

Dairy

Nuts

Inclusions

Chocolate

WORLD COCOA

TERMINAL MARKET

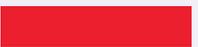
- **New York Cocoa behaved like much of the wider market** this past month, looking with apprehension at the haze of the global economy. The July contract traded in a relatively tight channel, finding support off of lows around \$2200, and resistance in turn around \$2400. It rounded out the month of April slightly above the top of this range, at \$2414, for a monthly gain of 7.5%. For now, cocoa futures seem to be taking cues from the macro picture.
- **Meanwhile on the managed money front**, speculators began to slowly rebuild their long position in London while simultaneously accumulating shorts in New York, leading to the London contract exhibiting a premium to New York for the first time in over a year. It is perhaps worth maintaining an eye on the evolution of both of these divergent positions, and the potential liquidation risks they pose.
- **In Ivory Coast, the drama surrounding the October elections** continues to unfold. Guillaume Soro, the president's former righthand- man turned political opponent, was recently sentenced to 20 years' imprisonment and is now running his campaign from exile in Europe. At the same time, two former presidents and long-time rivals (Laurent Gbagbo & Henri Konan Bedie) who steered the country through many of its most turbulent years, have announced an unlikely alliance against the current administration. In a country with a history of violent political transitions, this election is gearing up to be a clash between historic ruling parties.
- **With an eye on these developments and the encroachment** of the LID-era with the 20/21 main crop, differentials remain firm across the board, with powder prices likely to be supported. Butter ratios meanwhile have stabilized following March's upward tick in demand, with a more secure stock situation and a more uncertain consumption picture.



PRODUCTION



CONSUMPTION



STOCKS



WEATHER



SPECULATOR
ACTIVITY

* refers to world
cocoa supply and
demand

 Bullish

 Neutral

 Bearish



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