

## Market Report

27.05.2026

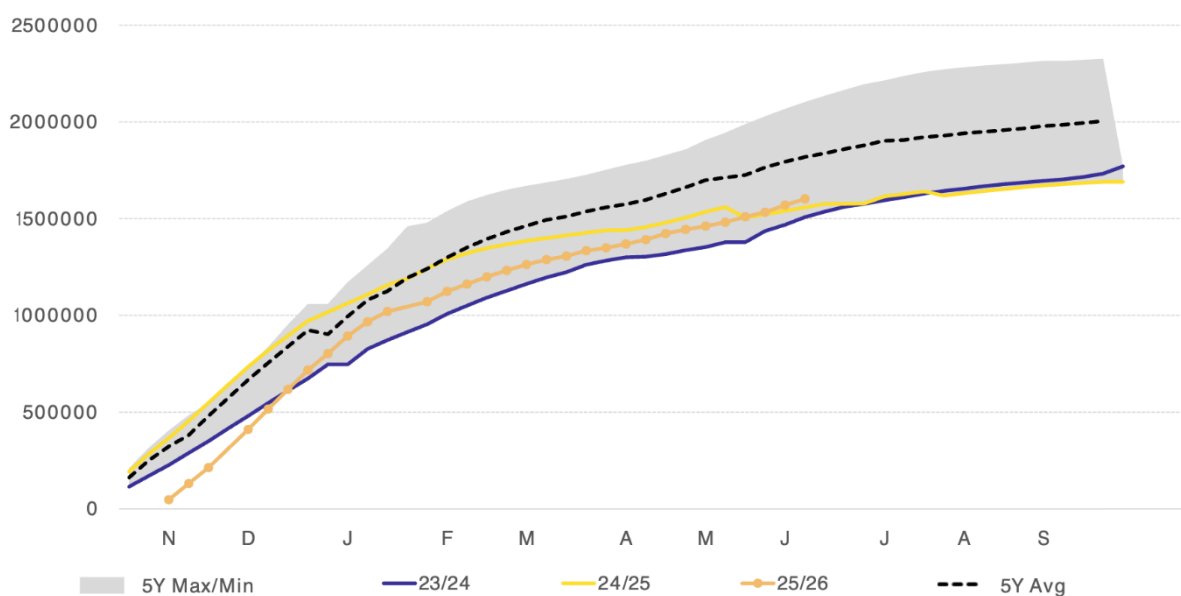
- The article contains data provided by Saxobank, Reuters, ICCO, HCCO, Hedgepoint

### TRENDS AND MAIN EVENTS IN THE COCOA MARKET

#### Season 2025/2026

The mid-crop cocoa harvest in Ivory Coast this season is showing a slight advantage compared to last year's harvest, with 1,603,000.00 tons delivered to ports versus 1,560,000.00 tons a year earlier. However, the figures are still below the average for the past five years. At the same time, this year we are observing a stable trend, without the usual decline at the end of the season. Winter rains were favorable, so we are unlikely to see a sharp drop in the trend toward the end of the mid-crop harvest.

Ivory Coast - Cocoa Weekly Arrivals (mt)



Source: LSEG, Hedgepoint

Last Update	Current (mt)	Last season (mt)	y/y %	5Y average (mt)	Week/5Y %
2026-05-18	1,603,000	1,560,000	2.76%	1,713,400	-6.44%

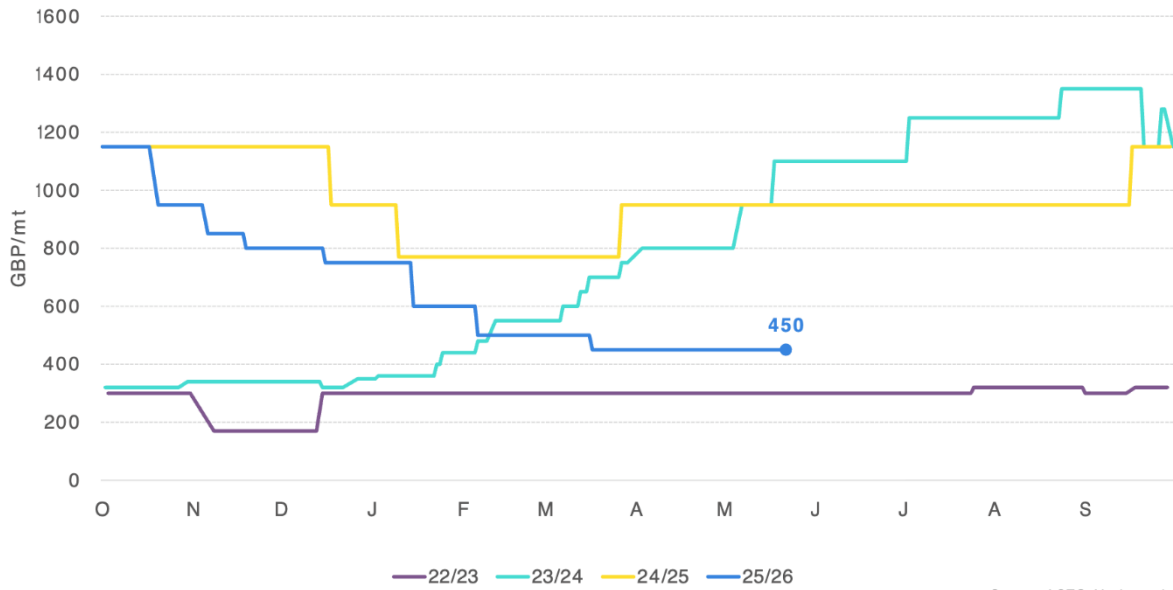
Certified cocoa stocks in U.S. warehouses increased by 2% in April. As of May 22, the number of bags stands at just over 2,692,000.00 pcs. equivalent to slightly more than 170,000.00 tons.

At the moment, the biggest concern aside from El Niño is the potential shortage of fertilizers due to the unresolved conflict in the Strait of Hormuz. Up to a quarter of all phosphate fertilizers are still sitting in export ports.

In Ivory Coast, the expected deficit could reach up to 5% solely because of fertilizer shortages, not to mention weather-related factors.

The differential for cocoa beans in Ivory Coast is declining due to the strong harvest; however, it appears to be reaching a plateau, and we do not expect a significant further decline.

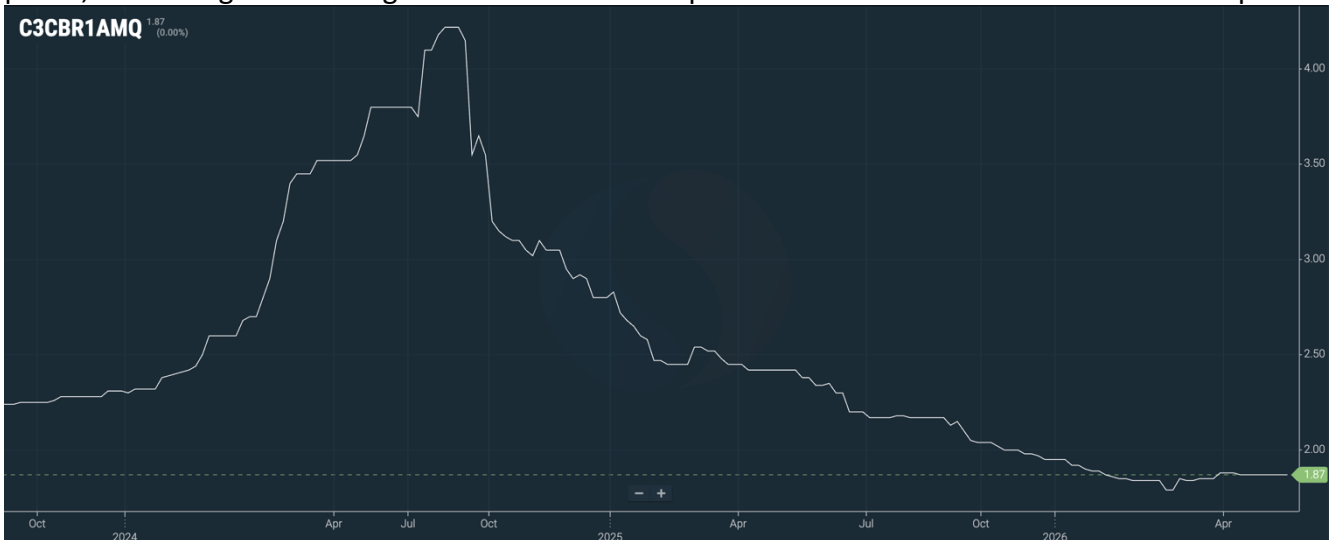
## Ivory Coast



Source: LSEG, Hedgepoint

Last Update	Current (GBP/mt)	Last year (GBP/mt)	y/y %
2026-05-22	450	950	-52.63%

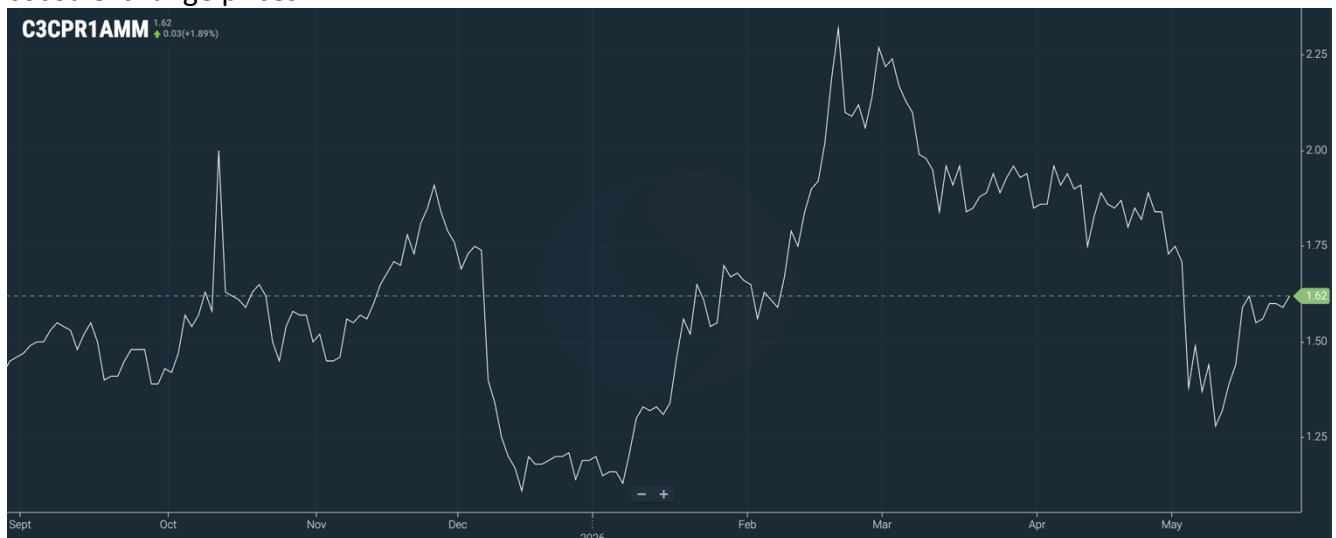
The cocoa butter ratio is currently at 1.87. The actual price has also declined along with cocoa bean prices, although a slight increase is possible over the next two quarters.



The cocoa liquor ratio has remained stable for several months at 1.44, with an upward trend expected throughout 2026.



The cocoa powder ratio is at 1.62. The final product price has decreased slightly due to changes in cocoa exchange prices.



As of today, the exchange price stands at €3,650.00 per ton.

FOB West Africa ratios for spot shipments are currently at the following levels:

### Cocoa Liquor

1.44, with a steady upward trend toward 1.52 by the 4<sup>th</sup> quarter of 2026. At the current exchange level, the price for the 1<sup>st</sup> quarter is expected to be around €5,250.00 per ton.

### Natural Cocoa Butter

1.87, with a stable upward trend over the next four quarters up to 2.05. At current exchange levels, the price for the 2<sup>nd</sup> quarter is expected to be around €6,825.00 per ton.

### Cocoa Powder

The ratio has slightly increased compared to last month and currently stands at 1.62 relative to the Stock Exchange.

Natural cocoa powder price starts from €5,500.00 per ton

Alkalized cocoa powder price starts from €5,700.00 per ton

## Technical Analysis

As we previously noted in our reports, judging by the movements in the cocoa market, a further market correction remains quite possible according to the alternative wave count scenario. Under this scenario, the market is currently forming the 4th wave, after which we would expect a 5th downward wave toward the \$2,000.00 level on the New York Exchange. However, at the moment we are still forming corrective growth waves, and below we present two possible scenarios for further market development. As we predicted in our previous report, in April we cautiously indicated prices slightly above \$4,600.00 per ton. June will most likely determine the future direction of cocoa prices throughout 2026.



### Scenario No. 1

This scenario would indicate that the downward trend has already been completed. It would be confirmed if prices consolidate above \$5,000.00 per ton.

### Scenario No. 2

This scenario points to a final 5th downward wave toward the \$2,000.00 level on the New York Exchange. It would be confirmed if prices break below \$3,000.00 per ton.



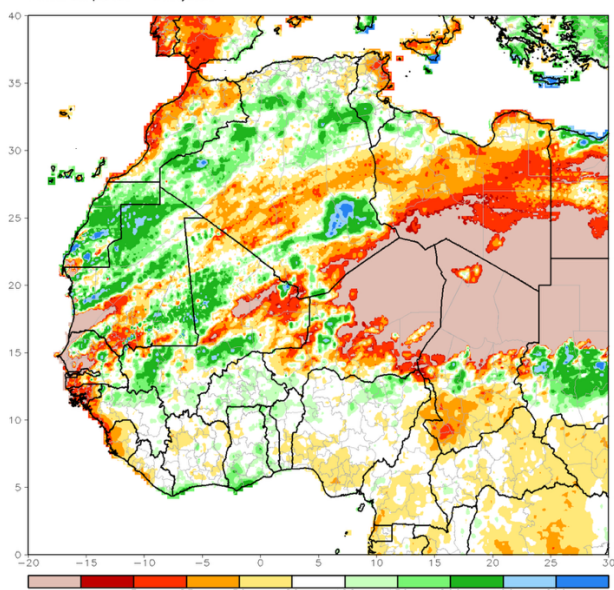
## WEATHER

Rainfall levels in West Africa over the past 90 days have been above normal. However, we are already seeing yellow spots appearing on the 30-day chart. In addition, the El Niño, compared with last month forecast, is expected to occur even faster than expected. This is likely to affect crop development during the September–November 2026 harvest period.

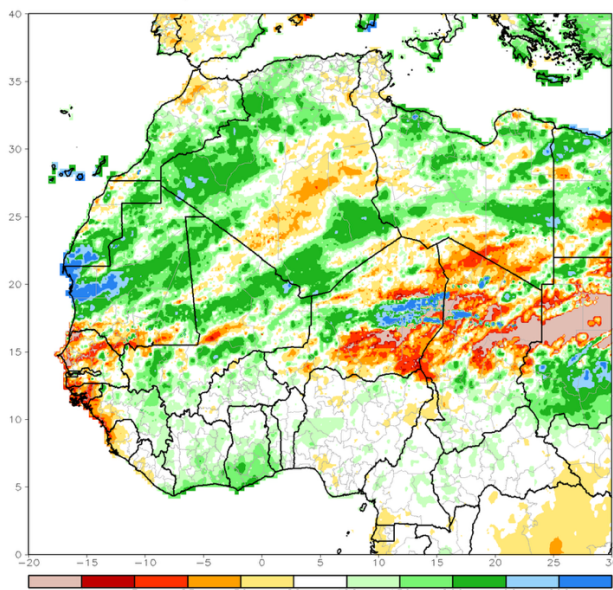
We are entering an El Niño phase, and it is quite possible that rainfall volume could decrease sharply in the nearest future. If this happens, the main 2026–2027 cocoa crop could run serious risks.

On the chart below, entry into the red zone indicates the onset of El Niño conditions. Whether this will be a short-term phenomenon or a more prolonged event remains to be seen. However, sea surface temperatures along the western coast of South America have already reached levels that raise serious concerns about the potential for an upcoming drought.

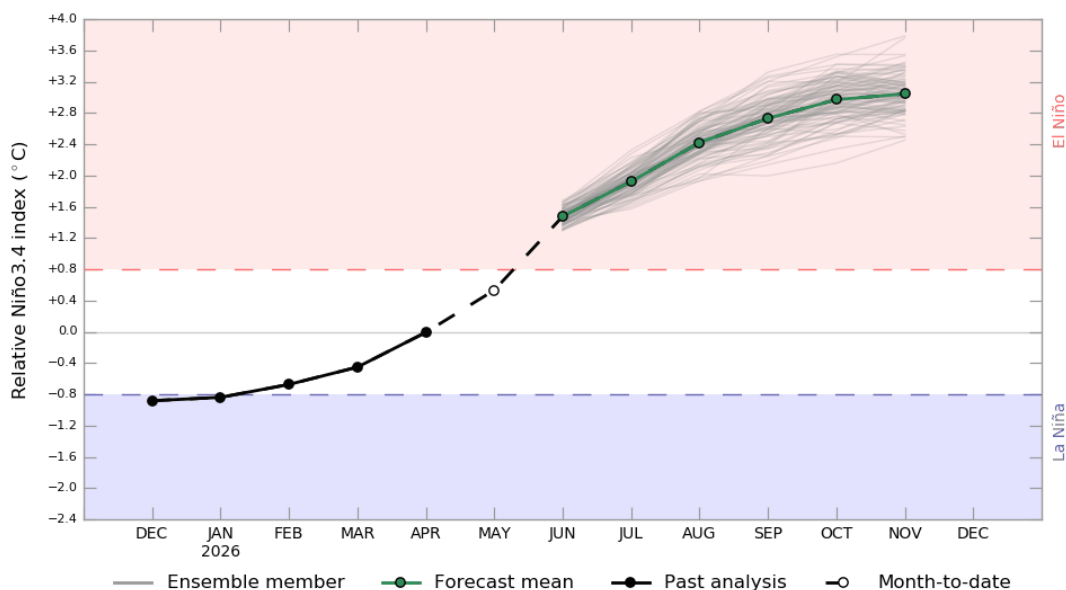
RFE2 30-Day Percent of Normal Rainfall (%)  
Period: 25Apr2026 – 24May2026



RFE2 90-Day Percent of Normal Rainfall (%)  
Period: 24Feb2026 – 24May2026



Relative Niño3.4 index



www.bom.gov.au/climate  
Commonwealth of Australia 2026, Australian Bureau of Meteorology

Past analysis base period: 1991-2020  
Forecast base period: 1981-2018  
Model: ACCESS-S2  
Model run: 23 May 2026