhat as more of the protein meal used comes from domestically produced and crushed oilseeds - rapeseed meal in particular. After the EU, China will become the second biggest oilseed importer, preferring, as it does, to crush seeds locally so as to benefit from the value-added potential of the resulting oils. However crushing industry will grow at a lower rate than in the previous decade because of falling consumption growth.

Argentina is said to be in a position to consolidate its position as a region hub for oilseed crushing. Brazil is expected to increase its share of exports from 30 to 40 per cent over the decade.

Sugar

Brazil is anticipated to remain the world centre for sugar and ethanol production, and to be the centre for setting sugar prices.

In the EU, in the wake of sugar reform, production will decrease and imports rise - perhaps to a level where it becomes the world's biggest importer. Imports are to come, preferentially, from less developed countries.

Developing countries are accounting for almost all of the production and consumption increase, because of population increases and new ability to buy luxury foods as incomes increase.

Meat

Overall, meat production is expected to increase by an average of 2 per cent, but with great differences between regions. In OECD countries it is expected to increase by half a per cent, but in non-OECD countries by around 2.5 per cent per year.

Investment, capacity, infrastructure improvements and new production methods are spurring growth, especially in China, Brazil and Argentina. The US, Canada, Argentina, Australia and Brazil will remain dominant, as trade recovers from damaging disease outbreaks.

In terms of meat consumption, again developing countries are driving growth. They are said to account for a massive 80 per cent of growth increase, with Asia and the Pacific a major force.

TIT BITS

(Source: Business Recorder – www.brecorder.com)

London coffee, cocoa and sugar firm

LONDON (May 29, 2008): London coffee and cocoa futures finished higher on Wednesday on fund buying as a bounce in oil helped offset a rally in the dollar, and sugar regained ground after falling to its lowest level in more than two months. Benchmark July coffee settled at \$2,280 a tonne, up \$48, having earlier hit a high of \$2,282 a tonne.

London cocoa rises, sugar slips

LONDON (May 30, 2008): London cocoa futures hit a two-week high on Thursday on weaker sterling and fears over a cut in output in Ivory Coast, but worries about a glut in supply dragged down sugar to its lowest level in more than two months. "There's plenty of sugar everywhere," said Romain Lathiere, fund manager at Diapason Commodities Management.

US MIDDAY: cocoa soars, coffee sags

NEW YORK (May 30, 2008): Arabica coffee futures on ICE Futures US dropped on producer selling Thursday, and cocoa rallied to its highest level since May 13 as funds continued their buying spree, triggering stop-loss buy orders as it advanced, traders said.

New York cocoa closes higher

NEW YORK (May 30, 2008): US cocoa futures prices ended Wednesday with healthy gains as some funds bought in tandem with rising oil prices, which sent prices through key resistance levels that traders said spurred additional buying.

Ivorian cocoa prices fall

ABIDJAN (May 31, 2008): Farm-gate prices in Ivory Coast's main cocoa regions fell in the week of May 19-25, partly because recent heavy rains led to increased levels of mould and other quality problems, farmers and buyers said on Thursday.