



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 298

25th – 29th Aug. 2008

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
25 th Aug	1839.70	2898.27	1603.17	2864.67
26 th Aug	1872.13	2926.01	1630.00	2892.67
27 th Aug	1896.32	2982.75	1663.67	2955.67
28 th Aug	1835.59	2885.34	1608.33	2869.33
29 th Aug	1861.99	2923.10	1649.67	2882.00
Average	1861.00	2923.00	1631.00	2893.00

Up-coming Events

- 71st General Assembly and Council of Ministers Meetings, 8th – 12th September 2008, Bavaro, Dominican Republic
- National Academies Cocoa Symposium 2008, 28th – 30th October 2008, Kumasi, Ghana

In the News (from Newspapers worldwide)

Health and Nutrition

- Dark chocolate diet reduces risk of stroke and heart disease, study suggests
- Eating Two Chunks of Dark Chocolate a Day Keeps Heart Disease at Bay
- Chocolate Said to Help Blood Vessels
- Study: Dark chocolate can control high BP
- The two-week dark chocolate diet that reduces risk of heart disease
- Dark chocolate is good for the heart and can reduce blood pressure
- Chocolate and acne
- Chocolately Good Diabetes Care

Production and Quality

- Ivory Coast needs drier Sept for strong cocoa crop
- Nigeria's Cocoa Exports Doubled in Second Quarter (Update1)
- Cameroon: Cocoa, Coffee Fund Take off at Last
- ICCO Cuts Indonesia Cocoa Output Forecast by 16 pct
- Ivorian San Pedro cocoa arrivals 566,008 T Aug 24
- Ivorian San Pedro cocoa arrivals 566,008 T Aug 24

The Market

- SOFTS-Strong dollar sparks setback in coffee and sugar
- Higher Cocoa Prices
- Cocoa prices rise as dollar trades mixed
- Cocoa prices rise as dollar strengthens
- Cocoa prices drop 3.6 percent
- Cocoa prices rise even as dollar strengthens
- ETF Update: Coffee, Cocoa and Sugar ETFs Strong; Silver ETF Up; Commodities Bottom
- Foods and Softs Outlook

Processing and Manufacturing

- IMC Licensing represents Rocky Mountain Chocolate Factory in hot cocoa deal
- Cargill Ghana cocoa plant aims for Nov start

Business & Economy

- Chocolate maker Lindt H1 profit up, confirms targets
- Cameroon: Cocoa, Coffee Fund Takeoff at Last
- Trade not aid the answer to poverty, economists say
- German Chocolate Sales up on Mild Summer, Football

Labour Issues

- Corporate Social Responsibility

Environmental Issues

- Chocolate bar takes a bite out of climate change
- DAGOBA's Herbal Chocolate Infusions Nurture Urban Gardening Movement

Research and Development

- Technology turning chocolate into a sweet science
- Chocolve Premium Chocolate Collaborating With USDA on Cacao Research Project

Others

- Ivory Coast ministers to give testimony in cocoa probe
- Theo's Chocolate University
- Cocoa producing states brainstorm in Asaba
- Ivory Coast ministers to give testimony in cocoa probe
- US: Lesley's Life Is Sweet launches USDA-certified chocolate
- Cocoa plants get cultivated in Binh Phuoc
- "Enabling aid" turns peasants into export farmers
- Fighting African Poverty, Village by Village

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- ✓ LONDON AND NEW YORK FUTURES MARKETS UPDATE
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Cocoa Producers' Alliance

Do your health a favour, drink Cocoa everyday
'it's natures miracle food'

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

Monday 25th Aug 2008

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

Tuesday 26th Aug 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1579	1612	55	1616	1579S	1,806
Dec 2008	1598	1630	56	1634	1595	6,012
Mar 2009	1592	1631	53	1636	1592	1,626
May 2009	1617	1629	52	1620S	1617	12
Jul 2009	1621	1628	49	1621S	1621S	3
Sep 2009	1621	1624	45	1621	1621	16
Dec 2009		1627	45			0
Mar 2010		1633	45			0
May 2010		1637	45			0
Jul 2010		1628	45			0
Average/Totals		1628				9,475

Wednesday 27th Aug 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1617	1647	35	1654	1617	3,801
Dec 2008	1637	1666	36	1672	1635	8,117
Mar 2009	1638	1664	33	1670	1638	2,366
May 2009	1668	1661	32	1668	1646	160
Jul 2009	1655	1662	34	1661S	1643	224
Sep 2009	1660	1662	38	1664	1646	719
Dec 2009		1665	38			0
Mar 2010		1671	38			0
May 2010		1675	38			0
Jul 2010		1666	38			0
Average/Totals		1664				15,387

Thursday 28th Aug 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1645	1593	-54	1653S	1586	1,134
Dec 2008	1664	1610	-56	1670	1598	8,311
Mar 2009	1652	1609	-55	1668	1600	958
May 2009		1606	-55			0
Jul 2009		1607	-55			0
Sep 2009		1607	-55			0
Dec 2009	1667	1610	-55	1669	1667	47
Mar 2010		1616	-55			0
May 2010		1620	-55			0
Jul 2010		1611	-55			0
Average/Totals		1609				10,450

Friday 29th Aug 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1591	1637	44	1645	1591S	10,537
Dec 2008	1602	1654	44	1669	1602	16,633
Mar 2009	1602	1651	42	1665	1602S	7,239
May 2009	1621	1644	38	1655	1614	1,898
Jul 2009	1620	1645	38	1653S	1618S	547
Sep 2009	1615	1645	38	1657	1613S	1,664
Dec 2009		1648	38			0
Mar 2010		1654	38			0
May 2010		1658	38			0
Jul 2010		1649	38			0
Average/Totals		1649				38518

Average for the week		1649				14766
						73,830

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

Monday 25th Aug 2008

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2850	2837	47	2850	2788	3
Dec 2008	2825	2868	56	2875	2825	5096
Mar 2009	2834	2871	58	2875	2830	430
May 2009	2855	2868	57	2868	2854	14
Jul 2009		2874	57	2874	2874	11
Sep 2009		2873	56	2873	2873	1
Dec 2009	2872	2880	57	2880	2872	15
Mar 2010		2883	57	2883	2883	
May 2010		2883	57	2883	2883	
Jul 2010		2883	57	2883	2883	
Average/Totals		2876				5570

Tuesday 26th Aug 2008

Month	Open	Price	Change	High	Low	Volume
Sep 2008		2874	37	2874	2874	32
Dec 2008	2864	2884	16	2922	2850	3171
Mar 2009	2871	2886	15	2915	2850	202
May 2009	2876	2887	19	2893	2864	18
Jul 2009		2892	18	2892	2892	6
Sep 2009		2891	18	2891	2891	1
Dec 2009		2898	18	2898	2898	42
Mar 2010		2901	18	2901	2901	
May 2010		2901	18	2901	2901	
Jul 2010		2901	18	2901	2901	
Average/Totals		2892				3472

Wednesday 27th Aug 2008

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2977	2976	102	2977	2945	4943
Dec 2008	2904	2966	82	2986	2900	623
Mar 2009	2914	2960	74	2980	2914	22
May 2009	2969	2953	66	2969	2922	3
Jul 2009	2974	2950	58	2974	2920	1
Sep 2009	2973	2949	58	2973	2922	1
Dec 2009	2968	2959	61	2981	2941	
Mar 2010	2947	2962	61	2962	2947	
May 2010		2962	61	2962	2962	
Jul 2010		2962	61	2962	2962	
Average/Totals		2960				5593

Thursday 28th Aug 2008

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2886	2840	-136	2886	2840	12
Dec 2008	2970	2860	-106	2976	2844	7,457
Mar 2009	2965	2855	-105	2966	2844	1,166
May 2009	2959	2850	-103	2959	2850	347
Jul 2009	2959	2848	-102	2959	2848	374
Sep 2009	2955	2847	-102	2955	2847	716
Dec 2009	2961	2859	-100	2961	2859	123
Mar 2010		2865	-97	2865	2865	15
May 2010		2865	-97	2865	2865	
Jul 2010		2865	-97	2865	2865	
Average/Totals		2855				10210

Friday 29th Aug 2008

Month	Open	Price	Change	High	Low	Volume
Sep 2008		2864	24	2864	2864	4
Dec 2008	2860	2884	24	2954	2850	9,449
Mar 2009	2868	2884	29	2950	2863	415
May 2009	2918	2868	18	2935	2868	10
Jul 2009	2904	2866	18	2926	2866	23
Sep 2009	2895	2865	18	2926	2865	17
Dec 2009	2880	2875	16	2880	2875	75
Mar 2010		2881	16	2881	2881	
May 2010		2881	16	2881	2881	
Jul 2010		2881	16	2881	2881	
Average/Totals		2875				9993

Average for the week	2875				8710
Total for the week					34,838

Spot Prices [US\$ per tonne]

	25 th August	26 th August	27 th August	28 th August	29 th August
Main Crop Ghana, Grade 1	3326	3342	3424	3318	
Main Crop Ivory Coast, Grade 1	3173	3189	3271	3165	
Main Crop Nigerian, 1	3155	3171	3253	3153	
Superior Arriba	3191	3207	3289	3217	
Sanchez f.a.q.	3205	3221	3303	3222	
Malaysian 110	2855	2871	2953	2843	
Sulawesi f.a.q.	3110	3126	3208	3102	
Ecuador Cocoa Liquor	4885	4912	5052	4900	
Pure Prime Press African Type Cocoa Butter	8183	8229	8463	8161	
10/12% Natural Cocoa Press Cake	1176	1182	1216	1182	

Source: Cocoa Merchants' Association-

News

Health and Nutrition

Dark chocolate a day keeps stroke away

Times of India, India - 29 Aug 2008



A square of dark chocolate a day can cut stroke risk

Chocoholics now have a justified reason to savour their favourite sweet, for a new study has found that eating a small amount of dark chocolate every day for just two weeks could reduce the risk of heart disease.

According to the study, a couple of chunks is enough to cut high blood pressure and reduce the risk of diabetes, both major risk factors in heart attacks and strokes. But the scientists stressed that only dark chocolate, made from cocoa rich in natural ingredient flavanols, is good for the heart.

In tests on 19 people, one half who ate just over six grammes a day over fifteen days showed significant falls in blood pressure. But half of those given white chocolate showed no improvement, reports a newspaper.

Those on dark chocolate saw readings drop from a high 142/90mmHg to 137/87mmHg, a significant decline. The US and Italian scientists said in the *Journal of Nutrition*, "It suggests cocoa products may have a positive impact on cardiovascular risks."

Flavanols, present in other plant-based foods such as fruits, red wine, and tea, work by increasing nitric oxide, which lets blood flow freely.

Dark chocolate diet reduces risk of stroke and heart disease, study suggests

By Tom Peterkin

Last Updated: 7:24AM BST 28 Aug 2008

Telegraph.co.uk, United Kingdom - 27 Aug 2008

Eating dark chocolate every day could help guard against heart disease and stroke, new research has suggested.

Dark chocolate is rich in flavanols. Patients with raised blood pressure who treated themselves to one 100 gramme bar per day saw their health improve significantly over a two week trial period. The study led by scientists in America and Italy looked at 19 patients with high blood pressure.

For two weeks, the patients were given 100 grammes of white chocolate, which is not rich in flavanols - a health-giving antioxidant found in dark chocolate. Their blood pressure and cholesterol levels were then measured.

After the fortnight their diet was changed so that they were given dark chocolate instead of white chocolate. After two weeks of eating dark chocolate, their blood pressure readings showed an impressive reduction. On average, their blood pressures fell by three millimetres of mercury.

Previous studies have established that reducing blood pressure by just one millimetre of mercury can reduce deaths from cardiovascular problems by two per cent.

The scientists calculated that eating dark chocolate had the potential to cut deaths from heart attacks and stroke by six per cent. "If I had a high blood pressure I'd chose a dark chocolate bar rather than milk," said Tim Chico, a cardiologist at Sheffield University.

Like white chocolate, milk chocolate does not contain the same quantity of flavanols, the substance credited with lowering blood pressure.

Eating Two Chunks of Dark Chocolate a Day Keeps Heart Disease at Bay

by [Smrity Sharma](#)

TheMedGuru, India - 28 Aug 2008



flavanol level and white chocolate has none. Flavonoids, helps in relaxing blood pressure through the production of nitric oxide and allows blood to flow more easily.

The Italian and US researchers conducted the test on 19 subjects suffering from high blood pressure. The subjects received 100 grammes of white chocolate each day for 14 days and at the end of trial researchers measured the blood pressure and cholesterol levels of the subjects.

Again, subjects were given 100 grammes of dark chocolate per day for two weeks, an average of just over 6 grammes every day and at the end of the trial again scientists measured their blood pressure and cholesterol levels.

After a fortnight of eating dark chunks of chocolate, the average blood pressure readings among the subject's dropped subjects. On average, their blood pressures fell by three millimetres of mercury.

But no health benefit was seen when the volunteers received white chocolate daily.

The team of researchers found that eating two chunks of dark chocolate daily can cut deaths from heart attacks and stroke by as much as 6 percent.

Tim Chico, a cardiologist at Sheffield University said, "If I had a high blood pressure I'd chose a dark chocolate bar rather than milk."

Previous studies have suggested that chocolate may help to protect against heart disease and even cancer^{define}.

A past study conducted by the researchers at the Yale Prevention Research Center in Connecticut found that flavanol--phytochemicals which is found in chocolates, fruits and vegetables, boost the function of vital endothelial cells that line up inside the blood vessels, thus slashing down the risk of cardiovascular disease.

In 2003, twin studies showed that eating or drinking a certain kind of chocolate can not only boost brain power but it is also helpful at slowing down brain degeneration as a person ages.

Another recent study found that people with diabetes can now eat chocolates without getting any warning from their doctors, as studies reveal that an enriched hot cocoa beverage can improve blood circulation for people with type 2 diabetes^{define}.

Several earlier studies proves that eating dark chocolate is good for our heart. A small bar of it everyday can help keep your heart and cardiovascular system running well. A dark chocolates contains a lot more cocoa than other forms of chocolate. The two other main health benefits of dark chocolate are a) eating dark chocolate daily reduces "bad cholesterol" or LDL cholesterol by up to 10 per cent. B) It can lower the blood pressure.

Nothing can beat the taste of dark chocolate. Apart from great taste, dark chocolate stimulates endorphin production --it gives a feeling of pleasure. It also contains contains serotonin (which acts as an anti-depressant) and contains theobromine, caffeine and other substances which are stimulants.

Chocolate Said to Help Blood Vessels

Online - International News Network, Pakistan - 30 Aug 2008

ISLAMABAD: There's more good news for chocolate lovers. Scientists have found that eating dark chocolate appears to improve the function of important cells lining the wall of blood vessels for at least three hours. The study, involving 17 healthy young volunteers who agreed to eat a bar of dark chocolate and then get an ultrasound, found that eating dark chocolate seemed to make the blood vessels more flexible, which helps prevent the hardening of the arteries that leads to heart attacks.

But experts cautioned that the weight gain from eating a lot of chocolate probably would cancel out the apparent benefit. Dark chocolate is rich in flavonoids, which act as natural antioxidants - chemicals that combat the damage oxygen does to the body. However, that does not mean that chocolate binges will ward off a heart attack, experts warn.

Cacao, the plant that chocolate comes from, has for centuries been used for everything from medicine to currency. Although enjoyed worldwide, until recently it was considered a treat that provided fat and calories but no substantial nutritional value.

Studies recently have indicated that it releases the happy chemical serotonin in the brain. However, during the last few years, studies have suggested - much to the delight of chocoholics - that it is rich in flavonoids.

The latest study, conducted by cardiologists at Athens Medical School in Greece, set out to test whether chocolate affected the functioning of the so-called endothelial cells in the walls of the blood vessels, which are believed to be affected by oxygen damage and are considered a mirror of the overall health of the cardiovascular system.

The scientists, who presented their work Sunday at Europe's most important cardiology conference, gave 3.5 ounces of either dark, bittersweet, chocolate or fake chocolate to 17 healthy volunteers. On another day, the volunteers were switched. They had no chocolate outside of the study, and investigators did not know what each volunteer ate during the study.

An ultrasound was taken of each volunteer's upper arm to see the functioning of the endothelial cells in the main artery. The cells accomplish their goal of controlling the stiffness of the blood vessel by secreting several active substances that regulate the flexibility of the vessel and influence clot formation. "During the chocolate session, endothelial function was improved, whereas during the placebo day there were no such changes," the study concluded. "The favorable effects of dark chocolate lasted for three hours at least."

By improving the blood vessel flexibility in apparently healthy people, dark chocolate emerges as perhaps a power food, the scientists said. "At this time, we do not know whether regular intake of dark chocolate or other cocoa beverages could result in a reduction of total cardiovascular" problems or death, the study said.

Experts warned against gorging on chocolate as a way to ward off heart trouble, reminding that excess calories lead to weight gain, which is a powerful trigger of heart problems. Any benefit to blood vessel flexibility would probably be wiped out by the danger of the weight gain, they advised. Also, while antioxidants in theory help keep the heart healthy and looked promising in early research, recent rigorous studies investigating whether antioxidant pills such as vitamins A, C and E ward off heart attacks have shown them to be useless.

Dr. Michael Gibson, associate chief of cardiology at Harvard University-linked Beth Israel Hospital in Boston, said the chocolate study was "interesting."

"There are a few basic science reasons why this might be good, but keep in mind that antioxidants also improved forearm blood flow but that didn't necessarily pan out as an effective treatment," said Gibson, who was not associated with the study.

Study: Dark chocolate can control high BP

Submitted by Piyush Diwan on Sat, 08/30/2008

TopNews, India - 29 Aug 2008

High blood pressure is the by-product of the modern lifestyle. Millions of people around the world suffer from problem of high blood pressure. High blood pressure increases the risk of heart disease and stroke. The recent research led by researchers in America and Italy has brought good news for the people with high BP. Researchers have found out that dark chocolate helps in controlling high blood pressure.

Researchers analyzed the data collected from 19 patients with high blood pressure. These patients were given 100 grams of white chocolate for two weeks. Their blood pressure levels were measured after two weeks. After the fortnight their diet was switched to dark chocolate. They were given 100 grammes of dark chocolate instead of white chocolate for two weeks.

Researchers found that on average blood pressure level of these patients fell by three millimetres of mercury. Earlier researchers have shown that reduction in blood pressure levels by one millimetre of mercury can reduce deaths from cardiovascular problems by two per cent. Researchers estimated that eating dark chocolate reduces the number of deaths due to heart attacks and stroke by six per cent.

Dark chocolate is rich in flavanols which produce nitric oxide which in turn helps relax artery walls and allows blood to flow more easily. However white chocolate and milk chocolate does not contain the same quantity of flavanols.

This research has shown that regular intake of dark chocolate can help in controlling high blood pressure. Hence people with high BP can treat themselves with dark chocolates.

The two-week dark chocolate diet that reduces risk of heart disease

By [Pat Hagan](#)

Daily Mail, UK - 27 Aug 2008



Eating dark chocolate daily for two weeks may lessen the risk of heart disease. Eating a couple of chunks daily for a fortnight is enough to ward off high blood pressure and reduce the risk of diabetes, both major risk factors for heart attacks and strokes.

Although the healthy benefits of dark chocolate have been highlighted before, this is believed to be one of the first studies to show it can have such a rapid effect in preventing illness.

The research raises the possibility that chocolate could help some patients boost their health without the need for prescription drugs.

Italian and US researchers who carried out the study deliberately chose a small group of patients who already had problems with blood pressure and the early stages of diabetes.

But they stressed only dark chocolate is good for the heart. Milk chocolate, which is more popular in Britain, does not contain the same quantities of disease-busting ingredients.

Heart disease is Britain's biggest killer, claiming the lives of one in five men and one in six women.

In recent years scientists have discovered certain plant-based foods and drinks such as fruits, vegetables, red wine tea and cocoa can protect the heart against disease.

This is because they are all rich in natural ingredients call flavanols, a type of chemical found in plants. Cocoa beans, the main ingredient for chocolate, contain relatively high levels of flavanols.

Dark chocolate is good for the heart and can reduce blood pressure

Researchers were attracted to cocoa's potential benefits in the war against heart disease by the healthy status of the Kuna Indian tribe of the San Blas islands, near Panama.

The population there has remarkably low levels of artery disease, diabetes or high blood pressure. Even as they age, their blood pressure barely changes, unlike populations in more developed countries, where it tends to rise as we get older.

It's thought high consumption of cocoa is one of the key factors.

Other recent studies have found dark chocolate can protect blood vessels against damage from diabetes and could even hold the key to stopping bowel cancer in its tracks.

Volunteers included 11 men and eight women who already had high blood pressure and a condition called insulin resistance an early warning sign for type two diabetes.

Half the group were then given 100 grammes of dark chocolate over 15 days, averaging just over six grammes a day.

The other half were given the same amount of white chocolate, which contained more fat and sugar and no flavanols at all.

After the first stage of the experiment was over, the two groups swapped over to the other type of chocolate to see how they reacted.

The results, published in the latest Journal of Nutrition, showed dark chocolate triggered significant falls in blood pressure but the white chocolate had no effect.

High blood pressure is anything above 140mmHg/85mmHg.

Those on the dark chocolate diet saw their average readings drop from 142/90mmHg to 137/87mmHg in just two weeks, a significant decline. White chocolate made no difference at all.

One reason flavanols in cocoa work is by increasing production of nitric oxide, which helps relax artery walls and lets blood flow more freely.

The dark chocolate also reduced the level of insulin resistance. This means the body's cells start to make better use of insulin that is circulating in the blood, rather than let it build up and raise the risk of heart disease.

In a report on their findings, researchers from the University of L'Aquila in Italy and Tufts University, in Boston, USA, said food and drinks manufacturers should look at developing a range of healthy cocoa-based products to help fight heart disease.

'Our findings suggest flavanol-rich, low-energy cocoa food products may have a positive impact on cardiovascular risk factors,' they said.

Confectionery firms have already started to cash in on chocolate's healthy image.

Two years ago Cadbury Schweppes relaunched its Bourneville brand to focus on the surge in demand for healthy dark chocolate.

Some high street retailers report sales of dark chocolate have doubled in recent years as sweet-toothed consumers hope to use their favourite treat to help them live longer.

Chocolate and acne

Daily Breeze, CA - 25 Aug 2008

Does eating chocolate or drinking soda cause me to get more acne?

For many years it was believed that what we eat or drink has no bearing on our acne. However, recent medical studies have shown there may be a link to the food we consume and our complexion. Although the results of these studies are far from conclusive, the evidence is making us rethink the issue. A recent medical study has demonstrated that eating a lot of sugar increases our "glycemic index," which then increases the hormones in our bodies that cause us to break out. While the jury is out on this issue, it still makes sense to eat a well-balanced diet, and not eat excessive amounts of sugar which could still lead to diseases such as diabetes.

Mark K. Horowitz, D.O.

Diplomate, American Osteopathic Board of Dermatology; Member, South Bay Independent Physicians Medical Group, Inc.

Chocolately Good Diabetes Care

By Kimberly Beauchamp, ND

Medfinds, WA - 29 Aug 2008

Healthnotes Newswire (August 28, 2008)—Chocolate might be one sweet treat that's actually good for people with diabetes. In a study in the Journal of the American College of Cardiology, researchers found that cocoa can reverse some of the damage that diabetes has on blood vessels, possibly protecting against heart disease.

Type 2 diabetes is a disease of modern times, linked to diets high in fat and simple carbohydrates like those found in white flour and sugar. Its prevalence is increasing around the globe and with it come complications like heart, kidney, and eye disease—most of which are related to blood vessel damage.

The power of chocolate

Plant chemicals called flavanols are found in cocoa, as well as in fruits, vegetables, tea, and red wine. Studies have found that flavanols can help lower blood pressure, decrease blood stickiness (preventing clot formation), increase insulin sensitivity, and lower LDL ("bad") cholesterol. The new study looked at cocoa's effect on blood vessel dilation, a key indicator of vessel health.

People with diabetes who were between 50 and 80 years old took part in the two-part study. First, 10 people were given cocoa drinks with low (75 mg), medium (371 mg), or high (963 mg) flavanol concentrations on three different occasions to determine safety and optimal dose. Second, 41 people were given either a high-flavanol cocoa (321 mg per serving) or a similar tasting drink with a negligible amount of flavanols (control drink) three times per day for 30 days. Blood vessel dilation and blood levels of flavanols were measured to assess the response to the cocoa drinks.

A sweet success story

All the people who drank the high-flavanol cocoa beverage in both parts of the study, had significant improvements in blood vessel dilation compared with baseline measurements, without any side effects.

The same effect was seen after 30 days, suggesting that cocoa's effect didn't wear off after repeated use. Cocoa actually reversed blood vessel damage after 30 days, so that measurements of blood vessel function were comparable to those of healthy people of the same age. The drink containing the lowest amount of flavanols did not improve vessel dilation and neither did the control drink.

"The degree of reversion of (blood vessel) dysfunction was comparable to the reported degree of improvement observed after using controlled exercise or the administration of [drugs], including insulin," said the study's authors. "Assuming that improvement of blood vessel dysfunction is associated with better cardiovascular prognosis, the regular intake of flavanol-containing cocoa should produce similar effects."

Note that flavonal content varies among products and the way flavonols are metabolized may be influenced by other substances in the body, so results may vary. And since many chocolate products are high in sugar, fat, and calories, chocolate lovers with diabetes should keep in mind that reducing or preventing overweight and obesity is an important part of managing diabetes and heart health.

Production and Quality

Ivory Coast needs drier Sept for strong cocoa crop

Reuters Ghana, Ghana

By Loucoumane Coulibal

25 Aug 2008

ABIDJAN, Aug 25 (Reuters) - Ivory Coast needs drier weather in September, with regular but not excessive rainfall, to ensure a strong 2008/09 harvest that can avoid the risk of black pod disease, farmers and analysts said on Monday.

Fears of too much wet weather are particularly strong in the west and the east of the world's top cocoa grower, while growers in the south said weather there was drier and their hybrid plants were more resistant to disease.

Ivory Coast is wrapping up its 2007/08 cocoa season.

Hopes for a good 2008/09 harvest, which begins in October with the main crop, have been dampened by concerns that too much rain and lack of pesticides will encourage black pod disease. "The main harvest looks promising because there are lots of pods to harvest in the coming weeks but we are concerned about the humidity, which is high and could lead to black pod," said an analyst working for a farm near Soubre, in the west.

The analyst said he had registered 50 mm of rain in the last week alone and his farm was treating its crop intensively. "We need much drier weather until the end of September -- rain just once a week and four hours of sun a day -- otherwise there will be lots of losses in the fields," he added.

In Bouaflé, another western region, the weather was wet and there were traces of black pod although growing conditions were generally good.

POLLS

"I think there will be lots of pods to harvest during the main crop as I expect the weather to dry up in September, as it does each year," said farmer Denis Kouadio.

The price of cocoa remains firm on concerns over the supply of beans. On the ICE Futures, U.S. benchmark December <CCZ8> rose \$50 to \$2,862 a tonne on Monday.

Analysts are also looking ahead towards elections in Ivory Coast, which are due by the end of November. The long-awaited polls will be a crucial step in consolidating efforts to reunite the country after a 2002/2003 war, but they risk being delayed again by organisational problems.

Farmers in the eastern region of Abengourou, near the border with Ghana, the world's number two cocoa grower, said there had been only light rain but they too needed a dry September.

Daloa, a centre-west area that produces a quarter of Ivory Coast's cocoa, has had the ideal combination of rain and sun. "We've had three good rains. This is good because it is mixed with sunshine," said farmer Magloire Gnankan. "I've been checking many fields. The weather has helped the pods swell. At the moment, we are sure this year will produce lots of cocoa," he added.

Gnankan said harvesting for the new season had started, albeit slowly. It is likely to pick up in early September. The weather has been kindest to farmers in the southern regions of Agboville and Sikensi, where rains have been lighter, crops were well developed and there was less disease.

Nigeria's Cocoa Exports Doubled in Second Quarter (Update1)

Bloomberg

By Dulue Mbachu

Aug. 26

(Bloomberg) -- Cocoa exports from Nigeria, the world's fourth-biggest producer of the chocolate ingredient, doubled in the second quarter as government incentives boosted production, the Federal Produce Inspection Agency said.

Shipments climbed to 18,743 metric tons between April and June, from 9,110 tons in the same period a year earlier, the Lagos-based FPIA said in a statement today. The data represents beans officially inspected and certified fit for export and don't take into account cocoa smuggled out of the country, the agency said. "The increase is due to harvests coming in from new farms set up in recent years by farmers who want to take advantage of rising cocoa prices," Adekunle Adebambo, an agronomist with the government-run agency, said in a telephone interview.

Nigeria ranks behind Ivory Coast, Ghana and Indonesia as the world's largest cocoa producer, according to the Web site of the International Cocoa Organization. The government has boosted cocoa production by providing farms with quick-maturing seedlings and fertilizers at subsidized prices since 2005, while improved farming methods have also helped.

Exports are usually at their lowest in the second quarter, when the smaller of two annual harvests is in season, Adebambo said. The main-crop harvest runs from September through December.

Nigeria's first-half cocoa exports totaled 90,447 tons, 37 percent more than a year earlier, the FPIA data showed. Last year, exports from the West African country rose to 140,148 tons, from 130,074 tons in 2006.

Production this year is forecast to rise to 173,000 tons, from 160,000 tons in the previous season, according to the International Cocoa Organization.

The following is a monthly breakdown of export data provided by the agency. Figures are in metric tons:

	<u>2008</u>	<u>2007</u>
January	33,904	31,186
February	28,103	19,791
March	9,700	5,480
April	4,532	2,752
May	6,401	2,369
June	7,810	3,989

To contact the reporter on this story: Dulue Mbachu in Lagos via Johannesburg at pmrichardson@bloomberg.net.

Cameroon: Cocoa, Coffee Fund Take off at Last

AllAfrica.com, Washington

Lukong Pius Nyuylime

26 August 2008

The Cocoa and Coffee Sub Sector Development Fund (FODECC) has put an end to uncertainty. The newly created corporation had virtually established doubts in peoples' minds by remaining fallow in spite of the hopes raised at its creation in March, 2006. In effect, the signing of three agreements with the Ministries of Agricultural and Rural Development; Trade; and Scientific Research and Innovation opened the floodgates of action.

The long silence was broken on 04 August when FODECC signed the first agreement bringing in an oxygen balloon support to the cocoa and coffee sector. "This first agreement will create a base for a veritable revamping of cocoa and coffee production

in Cameroon", Pierre Tsimi Enouga said during the signing ceremony. The CFA 5.6 billion financial assistance is expected to help support the acquisition and distribution of in-puts, notably high yielding seeds to farmers for the next three years. "Our hopes lie on the transparent and rigorous management of the money we have pumped in", Tsimi said, stating inter alia that the content of the agreement is quite assuring.

The second agreement was signed in Ebolowa with the Minister of Trade, Luc Magloire Mbarga Atangana with the aim of putting in place marketing infrastructure and storage facilities at the level of cocoa production regions. The project equally sets out to install control units in order to improve the quality of Cameroon's cocoa in the international market.

Thanks to FODECC, the five-year project on Cocoa and Coffee high yielding seed production and propagation, piloted by the Ministry of Scientific Research and Innovation and executed by the Institute of Agricultural Research (IRAD) is expected to get into high gear this year. CFA 1.4 billion has been injected into the project following the funding agreement signed between the Minister of Scientific Research and Innovation, Madeleine Tchuinté and the President of the FODECC Management Committee, Pierre Tsimi Enouga.

The project which has as main objective to place at the disposal of farmers high yielding, disease-resistant cocoa and coffee seeds and plants, is circumscribed into six different components. These include: rehabilitation and enriching of cocoa genetics base, selection of improved varieties that are resistant to diseases and training of trainers on seed production and multiplication techniques. It intends to produce and share out 65,000 high yielding cocoa plants, 50,000 cocoa pods, 5,000 Arabica coffee plants and 5,000 kg of coffee grains, and 75,000 nurseries for Robusta coffee during its first phase in 2008.

Created in March, 2006 by Presidential Decree, the Cocoa and Coffee Development Fund, has not been able to take off as quickly as expected for obvious reasons. As explained by the president of the Management Committee, the late start is blamed on the delay in the extraction of export charges for the fund. That notwithstanding, the management did not sit hands crossed. So far, several actions have been taken to keep the organisation afloat. These include: measures to secure the funds from export charges, voting of the fund's budget for 2007 and 2008, putting in place internal management procedures and an appropriate working framework for receiving and handling projects and programmes, putting in place of a global fund of CFA 3.5 billion for the 2008 projects and building up a CFA two billion-forecast fund for cocoa and coffee revamping.

ICCO Cuts Indonesia Cocoa Output Forecast by 16 pct

Source: Reuters

28/08/2008

Singapore, Aug 27 - The International Cocoa Association has cut Indonesia's 2007/08 cocoa output by 16 percent from an earlier forecast to 480,000 tonnes due to a fungal disease. Falling output from Indonesia, the world's third-largest cocoa producer after Ivory Coast and Ghana, prompted the ICCO to cut global output forecast in the current year by 94,000 tonnes to 3.646 million tonnes in a report issued last week.

Details of the report, seen by Reuters on Wednesday, show Indonesia's output revised down 90,000 tonnes from the previous forecast of 570,000 tonnes. Cocoa futures have risen sharply this year, setting a 28-year peak around \$3,300 a tonne on ICE in July, partly driven by crop concerns in both Ivory Coast and Indonesia. "The spread of Vascular-Streak Dieback disease in Sulawesi has been much more devastating than previously expected," the ICCO said.

Indonesia, which sells cocoa to grinders in Asia, the United States and Brazil, produced 530,000 tonnes in 2006/07. The VSD disease attacks leaves, branches and trunks and was spreading rapidly in the provinces of South, Central and Southeast Sulawesi, which account for 75 percent of Indonesia's cocoa output, said dealers.

"The combination of a large number of mature cocoa trees and excessive rainfall due to the La Nina related weather conditions has provided favourable ground for the disease to develop," said the ICCO.

"The situation was worsened by the generally low level of good agricultural practices in the cocoa sector of the country and the late response from the local authorities," it said.

The VSD is another blow to the cocoa industry in Indonesia, which has been battling another disease, cocoa pod borer, since the 1980s. Pod borer is a worm-like pest which feeds on cocoa beans. Indonesia has been struggling to increase output, but its ageing cocoa trees are vulnerable to pests and disease. The government said 450,000 hectares (1.1 million hectares) planted with cocoa trees in Sulawesi have been affected by the VSD.

"ICCO's earlier forecast of 570,000 tonnes was too optimistic. I guess the revised number is more realistic and we know the quality of the beans is not good," said a dealer in Singapore.

"Fundamentally the market is aware with the developments in Indonesia, although I guess other factors such as the dollar will also affect movements in cocoa," he said.

An agriculture official said last month Indonesia will spend as much as \$175 million this year on revitalising cocoa plantations and tackling the spread of pests and diseases which threaten output.

Ivorian San Pedro cocoa arrivals 566,008 T Aug 24

Fri 29 Aug 2008, 10:37 GMT

ABIDJAN, Aug 29 (Reuters) - Cocoa arrivals at Ivory Coast's port of San Pedro reached 566,008 tonnes from Oct. 1 to Aug. 24, data from the Coffee and Cocoa Bourse (BCC) obtained by Reuters showed on Friday.

That compared with 478,690 tonnes delivered to the port during the same period of the 2006/07 season.

The figures showed 2,555 tonnes arrived at San Pedro port from Aug. 18 to Aug. 24, down from 5,214 tonnes in the same period of the 2006/07 season.

The BCC upwardly revised last week's figure to 563,453 tonnes from 562,980 tonnes.

Data for the port of Abidjan were not immediately available.

Ivorian San Pedro cocoa arrivals 566,008 T Aug 24

Fri 29 Aug 2008, 10:37 GMT

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Ivorian cocoa arrivals up at 1,303,424 T by Aug 24

Fri 29 Aug 2008, 10:35 GMT

ABIDJAN, Aug 29 (Reuters) - Cocoa arrivals at ports in top grower Ivory Coast reached 1,303,424 tonnes by Aug. 24, up from 1,183,989 tonnes in the same period a year ago, data from exporters obtained by Reuters showed on Friday.

The figures showed 4,230 tonnes of beans arrived at the ports of Abidjan and San Pedro in the week of Aug. 18-24, up from 8,886 tonnes in the same week of the 2006/07 season.

The Market

SOFTS-Strong dollar sparks setback in coffee and sugar

Forbes, NY

By Nigel Hunt

26.08.08

Brazil - * Coffee, sugar swept along as many commodities fall

* Crop concerns help cocoa buck the trend

LONDON, Aug 26 (Reuters) - Coffee and sugar were swept lower on Tuesday in a broad-based decline in commodity markets sparked by a stronger dollar but bullish fundamentals bolstered cocoa. Heavy rains in West Africa have raised concerns that disease could diminish crop prospects in cocoa's key producing region. "Cocoa seems to be playing a different game (from other commodities). I think cocoa at the moment is predominately interested in its fundamentals and that has given the market a tonic," one London dealer said.

December cocoa futures in London were up 56 pounds at 1,630 pounds a tonne at 1158 GMT, boosted partly by gains on ICE on Monday when London was shut for a public holiday.

ICE December cocoa edged up \$5 to \$2,873 a tonne on Tuesday, building on a rise of \$53 on Monday. "We are waiting for a whole series of people to come up with their views (on the crop outlook). I think there are some concerns out there. It is not unreasonable to ask these questions but whether they are fully justified is another story," one cocoa dealer said.

Sugar prices were lower with a strong dollar seen as the key bearish influence.

"There is nothing really new in sugar. It is only moving with outside markets. The dollar is really strong and every commodity is moving down, crude oil, cotton, coffee, wheat, corn, soybeans," one sugar dealer said.

October raw sugar futures on ICE were down 0.08 cents at 13.91 cents a lb while October whites fell \$2.60 to \$402.40 a tonne. "I think if we break 13.85 (basis October ICE raws) we will see more selling in the market. I think there is some good buying around 13.85 to 13.87," one dealer said.

Coffee prices also fell, tracking losses in other markets. "It is down a bit on the dollar and September/November has been on the backfoot and that is possibly bring a bit of weakness," one dealer said. November robusta futures on Liffe were down \$22 at \$2,276 a tonne.

Dealers noted September's discount to November had widened to about \$35 at one stage compared with around \$30 late last week. A widening discount for the front month is generally seen as a bearish sign, indicating supplies are more than adequate to meet demand. December arabica futures on ICE were also lower with December off 0.80 cents at \$1.4250 per lb.

Higher Cocoa Prices

Seeking Alpha, NY

By Brad Zigler

August 25, 2008

Did you have cocoa with your breakfast this morning? No?

Well, you better get some while you can. And don't say that we didn't warn you in advance. A couple of weeks ago, we rearranged the place settings on our monthly Breakfast Index (Sentimental, Not Necessarily Cheaper, Breakfasts) table, highlighting cocoa's recent price advance:

Now comes word from the International Cocoa Organization that a global shortage of the chocolate stuff will be twice as large as previously forecast. The crop year's output was originally expected to fall short of demand by 41,000 tonnes. The deficit's now projected at 88,000 tonnes. Cocoa futures, as a result, have been on a tear.

Cocoa, though, is not at new highs for the year, as you'll be able to tell from the monthly chart below. Some of the sell-off that preceded the current rally, however, can be attributed to cocoa's normal seasonality. That prices are now buoyed is rather typical of cocoa's August trading pattern.

The question to be addressed is whether cocoa's autumn pattern will be typical. Trading in September and October can be volatile, as the market lines up in anticipation of harvest. What we see in the long-term chart could be the "cup" in a "cup and handle" formation - a fairly reliable indicator of higher prices to come. A rangebound market in the next couple of months could, in fact, form the handle. November and December are typical rally months for cocoa, as fears of harvest delays and disease occupy traders' thoughts.

Given the potential volatility and time horizon for this pattern's realization, breakfasters with a taste for cocoa may want to consider the iPath DJ-AIG Cocoa ETN (NIB) in lieu of futures.

Cocoa prices rise as dollar trades mixed

MSN Money

August 27, 2008

NEW YORK (AP) - Cocoa prices jumped Tuesday as the dollar traded mixed against other major currencies. Cocoa futures for December delivery rose \$82, or 3 percent, to settle at \$2,966 per metric ton on the ICE Futures U.S. exchange. Commodities tend to benefit from a weakening dollar as investors turn to them as a hedge against inflation. The dollar has regained some ground in recent days. Cocoa prices have skyrocketed this year as worldwide demand for chocolate increases and industry observers expect a global cocoa shortfall for the third straight year.

Cocoa prices rise as dollar strengthens

cbs4denver.com, CO - 26 Aug 2008

NEW YORK (AP) Cocoa prices rose Tuesday as the U.S. dollar advanced against other major currencies. Cocoa futures for December delivery rose \$16, or 0.6 percent, to settle at \$2,884 per metric ton on the ICE Futures U.S. exchange. Cocoa prices have surged 40 percent this year as worldwide demand for chocolate increases and industry observers expect a global cocoa shortfall for the third straight year.

Cocoa prices drop 3.6 percent

The Associated Press August 28, 2008

NEW YORK

Cocoa prices dropped Thursday as the dollar rose against the euro and the British pound.

Cocoa futures for December delivery fell \$106, or 3.6 percent, to settle at \$2,860 per metric ton on the ICE Futures U.S. exchange. Still, cocoa prices are up 39 percent this year, as global demand for chocolate increases and industry experts anticipate a cocoa shortfall.

Commodities tend to benefit from a weakening dollar as investors turn to them as a hedge against inflation. The dollar has regained some ground in recent days.

Cocoa prices rise even as dollar strengthens

Associated Press 08.29.08, 4:54 PM ET

NEW YORK - Cocoa prices rose Friday, even as the dollar was mostly higher against other major currencies. Cocoa futures for December delivery rose \$24 to settle at \$2,884 per metric ton on the ICE Futures U.S. exchange. They hit a high of \$2,954 earlier in the session.

Cocoa prices have surged this year as global demand for chocolate grows.

The greenback climbed higher Friday as oil prices retreated from their morning highs. Oil and commodities are generally used as a hedge against a falling dollar and inflation.

ETF Update: Coffee, Cocoa and Sugar ETFs Strong; Silver ETF Up; Commodities Bottom

by: Tom Lydon posted on: August 28, 2008

Coffee, Cocoa and Sugar Production Make Investors Hungry for Soft ETFs

Cocoa exports from Nigeria doubled in the second quarter, making investors coo-coo for the cocoa ETN. Nigeria is the world's fourth-largest producer of the key chocolate ingredient, [reports Dulue Mbachu for Bloomberg](#). The stepped-up production was as a result of government incentives. Production could have actually been higher, since the official tally doesn't account for cocoa smuggled out of the country.

The top three cocoa producers are Ivory Coast, Ghana and Indonesia, [according to the International Cocoa Organization](#). Cocoa prices have been on an overall uptrend in the last year, up 37% in July from a year ago. Prices are now at their highest levels in two months.

Sugar, in particular, is benefiting from a renewed interest in soft commodities. After Tuesday's gain, sugar continued the upswing and went to a 21-month high, [reports Nigel Hunt for Reuters](#). Arabica futures are turning higher, too, leading to a run-up in coffee prices.

Is anybody else hungry?

- **iPath DJ AIG Coffee TR Sub-Index ETN (JO)**, up 1.5% since July 8 inception
- **iPath DJ AIG Cocoa TR Sub-Index (NIB)**, down 4.5% since July 8 inception
- **PowerShares DB Agriculture (DBA)**, up 11.3% year-to-date (holds 19.1% in sugar futures)
- **UBS E-TRACS CMC Food (FUD)**, up 5.6% since April 4 inception (holds sugar, coffee and cocoa)



Despite Price Plunge, Silver and Its ETF Gain Assets On Continued Demand

iShares Silver Trust (SLV), the largest silver-backed ETF, has somehow defied the price of silver dropping. While silver has lost 40% of its value, the holdings within SLV have only gone up to a record 6,474.04 tonnes of average 1,000 oz. silver bars, [reports Melissa Pestini for Silver Investing News](#).

Any thoughts of silver being dumped once the silver bull market cooled off seem to have dissipated, as investors don't appear to be panicking with the metal. Instead, they're taking advantage of the lower prices so that they can buy more of it. ETFs are a nice package for investors looking to buy silver, as prices are low, and there is no physical delivery.

Silver will always have a demand, as it has dated back to ancient times, and is used for jewelry, high-end tableware, currency coins, utensils and electrical contacts. Contacts and conductors are popular uses, and antimicrobial and antibiotic uses for silver are being tested right now.

SLV is down 8.5% year-to-date.



If Commodities Are Indeed At the Bottom, It Could Be ETFs' Gain

Despite the recent correction, commodities are in their seventh year of gains, which has led ETFs to embark on one of their largest growth spurts. Some now think the bottom is in sight, and it's not because of rising demand, but rather supply cuts.

Corn and soybeans have rebounded as reduced crop yields have pushed U.S. stockpiles to five-year lows, [reports Madeline Pearson on Bloomberg](#).

Supply constraints are becoming more pertinent, and this will separate the performance of each individual commodity. China and India are also driving demand, along with production disruptions, such as drought, flooding and power outages.

Many of the commodities that experienced a correction are showing signs of renewed vigor. Corn and soybeans were down as much as 37% off their highs, but have rebounded in the last two weeks. Delayed plantings threaten to lower U.S. yields, and there's concern that export tax protests may disrupt supplies from Argentina, the third-largest producer of soybeans and second-largest of corn.

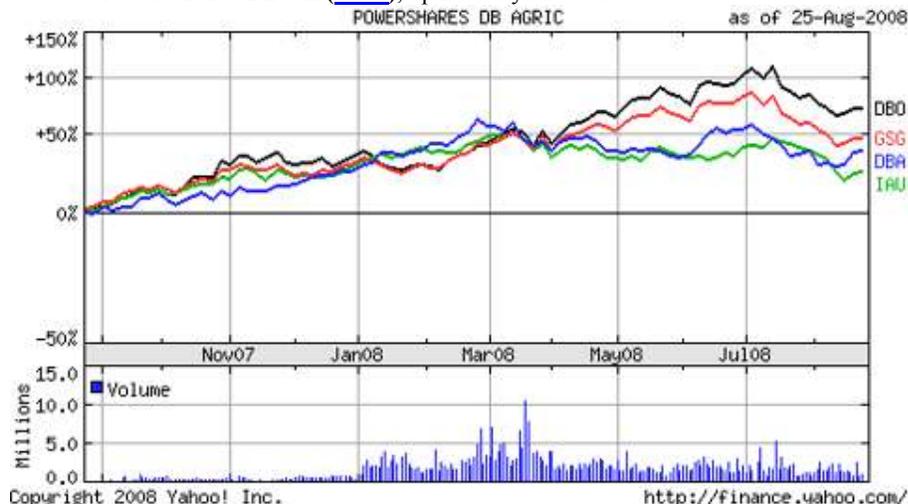
Commodities peaked around July 3 and slumped 21% after the fastest decline through Aug. 15, according to S&P's GSCI Index of 24 raw materials.

Investor Jim Rogers, chairman of Rogers Holdings, says that over the course of time, commodities are a bull market. But not everyone is so optimistic: one investment strategist says the cycle that began at the turn of the century is done, since the real price of nearly everything extracted or manufactured goes down over time.

Who's right? You'll have to wait for the answer.

ETFs of interest:

- **PowerShares DB Agriculture (DBA)**, up 11.1% year-to-date
- **iShares S&P GSCI Commodity Indexed Trust (GSG)**, up 14.6% year-to-date
- **iShares COMEX Gold Trust (IAU)**, down 1.4% year-to-date
- **PowerShares DB Oil (DBO)**, up 28.6% year-to-date



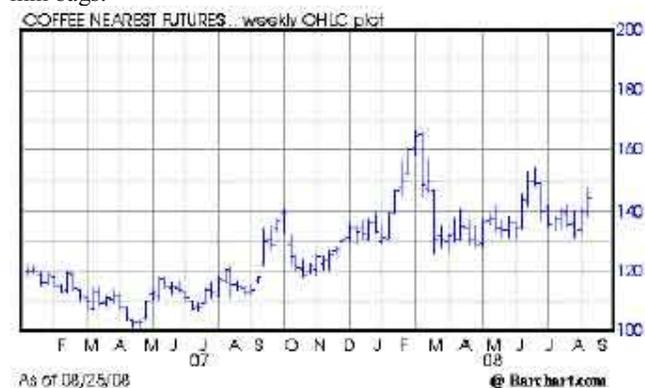
Foods and Softs Outlook

Friday, August 29, 2008

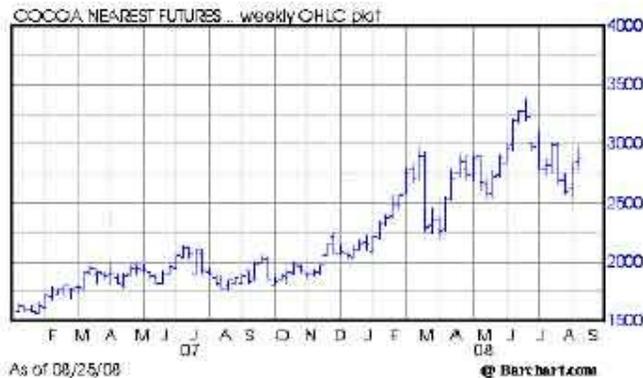
by [CRB Research Team](#) of [Commodity Research Bureau](#)

Foods and Softs Outlook - **An Excerpt from CRB'S Futures Market Service**

COFFEE—Dec Nybot Arabica coffee prices rallied to a 1-1/2 month high but remain in a 5-month range. Bullish factors include (1) coffee growers withholding bean sales until prices rise, (2) speculation Brazil may subsidize its coffee farmers to ensure a minimum price, and (3) the 6-8 mln bag 2007-08 world coffee deficit. Bearish factors include (1) dollar strength and general commodity selling, (2) ICO's forecast for a 8.5% hike in global coffee production in 2008/09 to 128 mln bags from 118 mln bags in 2007/08, and (3) the USDA's forecast of a 36% y/y rise in Brazil's harvest starting July to 51.1 mln bags (vs last year's 37.6 mln bags). As of Aug 19, large specs had a small long position of 8,982. USDA coffee summary: 2007-08 world coffee production 117.8 mln bags (-4.7% vs 2006-07's 122.9 mln); 2007-08 world ending stocks at a record low 18.3 mln bags.



COCOA—Dec cocoa prices recovered to a 3-week high from the recent 3-month low on bullish factors including (1) speculation that excessive rains in the Ivory Coast may spread Black Pod disease, curtailing cocoa bean output, and (2) ICO's upward revision of its global cocoa deficit forecast to 88,000 MT (from 41,000 MT) due to the cut in its 2007-08 global cocoa crop forecast to 3.65 mln tons. Bearish factors include (1) the +8% y/y rise in Ivory Coast exports between Oct-Jun 15, and (2) ICO's forecast of a +8% increase in the 2007-08 global cocoa crop to 3.65 mln tons. Large specs as of Aug 19 reduced their moderate long position to 11,652.



Processing and Manufacturing

IMC Licensing represents Rocky Mountain Chocolate Factory in hot cocoa deal

Bizjournals.com, NC

August 27, 2008

IMC Licensing announced Wednesday that it had negotiated a licensing agreement on behalf of Durango, Colo.-based Rocky Mountain Chocolate Factory Inc., the largest chain of retail chocolate stores in the country, to develop a premium hot cocoa mix.

The licensee is Lehi, Utah-based Lehi Roller Mills, which produces flour and gourmet brownie, pancake, muffin and cookie mixes. "We are delighted to bring together this established chocolate brand and Lehi Roller Mills, one of the dominant mills in the marketplace with more than 100 years of experience, to launch a premium cocoa mix," said Cara Bernosky, president and co-founder of Louisville-based IMC Licensing.

Rocky Mountain's stores typically produce about 300 chocolate candies and other confectionery products, in full view of the customer using traditional cooking utensils such as copper kettles and marble-slab cooling tables. The company has more than 330 stores in the United States, Canada and the United Arab Emirates.

IMC plans to seek more brand-building products for Rocky Mountain, IMC vice president for licensing sales Todd Donaldson said in the release.

Cargill Ghana cocoa plant aims for Nov start

guardian.co.uk, UK

By Kwasi Kpodo

August 29 2008

** 65,000 tonne capacity cocoa processor to start work in Nov*

** Facility will raise Ghanaian grind by 25 percent*

ACCRA, Aug. 29 (Reuters) - Agribusiness giant Cargill will start production at a 65,000 tonne-capacity cocoa processing plant in Ghana in November this year, a company official said. The plant would raise domestic grinding capacity in the world's second-biggest cocoa grower by more than 25 percent to almost 320,000 tonnes as the country targets a major increase in harvesting and processing amid high prices on world markets. "We started test running the plant a few weeks ago ... it's going on well," Cargill Ghana's Commercial Director Taco Terheijden told Reuters late on Thursday.

U.S.-based Cargill, one of the world's largest private companies, will process cocoa into butter, powder and liquor at the plant in the eastern port of Tema, he said. The firm had to import most of its equipment from Europe, which contributed to a major

cost overshoot. "Costs have risen to \$100 million from an initial estimate of \$70 million due to the weakening of the dollar..." Terheijden said.

Ghana has 253,000 tonnes of installed processing capacity according to data from Cocobod, which markets Ghanaian cocoa, while the country's crop has averaged 670,000 tonnes over the past four years. The West African country has set itself an ambitious target of harvesting at least 1 million tonnes of cocoa a year by 2010, mainly by using more fertilisers and high-yielding seeds. Based on this, Cocobod aims to have half the crop processed in Ghana. Cocoa prices are near 28-year highs, with New York futures closing at \$2,860 per tonne on Thursday on expectations of strong future demand. Cargill has signed an agreement with Cocobod for bean supply to feed the plant, which has the potential to increase capacity to 120,000 tonnes, Terheijden said.

Rival agricultural firm Archer Daniels Midland is also building a processing plant in Ghana. Located in the second-largest city of Kumasi, it is expected to start working in the first quarter of 2009 with capacity of 30,000 tonnes.

Business & Economy

Chocolate maker Lindt H1 profit up, confirms targets

Reuters | Wednesday, 27 August 2008

Consumers' taste for premium chocolate helped Switzerland's Lindt & Spruengli offset headwinds from spiralling raw material prices and an economic slowdown and will keep the group on track to meet its goals.

The maker of Lindor pralines and gold-wrapped Easter bunnies posted a forecast-beating 5 percent rise in first-half net profit of 23 million Swiss francs (NZ\$30.45 million), boosted by upbeat demand for its Excellence and Creation 70 percent products.

The group said it was maintaining its medium to long-term annual sales growth target of 6 to 8 percent as well as an increase in its operating margin by 20 to 40 basis points. "In 2008, we have had basically everything that can go against us, going against us," Chief Executive Ernst Tanner said, citing foreign exchange moves and higher costs for raw materials which include cocoa, hazelnuts and dairy products.

"The consumer mood has also gone the wrong way," he said.

In 2008, the company anticipates an EBIT margin growth of 20 base points and sees organic growth of between 8 and 10 percent, despite a slowdown in consumer spending due to fears about slower economic growth and higher inflation.

Organic sales growth at the group slowed to 8 percent versus 13.5 percent in the previous year as the group was hit by an early Easter, which meant appetite for Lindt products was limited as it came shortly after Christmas and Valentine's Day. "I cannot believe that the Lindt premium positioning has suddenly become ineffective or inappropriate. History will show H1 2008 to be a blip rather than a trend change," said independent analyst James Amoroso.

Lindt, which traces its origins to a Zurich confectionary shop in the 1840s, has tapped the growing appetite for premium and dark chocolates and has benefited from increased consumer spending on indulgence foods.

By 9.24pm NZ time, shares in the group were trading slightly higher at 2,645 francs, outperforming a weaker DJ Stoxx European food and beverage index.

Like other food companies, Lindt has hiked prices to compensate for soaring input costs. The group will raise the cost of its products by between 4 percent and 6 percent on average next year if cocoa prices stay at current levels, Tanner said.

Lindt, however, expects cocoa prices to fall over the medium and long term.

The US dollar, Canadian dollar and pound had lost as much as 15 percent against the franc compared to the year-ago period, Lindt said, but the dollar has started to appreciate, brightening the outlook for the second half of the year.

Earlier this month, America's Hershey warned its full-year profit would be toward the lower end of its previously forecast range and said it would hike prices nearly 10 percent in its home market to offset higher input prices.

Lindt shares trade at around 20 times 2009 earnings per share, in line with Hershey and at a premium to Swiss rival Barry Callebaut.

Cameroon: Cocoa, Coffee Fund Takeoff at Last

Cameroon Tribune (Yaoundé)

26 August 2008

Lukong Pius Nyuylime

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The long silence was broken on 04 August when FODECC signed the first agreement bringing in an oxygen balloon support to the cocoa and coffee sector. "This first agreement will create a base for a veritable revamping of cocoa and coffee production in Cameroon", Pierre Tsimi Enouga said during the signing ceremony. The CFA 5.6 billion financial assistance is expected to help support the acquisition and distribution of in-puts, notably high yielding seeds to farmers for the next three years. "Our hopes lie on the transparent and rigorous management of the money we have pumped in", Tsimi said, stating inter alia that the content of the agreement is quite assuring.

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Thanks to FODECC, the five-year project on Cocoa and Coffee high yielding seed production and propagation, piloted by the Ministry of Scientific Research and Innovation and executed by the Institute of Agricultural Research (IRAD) is expected to get into high gear this year. CFA 1.4 billion has been injected into the project following the funding agreement signed between the Minister of Scientific Research and Innovation, Madeleine Tchuinté and the President of the FODECC Management Committee, Pierre Tsimi Enouga.

The project which has as main objective to place at the disposal of farmers high yielding, disease-resistant cocoa and coffee seeds and plants, is circumscribed into six different components. These include: rehabilitation and enriching of cocoa genetics base, selection of improved varieties that are resistant to diseases and training of trainers on seed production and multiplication techniques. It intends to produce and share out 65,000 high yielding cocoa plants, 50,000 cocoa pods, 5,000 Arabica coffee plants and 5,000 kg of coffee grains, and 75,000 nurseries for Robusta coffee during its first phase in 2008.

Created in March, 2006 by Presidential Decree, the Cocoa and Coffee Development Fund, has not been able to take off as quickly as expected for obvious reasons. As explained by the president of the Management Committee, the late start is blamed on the delay in the extraction of export charges for the fund. That notwithstanding, the management did not sit hands crossed. So far, several actions have been taken to keep the organisation afloat. These include: measures to secure the funds from export charges, voting of the fund's budget for 2008 and 2008, putting in place internal management procedures and an appropriate working framework for receiving and handling projects and programmes, putting in place of a global fund of CFA 3.5 billion for the 2008 projects and building up a CFA two billion-forecast fund for cocoa and coffee revamping.

Trade not aid the answer to poverty, economists say

Sun 31 Aug 2008, 8:32 GMT

By Jonathan Lynn

GENEVA (Reuters) - As ministers from over 100 countries gather in Ghana to review how effective aid is in helping developing nations deal with poverty, many economists argue the answer is elsewhere -- in freeing up trade. The meeting in Accra this week comes just over a month after talks at the World Trade Organisation (WTO) to secure a breakthrough in the long-running Doha round collapsed at the end of July.

Rich and poor countries alike have called for efforts to save the Doha round and build on the compromises that were reached in July's talks. Senior negotiators are likely to meet in September to see whether the talks can be revived.

Economists of all persuasions agree now that growth is the key to lifting people out of poverty -- a view reinforced by a major World Bank report in May on growth and development.

And the key to growth is trade, the WTO says.

"Trade openness is believed to have been central to the remarkable growth of developed countries since the mid-20th century and an important factor behind the poverty alleviation experienced in most of the developing world since the early 1990s," it said in a report last month (July).

Former New Zealand Prime Minister Mike Moore, who headed the WTO when the Doha round was launched, put the case for trade in a characteristically forceful manner earlier this month. "Seven years ago, we introduced at Doha what was to be a "development round". All trade rounds are," he said. "President Kennedy, who introduced the Tokyo round, famously said: 'This will lift all boats and help developing countries like Japan.' Case made, I would have thought."

Since Japan's rise to prosperity, many other countries, such as South Korea, Chile and India, have followed a similar path.

Many developing-country leaders share the view that the solution to poverty lies in the increased economic capacity that trade can bring rather than in aid handouts. "Africa critically needs to realise development and get itself out of poverty through the establishment of fair trade rather than aid," Kenya's Trade Minister Uhuru Kenyatta, who coordinates African countries at the WTO, said after the collapse of the WTO talks.

DEVELOPMENT THE GOAL

The Doha round, launched in Qatar capital in late 2001, was expressly intended to help developing countries export their way out of poverty, by tackling the unfinished business of previous trade rounds such as the distorted global food trading system.

Many advocacy groups argue that trade negotiations are still skewed against the interests of poor countries.

Forcing them to open up their markets to provide more export opportunities to Western businesses could threaten the livelihoods of millions of subsistence farmers and snuff out infant industries.

The Manila-based Focus on the Global South said the collapse of the Doha talks was a welcome respite for poor countries. "The aggressive push by the rich countries led by the U.S. and the EU for more trade liberalisation at a time of global crises of food and fuel (became) too blatant for developing countries to stomach," it said.

But many changes sought by developing countries -- such as cuts in the multi-billion-dollar U.S. and EU farm subsidies -- have been on hold since the Doha talks collapsed.

Developing countries also recognise that they benefit from the rules-based multilateral trading system the WTO represents, not least because of the power it gives small and weak members.

African countries would much rather tackle U.S. cotton subsidies that squeeze them out of the market in a comprehensive WTO trade round rather than sit round the negotiating table with just with the United States.

For developing countries, many of which are in unstable areas, the security aspects of trade are also important.

The prosperity and contacts promoted by trade foster peace, and when trade rules affect major economic sectors, such as West African banana growers, they must be negotiated carefully. "If goods cannot cross borders, armies will," said U.S. Franklin Roosevelt's World War Two Secretary of State Cordell Hull who won the Nobel Peace Prize for his contribution towards the creation of the United Nations.

Trade and aid are closely linked.

The WTO coordinates the international Aid for Trade programme, in which developing countries are helped to build trade capacity and infrastructure by ensuring that their trade projects are part of their aid and economic strategies. And one of the trickiest parts of the WTO Doha agenda covers food aid. The proposals would tighten rules on "monetisation" where rich countries send food surpluses to developing countries to be sold locally and the funds distributed.

The aim is to prevent this being used as a disguised export subsidy which squeezes local farmers out of business.

German Chocolate Sales up on Mild Summer, Football

Source: Reuters
26/08/2008

Hamburg, Aug 26 - German chocolate and confectionery sales rose 2.3 percent to 632,200 tonnes in January to June this year, confectionery retail and industry association Sweets Global Network said on Monday. Sales by volume rose by 5.4 percent to 4.283 billion euros (\$6.32 billion), it said.

Price increases imposed by manufacturers following increases in cocoa and energy prices were largely the reason why sales by value rose faster than volumes, an association spokesman said. "Demand is strong and we have benefited from the relatively mild summer while demand for confectionery and other snacks benefited from the European football championships this summer," he said.

German discount supermarkets were also increasing their strong hold on confectionery sales, raising their turnover by 0.7 percent to 1.346 billion euros, it said.

Labour Issues

Corporate Social Responsibility
CSR News 8.27.2008



International Cocoa Verification Board Members Present on Constructive Corporate Engagement at Children's Rights International Conference

([CSRwire](#)) CAIRNS, AUSTRALIA. - August 27, 2008 - **The International Cocoa Verification Board (ICVB)** was recently featured at the International Conference on Child Labor and Child Exploitation as a model for Constructive Corporate Engagement addressing the worst forms of child labor in the cocoa sector. Government representatives, international experts, academia, and corporate representatives from around the world attended the conference focused on "exploring the challenges ahead in securing rights for children in the 21st century" hosted by Children's Rights International (CRI).

ICVB members Isabelle Adam ([European Cocoa Association](#)) and John Trew ([Care USA](#)) presented along side Anita Sheth of Save the Children Canada on a panel moderated by Trish Hyde of the Confectionery Manufacturers of Australia. The expert panel focused on industry efforts to eliminate the worst forms of child labor in West African cocoa-growing regions and on the development of the certification and verification processes currently underway. Specifically, the panel highlighted 'steps taken by some companies and organizations operating internationally to address the worst forms of exploitation in their labor obligations and their attempts to try to set higher standards.' The panel addressed the importance of engaging the private sector in a constructive and deliberate manner; highlighting how the experiences in cocoa should serve as a springboard for examining the worst forms of child labor in other commodities, such as sugar and cotton. The impact of the cocoa sector approach crystallizes the importance of cross-sector cooperation in order to bring about positive and lasting changing for cocoa farmers and their families.

The ICVB is a non-profit, multi-stakeholder organization convened by the labor rights non-governmental organization, Verite, to ensure that certification efforts to evaluate the occurrence of child or forced adult labor in cocoa producing areas in

Cote d'Ivoire and Ghana are independently verified. Verified data will ensure that efforts to improve conditions are more strategically focused on the areas and issues that are in greatest need of remediation.

About the ICVB

The International Cocoa Verification Board (ICVB) is a non-profit, multi-stakeholder organization that was convened by Verite in December, 2007, to ensure that certification efforts to evaluate the occurrence of child or forced adult labor in cocoa producing areas in Côte d'Ivoire and Ghana are independently verified. Verifying the soundness of the data collection methodologies and the accuracy of survey findings helps to ensure that remediation efforts are more strategically focused on the areas and issues that are in greatest need of remediation. Reliable data informs meaningful, enduring change for cocoa producing communities in Cote d'Ivoire and Ghana. All stakeholders, from governments to civil society actors, will be able to use the results of this verification effort to strengthen their work going forward.

ICVB Vision Statement

Verification is an essential step in assessing labor conditions in cocoa-growing communities in West Africa. The ICVB holds the strong conviction that accurate data will help guide strategic planning and programming to effectively address potential areas of concern, including child and forced adult labor. Properly verified data will ensure that future remediation activities are more strategic, cost-effective, targeted and synergistic. Our true stakeholders are the cocoa farmers and children and we measure our success or failure by how well their lives improve, in part, due to our work. Accurate data matters.

Environmental Issues

Chocolate bar takes a bite out of climate change

Inspire Magazine, UK - 29 Aug 2008

The UK's first fairtrade organic chocolate bar that also offers a sweet solution to climate change is to be launched in Waitrose stores this October.

For every bar of Organic Meltdown chocolate purchased, the World Land Trust (WLT) promises to save one tropical forest tree from being destroyed. To save a tree, consumers simply have to go to the Organic Meltdown website, type in the unique number inside the wrappers on each of the nine varieties of chocolate and zoom down using Google Earth onto the actual patch where the tree is located.

It is hoped that the chocolate covered initiative will save five million trees by 2010.

The bar's makers, Brand Stand and WLT search for opportunities to save trees before they are destroyed and habitats ruined. Brand Stand makes donations to the WLT in order to save endangered lands. The number of trees is determined for each acre of land and each bar is assigned its own tree via a unique number. The trees are then owned by local conservancy groups and managed by the World Land Trust.

"Conservation of tropical forest lands and fighting global warming is more than just an exercise, it's [our] sole purpose for creating the brand", says Brand Stand.

Organic Meltdown chocolate bars (RRP £2.19) will be on sale in Waitrose stores from 23 October.

DAGOBA's Herbal Chocolate Infusions Nurture Urban Gardening Movement

August 25, 2008

Organic Pioneer Distributes Free Herbs through "Seed the Day" Initiative; Helps Restore Costa Rican Rainforest

ASHLAND, Ore.--(BUSINESS WIRE)--Dagoba® Organic Chocolate, which awakened the culinary world with its award-winning herbal infusions, is now using the same fragrant lavender, mint and rosemary to inspire urban gardening.

As part of a new initiative, "Seed the Day™," Dagoba is sharing thousands of free seeds across the country, and hitting the streets of Boston, Chicago and San Francisco on custom bicycles towing trailers of fresh herbs to give away along with botanical-infused chocolate. Event schedules are posted at www.dagobasedtheday.com, where anyone can sign up for free seed packets to arrive next spring, upload garden photos, share garden-inspired flavor ideas for the next Dagoba chocolate bar, and enter to win free chocolate for a year.

"Like cacao, gardens have the power to transform our communities, inspire culinary adventure and feed the soul," said Liz Kaplan, brand ambassador for Dagoba. "Our intention is to encourage thousands of people to seize the day, and plant a garden! Every bit of green space helps contribute to the sustainability of the neighborhoods where together we live, work and play."

The "Seed the Day" initiative also includes an effort to help reforest and sustain family farms in Upala, Costa Rica with the planting of 60,000 cacao tree seedlings. Dagoba is partnering with the Upala Cacao Cooperative in Costa Rica to help reforest small family farms to improve economic opportunity, restore native biodiversity and provide habitat for such wildlife as the native sloth.

"Diversified, sustainable cacao farming has the economic power to support small family farmers," said Brad Kintzer, Dagoba's cacao hunter. "It's our hope that Dagoba's efforts to rehabilitate the family farms of the Upala Cooperative will help restore the landscape and revitalize a community with a rich legacy in the chocolate industry."

Dagoba is also supporting regional nonprofits dedicated to the urban gardening movement through in-kind donations and contributions. Partners include Boston Natural Areas Network in Boston; Growing Power, Inc. in Chicago; and Garden for the Environment in San Francisco.

About Dagoba Organic Chocolate

Dagoba is dedicated to the Art of Chocolate Alchemy®: transforming cacao into exquisite chocolate through Full Circle Sustainability™ that blends quality, ecology, equity and community. The company seeks fine flavor, sustainable and certified organic cacao through direct, equitable partnerships, and manufactures in small batches with great care. Dagoba's product line includes pure dark and milk chocolates, and many infused with exotic flavors such as lavender, mint and rosemary. All products are Certified Organic and Kosher, and many are Fair Trade Certified. Based in Ashland, Ore., the company has earned top awards by national media including "World's Best Chocolate" and "Best Dark Chocolate." In 2006, Dagoba became part of the Artisan Confections Company, a wholly owned subsidiary of The Hershey Company. For more information, visit www.dagobachocolate.com.

Research and Development

Technology turning chocolate into a sweet science
CNN - 27 Aug 2008



Timothy Childs watches cacao beans go into a cracking machine at his TCHO chocolate factory

NEW YORK (AP) -- As a software developer who worked with NASA, Timothy Childs built vision-tracking systems for the space shuttle. Now the former techie has a new venture that he says is out of this world: chocolate.

As demand for premium chocolate soars, a new crop of high-tech confectioners are changing the industry with Silicon Valley-style innovation, antique German equipment and an obsession with the simple cocoa bean.

"The bean totally seduced me," said Childs, co-founder and "chief chocolate officer" of TCHO, a San Francisco-based startup seeking to improve the quality of chocolate through scientific experimentation with flavors. "On a molecular level, making chocolate is enrapturing." TCHO, pronounced "choh," isn't your ordinary chocolate factory. Based on San Francisco, California's company currently sells its chocolate only online in brown packets labeled "beta," solicits feedback and reaches out to customers through social media outlets like YouTube.

Eventually, it plans to sell its chocolate to food companies and through high-end retail outlets. TCHO shuns the usual practice of classifying bars by cacao content or origin, relying instead on a "flavor wheel" that emphasizes taste above all: "Chocolatey," "Fruity," and "Nutty" are out now, with "Earthy," "Floral," and "Citrus" on the way. "Saying a bar is '70 percent cacao' doesn't equate," said Childs, referring to the industry standard for premium chocolate. "People should pick chocolate the same way they buy wine and food, by flavor."

A similar philosophy drives Amano Chocolate, a recently launched company based in Utah's Wasatch Mountain range whose goal is to offer in the U.S. the premium, artisan [chocolate](#) once found mainly in Europe. Founder Art Pollard, another software developer who studied physics, fell in love with chocolate making during a honeymoon trip to Hawaii and whipped up his first batch using science lab equipment intended to grind chemicals.

"Eventually I started fashioning my own equipment and began churning out some fine-quality chocolate," said Pollard, who studied confectionary in Europe and buys his beans in far-flung villages in Venezuela and Ecuador. "It is extremely hard work and takes a lot of time, but, boy, is it beautiful when you get right," said Pollard, who now uses turn-of-the-century era equipment imported from Germany to roast, grind, melt and mold his chocolate into bars.

Neither TCHO nor Amano would provide sales figures, but both say they have aggressive growth plans in the future. Though a soft economy has forced Americans to cut back on some luxuries, U.S. sales of dark chocolate keep booming, lifted even higher recently by studies touting the confection's purported health benefits and growing consumer interest in organic and fair-trade products.

Total U.S. chocolate sales are expected to soar to \$18 billion annually by 2011, up from \$16 billion in 2006, with organic and dark chocolate representing the fastest-growing segment.

"Chocolate is an affordable indulgence. No matter how difficult economic times get, we'll always want to treat ourselves," said Joan Steuer, president of Chocolate Marketing LLC, which studies trends and new products in the industry. But while sales are growing, so is the competition, crowding shelves of grocery stores with brands like Ghirardelli, Godiva, Dagoba and Scharffen Berger.

While there's only around a dozen U.S. "bean-to-bar" manufacturers that make their own chocolate from scratch, smaller players who buy their chocolate wholesale and melt it into bars are entering the market at a rate of about one a month, Steuer said.

"It's exploding," she said. "The market isn't saturated yet, but it's close." That doesn't mean people are getting rich cranking out bars and bonbons, however. Bulging input costs and paper-thin profit margins have squeezed traditional chocolate manufacturers and make it extremely difficult for new players to break in.

A commodities boom has pushed the price of cocoa, the chief ingredient in chocolate, above \$3,000 per metric ton -- the highest in 22 years and double the price from a year ago. Battered by the increases, No. 1 U.S. candy maker The Hershey Co. and smaller rival Mars, maker of Snickers bars and M&Ms, announced earlier this month they were raising prices for their products by more than 10 percent.

Still, most new chocolatiers say passion -- not profits -- is what motivates them. Many have learned the craft over the Internet, launched one-person chocolate factories from their kitchens and put up Web sites to sell their products online from anywhere.

"The Internet has really opened things up," said Pam Williams, who runs Ecole Chocolat, an online school that trains people to make their own chocolate and open a business. "Now you can go to Kansas City and find a good chocolate maker who rivals the quality and craftsmanship of that you would find in Europe."

Last year, one of her former students, Donna Smith, began selling homemade truffles, peanut butter balls and other candies online through her company Smithorganicchocolates.com, which she hopes will allow her and her husband to earn an income from home.

"The sky is the limit right now," said Smith, who works out of her kitchen in Akron, Pennsylvania, about 30 miles from the Hershey plant and who has seen sales steadily increase. "People love chocolate, especially in hard times when they want to be comforted."

Some niche chocolate makers have dreams of being bought out by a major candy manufacturer for a sweet payday. That's what happened to Dagoba, an organic chocolate maker acquired by Hershey's two years ago for an undisclosed sum believed to be between \$10 million and \$15 million.

But Childs, co-founder of TCHO, said his priority is building up the company -- not cashing out. The company shuns venture capital and raised all its start-up funds through family and friends, who received equity in the company. "For right now, I'm very happy just making chocolate that fills my factory," he said.

Chocolove Premium Chocolate Collaborating With USDA on Cacao Research Project

Posted : Fri, 29 Aug 2008 15:01:23 GMT

Author : Chocolove

Earthtimes (press release), UK - 29 Aug 2008

Chocolove Premium Chocolate has pledged its support in assisting the USDA to identify, acquire, characterize, and preserve a diverse and unique cacao collection to safeguard it for future generations of cocoa farmers and chocolate lovers. BOULDER, Colo., Aug. 29

BOULDER, Colo., Aug. 29 /PRNewswire/ -- Chocolove is proud to announce its support of a collaborative project aimed at the identification, acquisition, characterization and preservation of important cacao genetic resources. The project, led by Dr. Brian Irish, at the USDA ARS Tropical Agricultural Research Station in Mayaguez, Puerto Rico is entitled 'Cacao Germplasm Evaluation and Characterization'.

The current collection has been assembled with cacao plant materials or 'accessions' that have been acquired over the past 70 years and come from wild selections and breeding programs around the world. Collaborative efforts will focus on the identification and acquisition of accessions with promising traits, such as disease resistance, productivity, and unique chocolate flavors.

In progress, in the recently re-established field plots, is the collection of field data that focuses on the characterization of traits of importance such as yield and disease resistance, among others. In the laboratory, DNA fingerprinting has been completed on all of the currently maintained accessions, so that the true identity of each plant can be determined. By identifying and cataloguing each cacao plant's DNA fingerprint, Dr. Irish hopes to eliminate redundancy in accessions, estimate how genetically diverse the current collection holdings are, and identify and add unique cacao types that might not be already present.

Chocolove's owner and chocolatier, Timothy Moley, has been chosen to participate in a professional panel of experts who taste the chocolate made from the different cacao accessions being evaluated at Tropical Agriculture Research Station. Cacao beans are harvested from each individual plant and made into small batches of single-accession chocolate. In tasting this special chocolate, Mr. Moley looks for unique flavor nuances that differentiate the cacao accessions from each other. This aspect of the project aims to provide a flavor and aroma profile for each of the accessions.

Mr. Moley says, "I am excited and proud to give my financial assistance and professional expertise to the USDA ARS Tropical Agriculture Research Station and this project. I think that a major disease epidemic somewhere in the world cacao crop is inevitable. A genetically diverse collection of cacao plants will be invaluable to re-establishing a hardy, flavorful cacao crop and will prevent great hardship for cacao farmers in the affected region. The 'Cacao Germplasm Evaluation and Characterization Project' will also create an opportunity to reintroduce unique heirloom varieties of cacao to the market that may otherwise have been lost. I am happy to be supporting this living 'seed bank' of cacao plants."

Others

Ivory Coast ministers to give testimony in cocoa probe

AFP
27/08/08



ABIDJAN (AFP) — Five Ivorian ministers will take part in court hearings beginning on Monday as part of a massive corruption probe into the country's cocoa sector, the ministers said Wednesday.

"The judge scheduled us at the end of ministerial holidays," one of the ministers told AFP on the condition of anonymity.

"We took advantage of these holidays to prepare our defence," said another member of the government who also asked not to be named.

The government said in a statement that the ministers were being asked to appear as witnesses and not as suspects.

They "are not suspects but will simply be heard to shed light through their testimony on the necessary investigations to the case underway," the statement said. Earlier in the month, the government gave its approval for the court to question current and former ministers as part of the investigation.

The ministers include Planning and Development Minister Paul Antoine Bohoun Bouabre, Finance Minister Charles Diby Koffi and Agriculture Minister Amadou Gon Coulibaly. Former finance and agricultural ministers also figured in the group.

President Laurent Gbagbo ordered the investigation last year after allegations the cocoa and coffee marketing cooperative FRC had embezzled more than 100 billion CFA francs (152 million euros, 224 million dollars) earmarked for the purchase of a chocolate factory in the United States. The Ivory Coast produces some 40 percent of the world market in cocoa and some six million people are employed in the cocoa industry.

Theo's Chocolate University

Seattle Food Examiner

Examiner.com - 27 Aug 2008

Traca Savadogo - Seattle Food Examiner

This fall, Theo Chocolate offers a three-part series in tasting...and enjoying the finer aspects of chocolate. Last time, space sold out in a flash. I tried to beg my way in, but this class was so popular, the waiting list was a mile long! This go around, I locked down my space early....

Have you heard there are three kinds of tasters? Some people are extremely sensitive to flavor nuances. Others, not so much. But part of learning how to taste, is taking the time to learn what you're looking for. All your senses come into play...sight, sound, touch, and taste. Like the craft of enjoying fine wine, many of those same principals apply to chocolate. Developing a deeper understanding of the things we enjoy....makes them even more enjoyable. Taste, learn, and taste some more. It's all part of the process....

Chocolate University is hosted by super taster, Dr. Amy McShea, Theo's Chief Scientist and the series is divided into three parts:

Chocolate 201: Antioxidants and the Health Benefits of Dark Chocolate

The consumption of high cacao content chocolate has been associated with positive health benefits ascribed to flavinol antioxidants. Recent reports have implied that not all dark chocolate are created equal. We investigate the difference between the varieties of dark chocolate and why these differences might exist. We investigate antioxidants in the diet, how they are measured, and review clinical data associated with the consumption of chocolate.

September 11th, 6-8 pm

Chocolate 202: Cacao Origins, Cacao genetics and the fermentation process

Three major varieties of Theobroma cacao (the cacao tree) are recognized in chocolate making: Criollo, Forastero and Trinitario. Analysis of the DNA of Cacao suggests that there are more than 1400 varieties of Cacao, implying that the genetic diversity is very high, although the majority of Chocolate is blended to improve consistency. In many ways, varietal and vintage trends in Chocolate resemble trends in the winemaking industry. We investigate genetics and diversity of Cacao and discuss how origin, genetics, and fermentation process influence the flavor of Chocolate.

September 18th, 6-8 pm

Chocolate 203: The Chemistry of Chocolate Making

Recent advances in analytical techniques have provided insight into the molecular composition of Chocolate. The chemistry of Chocolate changes significantly during the fermentation, roasting, milling, and conching process of Chocolate making. We review the steps of industrial chocolate making in detail and investigate how modern analytical techniques have provided a unique insight into the 400 or so molecules that make up the exquisite and complex flavors in chocolate.

September 25th, 6-8 pm

Cocoa producing states brainstorm in Asaba

Vanguard, Nigeria

By Austin Ogwuda

29 August 2008

THE National Cocoa Development Committee and the Cocoa Association of Nigeria began a two-day sensitisation workshop in Asaba, Delta State yesterday on European Union Regulation on Pesticides Residue, which takes effect from the 1st of September this year.

Addressing the workshop participants, the state governor, who was represented by the state deputy governor, Prof Amos Utuama (SAN) noted that "It is my hope that your discussions will stimulate and encourage good agricultural practice so that pesticides are applied in line with the product label recommendations.

In response to the impending ban on cocoa with high pesticide residue levels with effect from 1st September 2008 by the European Union, this workshop should work out ways to sanitize all stakeholders in the cocoa industry on this crucial subject matter. "As a key member of the global cocoa market," he went on, "Nigeria will be directly affected by the European Union Regulation, as over three hundred thousand metric tonnes of Nigeria's cocoa bean is exported to Europe.

"The standardization and classification of agricultural products," he said, "is important for human safety. Our cocoa beans are exported to the European Union countries who process same into various value-added products, which are then exported back to us, the final consumers."

Ivory Coast ministers to give testimony in cocoa probe

AFP - 27 Aug 2008

ABIDJAN (AFP) — Five Ivorian ministers will take part in court hearings beginning on Monday as part of a massive corruption probe into the country's cocoa sector, the ministers said Wednesday. "The judge scheduled us at the end of ministerial holidays," one of the ministers told AFP on the condition of anonymity. "We took advantage of these holidays to prepare our defence," said another member of the government who also asked not to be named. The government said in a statement that the ministers were being asked to appear as witnesses and not as suspects.

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The Ivory Coast produces some 40 percent of the world market in cocoa and some six million people are employed in the cocoa industry.

US: Lesley's Life Is Sweet launches USDA-certified chocolate

28 August 2008 | Source: just-food.com

Lesley's Life Is Sweet has launched the first US Department of Agriculture-certified organic and fairtrade chocolate ganaches and moulded bonbons.

Lesley's Life Is Sweet is a woman-owned humanitarian and artisanal chocolate company. Founder and president Lesley Byrne emphasised the high standards required to become USDA certified. "Becoming USDA-certified organic is rewarding because the standards are so high," Byrne said. "At least 95% of all the ingredients must be USDA-certified organic - including the chocolates, sugar, cream, butter, teas, coffees, spices, and vanilla - and are also certified fair trade."

The new collection will be unveiled next month.

Cocoa plants get cultivated in Binh Phuoc

VietNamNet Bridge, Vietnam - 30 Aug 2008

The southeastern province of Binh Phuoc will invest 140 billion VND (8.4 million USD) to develop cocoa cultivation over the next four years. Phan Van Hoang, director of the Binh Phuoc's Centre for Support Agriculture, said the investment would help diversify the province's major agricultural products, including cashew and fruit.

Cocoa plants will be cultivated rotationally on a 6,000-hectare field used for cashew trees.

The city's Centre for Support of Agriculture will supply cocoa saplings and provide cultivation techniques, and will connect farmers with merchants. A Binh Phuoc cocoa brand name will also be created. The province's rich soil, weather and human resources create favourable conditions for cocoa cultivation, according to Pham Hong Duc Phuoc, vice chairman of the National Cocoa Plants Development Programme's coordination board.

Currently the province has 1,200ha of cocoa fields. Half are in Bu Dang district and have an average yield of 0.8-1 quintal per hectare.

"Enabling aid" turns peasants into export farmers

Sun 31 Aug 2008,

By Pascal Fletcher

DJILAKH, Senegal, Aug 31 (Reuters Life!) - Less than a year ago, the land around this small Senegalese village was parched bush pasture, studded with thick-trunked, knobby baobab trees. But over the last six months, ground pockmarked with anthills that lay hard and idle during the nine-month dry season has blossomed through irrigation into a thriving small commercial farm thanks to an aid project funded by Spain.

Trained and assisted by Spanish agriculture experts, around 100 peasant farmers and their families have become international exporters of melons to supermarkets in Spain and Britain in a commercial tie-up with a private Spanish farm company. "Now there's money in the village," beamed Amy Diouf, her baby son strapped to her back, as she stood in fields crossed with plastic irrigation tubes that drip-feed moisture to crops planted at Djilakh farm, 80 km (50 miles) southeast of Dakar.

International aid experts meeting in Accra, Ghana this week will debate how best the billions of dollars of foreign aid pledged to help the developing world should be handled to have a direct impact on the poor, such as African peasant farmers. Haunted by cautionary tales of millions of dollars of aid money being squandered on fruitless projects by a competing babel of aid organisations and NGOs, participants at the Sept. 2-4 High Level Forum on Aid Effectiveness will seek to translate lofty intentions into concrete guidelines focused on results.

To carve Djilakh farm out of the bush, Spain's government development cooperation agency AECID used modest initial project funding of nearly 600,000 euros (\$880,000) to build an access road, sink a well, lay down irrigation, put up a warehouse, train the farmers and help guarantee essential inputs.

AECID will provide an additional 785,000 euros (\$1.2 million) to expand the farm's irrigated land from 25 to 50 hectares. It helped organise the process that selected a farm produce exporter, Feralca, to market Djilakh's melons. "This ensured a sales outlet, the lack of which is often one of the biggest weaknesses of agriculture development projects," said Juan Jose Lavin, who is in charge of Spanish development cooperation programmes in Senegal.

So-called "enabling" aid projects plug developing country farmers and entrepreneurs into the world market and give them the means and expertise to produce for export. They are often seen as more effective than vast, vague aid plans that swallow up millions of dollars before they show any concrete results.

NEED TO "TRANSFORM LIFE OF POOR"

Aid experts say the need for effective assistance for the poorest on the planet is all the more pressing following the collapse in July of world trade talks -- the so-called Doha Round -- aimed at addressing the needs of developing states. "The timing (of the Accra aid meeting) is important in the post-Doha debacle," said Ben Bennett, an economist with the UK University of Greenwich's Natural Resources Institute. "There is going to be now a phase of consolidation and particularly a phase of bilateral negotiations which are very divisive and time-consuming for African countries ... everybody trying to look after their own interests," he told Reuters.

Bennett added the aid effectiveness debate also needed to take account of the fact that the world's most impoverished and fragile states -- many of them in Africa -- were now seeing their economies battered by high world fuel and food prices.

This year's food price crisis, which exploded into street riots in some African countries, has produced a barrage of calls from world leaders and development campaigners for policies that emphasise fair trade as much as straight aid to beat poverty.

Ahead of the Accra conference, African Christian religious leaders appealed for aid that "reaches local communities".

"Development aid should not be measured by the amount sent, but by how it transforms the life of the poor," said a statement signed by the All Africa Conference of Churches and the Roman Catholic bishops of Africa and Madagascar.

For the villagers of Djilakh, their Spanish-backed farm means they can now earn a profitable living close to home during the nine-month dry season, instead of having to migrate to the coast or the capital Dakar to try to scabble for survival.

BACK TO AGRICULTURE

The farm's 100 members are grouped into five "economic interest groups", including two women's groups. "The most important thing is that they are working for themselves," said Gregorio Velasco Gil, an agronomist with the Spanish state agricultural development company Tragsa.

Six months of labour this year produced several hundred tonnes of melons and vegetables like courgettes for export and local sale. Each Djilakh farm member earned more than 250,000 CFA francs (\$560) -- a small fortune for Senegalese peasants.

News of the dynamic success of the "khal espagnol" ("Spanish melons" in the local Wolof language) has spread. Spanish aid officials hope it will act as a catalyst and model for the Senegalese government's REVA "Back to Agriculture" programme.

The REVA plan aims to coax Senegal's restive unemployed youth back into productive employment to stop them risking their lives trying to migrate to Europe in rickety open boats.

It has been criticised by some donors and by opponents of the government who call it vague and lacking detailed strategy.

Senegal's octogenarian president, Abdoulaye Wade, has attacked the U.N. Food and Agriculture Organisation (FAO) and some aid NGOs as wasteful money-gobblers that spend more on high-priced consultants and travel than on real people in need.

Wade, who himself recently announced a grandiose food production plan, has called for what he terms "aid to help people stand up". He has praised the Spanish cooperation.

Spain's Lavin says Senegal, with foreign help, has the potential to be a self-sufficient food producer and exporter. He admits the small Djilakh farm is "just a drop in the ocean".

"But this country needs to work on agriculture," he said. (For full Reuters Africa coverage and to have your say on the top issues, visit: <http://africa.reuters.com/>) (Editing by Alistair Thomson)

Fighting African Poverty, Village by Village

By Ernest Harsch

Africa Renewal

United Nations

Bonsaaso, Ghana

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Expanding access to clean water is one of the goals of the Millennium Villages Project. (U.N. African Renewal / Ernest Harsch)

Standing in the midst of a freshly planted maize field, Bright Osei Kwaku recalls that last year he more than doubled his output with the help of improved seeds, fertilizer, and advice on farming techniques. Altogether, his two to three acres yielded about 15 100-kilogram bags of maize, compared with just six bags the year before, when he had no such support.

Many other young Ghanaians have either left agriculture or dream of doing so. But Kwaku, now 25 years old, thinks he can stay on the land. "I will continue to farm," he told *Africa Renewal*. "I got income and food. I got enough from the farm."

With world food prices rising, it is a good time to push for higher production, argues Isaac Kankam-Boadu, the agriculture and environment facilitator of the Millennium Villages Project in Bonsaaso, a cluster of poor and remote settlements in Ghana's Ashanti Region. "The high food prices are an opportunity," he says. "The farmers can earn more money."

Last year, Kankam-Boadu reports, Bonsaaso's maize farmers managed to quadruple their yields from an average of about one ton per hectare (two and a half acres) to four tons. Besides boosting their own incomes, the farmers contributed about a tenth of their crop to the area's new school feeding program, which helps many of the area's children.

Millennium Villages

Such linkages are at the heart of the Millennium Villages Project. The first Millennium Village was launched in 2004 in Sauri, Kenya, as an integrated development initiative. Besides Ghana, the project also soon expanded to include villages in Ethiopia, Malawi, Mali, Nigeria, Rwanda, Senegal, Tanzania, and Uganda. The sites were selected on the basis of their poverty indicators and to represent Africa's different ecological and climate zones. Altogether, more than 400,000 people now live in villages chosen for the project.

The idea grew from research and policy deliberations of the Millennium Task Force, directed by the United Nations secretary general's special adviser on the Millennium Development Goals (M.D.G.'s), Jeffrey Sachs. The M.D.G.'s, adopted by world leaders in 2000, strive to reduce poverty and deprivation drastically around the world.

The Millennium Villages approach is based on two central ideas: The first is that simple and inexpensive changes in nutrition, health, water, sanitation, education, women's status, agriculture, communications, roads, and electricity can lift rural Africans out of severe poverty. The second is that a combination of community mobilization, government support, and external aid can

fund these efforts for only about \$110 per person per year. Most of the Millennium Village projects are being implemented by the United Nations Development Program.

Initial funders included the government of Japan, which gave more than \$9 million, and the United States-based financier and philanthropist George Soros, who gave \$5 million. On 13 March, the Japanese government decided to extend its assistance by an additional \$11.4 million.

Japan's assistance to the project is part of that country's wider program of support for Asia-Africa cooperation, known as the Tokyo International Conference on African Development (T.I.C.A.D.). The fourth conference was held in Yokohama, Japan, on 28–30 May, and was attended by Ghanaian President John Kufuor and nearly 40 other African heads of state. Near the top of T.I.C.A.D.'s agenda was achievement of the M.D.G.'s, which is also central to the New Partnership for Africa's Development, Africa's own blueprint for economic, social, and political progress.

From School Meals to Cell Phones

The Millennium initiative came to Bonsaaso in March 2006, initially in 10 localities. By the end of that year the project had expanded to 30 communities, covering some 400 square kilometers and affecting more than 30,000 people. The area was selected because many residents were very poor, malnutrition was common, there were few health services, many children did not go to school, and numerous other indicators of human development lagged.

Rather than focusing on just one or two sectors, the project's designers want to show that poverty can be attacked across a wide front. If successful here and in other countries, says Sam Asare Afram, the Millennium Village manager in Bonsaaso, the project could provide a "model" for the continent.

Although the project is only two years old, communities in Bonsaaso are already enjoying real results. Rita Adjei, head nurse at the health clinic in Watreso, says that the new anti-mosquito bed nets mean that fewer children get malaria, although diarrhea is still a serious problem caused by a lack of clean water and sanitation. She points to a bank of solar-powered chargers for cell phones, donated by Sony Ericsson. Once the Bonsaaso area comes under better cell phone coverage, Adjei and her assistant nurses will be able to obtain better information and advice quickly for their patients.

Nana Dapaah Siakwan, the traditional chief of Aboaboso, estimates that enrollment in the local primary school has increased from 200 to 500, largely thanks to the school feeding program that began in March 2007. There also is a new health clinic. Until it opened, seriously ill patients had to be carried many kilometers along forest paths to a distant clinic—on a tabletop, since there was no stretcher, explains the chief. Now, he adds, "We have seen the benefits."

Mohammed Salifu, a cocoa farmer, produced nine 64-kilogram bags in 2007, up from just four the year before, simply by following the advice of an agricultural extension officer sent to Bonsaaso by the Ministry of Food and Agriculture. With new seedlings of a higher-yielding and faster-growing variety of cocoa, he hopes to do even better this year.

Bigger cocoa and food harvests will bring new challenges, however. The abysmal state of the roads within Bonsaaso and with other parts of Ghana makes it hard for farmers to get their crops to market. But Chinese road contractors hired by the government are busy at work, and the project has acquired two five-ton trucks to help transport produce. Developing physical infrastructure is not one of the M.D.G.'s, notes Ernest Mensah, a project facilitator. "But if you want to eradicate poverty," he adds, "you need infrastructure."

Avoiding Dependency

Critics of donor-aided development projects in Africa point out that they often tend to make the beneficiaries dependent on outside assistance, and frequently collapse if that money eventually dries up. The Millennium Villages Project does rely on significant inflows. On average, about 60 percent of project financing comes from donors, 30 percent from national and local governments, and the rest from the communities themselves.

In part, the project is designed to convince donors to provide more financing over the long term, by demonstrating concretely that aid can be used effectively to reduce poverty. A careful tally is kept of every dollar spent in Bonsaaso and other Millennium Villages, not only to avoid waste and inefficiency, but also to demonstrate to donor governments that simple interventions can make a real impact. "They don't know how practical the solutions are," says Sachs, referring to donor agencies. "They don't realize that at very low cost—just a few dollars—you can save children's lives."

By showing that external aid can indeed be effective in Africa, Sachs and his colleagues hope to convince the major industrialized countries to live up to their commitments. The 2005 summit meeting of the Group of Eight industrialized countries, for example, pledged to provide Africa with about \$50 billion in aid annually by 2010—still about twice what donors are giving so far.

To help guard against local expectations that such outside assistance will continue to keep the Millennium Villages functioning, project planners stress that certain forms of aid will be steadily reduced and that governments and villagers will need to take up a greater share of the cost. The new higher-yielding cocoa seedlings provided to farmers are currently subsidized, notes Kankam-Boadu. But as farmers earn more from their cocoa sales, by next year the subsidies will begin declining, "to let them know the realities of the market."

Similarly, health care in Bonsaaso's new clinics is free for the time being, to encourage poor villagers to use their services. But, explains Afram, free care is not sustainable over the long term. Project workers therefore are helping villagers sign up for Ghana's national health insurance scheme.

In various ways, project organizers are encouraging national and local government bodies to expand their presence in Bonsaaso: by building roads, extending electricity connections, and sending in more teachers, health care workers, and agricultural extension advisers.

Building up community institutions and a spirit of self-help are also vital for long-term sustainability. Local residents regularly participate in the construction of new schools, teachers' quarters, clinics, and community centers by providing labor and contributing sand, stones, timber, and other construction materials.

The project employs several "facilitators" to help strengthen school management committees, parents' associations, water committees, and other bodies, and to engage traditional chiefs, who play a major role in mobilizing people. Stephen Antwi, the project's community development coordinator, told *Africa Renewal* that community structures will help Bonsaaso keep developing even when outside aid eventually falls. "We'll likely have the capacity for many years."

TIT BITS

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

London sugar sets 21-month high

LONDON (August 28, 2008): White sugar prices soared to a 21-month high on Wednesday, propelled by nearby supply tightness, surging crude oil and a weak dollar. cocoa and coffee also advanced with renewed fund buying interest evident in soft commodities after the setbacks of the last few weeks. "We are definitely seeing more fund activity.

US MIDDAY: coffee, cocoa up

NEW YORK (August 28, 2008): Arabica coffee trading on ICE Futures US jumped to an eight-week high in early trade on Wednesday, in a commodity-wide rally as the dollar fell, while cocoa futures got an additional fundamental boost, traders said. Arabica coffee for December delivery surged 3.85 cents, or 2.6 percent, to \$1.5180 per lb, a high last seen July 3, by 9:14 am EDT (1314 GMT).

New York cocoa ends firm

NEW YORK (August 28, 2008): US cocoa futures closed firm on Tuesday after a choppy session supported by spillover strength in the commodity complex while talk of crop concerns in top producer Ivory Coast provided underlying support amid thin dealings, traders said.

US MIDDAY: coffee up, cocoa down

NEW YORK (August 29, 2008): Arabica coffee trading on ICE Futures US was firm early on Thursday, as Tropical Storm Gustav strengthened with the potential to threaten coffee warehouses, while cocoa futures fell as the market was viewed as overbought, traders said.

London coffee up, cocoa slips

LONDON (August 29, 2008): Coffee prices rose on Thursday, with ICE arabicas again setting the pace, boosted by fund buying and a lack of sales from top producer Brazil, dealers said. Sugar was mostly steady while cocoa slipped in a modest setback after its sharp climb to the highest levels in almost two months earlier this week.

London sugar falls

LONDON (August 30, 2008): Sugar prices fell on Friday, dragged down as a short-term glut of raws that had yet to find buyers outweighed the prospect for a much tighter market in the second half of next year, dealers said. cocoa and coffee prices were higher, boosted partly by spillover strength from a surging oil market. Dealers said the decline in sugar was led by weakness in October raws on ICE, which was down 0.31 cents at 12.92 cents a lb at 1502 GMT.

US MIDDAY: coffee, cocoa firm

NEW YORK (August 30, 2008): Arabica coffee and cocoa trading on ICE Futures US rose early Friday on the heels of the climbing crude oil market as Tropical Storm Gustav was expected to grow into a powerful hurricane, traders said. ICE agricultural markets will be closed for the US Labour Day holiday Monday, and will reopen for regular trade Tuesday.