



COPAL COCOA *Info*

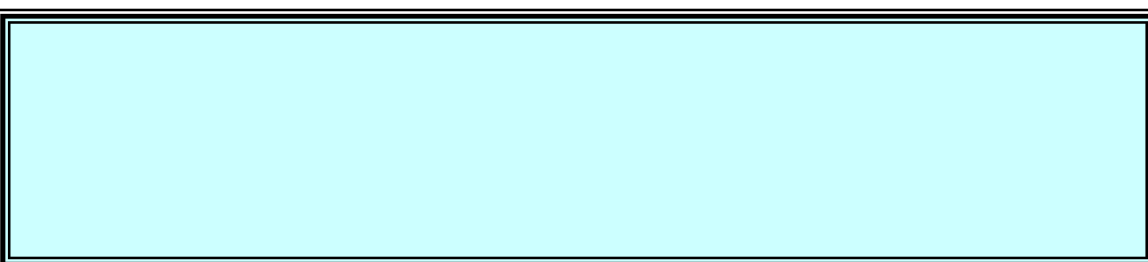
A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 210

18th – 22nd December 2006

ICCO Daily Cocoa Prices

	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York Futures (US\$/tonne)
18 th December	1730.03	916.00	1677.33
19 th December	1764.84	924.67	1711.00
20 th December	1709.08	897.33	1655.00
21 st December	1720.42	905.00	1666.00
22 nd December	1697.19	892.33	1648.00
Average	1,724.31	907.07	1,671.47



In the News:

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Have you had your cocoa today?

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

**18th
December 2006**

Monday

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Mar 2007	904	909	3	920	896	6,070
May 2007	910	915	2	927	903	1,996
Jul 2007	914	924	3	935	913	307
Sep 2007	922	933	3	937	922S	97
Dec. 2007	929	940	3	950	927	456
Mar-08	946	952	3	953S	946	17
May-08	953	961	3	963	953	163
Jul-08	969	970	3	969S	969S	1
Sep-08		980	3			0
Dec. 08		985	3			0
Totals		947				9,107

**19th
December 2006**

Tuesday

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	909	917	8	919	905	4,720
May 2007	913	924	9	925	911	1,076
Jul 2007	920	933	9	933	920	416
Sep 2007	942	942	9	942	941S	25
Dec. 2007	944	948	8	948	942	540
Mar-08	956	958	6	960S	951	99
May-08	965	967	6	969	961	254
Jul-08		976	6			0
Sep-08		986	6			0
Dec. 08		991	6			0
Totals		954				7,130

**20th
December 2006**

Wednesday

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	919	889	-28	923	888	7,099
May 2007	925	897	-27	928	895	2,289
Jul 2007	936	906	-27	936	905	460
Sep 2007	944	914	-28	944	914	103
Dec. 2007	949	920	-28	949	921	1,106
Mar-08	958	930	-28	958S	958S	1
May-08	957	940	-27	957	946	67
Jul-08		948	-28			0
Sep-08		958	-28			0
Dec. 08		963	-28			0
Totals		927				11,125

Thursday **21st**
December **2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	892	896	7	901	887	3,321
May 2007	897	905	8	908	896	1,316
Jul 2007	906	914	8	918S	906	429
Sep 2007	915	923	9	924S	915	127
Dec. 2007	924	928	8	931S	921	96
Mar-08	932	939				

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

Monday **18th**
December **2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	1643 1646	1657	7	1679	1643	7047
May 2007	1662 1663	1678	7	1697	1662	709
Jul 2007	1682 ^B 1684 ^A	1697	7	1715	1692	196
Sep 2007	1703 ^B 1705 ^A	1717	8	1725	1725	54
Dec 2007	1722 ^B 1727 ^A	1737	8	1743	1724	148
Mar 2008	0 0	1761	8	1756	1754	16
May 2008	1759 ^B 1765 ^A	1782	8	1786	1764	
Jul 2008	0 0	1801	8	1805	1805	
Sep. 2008	0 0	1821	7	0	0	
Totals		1739				

Tuesday **19th**
December **2006**

Month	Opening Trans	Settle	Change	High
Mar 2007	1680 1682	1691	34	1694
May 2007	1702 0	1710	32	1713
Jul 2007	1720 ^B 1724 ^A	1729	32	1732
Sep 2007	1739 ^B 1745 ^A	1750	33	
Dec 2007	1760 ^B 1764 ^A	1770		

**21st
Thursday December 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	1630 1637	1645	17	1648	1624	5085
May 2007	1659 0	1667	16	1669	1646	1371
Jul 2007	1675 ^B 1682 ^A	1687	16	1686	1668	303
Sep 2007	1695 ^B 1705 ^A	1706	15	0	0	500
Dec 2007	1715 ^B 1728 ^A	1726	15	0	0	0
Mar 2008	1740 ^B 1750 ^A	1748	14	0	0	87
May 2008	0 0	1767	16	1765	1757	30
Jul 2008	0 0	1788	15	1777	1777	105
Sep. 2008	0 0	1809	14	0	0	0
Totals		1727				7,481

**22nd
Friday December 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Mar 2007	1623 1630	1627	-18	1635	1621	3787
May 2007	1645 1648	1648	-19	1655	1644	423
Jul 2007	1665 0	1667	-20	1674	1665	236
Sep 2007	1680 ^B 1690 ^A	1689	-17	0	0	245
Dec 2007	1700 ^B 1720 ^A	1711	-15	1705	1705	109
Mar 2008	1725 ^B 1740 ^A	1733	-15	1740	1730	279
May 2008	0 0	1752	-15	1750	1750	15
Jul 2008	0 0	1770	-18	1770	1770	23
Sep. 2008	0 0	1792	-17	0	0	0
Totals		1710				5,117

Spot Prices (US \$ per tonne)

	18 th December	19 th December	20 th December	21 st December	22 nd December
Main Crop Ghana, Grade 1	2037	2071	-	-	-
Main Crop Ivory Coast, Grade 1	1915	1949	-	-	-
Main Crop Nigerian, 1	1914	1948	-	-	-
Superior Arriba	2334	2368	-	-	-
Sanchez f.a.q.	1907	1941	-	-	-
Malaysian 110	1660	1694	-	-	-
Sulawesi f.a.q.	1687	1721	-	-	-
Ecuador Cocoa Liquor	3154	3219	-	-	-
Pure Prime Press African Type Cocoa Butter	4386	4476	-	-	-
10/12% Natural Cocoa Press Cake	862	879	-	-	-

Source: Cocoa Merchants' Association--

News

Chocolate with less guilt: Fair-trade brands help cocoa farmers

Tuesday, December 19, 2006

By Kevin Kirkland, Pittsburgh Post-Gazette

Chocolate will never be a guilt-free passion, but buying fair-trade chocolate might ease your conscience a little. It costs more than run-of-the-mill milk chocolate -- it's 71 cents to \$1.90 an ounce -- and doesn't come in holiday shapes. But buyers or sweet teeth lucky enough to receive it as a gift can feel better knowing that the cocoa farmers who helped produce it receive a living wage and money to build health clinics, improve schools and provide clean drinking water.

Divine Chocolate, one of the best-known brands, is nearly half-owned by the Kuapa Kokoo cocoa farmers cooperative in Ghana. In 1997, farmers created the Day Chocolate Co. with support from corporations and charitable groups in the United Kingdom, including Comic Relief, Twin Trading, the Body Shop and Christian Aid. For every ton of cocoa sold, farmers are paid a \$150 "social premium" that has been used for water projects, corn mills, soap-making and other community facilities.

Locally, Divine chocolate is available at Equita, a "fair trade and green lifestyle shop" that opened in November at 100 43rd St., Lawrenceville. Sisters Amanda and Sara Parks and Amanda's husband, Michael Solano, also sell fair trade coffee, tea and olive oil and apparel, jewelry, handbags, body products and other items from 30 countries and native American and North American sources. "Chocolate is the next wave in fair trade," said Sara Parks. "People are just starting to hear about it." She noted increased publicity this year about child workers on cocoa plantations in Africa. Some are former soldiers, 7 or 8 years old.

At Equita, a 3.5-ounce bar of dark chocolate from Divine sells for \$2.80, milk and white chocolate for \$2.50. Theo Chocolate, a Seattle company that buys cocoa from various countries, makes a 2-ounce bar that sells for \$3.85.

Dagoba Organic Chocolate from Oregon makes "choco drops" -- about the size of a Hershey's kiss but flatter -- in 8-ounce bags for \$8.50. Equita also sells Jungle's 2-ounce packages of unprocessed cocoa beans from the Amazon mixed with coconut, pineapple, raisins, brazil and other nuts for \$3.25.

The East End Food Co-op at 7516 Meade St., Point Breeze, sells four types of fair trade chocolate. A 1.4-ounce piece of Endangered Species dark chocolate sells for \$1.79 and a 3-ounce package for \$2.19. Green & Black Organic has a 3.5-ounce bar for \$2.29 and Dagoba Organic 2 ounces for \$2.59.

Equal Exchange, which uses cocoa from the Dominican Republic and Peru, has a 3.5-ounce bar for \$3.09.

Whole Foods Market, 5880 Centre Ave., East Liberty has Endangered Species in many flavors; 3-ounce bars are now two for \$4. Terra Nostra Organic's yogurt and milk chocolate in raspberry and strawberries and cream flavors are 3.5 ounces for \$3.29.

Cocoa Notches Five-Month High; Weak Dollar Lifts Metals, Energy

BY REUTERS

Posted 12/19/2006

Cocoa hit five-month highs and many other commodities rebounded in U.S. trade Tuesday as technical buying and a weak dollar lifted metals, energy and agriculture markets from recent lows. The Reuters/Jefferies CRB Index, which tracks 19 commodity futures from grains to livestock, climbed 0.67% to 312.46. The energy-heavy Goldman Sachs Commodity Index rose 0.66% to 5,805.28.

Cocoa futures climbed more than 2%, with heavy speculative and fund buying triggering buy stops.

The New York Board of Trade benchmark March cocoa futures contract shot up \$34 to close at \$1,691 per ton, after trading in a range from \$1,667 to \$1,694. Still, Tuesday's volume in Nybot cocoa was estimated at only 6,944 lots, against Monday's official tally of 8,337. Traders, however, expected the market to see more upward

momentum on Wednesday. "Given that we had five days of consolidation, and now a fresh break to new highs, I think that's very likely from a technical perspective," one trader said.

Nybot raw sugar for March closed up 0.01 cent at 12.04 cents per pound, its highest since Dec. 1.

Silver and gold finished with healthy gains when a steep drop in the dollar against the euro and surprising gains in the U.S. producer price index drew bulls back into the market after two days of heavy selling.

March silver on the Comex division of the New York Mercantile Exchange added 18.50 cents to end at \$12.71 an ounce, after falling on Monday to lows unseen since Oct. 31. Comex gold for February settled up \$7.50 at \$625.40 an ounce. Monday, it hit a bottom dating back to Nov. 1. Comex copper for March settled down 1.20 cents at \$3.0175 a pound, wiping out Monday's gains. Comex copper has lost about 10% of its price over the last three months despite holding above the critical \$3 per pound support.

Soybean futures for January on the Chicago Board of Trade ended up 5-1/2 cents at \$6.53-1/2 per bushel, rebounding from Monday's six-week lows. March wheat rose 4-1/2 cents to \$4.92 per bushel and March corn 7-1/4 cents to \$3.73.

U.S. crude settled up 94 cents at \$63.15 a barrel — after an intraday high of \$63.45 — as fog kept the Houston Ship Channel closed a sixth straight day, creating a huge backlog of tankers and ships waiting to enter the U.S.' largest oil and petrochemicals port.

São Tomé and Príncipe: Organic Cocoa Remains Vibrant Despite Pest Invasions

International Fund for Agricultural Development (Rome)

December 21, 2006

Rome

Twenty farming communities on the island of Sao Tome cultivate organic cocoa exclusively for the export market. Their buyer is the French company KAOKA with whom they have signed a five-year contract in 2005 through the Cooperative for Export and Market of Organic Cocoa (CECAB). This experience has been incorporated into the Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme (PAPAFPA).

Some 1,100 producers, of whom 42 per cent are women, are involved in the production of organic cocoa there. So far they are happy with the results as their revenues have been rising. Their challenge, though, is to increase their modest production. Since the operation started, the Sao Tome farmers have sold an average of 150 tons of dried beans per year to KAOKA. It is below the 400 tons expected by the French company – a level that would also allow the CECAB to make a profit.

To rise to the challenge before the end of the contract, farmers need to sort out irrigation problems and plant more cocoa trees to increase their density per hectare. They also have to fight diseases attacking the trees and pests destroying the harvest, and do so in an environmentally friendly way that will allow them to keep the certification to international organic standards. Some techniques have already been tested with positive results. Farmers are using lime sulphate to prevent diseases from developing. Insects known locally as robocintos, usually drawn to warm leaves, can be kept away by planting large trees to create enough shade to keep a cooler environment in the cocoa plantations.

Rodents continue to be a problem. Restricted to the use of non-chemical products, cocoa farmers have tried various techniques to get rid of them. But successive anti-rodent recipes, based on cement, grated maize or banana mixed with pieces of broken glass, have all failed. André Deberdt, CEO of KAOKA, suggested to the Sao Tome farmers that they try a traditional technique, already proven in Latin America, called sugar bread: a mixture of sugar and baking yeast that is deadly when eaten by the rodents. Small bags are prepared and suspended in the cocoa trees, between the leaves. To have any impact, the technique has to be implemented by all the farmers within a community and the bags set in all the parcels at the same time. The experiment in Sao Tome has already had some positive results. Farmers are able to increase their production, while preserving the precious organic certification of their cocoa.

Related:

Cocoa farmers find a market: A French chocolate maker is buying as much organic cocoa as farmers can produce in São Tomé and Príncipe

Exchanges battle over NY coffee, cocoa e-trade

Thu Dec 21, 2006

NEW YORK (Reuters) - A competition over coffee, cocoa, and sugar futures this week escalated an awkward rivalry between New York commodity exchanges into a year-end brawl for market share in electronic futures trading. Heating up the global search for new hedge fund business, the New York Mercantile Exchange -- which specializes in energy and metals and bills itself as the largest physical commodity exchange -- said Wednesday it would introduce futures contracts in six agricultural commodities: coffee, cocoa, cotton, orange juice and two types of sugar.

The offerings would directly compete with the so-called soft commodity products already trading on the New York Board of Trade, which leases space in NYMEX's building. NYMEX said the six contracts were introduced on the NYMEX ClearPort clearing and trading platform on Wednesday.

NYBOT on Thursday accused NYMEX of running out the competing contracts to scupper its merger with NYMEX rival IntercontinentalExchange Inc. (ICE.N: Quote, Profile, Research). "In our view, this has little to do with market demand for these contracts," NYBOT President and Chief Executive Harry Falk said in a statement. "We believe the NYMEX action is a transparent attempt to interfere with the merger of NYBOT and IntercontinentalExchange," Falk added.

NYMEX Executive Chairman Richard Schaeffer said Wednesday the new products "provide innovative and timely solutions to our customers based on their risk management needs on a dynamic electronic platform." The squabble erupted at a time when commodity exchanges are scrambling to merge with partners to ensure their survival and switching to electronic trading to attract billions of dollars from pension and hedge funds to the booming commodity sector.

Cocoa, cranberries in a lovely morsel

By JILL WENDHOLT SILVA

Dec. 21, 2006

McClatchy News Service

That's how to stay slim, says Mireille Guiliano, author of the best-seller *French Women Don't Get Fat: The Secret of Eating for Pleasure* (Alfred Knopf, \$22). A fan of small indulgences and the svelte CEO of the champagne house *Veuve Clicquot*, Guiliano insists the most intense satisfaction from food often comes in the first few bites.

Of course, the idea of noshing is cross-cultural. For instance, Spaniards have tapas, their version of small plates. The Chinese make a ritual out of nibbling appetizer-size morsels from dim sum carts. The Japanese create lavish mini feasts in bento boxes.

The holiday season is the perfect time to put Guiliano's three-bite theory to the test with Mini Candied Cranberry Chocolate Cupcakes. The recipe requires an investment in mini-muffin pans, but in addition to keeping portions in check, the tiny cupcakes are just the right-size nibble for a holiday party. The topping -- candied cranberries and a seemingly decadent drizzle of vanilla-flavored almond bark -- makes a particularly elegant presentation. As a bonus, the cocoa and cranberries contain powerful antioxidants.

Shopping tip: Look for almond bark in the baking aisle of most supermarkets.

Storage: If you want a bite but you're not up for serving a crowd, freeze half of the cupcakes before adding the cranberry topping. The topping recipe can be halved easily.

African researchers and growers are banking on sustainable cocoa

nächste Meldung 22.12.2006

Global demand for cocoa is rising steadily. Ghana and Ivory Coast alone account for almost 60% of world output*. However, maintaining African production levels may prove difficult in future, since cocoa is currently grown extensively. As a result, yields fall as the plantations age, for want of fertilizers and as a result of growing parasite pressure. Once the soils in a given area are degraded, farmers move on to the last remaining forest areas.

In the end, for want of accessible forest resources, cocoa production in West and Central Africa is likely to fall. The problem is that with some 4.5 million hectares of cocoa, the sector provides a living for huge numbers of rural inhabitants in Africa, for instance six million people in Ghana. It is also one of the main sources of foreign currency: in Ivory Coast, cocoa accounts for some 30% of the country's total exports. Unless a viable agronomic alternative can rapidly be transferred to smallholders in order to sedentarize cocoa production, the economic and social situation in these cocoa-growing zones may eventually become critical.

In response to this agronomic and socioeconomic challenge, CIRAD researchers and their partners opted to set up an African research network. The network falls under the aegis of the Cocoa Producers Alliance (COPAL) and the West and Central African Council for Agricultural Research and Development (CORAF/WECARD), and comprises 35 researchers from 32 research and development organizations in the leading five cocoa-producing countries in Africa: Ivory Coast, Ghana, Togo, Nigeria and Cameroon. The structure, which was initiated under a project on competitive and sustainable cocoa in Africa (SCCS) enabled the launch of nine research operations between 2002 and 2006, with the active involvement of numerous producers in the five countries.

The researchers, technicians and growers involved have primarily worked along four lines: improved cropping systems, participative breeding of cultivars either tolerant of or resistant to the diseases that affect cocoa, protection against pests and diseases, and soil fertilization.

Improved methods that cocoa producers can easily take on board

As regards improved cocoa cropping, researchers have drawn up a typology of the different cropping systems and characterized in detail the agro-economic conditions for growing cocoa and the environmental conditions in the areas concerned. In particular, the idea was to adapt crop management sequences to the socioeconomic conditions in which growers work. The project subsequently enabled the development of methods for rehabilitating unproductive cocoa plantings that were both more effective than the existing methods and easy for producers to adopt: pruning and budding using improved material, redensification, and phytosanitary protection. The results have also highlighted the merits of growing cocoa under shade - in particular, it conserves the biodiversity and climatic plasticity of the cropping system - and of intercropping it with other crops (fruit, market garden or cash crops) to diversify the growers' sources of income.

Resisting devastating diseases is crucial in ensuring sustainable cocoa growing in Africa. Two diseases are of particular concern: black pod rot and cocoa swollen shoot virus (CSSV). To tackle the problem, researchers have opted to work on potentially resistant cultivars. In Togo, they have bred a certain number of hybrids whose tolerance of, if not resistance to, these diseases has yet to be confirmed under field conditions.

Diseases are not the only obstacle. Cocoa trees are also subject to attacks from numerous sucking insects. One, known as a mirid or capsid, attacks the young branches, which then become necrotic, and the pods. There are control methods, but they are too expensive for growers. One solution is to cut the cost of treatment. To this end, the trees have to be treated at just the right stage in the insect's development. This makes treatment more effective and reduces the environmental impact. An early warning system is currently being tested in Cameroon.

The last task is the maintenance and rational restitution of soil fertility. Cocoa growing calls for large quantities of soil minerals, but without fertilizer applications, the soils are exhausted within twenty years or so. In an attempt to manage soil fertility more efficiently, researchers have tested a decision support tool for rational fertilization that can rapidly devise formulas that are suitable from both an economic and an ecological point of view.

TIT BITS

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

New York cocoa eases

NEW YORK (December 24, 2006): US cocoa futures closed easier in thin trade on Friday, with local and trade interest preventing deeper losses from light fund selling, traders said. "London set the weaker tone with a steep late session drop, driven by origin hedging and small spec liquidation," one dealer said.

Ivory Coast rolls out fast-yielding cocoa trees

ABIDJAN (December 23, 2006): Ivory Coast is pushing ahead with the roll-out of new fast-yielding and disease-resistant cocoa trees that it hopes will help maintain its position as the world's top producer, a senior industry official said on Friday.

Cocoa firm on light buying interest

NEW YORK (December 23, 2006): US cocoa futures settled firmer on Thursday, trading quietly on short-covering and light fund buying, following two volatile sessions in which prices surged first to a 5-month high and then to a 12-day low, traders said.

Ivory Coast cocoa smuggling may top 145,000 tonnes

ABIDJAN (December 23, 2006): cocoa smuggling from world top grower Ivory Coast may top 145,000 tonnes in the current October-March main crop as higher prices in nearby countries entice farmers to sell to foreign buyers, analysts said on Friday.

NYMEX new soft commodity contracts stun London trade

LONDON (December 22, 2006): The launch of six new soft commodity contracts in New York came as a complete surprise to London traders on Thursday, who expressed doubts that they would succeed.

Cocoa falls to 12-day low

NEW YORK (December 22, 2006): Benchmark March cocoa futures fell 3.7 percent, and hit a 12-day low on sell-stops triggered by West African hedging and a lack of fund buying, one day after the contract hit a five-month peak, traders said on Wednesday.

Cocoa finishes at five-month peak

NEW YORK (December 21, 2006): cocoa hit five-month highs and many other commodities rebounded in US trade on Tuesday as technical buying and a weak dollar lifted metals, energy and agriculture markets from recent lows.

Brazilian cocoa arrivals fall

SAO PAULO (December 21, 2006): Brazilian 2006/07 (May/April) cocoa arrivals from Bahia and other states totalled 2.7 million 60-kg bags by December 17, down 9.5 percent from 2.98 million bags a year ago, Bahia Commercial Association said.

New York cocoa closes higher

NEW YORK (December 20, 2006): US cocoa futures settled firm on Monday amid light volume, after the speculative and fund buying that was supportive most of the session pulled back late-day, causing prices to slip off their highs, traders said.

Higher prices boost Ivorian cocoa sales

ABIDJAN (December 20, 2006): Farmgate prices for cocoa in Ivory Coast were mainly up from December 11-17, data from the Coffee and cocoa Bourse showed on Tuesday - the knock-on effect of higher world prices which pushed up rates at its two ports.

Ivory Coast cocoa arrivals down

ABIDJAN (December 19, 2006): cocoa arrivals at ports in Ivory Coast reached 421,328 tonnes between October 1 and December 10, 2006 compared with 466,206 tonnes received in the same period last year, exporters said on Monday.

Dry season boosts Cameroon cocoa quantity, quality

YAOUNDE (December 19, 2006): cocoa sold in Cameroon's main producing region of South-West province has improved sharply in quantity and quality over the past month as the dry season sets in, industry officials said.