

WORLD COCOA

Terminal Market

- *July was likely the hottest summer month ever measured in North America, and with that new highs for ice-cream consumption all across US and Canada. The most recent heat wave spiked powder demand to new levels as chocolate ice cream continues to be the all-time favorite. Recent news articles claim that in the USA, Americans eat more ice cream per capita than anyone else in the world. Although other countries may be up for the challenge, it is true that the global power consumption has increased in the last years not just for ice-cream applications but for energy bars, power drinks, etc.*
- *Similarly, sales for one of the largest chocolate manufacturers in the US went up, supporting a record uptrend in its stock, despite latest price increases due to higher transport costs across the country. Positive growth was also reflected on the latest grinding figures were North America rose +3.7 % YoY (approximately 123 k MT in Q2), followed by Ivory Coast 7%, Brazil 15%, Asia 16% and Malaysia 45%. While all the former regions got a boost, Europe and Germany dropped by -3.5% and .2% respectively.*
- *The NY futures market saw a retracement from the beginning of July closing below the 2400 USD/MT basis 2nd consecutive month, turning it into an opportunity for industry to recover the price coverage lost in the last few months. In anticipation of an overall bullish sentiment, new buying should provide support to prices.*