



COCOA MARKET REPORT

July 2025

International
Cocoa Organization



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The first half of July 2025 was characterized by a notable downward trend in cocoa futures prices (**Figure 1**), in contrast to the same period in July 2024, which saw prices climbing steadily (**Figure 2**). For the 2024/25 season, the lowest price recorded so far occurred in mid-July in London at US\$6,443 per tonne while in New York the lowest price for the month at US\$7,315 per tonne was a seven-month low. This decline was largely driven by reports of improved crop for the 2025/26 season and expectations of weakening demand.

FIGURE 1.

Prices of the first, second and third futures contracts on the London (ICE Futures Europe) and New York (ICE Futures U.S.) markets (at London close) in July 2025

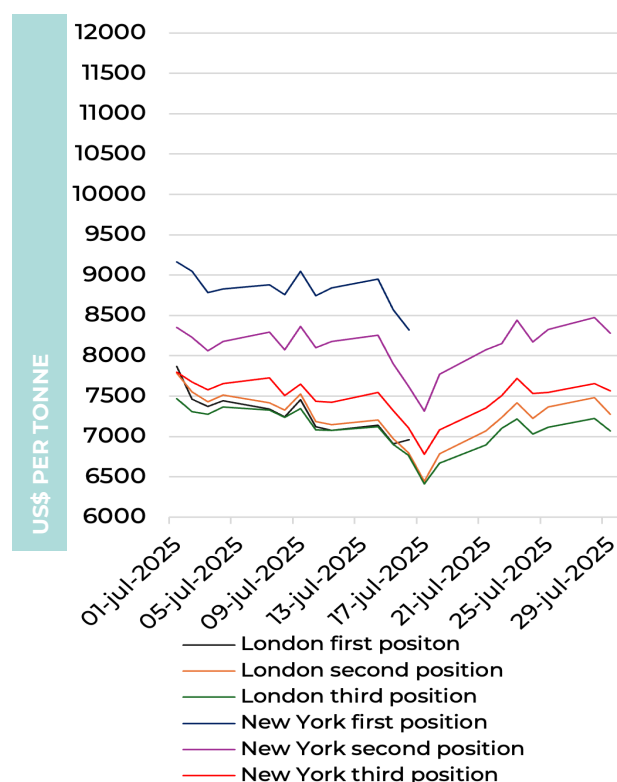


FIGURE 2.

Prices of the first, second and third futures contracts on the London (ICE Futures Europe) and New York (ICE Futures U.S.) markets (at London close) in July 2024



Production growth in key regions

Cocoa production has been rising across most major producing countries, particularly in Latin America. Several seasons of elevated cocoa prices have spurred renewed interest in cultivation, leading to increased output. Some market participants are of the view that this surge in Latin America's production is expected to ease the global supply tightness that has persisted in recent years. The expectation of a better harvest likely contributed to the slowdown in prices observed in early July. .



Demand weakness and grindings decline

Bearish sentiments around demand also exerted downward pressure on prices. Persistently high cocoa prices may have dampened consumption, as reflected in lower Q2.25 grindings reported by all major regional cocoa associations. As shown in **Figure 3**, the *European Cocoa Association (ECA)* published a decline of 7.20% in grindings from 357,502 tonnes to 331,762 tonnes whereas that of *National Confectioners' Association (NCA)* declared a fall of 2.78% from 104,781 tonnes to 101,865 tonnes. That of *Cocoa Association of Asia (CAA)* dropped significantly by 16.28% from almost 211,000 tonnes to 176,644 tonnes.

Mid-to-late July price recovery

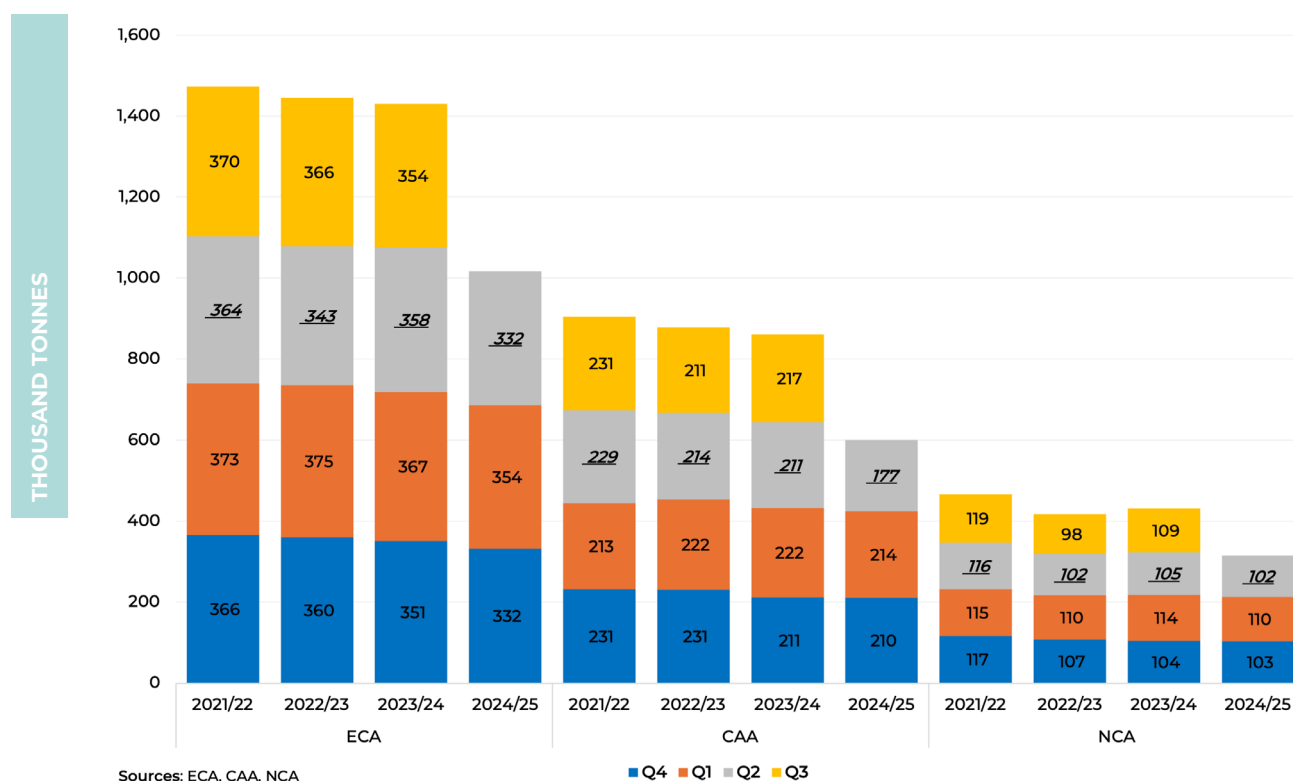
Following the expiration of the Jul-25 contract, the Sept-25 contract became the nearby benchmark price (**Figure 1**). From mid-July onward, cocoa prices reversed course and began climbing, spurred by reports of unsettled weather in Cote d'Ivoire. Observations indicated below-average rainfall and cooler-than-normal temperatures. Additionally, Reuters poll of cocoa pod counters in West Africa projected a decline in production, dampening earlier optimism for a strong main crop. By the final trading session of July, compared to the low prices at the middle of the month, prices rebounded and were up by 16% in London to US\$7,481 per tonne and by 15% to US\$7,295 per tonne in New York.

Weather as the key variable for the upcoming main crop

As the 2025/26 main crop season approaches, weather remains the most critical factor to monitor. Weather conditions can shift rapidly and any adverse developments could have significant implications for supply and pricing.

FIGURE 3.

Main regional cocoa associations quarterly grindings of cocoa



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