Cocoa Market Balance Sheet

Introduction

This session walks through how to construct a statistical balance sheet for the cocoa market and use it to derive a fair value estimate for price. We'll start with trade flow analysis — examining origin exports, destination imports and mirror data. From there, we'll cover cocoa grind data from the major reporting regions and ICCO, which is a proxy for demand.

With supply and demand components in place, we'll discuss how that translates to the cocoa balance sheet — production, grindings, stocks, and the resulting surplus/deficit — and discuss how that translates into a fair value range for price. Finally, we'll layer in the other factors that move cocoa prices day to day but sit outside the balance sheet itself: COT reports, commodity index, etc.

Who should attend?

- Anyone who is interested in cocoa fundamentals

Expected Takeaways

Learn how to construct a balance sheet and use it to determine fair value

Speaker's Bio

Eric Bergman started his career at JSG Commodities in 2012 after working on the floor of the New York Stock Exchange and at Morgan Stanley for a brief period of time. Eric is now the head of the cocoa and coffee department at JSG Commodities and is responsible for all fundamental research as well as the execution of all futures and options in the cocoa market.

At the cocoa department, Eric serves a wide array of clients within the industry to support all their needs pertaining to the analysis of the cocoa market as well as their needs pertaining to hedging and speculating. Eric currently resides in the United States in Connecticut with his wife Amy, his daughter Rose, and his son Charles.