

COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance



Issue No. 336

18th – 22nd May 2009

Cocoa Producers' Alliance



UP-COMING EVENTS

- ❖ International Workshop on Cocoa Policies
Salvador, Bahia, Brazil
15th – 19th June, 2009

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Do your health a favour, drink Cocoa everyday
'It's nature's miracle food'

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ICCO Daily Cocoa Prices

	ICCO daily price (SDR/tonne)	ICCO daily price (\$US/tonne)	London futures (£/tonne)	New York futures (\$US/tonne)
18 th May	1571.73	2379.89	1591.67	2325.00
19 th May	1573.11	2394.25	1584.67	2334.00
20 ^h May	1604.35	2445.72	1597.33	2388.67
21 st May	1609.16	2465.55	1602.00	2408.67
22 nd May	1620.97	2503.39	1612.00	2447.00
Average	1595.86	2437.76	1597.53	2380.67

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

Monday 18th May 2009

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2009	1614	1581	-27	1614	1570	4,299
Sep 2009	1620	1591	-27	1620	1582	1,431
Dec 2009	1635	1603	-26	1635	1594	866
Mar 2010	1620	1610	-26	1626	1604	702
May 2010	1607	1613	-26	1628S	1607	48
Jul 2010	1625	1617	-25	1633	1623	17
Sep 2010	1626	1620	-24	1637	1626	15
Dec 2010	1620	1614	-25	1630	1620	10
Mar 2010		1612	-27			0
May 2011		1612	-27			0
Average/Totals		1607				7,388

Tuesday 19th May 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2009	1578	1578	-3	1593	1574	12,742
Sep 2009	1585	1584	-7	1599S	1583	3,693
Dec 2009	1600	1592	-11	1609S	1591	2,538
Mar 2010	1613	1600	-10	1615	1600	1,331
May 2010	1610	1602	-11	1615S	1603S	329
Jul 2010	1624	1608	-9	1626S	1611S	149
Sep 2010	1624	1612	-8	1629S	1615	147
Dec 2010	1610	1610	-4	1610	1610	104
Mar 2010	1618	1618	6	1618	1618	94
May 2011		1618	6			0
Average/Totals		1602				21,127

Wednesday 20th May 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2009	1573	1591	13	1597	1572	2,992
Sep 2009	1587	1597	13	1601S	1580	1,900
Dec 2009	1590	1604	12	1608S	1587	1,503
Mar 2010	1598	1611	11	1615	1596	2,089
May 2010	1600	1613	11	1618	1599	296
Jul 2010	1609	1617	9	1618S	1607	27
Sep 2010		1622	10			0
Dec 2010		1623	13			0
Mar 2011	1610	1617	-1	1610	1610	165
May 2011		1631	13			0
Average/Totals		1613				8,972

Thursday 21st May 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2009	1591	1597	6	1608	1578	7,732
Sep 2009	1598	1602	5	1608	1583	2,376
Dec 2009	1604	1607	3	1614	1588	2,596
Mar. 2010	1609	1613	2	1621	1595	278
May 2010	1621	1616	3	1628	1601S	241
Jul 2010		1622	5			0
Sep 2010	1634	1626	4	1634S	1613S	4
Dec 2010	1629	1624	1	1629	1629	1
Mar 2011		1626	9			0
May-11		1636	5			0
Average/Totals		1617				13,228

Friday 22nd May 2009

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2009	1590	1611	14	1618	1577	3,230
Sep 2009	1594	1613	11	1618	1582	2,092
Dec 2009	1601	1612	5	1617S	1593	1,510
Mar 2010	1596	1613	0	1620	1595	360
May 2010	1610	1614	-2	1615	1610	46
Jul-10	1610	1619	-3	1620	1610	80
Sep 2010	1619	1623	-3	1624S	1617S	8
Dec 2010		1625	1			0
Mar 2011		1631	5			0
May-11		1641	5			0
Average/Totals		1620	13			7,326

Average for the week	1620				11608
					58,041

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

Monday 18th May 2009

Month	Open	Price	Change	High	Low	Volume
Jul 2009	2347	2297	-41	2354	2292	3,279
Sep 2009	2375	2325	-41	2384	2320	1,093
Dec 2009	2388	2349	-39	2388	2345	402
Mar 2010	2387	2367	-39	2398	2366	233
May 2010	2391	2375	-39	2391	2391	55
Jul 2010	0	2392	-39	0	0	
Sep 2010	0	2399	-40	0	0	
Dec 2010	0	2399	-45	0	0	
Mar 2011	0	2409	-40	0	0	99
Average/Totals		2368				5161

Tuesday 19th May 2009

Month	Open	Price	Change	High	Low	Volume
Jul 2009	2310	2313	16	2337	2298	4,499
Sep 2009	2335	2342	17	2363	2329	1,289
Dec 2009	2377	2367	18	2385	2363	526
Mar 2010	2398	2383	16	2398	2398	339
May 2010	2404	2390	15	2404	2404	47
Jul 2010	2418	2407	15	2418	2418	10
Sep 2010	0	2411	12	0	0	
Dec 2010	0	2421	22	0	0	
Mar 2011	0	2439	30	0	0	50
Average/Totals		2386				6760

Wednesday 20th May 2009

Month	Open	Price	Change	High	Low	Volume
Jul 2009	2323	2361	48	2377	2292	5,251
Sep 2009	2349	2389	47	2406	2330	2,748
Dec 2009	2362	2413	46	2421	2360	500
Mar 2010	2385	2428	45	2432	2381	99
May 2010	2397	2434	44	2437	2397	57
Jul 2010	0	2448	41	0	0	8
Sep 2010	0	2453	42	0	0	
Dec 2010	0	2463	42	0	0	
Mar 2011	0	2478	39	0	0	
Average/Totals		2430				8663

Thursday 21st May 2009

Month	Open	Price	Change	High	Low	Volume
Jul 2009	2361	2380	19	2389	2326	5,127
Sep 2009	2392	2408	19	2417	2355	1,832
Dec 2009	2418	2429	16	2429	2382	740
Mar 2010	2417	2445	17	2444	2405	107
May 2010	2424	2452	18	2445	2411	447
Jul 2010	0	2467	19	0	0	11
Sep 2010	0	2474	21	0	0	0
Dec 2010	0	2480	17	0	0	0
Mar 2011	0	2495	17	0	0	0
Average/Totals		2448				8264

Friday 22nd May 2009

Month	Open	Price	Change	High	Low	Volume
Jul 2009	2381	2420	40	2435	2371	4,832
Sep 2009	2406	2449	41	2463	2400	1,529
Dec 2009	2431	2472	43	2481	2427	711
Mar 2010	2488	2487	42	2496	2488	107
May 2010	2473	2492	40	2501	2473	446
Jul 2010	0	2498	31	0	0	11
Sep 2010	0	2500	26	0	0	
Dec 2010	0	2513	33	0	0	
Mar 2011	0	2528	33	0	0	
Average/Totals		2484				7636

Average for the week	2491				2182
					2182

Spot Prices (US \$ per tonne)

	18 th May	19 th May	20 th May	21 st May	22 nd May
Main Crop Ghana, Grade 1	2785	2801	-	-	2908
Main Crop Ivory Coast, Grade 1	2600	2608	-	-	2715
Main Crop Nigerian, 1	2592	2600	-	-	2707
Superior Arriba	2414	2426	-	-	2533
Sanchez f.a.q	2497	2513	-	-	2620
Malaysian 110	2272	2288	-	-	2395
Sulawesi f.a.q	2337	2353	-	-	2460
Ecuador Cocoa Liquor	3430	3454	-	-	3614
Pure Prime Press African Type Cocoa Butter	5015	5050	-	-	5284
10/12% Natural Cocoa Press Cake	1876	1889	-	-	1976

Source: Cocoa Merchant Association



Health and Nutrition

New Chocolate Product Said to Clear Acne

FOXNews - May 21, 2009

A new chocolate claiming to reduce acne will soon hit the shelves of Australia.

Manufacturers of Acne Care say pimple-plagued sufferers will experience dramatic results within just two weeks of eating the chocolate — if they eat between two and five chocolates per day.

Developed by U.S.-based Frutels, the chocolate-coated treatment is believed to be the first of its kind. Packed with antioxidants and micro-nutrients, the chocolate is supposed to clarify the skin from within.

The company says it costs about \$40 for a month's supply.

Animal toxicity part 1

Examiner.com - May 22, 2009

Though it is important to try and keep pets healthy accidents do happen occasionally. Unfortunately pets get into food and chemicals that they should not be exposed to. As a result, toxicity is one of the most common causes of death in domestic animals. The feline has a rare digestive system that is very distinct from other mammals. Many times food that is edible for humans or even other pets can pose a threat to cats.

There are a few edible items that are most likely in your pantry right now that can potentially be harmful to your pet. These items can cause illness and should be kept out of reach of your cat to prevent digestive disorders, severe illness, or even lead to permanent health issues.

Much like humans animals should not consume diets high in salt or fat. An excess of salt can lead to electrolyte imbalances and nervous system disorders. Diets high in fat usually cause unhealthy weight gain, blocked arteries, and pancreatitis. Malnutrition can lead to many other severe health problems and should be taken into careful consideration when choosing the best food for your pet.

Though they are a healthy snack for humans, raisins and grapes can cause severe kidney damage to both cats and dogs. Kidney damage is usually permanent and eventually fatal. Some seasoning should also be avoided; garlic and onions can cause damage to red blood cells which usually progresses to anemia. Even garlic and onion powders/flavorings are harmful to health because of sulfides.

Many people are aware of chocolate and cocoa toxicities in dogs. Contrary to myth, chocolate toxicity is also a problem in cats. It is a good idea to prevent pets from reaching any form of cocoa products. Though it is often a treat for dogs, any type of bone from a meat source can cause tears in the digestive system or obstruct airways.

Xylitol, a very popular sugar substitute often found in gum and other candy is highly poisonous when consumed by cats and dogs. Mushrooms and certain nuts can be fatal if digested. Human vitamins can cause toxicities of non-soluble vitamins when administered to animals.

Though these are only a small portion of products that can damage the body, they should be kept away from pets. Many of these items inhibit the nervous, digestive, and cardiac system from functioning properly. It is important to remember that not all these items will be toxic to every pet. All food your pet consumes should be closely monitored to prevent accidents from occurring.

Production & Quality

Huge potential in the revival of Fiji's cocoa farms

Fiji Times

May 19, 2009

Update: 10:05AM MOVES are afoot to revive cocoa farming in Fiji, beginning with the cocoa farms of Namau in Tailevu.

Premium cocoa is deemed suitable because of its suitability for intercropping, to Fiji's weather and its high market price which is expected to exist for some time, according to a scoping survey by Dr John Konam, a plant pathologist working with the South Pacific Community, and David S Yinil.

Dr Konam in his report noted that there was a huge potential in Fiji for cocoa farming that remained untapped. "It can add more than \$1,500 per ha of net income from 500 mature trees per year," said the Agriculture ministry's principal information officer Kamlesh Prakash.

Fiji exports only about 7 tonnes of cocoa beans annually.

The world market price, according to the International Cocoa Organisation (ICCO), is \$5,156 per tonne (US\$2410.57).

Although demand has fallen as a result of the global recession, ICCO estimates a world shortage or deficit of about 80,000-90,000 tons. Consistent world demand is expected for the next 20-30 years, Dr Konam predicts.

The scoping survey on Namau, where the majority of Fiji's cocoa farms are located, noted that small quantities of cocoa were being exported to Samoan communities in Australia and New Zealand despite efforts to expand cocoa plantings in the 1970s and 1980s. The report said the way for Fiji was to focus on producing premium cocoa organically and target available niche markets overseas.

Demand high for organically grown cocoa

Fiji Daily Post

20-May-2009

CHANGING trends in the consumption of cocoa products worldwide has resulted in increased demand and high prices for organically grown cocoa. According to a "Guide to Demonstration and Establishment of Cocoa Managements Options Using Cultural Practices in Namau, Tailevu, Fiji", written by David S Yinil and Dr John Konam, with world prices expected to remain for quite some time, those growing organically produced premium grade cocoa will benefit from these high prices.

"There is now an increase in consumption of cocoa products in Japan, Russia and an increase in demand for organically grown cocoa", the report said.

"Within the pacific region there are also Samoan communities who prefer premium cocoa from Fiji and this particular niche market needs to be targeted".

On the whole, the report stated that the demand for cocoa "is now high and is likely to remain high for quite some time". Whilst this is so, cocoa growing areas producing premium cocoa also benefit from this high price wherever possible.

A recent scoping survey carried out in Fiji, noted that small quantities of cocoa were being exported to Samoan communities in Australia and New Zealand despite efforts to expand cocoa plantings in the 1970's and 1980's. Currently Fiji exports very small quantities of cocoa (about seven tonnes annually) and therefore the "the move to have Fiji cocoa grown organically to target niche markets is the way to go".

The report which focussed on cocoa production in Namau, a few kilometres from Korovou Town, noted that interested Fiji cocoa farmers do not have to research new techniques to improve cocoa production. "Whatever techniques developed in other cocoa growing countries can be tested out and if proved to be successful should be immediately adopted." Namau was once known for its large stands of cocoa plantations that brought weekly income to its farmers. But "falling market price and actual farm gate pricing by Fiji cocoa buyers may have

contributed to lack of attention to cocoa in Fiji". There is now a move to revive cocoa in Namau and work is currently under way to rehabilitate those plantations.

The report believes that the way to go is to focus on producing cocoa organically and target available niche markets overseas. With the current high demand for cocoa likely to remain so for quite some time, cocoa growing areas producing premium cocoa will also benefit from this high price.

MCB Keen to turn 10,000ha Unused Land into Cocoa Plantation

Bernama

May 21, 2009

TAWAU, (Bernama) -- The Malaysian Cocoa Board (MCB) is confident of achieving its target of rehabilitating 10,000ha of unused land nationwide into cocoa plantations under the 9th Malaysian Plan (9MP). Its director-general, Datuk Dr Azhar Ismail said the government through the Plantation Industries and Commodities Ministry had allocated RM83 million for the purpose..

"Although the duration of the 9MP has yet to be over, the 10,000ha-target including 2,000ha in Sabah is almost achieved. So, there is no problem for us to reach that target," he told reporters after opening the cocoa collection and processing centre and launching the "Gerak Koko" programme for Kampung Pisak-Pisak in Pulau Sebatik, near here, today.

Nestle boosts Ivorian farmers' productivity

By Agency reporter

The Punch - May 22, 2009

Nestle has opened a R and D centre in Abidjan, Ivory Coast capital to boost production and quality of cocoa, coffee, cassava and other locally sourced materials used in the manufacturing of the company's products.

The company said that quality crops in West Africa region would allow it to raise the income and quality of life of local farmers. It also said that the problem of diseases and ageing plantations affecting West African cocoa harvest would be addressed by the centre.

The event was witnessed by the representatives of Ivorian government, including Agriculture Minister, Amaodou Gon Coulibaly, Scientific Research Minister, Ibrahima Baongo Cisse, Special Adviser for Scientific Research to the Head of State, Gabriel Lohoury-Guigui and Nestle CEO Paul Bulcke.

Ghana to Start Black Pod Prevention Spraying Program (Update1)

By Emily Bowers

May 20 (Bloomberg) -- Ghana, the world's second-largest cocoa producer, will next week begin its annual spraying program to control black pod rot fungus, said the Cocoa Board's Deputy Chief Executive Officer of quality control, Yaw Adu-Ampomah.

"We're supposed to start next week in certain districts, depending on the rainfall pattern and the cherelles on the trees," Adu-Ampomah said by phone from Accra yesterday. Cherelles are tiny flowers that bud into cocoa pods.

The program will start in the central Ashanti region, where cocoa farmers say black pod problems have curbed output. Black pod rot can spread in times of rainfall and Ghana's seasonal rains are under way, Adu-Ampomah said.

The state-run board, known as Cocobod, subsidizes fertilizer and gives pesticides to farmers to help meet a goal of increasing its annual yield to 1 million tons by the 2010-11 harvest.

Last season the West African country produced about 680,000 tons from its two annual crops. On May 15 Cocobod said it expects to beat its main crop harvest forecast of 600,000 tons, though it declined to say by how much.

Cocobod's mid-crop forecast of 50,000 tons this year is "a reasonable guess," said Adu-Ampomah, who until last month was head of the Cocoa Research Institute of Ghana. The main harvest ends on June 4 and the mid-crop is likely to start a few weeks later, he said.

"Because of the rains, the light crop will be good," said farmer Seidu Dramani from his 32-acre (13 hectare) farm near Benteko, about 60 kilometers (37 miles) from Kumasi, capital of the central Ashanti growing-region.

The light crop produces smaller beans than the September- June main crop, and the beans are sold at a discount to domestic cocoa processors. The Ivory Coast is the world's largest producer of the chocolate ingredient.

The Market

The Weekly Pit Review for May 18th, 2009

Monday, May 18, 2009

by PitGuru.com Authors of PitGuru.com

The Financials Pit Review

The Softs Pit Review

For the week of May 18th, 2009

By PitGuru Jurgens H. Bauer

This past week, four of the five components in the Soft complex reached their highest levels in the last 6-7 months. Coffee, Cotton, Sugar and OJ have all had good bull runs with much of their up moves attributed to speculative and index fund buying. Yes - positive fundamentals have also contributed - but it has been the demand for the futures contracts that tended to fuel the moves. So, where are we headed next?

Receiving encouragement from outside markets (low interest rates, a strong stock market, and an increasing anticipation that the economic stimulus cannot help but weaken the dollar) are all reasons for the influx of money into commodities. Certainly the positioning of that influx of money contributed greatly to the moves up, yet curiously option volatility in at least two (maybe three) of these "bullish" components the Soft complex dropped sharply on the heels of those fresh highs. Is that a signal? Well, prices did stall, but are they apt to drop further or soon return and again make new highs?

From my perspective, bull markets require appropriate corrections in an effort to maintain their health. In order to sustain themselves, markets need to catch their breath. Nothing goes straight up (or straight down for that matter); although it sure might seem that way when you're caught on the wrong side. Right now it looks like we saw some profit taking subsequent to the drop in volatility, and perhaps this is the beginning of an overdue corrective phase for these markets; however, whether they lose their marketing appeal to specs and index funds remains to be seen. If that happens, then a move down could be swift and get overdone. One important factor will be the strength, or weakness in the US dollar, but even more important will be the perceived confidence in the world economy. We started to see clear signs of a chink in the armor of the world economy this past week. Friday's price action was a sign and I think this up coming week we'll see the soft markets on the defensive.

Cocoa: Was the only exception to the downward drop prices took on Friday; but then again, cocoa hasn't made new 6 month highs either. Instead, cocoa prices are near their lows for the last two months. While I'm sure there are some who feel that the price of cocoa is nearing a bottom, I prefer to believe that since cocoa prices had been down all week, what we saw Friday was simply profit taking ahead of the weekend. As for being close to a bottom: I think that only until a new low is made. I lean bearish towards cocoa prices at these levels. Resistance looks to be 2360-2420, support 2275-2200, then...?

Cotton: The long awaited correction began in earnest when option volatility got sucked in mid-week. This was after a constructive crop report where ending stocks, both domestic and world, were reduced. Friday was simply a function of long liquidation in July. The N/Z spread widened out. Cotton has moved up over 20 cents during this rally without any significant correction until Friday. I think there is more pressure possible, but look for 5400 to provide support; however, since prices ran up so much they also could drop further, so if 5400 yields 52-50 cents may get seen.

Sugar: Technical drop as things had gone too far, too fast in my view. I'm seeing some evidence of index fund liquidation in the COT report. ISO announced deficit, even with Brazilian increase in production. Russia and India demand factors. Support 14.50, 14.00. Resistance 15.25-15.75, 16.00.

Coffee: Fundamentally there is still good reason to anticipate additional price gains. Weather may also become a factor. Technically a move above 131 -133 will jolt the market. Yet, coffee doesn't make a major move without first shaking out those with weak hands. Look for a clutch shift this week: first down, then up? Or both? Like the long side if you can utilize a drop, but it'll be hard to ride the bucking bronco. Option volatility dropped which is usually what we see as coffee prices move lower. Support 126.35, 125, and 123.50. Resistance 129.35 and 131-133.

OJ: Rain or no rain - that is the question. More importantly, will any rains be sufficient enough to provide needed moisture to the trees? Reduced acreage from trees cut down to thwart "greening" disease.

SOFTS-Cocoa bounces off lows, sugar eases after ISO report

Alibaba News Channel - May 17, 2009

LONDON, May 15 - Cocoa futures bounced on Friday after a sharp decline, underpinned by industry buying, while sugar edged lower as traders digested an International Sugar Organization forecast predicting a smaller deficit in 2009/10.

Arabica coffee futures reversed early losses on concern over a shortage of high-quality Colombian beans, dealers said.

Cocoa futures staged a recovery as the market failed to break convincingly below key support levels.

"I think the big focus of the market recently has been on the very poor grindings data, but it does look as if prices are struggling to fall through the \$2,300 level," Barclays Capital analyst Nicholas Snowden said.

"There might be dips beneath (\$2,300) but there definitely seems to be strong support around there," he added.

July cocoa on ICE settled \$28 higher at \$2,338 a tonne. The contract has fallen sharply since early April, when it traded as high as \$2,796, depressed by bearish data on grindings and an improved crop outlook in West Africa.

"The grindings figures are slightly distorted by the heavy destocking that has occurred by end producers. We are probably through the worst of the grindings data and we will see a pick-up in grindings as the year progresses," Snowden said.

Prices in London closed higher with September up 16 pounds at 1,618 pounds a tonne. The contract touched 1,585 pounds on Thursday, a five-month low for the second position.

Sugar futures fell on a firm dollar and as traders took note of the ISO's first, preliminary forecast for the 2009/10 global sugar balance, showing a smaller deficit of 4.5-5.0 million tonnes after a 7.8 million tonne deficit in 2008/09.

ETHANOL

One trader privately predicted a 2-3 million tonne deficit for 2009/10, but said it was still early to accurately gauge the outlook, given variables such as Brazilian ethanol demand.

Brazilian cane production is allocated to manufacture ethanol biofuel as well as sugar depending on relative demand and prices. Brazil is the world's top sugar producer.

David Sadler, a senior soft commodities trader, said that the market was due for a correction as physical buying was subdued after the rally to a near three-year high of 16.03 cents a lb earlier this week.

"If we close below 15 cents per lb, we might see some fund selling," he said.

Benchmark ICE July raw sugar futures edged up to 15.52 cents per lb in the late morning from 15.48 cents at the time the report was published.

They later slid briefly below 15 cents, and stood at 15.05 cents per lb, down 0.42 cent, at 1644 GMT, pressured by the stronger dollar and weaker oil prices.

Raw sugar futures have surged by more than 30 per cent so far this year, largely due to the increased physical demand from India, the world's top consumer of the sweetener, which has swung to net importer from exporter.

London August white sugar futures closed down \$8.30 to \$429.00 per tonne in modest turnover of 4,019 lots.

Arabica coffee futures reversed early losses to trade higher on concern about supplies of high-quality arabica beans in Colombia, dealers said.

Snowdon said, however, the crop in top producer Brazil looks set to be slightly larger than had been previously anticipated.

"As you see the Brazilian harvest come on line later in the summer, that will weigh on ICE coffee prices," he said.

July arabica futures were up 0.8 cent at \$1.2880 per lb.

Robusta futures in London were also firmer with July finishing up \$5 at \$1,510 per tonne.

COMMODITY PRICES CLIMB ON ECONOMIC RECOVERY HOPES

Trading Markets (press release) - May 23, 2009

May 15, May 15, 2009 (Asia Pulse Data Source via COMTEX) -- Commodity prices rallied during the week ended May 8, with oil striking 2009 highs on growing optimism about an economic recovery, as traders also tracked the results of key stress tests on troubled US banks.

Commodity index returns have rebounded over the past week, said Deutsche Bank analyst Michael Lewis in a research note to clients.

In our view, this reflects the market's less pessimistic assessment towards the global growth outlook. However, in most instances index returns are still trading lower on a year to date basis. Financial markets appeared unruffled by the stress tests, which found that 10 major US banks need to raise a total of 74.6 billion dollars (55.7 billion euros) in new funds to shield against the risk of a further economic downturn.

Official data showed on May 8 that the US unemployment rate rose to 8.9 percent in April with 539,000 jobs lost, according to a report that was not as bad as feared by private analysts for the recession-stricken economy.

The jobless rate hit its highest level since September 1983 but the pace of job losses slowed appreciably, offering another possible sign of an easing of the severe economic slump. The unemployment rate was in line with forecasts but the number of job losses not nearly as bad as the consensus Wall Street estimate of 600,000.

A survey by payrolls firm ADP data showed that the US private sector shed 491,000 jobs in April, which was much lower than analysts had forecast.

OIL: Prices rocketed to near six-month highs above 58 dollars per barrel as stock markets gained on increasing signs of economic recovery in the US, the world's biggest energy consumer. Crude oil prices are being driven higher by a combination of building confidence of a faster economic recovery, increased funds flow into commodities, and higher utilisation at US refineries, said Lewis.

However we believe the fundamental outlook remains weak and that inventories are set to remain high. Prices have posted solid gains this week on hopes of a recovery in energy demand, but they remain far below last July's record peaks above 147 dollars a barrel.

Oil prices have been surging this week on tidbits of information indicating that the economic crisis has reached its trough and that recovery could be around the corner, said analysts at JBC Energy. US banks appear to be doing better than everybody thought according to the Fed's preliminary release on the stress test, while the rate of job losses in the country has slowed. In the wider picture there are also tentative signs that economic activity in China and India has been picking up with Chinese manufacturing having accelerated for the first time in nine months.

The Baltic Dry Index also surged by 8.9 percent, day-on-day, and was last seen at over 2,000 points; the Index is a daily average of the costs of shipping raw materials to end customers and so can be seen as a good

barometer of the health of the world economy," added the JBC analysts in a research note. However Nimit Khamar at the Sueden brokerage in London warned that oil prices could head lower in coming weeks should investors begin to show less optimism regarding an economic recovery. By May 8, on the New York Mercantile Exchange (NYMEX), light sweet crude for delivery in June surged to 57.60 dollars a barrel from 52.11 dollars a week earlier. On London's InterContinental Exchange (ICE), Brent North Sea crude for June soared to 57.28 dollars a barrel from 51.63 dollars a week earlier. PRECIOUS METALS: Precious metals sparkled, with gold hitting 925 dollars per ounce on May 7, drawing strength from the weak US currency.

A struggling greenback makes dollar-priced commodities cheaper for foreign buyers using stronger currencies and therefore tends to stimulate demand.

By May 8 on the London Bullion Market, gold rose to 907 dollars an ounce from 884.50 dollars the previous week. Silver advanced to 13.90 dollars an ounce from 12.15 dollars. On the London Platinum and Palladium Market, platinum increased to 1,149 dollars an ounce on May 8 from 1,076 dollars. Palladium leapt to 242 dollars an ounce from 212 dollars. BASE METALS: Base metals prices soared on hopes that a global economic recovery would boost demand.

"Prices strengthened across the complex... as sentiment was boosted by a higher than expected figure for US employment data offering further evidence that the macro outlook may be beginning to improve," said Barclays Capital analysts. "Sentiment towards the broader global macro outlook has been turning more positive recently and this is being reflected in base metals prices."

By May 8 on the London Metal Exchange, copper for delivery in three months climbed to 4,763 dollars a tonne from 4,515 dollars the previous week.

Three-month aluminium jumped to 1,564 dollars a tonne from 1,518 dollars. Three-month lead rose to 1,484 dollars a tonne from 1,356 dollars. Three-month tin surged to 14,214 dollars a tonne from 12,475 dollars. Three-month zinc increased to 1,557 dollars a tonne from 1,475 dollars. Three-month nickel rallied to 13,303 dollars a tonne from 11,725 dollars.

COCOA: Cocoa prices advanced on signs of strengthening demand. By May 8 on LIFFE, London's futures exchange, the price of cocoa for delivery in July rose to 1,751 pounds a tonne from 1,703 pounds the previous week. On the New York Board of Trade (NYBOT), the July cocoa contract gained to 2,507 dollars a tonne from 2,388 dollars.

COFFEE: Coffee prices also climbed, hitting 125.80 US cents per pound in New York a level last seen on February 9. By May 8 on LIFFE, Robusta for delivery in July increased to 1,493 dollars a tonne from 1,475 dollars the previous week. On the NYBOT, Arabica for July stood at 125.20 US cents a pound from 116.35 cents.

GRAINS AND SOYA: Prices gained ground amid production delays and higher crude oil prices. Corn, or maize, is used to produce ethanol a clean plant-based fuel which is cheaper than oil. "Support for corn prices stems from delays in corn plantings especially in the eastern US corn belt, as well as the strong rise in crude oil prices," said Barclays Capital analysts. By May 8 on the Chicago Board of Trade, maize for delivery in July rose to 4.19 dollars a bushel from 4.13 dollars the previous week. July-dated soyabean meal used in animal feed gained to 11.04 dollars from 10.91 dollars. Wheat for July advanced to 5.80 dollars a bushel from 5.70 dollars.

SUGAR: Sugar prices surged close to a three-year peaks, stretching as high as 452.20 pounds in London and 15.60 cents in New York the highest points since July 2006. "Sugar prices have shot higher on an anticipated tightening of stocks in India and on supportive developments in the biofuel industry in the United States," said Standard Chartered analysts. Sugar is used to make ethanol, a cheaper alternative to gasoline used to power road vehicles.

By May 8 on LIFFE, the price of a tonne of white sugar for delivery in August rose to 445.90 pounds from 431.80 pounds the previous week. On NYBOT, the price of unrefined sugar for July increased to 15.37 US cents a pound from 14.47 cents.

RUBBER: Malaysian rubber prices tracked rising oil prices to close higher on May 8. The price of natural rubber is linked with the cost of crude oil, which affects the price of synthetic rubber products. Traders said the rubber price was also benefitting from tight supply. The Malaysian Rubber Board's benchmark SMR20 was at 165.90 US cents per kg compared to 157.15 US cents on April 30.

For full details on Deutsche Bank AG (DB) click here. Deutsche Bank AG (DB) has Short Term PowerRatings of 4. Details on Deutsche Bank AG (DB) Short Term PowerRatings is available at This Link

Processing & Manufacturing

Cadbury adds vegetable fat to chocolate range

By Phil Young

The Mercury

May 23, 2009

CHOCOLATE lovers are outraged at Cadbury's decision to add vegetable fat to its popular chocolate range.

They say it has reduced the famous brand's product to little more than compound chocolate.

Cadbury says vegetable fat was introduced to improve the chocolate and make it softer to bite, The Mercury reports.

But once-loyal customers are now vowing never to buy the product again because of the changes.

Cadbury changed its famous recipe at the same time as it introduced new packaging and a reduction in the size of its chocolate blocks.

Cadbury recently reduced the size of its moulded chocolate range.

The 150g block has been re-sized to 100g/110g, the 250g block has been downsized to 200g/220g and the 400g block is now 350g.

"There's nothing now to set Cadburys apart from Chickenfeed chocolate," said one disgruntled customer.

Business and Economy

Choc and awe

WA today

Source: [The Age](#)

Justine Costigan

August 5, 2008



A long queue of people, stamping their feet and rubbing their hands in the cold, snaked down McCrae Street on a wintry Bendigo morning last year.

They were waiting for the doors to the Chocolate Rush festival to open, and anticipation was high. Some had come from as far as New Zealand, others from Queensland and the Northern Territory. Impatient to get in, eager to taste some chocolate, the queue confirmed what Chocolate Rush festival director Simone Gordon had believed - that if she created a festival, people would come. "People are crazy about chocolate," says Gordon, "and they really want to learn more about it."

A resounding success, last year's festival prompted a change of location to the Abbotsford Convent this year - a move Gordon says will make this weekend's festival more accessible. "We had to move," she says with

pleasure. "There was so much interest from the industry that we needed to find a bigger space, and we wanted the festival to be on one site."

Last year's inaugural festival attracted 14 chocolate producers, but this year there will be 34 travelling from around the country and overseas.

Along with Australian experts, festival goers will be able to learn from chocolate masters Jean-Marc Bernelin, Callebaut chocolate technical adviser in Asia, now based in Shanghai, and Michael Rispe, the former executive pastry chef for Gordon Ramsay's six restaurants.

Last year Simon Armstrong, from Cocoa Farm in far north Queensland, explained to a crowd how cocoa was grown, harvested and processed. As he handed around raw cacao pods, with the beans still intact, it was possible, just, to find a hint of chocolate in the dusty, mouldy scent.

Nibbling a fermented bean, the intense, almost smoky taste was overpowering. Originally it was used by Mesoamerican people to create a drink known as xocolatl, which, unsurprisingly, means "bitter water".

As a director of the only cacao plantation in Australia, Armstrong is the perfect person to explain how the beans are grown. With its first harvest expected early next year, Australia is on the verge of having its first home-grown chocolate. Janice Falzon, chief executive officer of Farm By Nature, the company that will turn Cocoa Farm's harvest into a single-origin chocolate, says the beans grown in Queensland "will effectively produce a new flavour because of the distinct character of the Daintree soils and climate".

"Cocoa from the Mossman farm has been used to make some small trial batches and the taste is very distinctive," Falzon continues. "The experts say it has a very rich, intense flavour with acidic notes, which are common to a lot of good dark chocolate, but then it mellows to leave a great, full cocoa flavour and a subtle spiciness at the end."

Examining these raw materials was one of the highlights of last year's festival, and Falzon will run the session this year, explaining the basics of chocolate from planting to production.

Add in classes on matching chocolate and wine, sessions on the history of chocolate, chocolate and nutrition and the social and political issues surrounding its production, and it's clear the festival has more to offer than just a frenzy of chocolate consumption.

If you're seeing parallels with the wine industry, you're not mistaken.

Chocolate is being defined by region, plantation or percentage of cocoa solids, and that's just the beginning. A language to describe chocolate flavours has slowly evolved from yum, sweet and give me more, to include descriptors such as bitterness, acidity, smoothness, sweetness and balance. Words to describe its aroma include spice, fruit, pepper, berry, butter and so on. Single-origin chocolates, made from beans grown in a single country, region or plantation, have distinctive flavours that require even more concentration to define.

In a preview chocolate appreciation class run by Kirsten Tibballs, owner of the Savour Chocolate and Patisserie School and the Australian ambassador for Callebaut and Cacao Barry (and a key supporter of the festival), single-origin chocolates from Cuba and Madagascar are astonishingly different. The Cuban chocolate has a background note of tobacco that Tibballs attributes to tobacco and cacao being grown in the same area. The Madagascan chocolate is deeply intense and slightly sweeter. Such is the flavour of the chocolates that they linger on the palate for the best part of an hour.

At the festival, food writer Allan Campion will take participants through a tasting that will include more than 15 chocolates, from commercial brands to rare single-origin chocolates.

Chocolate appreciation classes are now commonplace in Melbourne, along with the rise in specialist artisan chocolate producers, boutiques and cafes. Callebaut's Jean-Marc Bernelin, who will be presenting a master class at the festival, says people wanting to know more about what they are eating is a worldwide trend that also applies to chocolate. "People are very interested in single-origin chocolate, but there is also a growing interest in

Fair Trade chocolate, especially in Britain, and I've noticed the Japanese want to eat chocolate that has a health benefit, so there's definitely a market for chocolate with added ingredients or enrichment."

Interest in chocolate has also expanded worldwide, and, with the Indian and Chinese markets growing rapidly, a shortage is a real possibility. Cocoa prices surged to a 20-year high in June, reflecting production problems in Ivory Coast (the world's main cacao grower) and a worldwide increase in food production costs.

Until the beginning of the 20th century, when the prices for sugar and cocoa started to fall, chocolate was a luxury. If the price of cacao continues to rise, it may become a luxury product once more. Until then, Chocolate Rush presents an extraordinary opportunity to enjoy some of the best chocolate Australia has to offer. "It's about showcasing the industry," says Simone Gordon. "Australian chocolate producers do the most incredible job. They are recognised around the world, but we don't know about them here."

Chocolate Rush Chocolate Festival, 10am-5pm, August 9-10, the Abbotsford Convent, 1 St Heliers Street, Abbotsford. Visit chocolaterush.com.au for a full program and ticketing information.

Cocoa Stakeholders Hold Consultations Tuesday

Government of Jamaica, Jamaica Information Service

KINGSTON (JIS):

May 18, 2009

The Jamaica Cocoa Farmers Association (JCFA), in conjunction with International Cooperative Development Association/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) and the United States Agency for International Development (USAID) is staging its first cocoa stakeholders consultation session on Tuesday (May 19) at the Knutsford Court Hotel, New Kingston, starting at 9 a.m.

The workshop, sponsored by USAID through its Protected Areas and Rural Enterprise Project (PARE), will inform the association's visioning and action planning activities. ACDI/VOCA consultants, Dr. Gerald Nolte and Terrence Ryan, working with a local consultant, will guide the session and action planning with the JCFA's executives.

The JCFA was incorporated in September, 2008, to advance the interests of Jamaican cocoa farmers. Its priority objectives include, serving as a vehicle for farmer engagement and advocacy and creating partnerships with industry stakeholders, including farmers, government, private sector and donors, to revitalise the local cocoa sector.

Labour Issues

Environmental Issues

Research & Development

Food scientist gives tips on preserving quality of premium chocolate

May 20, 2009

The Canadian Press - May 20, 2009

TORONTO — If that beautiful box of premium chocolates you received for Valentine's or Easter has been stored in the refrigerator, don't be surprised if the sweets develop a hazy tinge.

"When chocolate is subjected to variable temperatures its exterior gets chalky and it no longer looks appetizing," says Derick Rousseau, a food science professor at Toronto's Ryerson University.

He says the condition is known as fat bloom and occurs for a number of reasons, but often results when chocolate is exposed to temperature fluctuations.

When the temperature of the chocolate goes up and down, some of the cocoa butter in the chocolate melts and resolidifies. A small amount of this resolidified cocoa butter will end up on the surface as microscopic crystals or bumps. This produces the hazy whiteness called fat bloom, Rousseau explains.

"As consumers of chocolate we say, 'gosh, the sheen has gone and it looks kind of chalky and not very appetizing.'"

"But it hasn't gone mouldy, and you can eat it. The texture might not be exactly the same, but it is still fine to eat."

Rousseau says another drawback in storing chocolate can happen when it is exposed to damp and wet conditions. This is called sugar bloom.

"If chocolate is exposed to humid conditions, moisture in the air will condense the surface of the chocolate and dissolve the sugar. When conditions become dry again, the sugar will re-crystallize and the surface will look hazy."

Rousseau's work examines the microscopic appearance (the microstructure) of chocolate and the physical and chemical factors that negatively affect its quality and shelf life. His research is aimed at helping to keep chocolate fresher and tastier.

Here are some of his tips on storing chocolate:

-If stored properly, chocolate can last for years. Filled chocolates and truffles are best consumed within a month.

-To preserve the flavour of chocolate, it must be kept in a cool, dry, well-ventilated place where there is little variation in temperature and low humidity.

-To avoid fluctuations in temperature, do not store chocolate in cupboards right next to your fridge or stove.

-Chocolate should be stored in an airtight container.

-Because chocolate contains fat, it easily absorbs other flavours and odours. Don't store near chemicals, cleaning products, perfume, air fresheners or anything else you don't want to taste in your chocolate.

Promotion

Consumers indulgence in chocolate in crisis

By Jessica Stanic on Wednesday, 20 May 2009

Dynamic Business - May 19, 2009

While most Australian's are cutting back on their spending this year, it appears chocolate is one indulgence that people won't give up.

Melbourne franchise, Theobroma Chocolate Lounge has been on the receiving end of this trend, experiencing high demand and rapid growth since the opening of their first store in 2006.

In the last 12 months they have opened 12 new stores across Australia, New Zealand and Malaysia, and continue to grow.

According to George Roiniotis, co-founder of Theobroma Chocolate Lounge there will always been room for places like theirs as chocolate is the one indulgence that people continue to purchase, despite tough economic times.

"Unlike coffee, there is something very indulgent, fun and exciting about chocolate. People have really responded to the warm and cozy atmosphere we have created at Theobroma Chocolate Lounge."

Roiniotis said they were able to find a gap in the marketplace; with coffee shops on every corner, there were surprisingly little hot chocolate lounges.

“When we first thought of the ‘total chocolate concept’ behind Theobroma, there was a café on every corner; we saw Australia as being really ‘coffee’d out’. People were looking for an alternative – and hot chocolate is it!”

Theobroma Chocolate Lounge now produces over 100 different types of handmade chocolate in their factory in Melbourne, including a unique range of coloured chocolate. In addition, Theobroma Chocolate Lounge offers customers chocolate desserts, chocolate drizzled waffles, hot and cold beverages as well as a savoury menu.

A chocolate toast to the All Candy Expo

Chicago Sun-Times

By Cheryl v. Jackson cjackson@suntimes.com

May 20, 2009



Some of the new candy on display at the 2009 All Candy Expo.

Sweets makers and retailers are at the three-day 2009 All Candy Expo planning to lure consumers to store aisles. Among trends on the floor -- chocolate containing booze, higher cocoa contents and nods to fashion.

Taking chocolate and wine pairing to another level are Sweet Candy Co.'s Chocolate Wine Sticks, made with wine reductions. Remy Martin champagne cognac and Piper-Heidsieck champagne joined Anthon Berg's stable of liquor-infused chocolates.

Lindt in June will launch a 90 percent cocoa bar. Last month it expanded distribution of its sea salt-flavored chocolate.

Kohler's Rare Facets chocolates resemble stones that could be made into jewelry.

Other trends:

- Super fruits. Acai berry and cranberry flavors will be in Jelly Belly's jelly bean Superfruits Mix.
- Movie tie-ins. Necco might be late to the tie-in game, but its playing up its "Twilight" connection with special shapes of Sky Bars. It also is packaging its Sweethearts candy to promote the vampire romance movie's fall sequel, "New Moon."
- Classic Remixes. M&M candies will be offered in coconut flavor and its "Transformers: Revenge of the Fallen" tie-in offers a peanut butter-strawberry jam combo flavor. Snickers will come in a fudge version, as well as one with yellow nougat to capitalize on the film.

Need to introduce cocoa products in basic schools – Prof Addai

Joy Online

Source: GNA

23 May 2009

Professor Fredrick Addai, Head of Anatomy Department, University of Ghana Medical School, on Friday asked government to systematically introduce cocoa products consumption in basic schools for the pupils to develop better mentally and boost their stamina. He said research had shown that children provided with cocoa products regularly developed better mentally and boost their stamina.

Professor Addai made the call when he delivered a lecture on the topic "The Health Benefits of Cocoa - Chocolate and Other Products Consumption in Ghana" organised by the management of Centuries International Cocoa Chocolate Festival Organization (CICCFO) an NGO that propagates the need to consume cocoa products for better health in Accra. Prof Addai advised parents to encourage their children to take cocoa drinks instead of chocolates.

He asked Ghanaians to patronize cocoa products because it contained more antioxidants and cocoa powder promotes superlative health by strengthening the immune system through its aroma and antioxidant content. "Cocoa powder prevents many diseases particularly viral ailments and promotes frequent urination to reduce blood pressure," he added. Professor Addai called for the establishment of cocoa cafes where cocoa drinks were served to prevent cancers, Parkinson's disease, Alzheimer's disease, arthritis and skin wrinkling.

TIT BITS

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

Ivorian cocoa arrivals seen at 976,000 tonnes

ABIDJAN (May 20, 2009): cocoa arrivals at ports in top grower Ivory Coast reached around 976,000 tonnes by May 17, exporters estimated on Monday, compared with 1,132,330 tonnes in the same period of the previous season. Exporters estimated around 12,000 tonnes of beans were delivered to the West African state's two ports between May 11 and May 17, down from 15,253 tonnes in the same week a year ago.

Coffee rises in London

LONDON (May 20, 2009): Arabica coffee futures on ICE rose to the highest levels in more than seven months on Tuesday boosted by fund buying while sugar prices eased as producer selling emerged following this week's run-up, dealers said.

Coffee extends rally

LONDON (May 21, 2009): Arabica coffee prices bounded to their highest level in nearly 8 months Wednesday, and sugar softened while cocoa rebounded from its drop of the previous session, brokers said. Tight supplies out of Colombia and Central American have combined with strength in equities and fund buying to spark arabica coffee, with the weak dollar on Wednesday contributing to the advance.

Sugar higher, cocoa rebounds in London

LONDON (May 22, 2009): Raw sugar futures edged up on Thursday, as the dollar slipped to remain near its lowest levels this year, while optimism on future demand provided some support. cocoa futures on ICE closed higher, rebounding from recent losses driven by weak grindings, and arabica coffee was also up due to tightness in Colombian supplies.

US MIDDAY: coffee and cocoa up, sugar falls

NEW YORK (May 22, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets at early trade on Thursday. July arabica contract up 1.30 cents at \$1.3460 per lb at 11:27 am EDT (1527 GMT). Session range from at \$1.3175 to \$1.3470 which marked the highest for the spot month since September 26.

Sugar higher, coffee lower in London

LONDON (May 23, 2009): Arabica coffee futures rose to a fresh eight-month high on Friday before turning negative on origin selling and profit-taking, dealers said. Robusta coffee futures in London continued to lag behind the arabica market with producer selling keeping a lid on prices. July robustas ended \$23 lower at \$1,516 a tonne.

Nigeria's cocoa disease threat drops

LAGOS (May 23, 2009): The threat of black pod disease in Nigeria's main cocoa regions has receded due to improved weather conditions over the last month, farmers said on Friday. Growers had feared the heavy downpours just before the start of the mid crop in April would trigger an outbreak of the fungal disease, especially in the south-west where many farms are old.

US MIDDAY: coffee and sugar fall, cocoa up

NEW YORK (May 23, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Friday. July arabica contract up 0.05 cent at \$1.3585 per lb at 11:02 am EDT (1502 GMT). Session range from \$1.3475 to \$1.3740, the highest for the spot-month contract since September 26.

Ghanian cocoa purchases reached 602,841 tonnes

ACCRA (May 24, 2009): cocoa purchases declared by buyers to Ghana's industry regulator Cocobod totalled 602,841 tonnes by May 7, exceeding its 600,000 tonne target for the 2008/09 main crop, according to official figures seen by Reuters on Friday. Those purchases, representing the first 34 weeks of a 38-week season, were down 2 percent on the amount of beans bought during the same period last year.