

What could be the impact of Covid-19 on the global cocoa market ?

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Figure 1. Indexes of the ICCO Price, the S&P-GSCI Commodity Index Futures, the S&P-500, all denominated in US dollar, and the US dollar index. The indexes take the value 100 on 1 October 2020

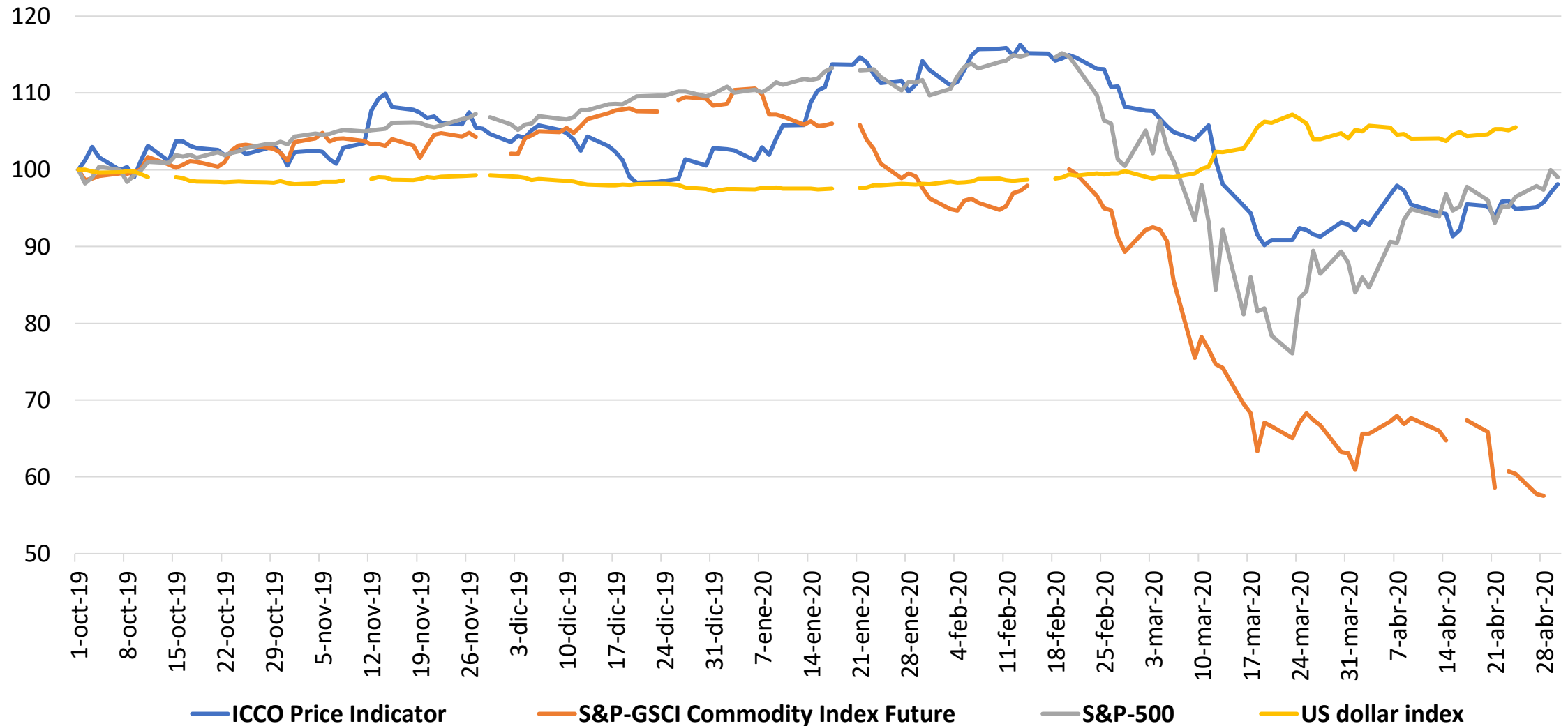


Figure 2. Prices of the cocoa futures contracts with expiry in December 2019, March 2019, May 2020, July-2020, September-2020, December 2020, March-2021 in New York from 1 October 2019 to 29 April 2020

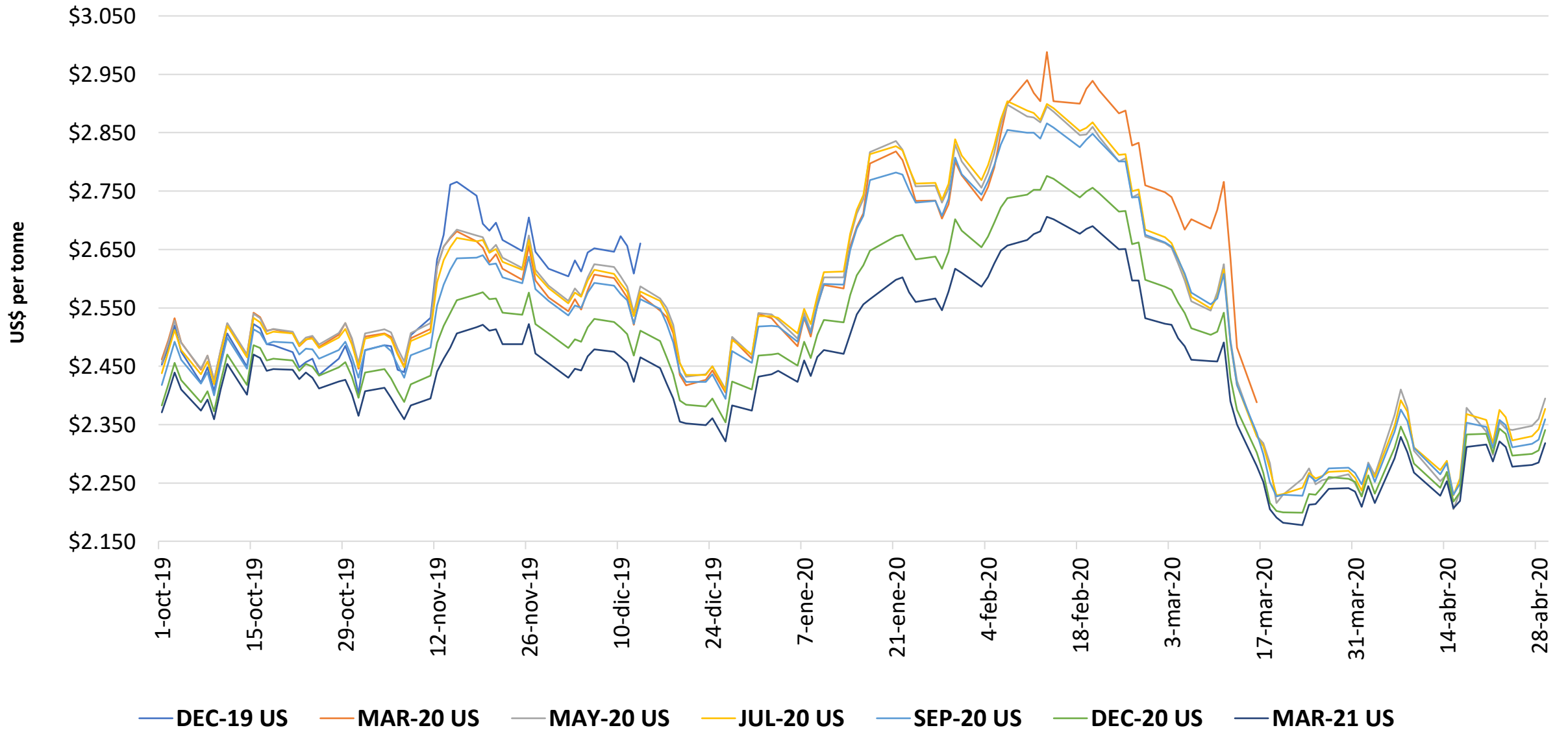


Figure 3. The prices of the first and second position on the New York cocoa futures markets (ICE Futures US) against the available volumes of tenderable cocoa from 1 October 2018 to 13 May 2020

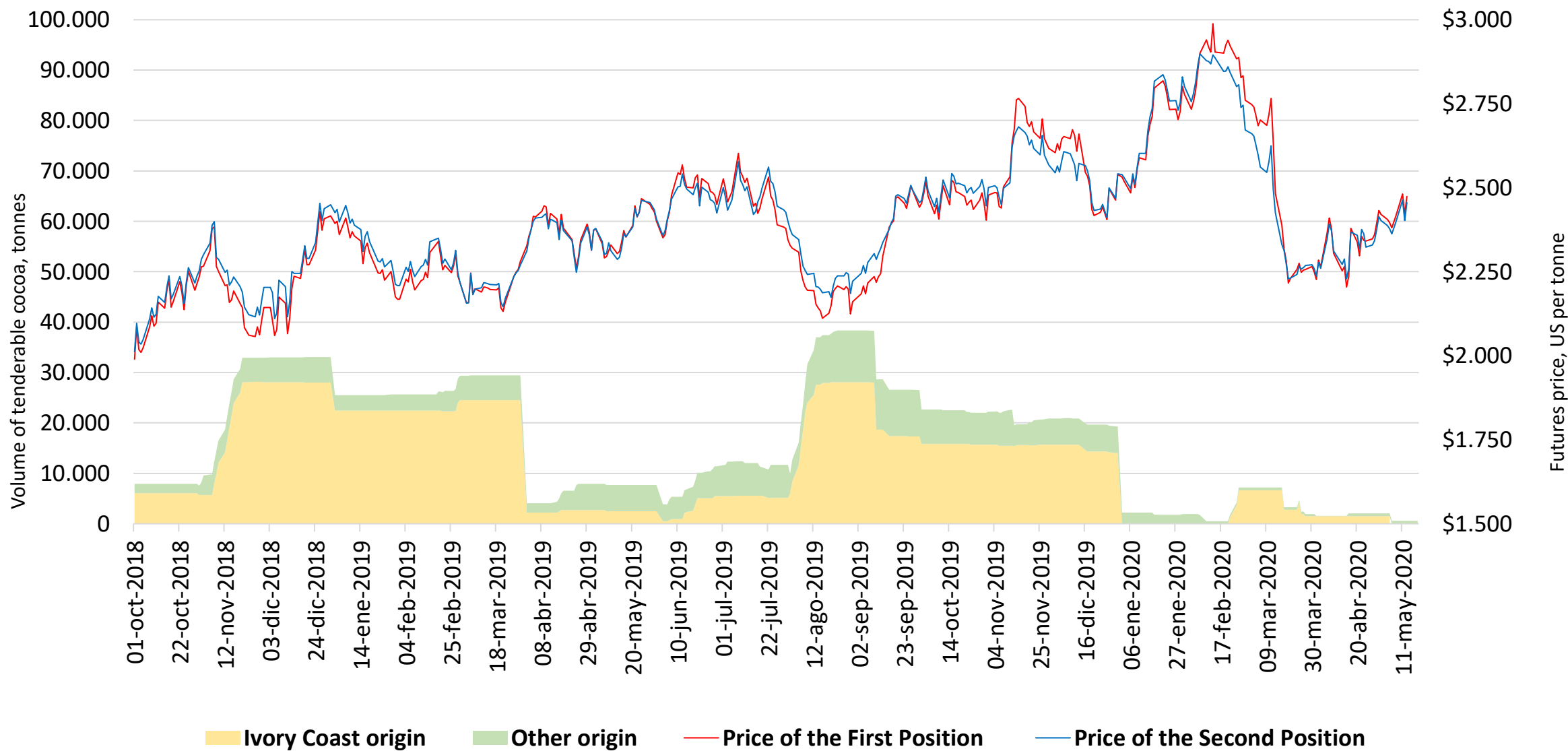
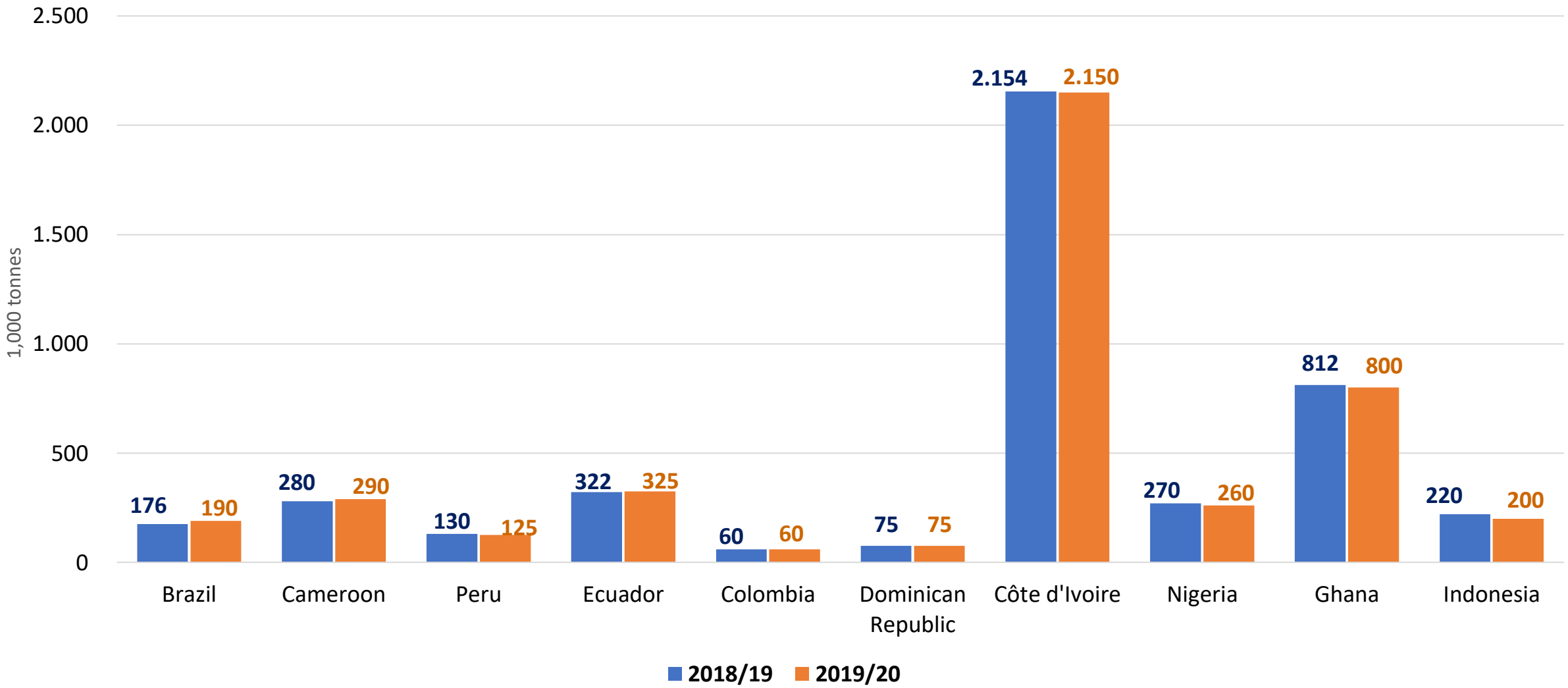


Figure 4. Forecast of the 2019/20 production at national level vis-à-vis the corresponding estimated volumes for the 2018/20 season



Source: ICCO

Figure 5. Forecast of the 2019/20 production at regional level. Forecast volumes are in bold font, 2019/20 world shares in *italic*, and the year-on-year percentage changes in red font

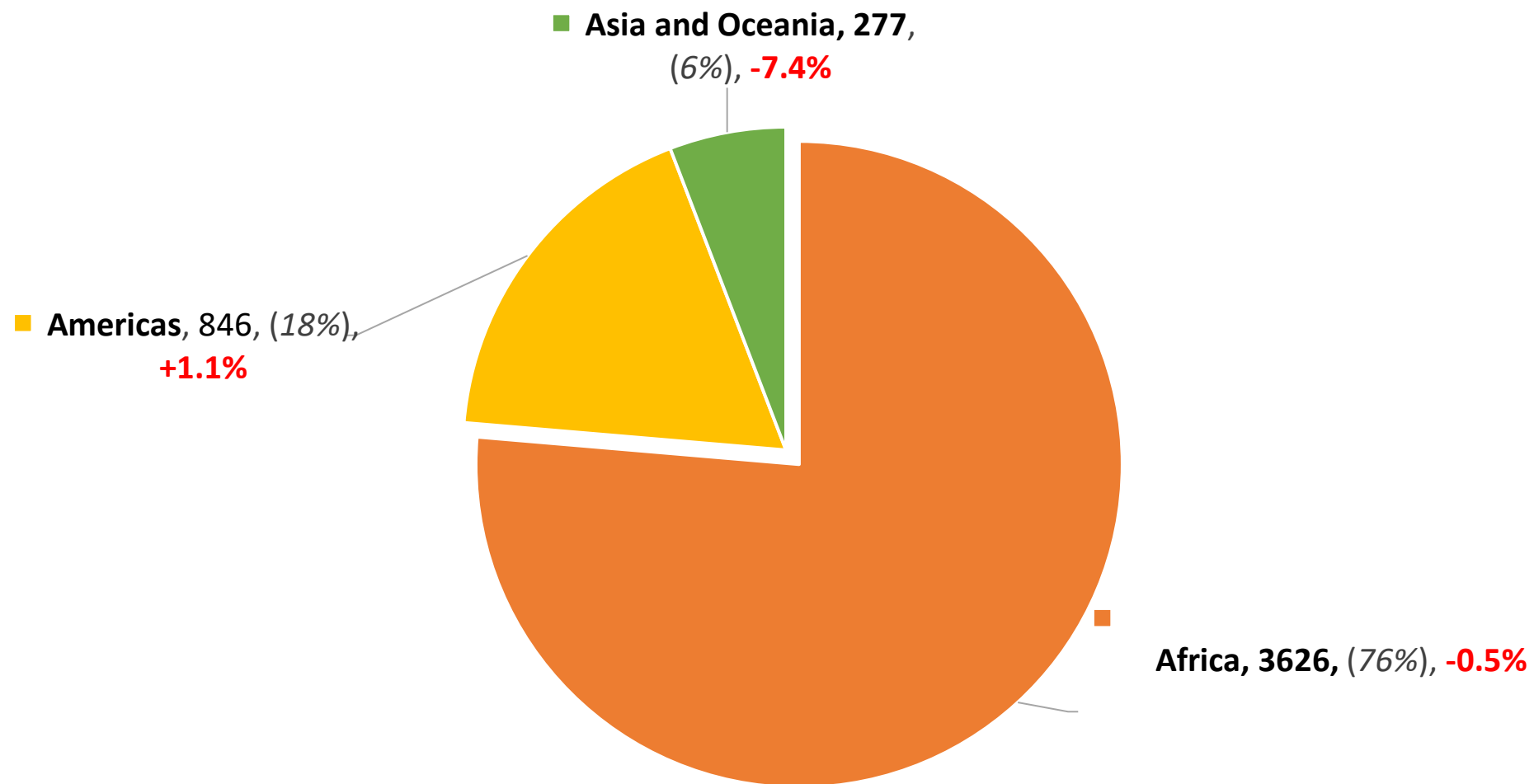


Figure 6. Forecast of the 2019/20 grindings at national level vis-à-vis the corresponding estimated volumes for the 2018/20 season

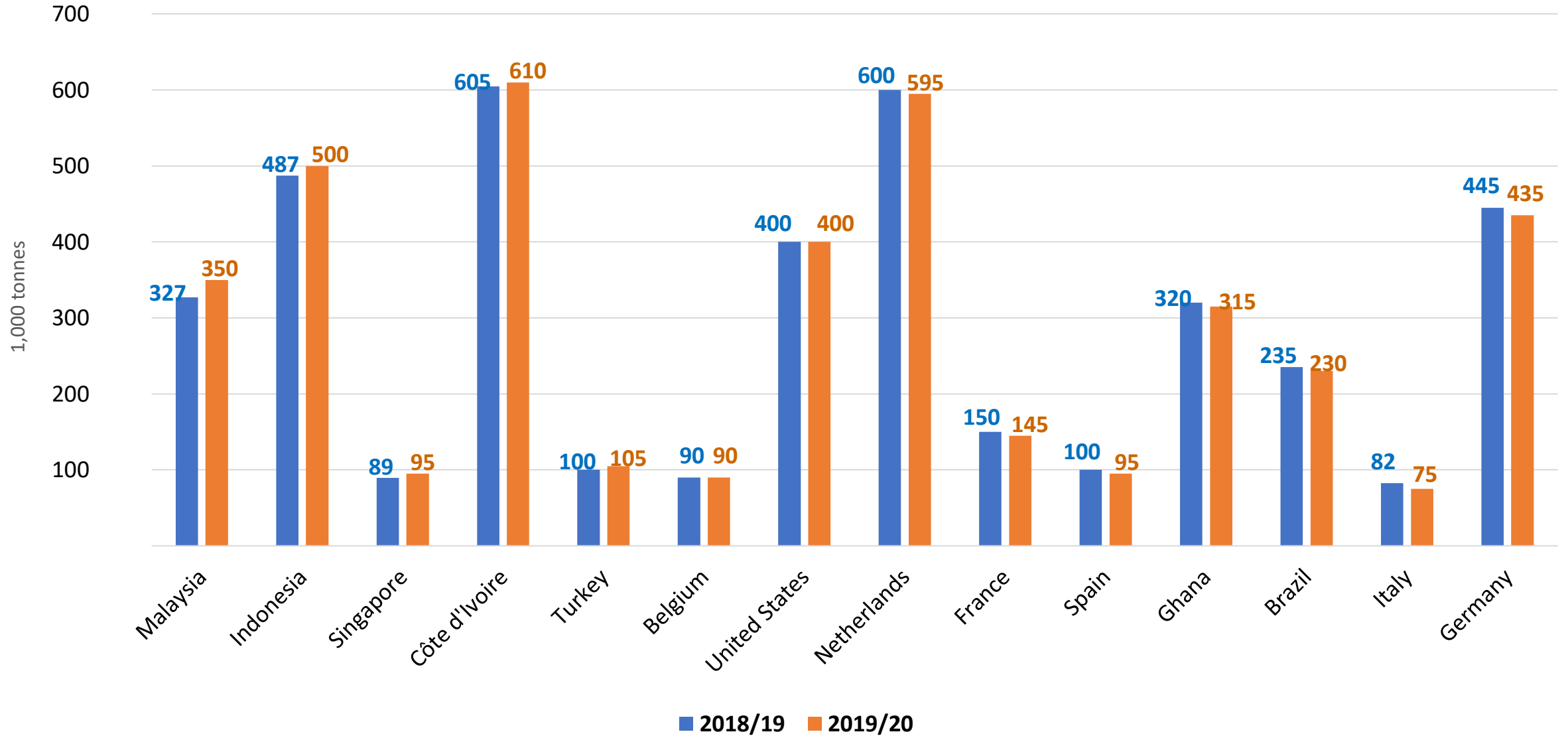
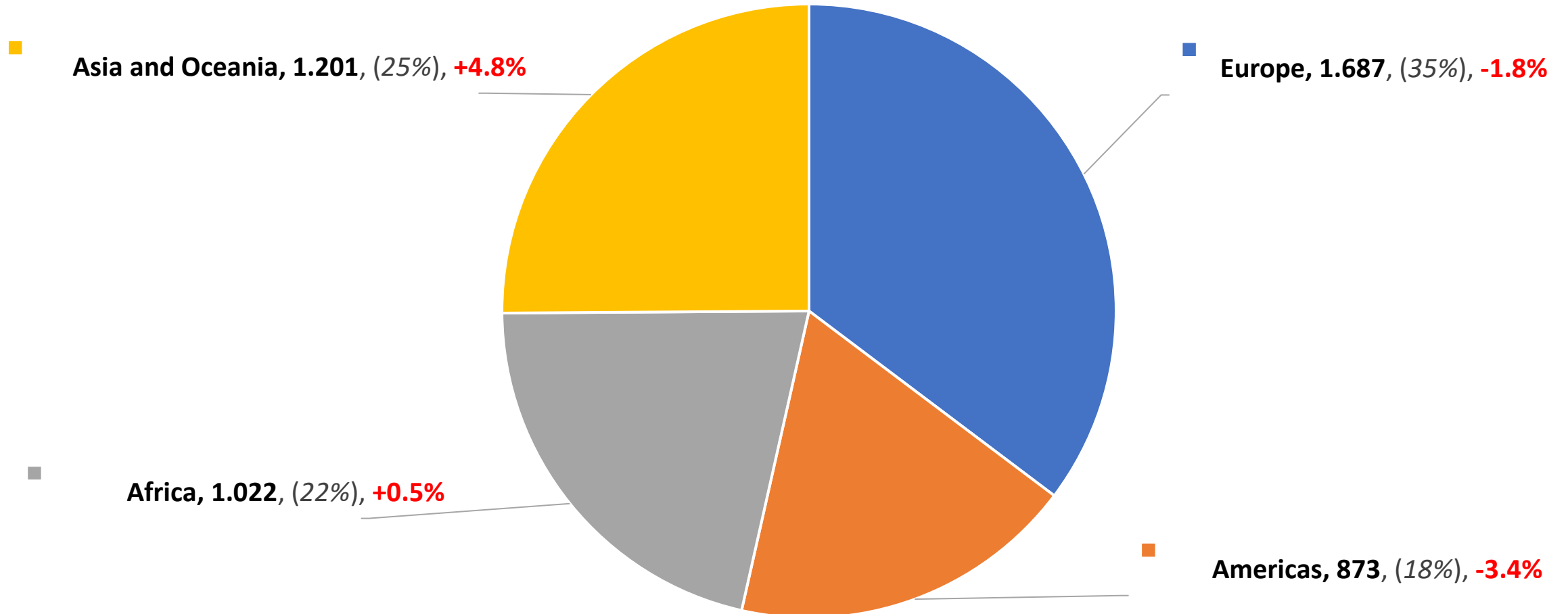
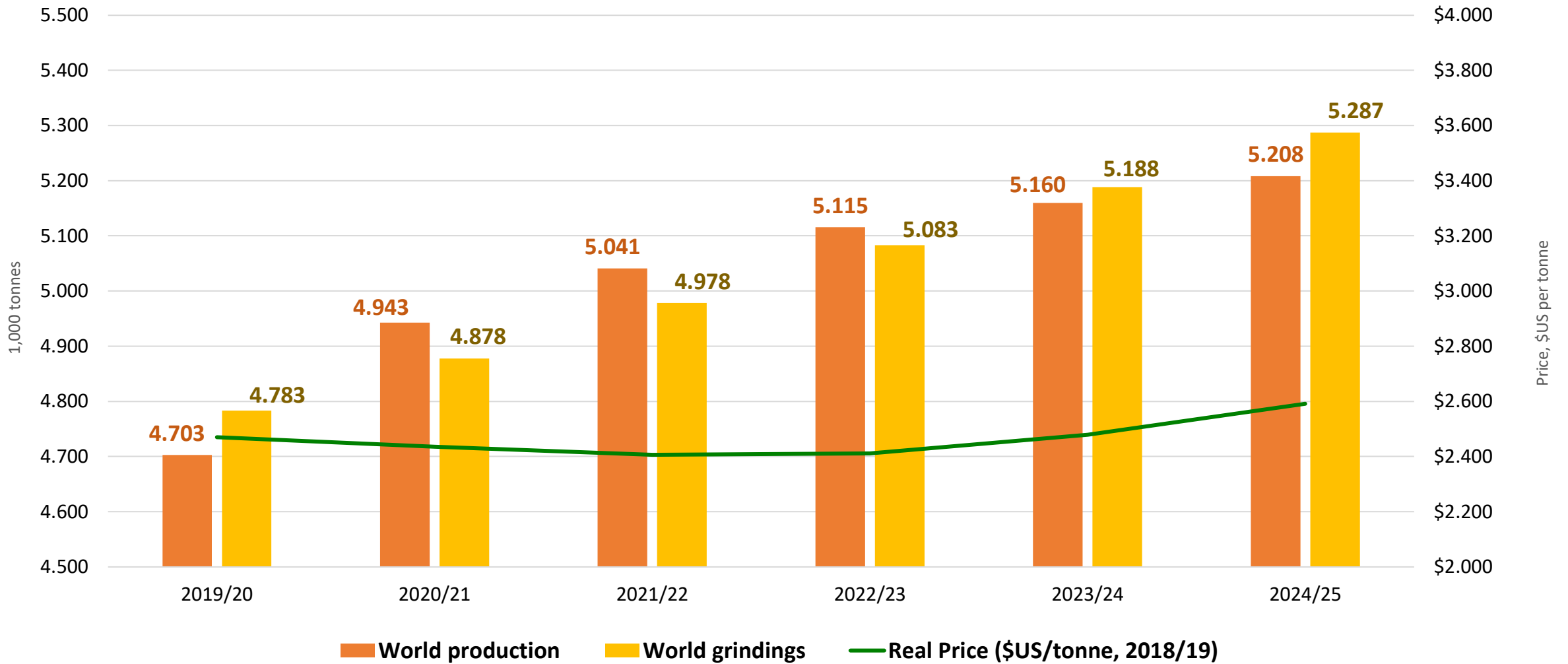


Figure 7. Forecast for the 2019/20 grindings at regional level. Forecast volumes are in bold font, 2019/20 world share in italic, and the year-on-year percentage changes in red font





- Covid-19 has initially disrupted the supply chain but also triggered a series of unintended economic consequences:
 - higher production costs
 - lower grindings
 - lower demand for chocolate confectionery products
- Lower margin of contributions which penalize mostly the small and medium enterprises
- Smallholder farmers and cocoa-dependent economies will suffer from a reduction of farm income and in export revenues
- Improving the living income of farmers and diversification should remain top priorities
- The dust has yet to settle before we can assess the impact of Covid more accurately