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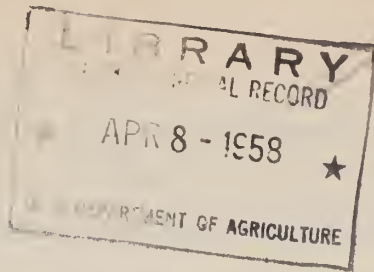
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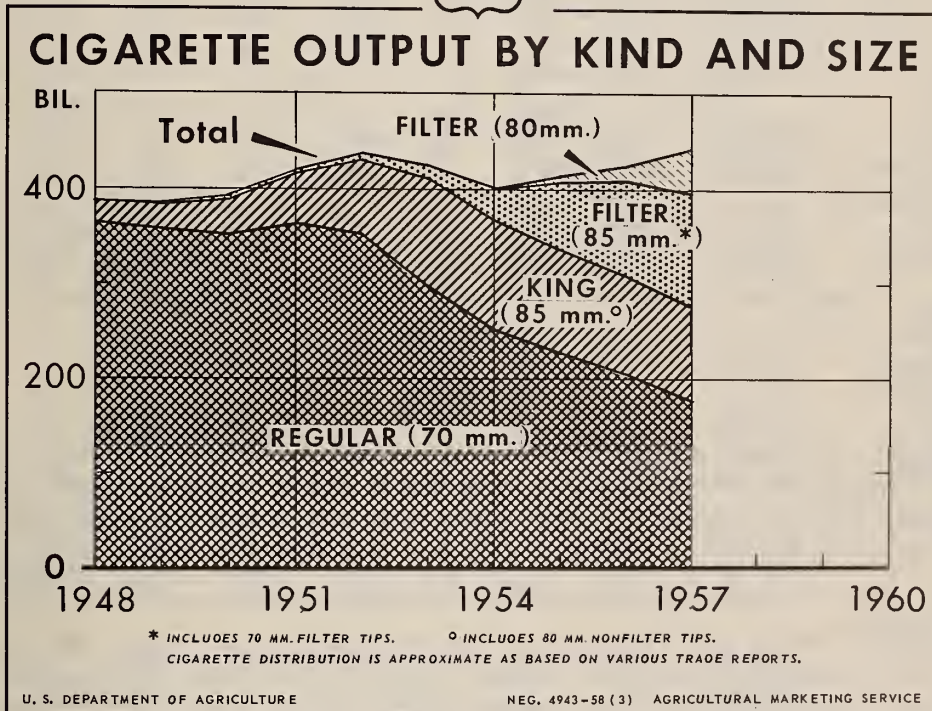
The TOBACCO SITUATION



March 1958
FOR RELEASE
MAR. 28, A. M.

In this issue:
Per Capita Consumption of
Tobacco Products and Tobacco

TS-83



Total cigarette output in 1957 was 442 billion, 4 percent higher than in 1956 and above the previous record of 1952 by about 1½ percent. The 1957 gain was due entirely to the approximately 40 percent increase in filter tips which more than offset the 10 percent decrease in nonfilter tips.

Although cigarette output rose to a

new high, the quantity of leaf tobacco utilized barely held even with a year earlier and was approximately 100 million pounds less than 5 years earlier. On the average, both king size (85 millimeter) and the long size (80 millimeter), filter tip cigarettes contain less tobacco than the regular size, nonfilter tip cigarette.

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UNITED STATES DEPARTMENT OF AGRICULTURE

STATISTICAL SUMMARY

Item	Unit or base period	1956-57				1957-58				Last data available : as per centage of a year earlier	
		Oct.	Nov.	Dec.	Jan.	Oct.	Nov.	Dec.	Jan.		
Average prices at auctions											
Flue-cured	Cents per lb.	51.8	48.6	41.9	39.1	53.6	48.8	43.4	---	104	
Burley	Cents per lb.	Closed	61.1	64.1	63.9	Closed	61.7	61.4	51.2	80	
Maryland	Cents per lb.	C - 1 - o - s - e - d				C - 1 - o - s - e - d				---	
Fire-cured	Cents per lb.	Closed	39.0	40.3	36.8	C-1-o-s-e-d	39.2	36.6	36.6	99	
Dark air-cured (35-36)	Cents per lb.	C-1-o-s-e-d				C-1-o-s-e-d				36.2	104
Virginia sun-cured (37)	Cents per lb.	C-1-o-s-e-d				C-1-o-s-e-d				34.6	96
Parity prices											
Flue-cured	Cents per lb.	54.5	54.9	54.9	55.8	56.5	56.9	57.1	59.6	107	
Burley	Cents per lb.	53.4	53.8	53.8	56.6	57.4	57.8	58.0	60.5	107	
Maryland	Cents per lb.	54.0	54.5	54.7	54.7	55.2	55.4	55.2	55.7	102	
Fire-cured	Cents per lb.	36.2	36.4	36.4	n.a.	38.8	39.0	39.2	n.a.	108	
Dark air-cured (35-36)	Cents per lb.	31.0	31.2	31.2	32.7	33.2	33.4	33.5	35.2	108	
Virginia sun-cured (37)	Cents per lb.	33.0	33.2	33.2	35.0	35.5	35.8	35.9	37.0	106	
Parity index 1/											
	1910-14=100	288	289	290	292	296	298	299	301	103	
Tax-paid removals											
Cigarettes, small	Billion	37.2	33.6	26.8	36.0	38.2	31.5	26.4	35.8	99	
Cigars, large	Million	550	632	365	437	563	574	384	444	102	
Chewing and smoking	Mill. lb.	13.8	12.0	9.2	12.6	13.6	11.0	9.4	11.8	94	
Snuff	Mill. lb.	3.5	2.9	2.5	3.3	3.2	2.7	2.9	3.1	94	
Accumulated from Jan. 1											
Cigarettes, small	Billion	333	366	392	36	351	383	409	36	100	
Cigars, large	Million	4,666	5,298	5,633	437	4,803	5,377	5,761	444	102	
Chewing and smoking	Mill. lb.	123	135	144	13	119	130	139	12	92	
Snuff	Mill. lb.	32	35	37	3	30	33	36	3	100	
Tax-free removals											
Cigarettes, small	Billion	3	3	3	3	3	3	3	3	100	
Cigars, large	Million	7	7	5	6	9	7	7	6	100	
Chewing and smoking	Mill. lb.	.3	.3	.3	.3	.4	.2	.2	.3	100	
Accumulated from Jan. 1											
Cigarettes, small	Billion	26	28	31	3	27	30	33	3	100	
Cigars, large	Million	59	67	72	6	62	69	76	6	100	
Chewing and smoking	Mill. lb.	2.9	3.2	3.5	.3	2.9	3.1	3.3	.3	100	
Disposable personal income 2/											
	Bil. dol.			294.0				302.1		103	
Index of industrial production 3/											
	1947-49=100	146	146	147	146	141	139	136	133	91	
Employment											
Labor force employed	Million	66.2	65.3	64.6	62.9	66.0	64.9	64.4	62.2	99	
	Percent	97.2	96.4	96.3	95.5	96.3	95.3	95.0	93.3	98	
Exports (farm-sales wt.)											
Flue-cured	Mill. lb.	70.3	42.8	51.4	27.4	76.4	44.3	41.6	20.1	73	
Burley	Mill. lb.	2.9	1.0	4.9	2.7	1.5	1.2	1.4	2.6	96	
Maryland	Mill. lb.	1.3	.6	1.2	.7	.8	1.6	1.3	1.0	143	
Fire-cured	Mill. lb.	2.9	2.1	2.2	1.7	2.6	3.6	1.5	1.7	100	
Dark air-cured	Mill. lb.	.3	.8	2.7	1.0	.5	.7	.6	.4	40	
Cigar	Mill. lb.	.8	.7	1.9	.3	1.5	1.3	1.0	.8	267	
Accumulated from beginning of marketing yr. 4/											
Flue-cured	Mill. lb.	204.5	247.3	298.6	326.1	220.1	264.4	306.0	326.2	100	
Burley	Mill. lb.	2.9	3.9	8.8	11.5	1.5	2.7	4.1	6.7	58	
Maryland	Mill. lb.	1.3	1.9	3.1	3.8	.8	2.4	3.7	4.7	124	
Fire-cured	Mill. lb.	2.9	4.9	7.1	8.8	2.6	6.2	7.7	9.4	107	
Dark air-cured	Mill. lb.	.3	1.1	3.8	4.8	.5	1.2	1.8	2.1	44	
Cigar filler and binder	Mill. lb.	.4	.9	2.3	2.4	1.2	2.2	2.8	3.3	138	
Cigar wrapper	Mill. lb.	1.3	1.5	2.0	2.2	.3	2.1	2.5	2.8	127	
General imports, all commodities											
Accumulated from Jan. 1	Mill. dol.	1,121	987	1,059	1,113	1,145	1,043	1,139		108	
	Mill. dol.	10,570	11,556	12,615	1,113	10,784	11,827	12,966		103	
Sterling area gold and dollar reserves 5/											
	Mill. dol.	2,244	1,965	2,133	2,084	2,093	2,185	2,273	2,404	115	
Stocks of domestic types (farm-sales weight) 6/											
Flue-cured	Mill. lb.	2,664			3,029	2,790			2,809	93	
Burley	Mill. lb.	1,301			1,553	1,299			1,525	98	
Maryland	Mill. lb.	77			70	79			69	99	
Fire-cured	Mill. lb.	138			126	146			133	106	
Dark air-cured	Mill. lb.	85			87	83			88	101	
Cigar, filler	Mill. lb.	185			164	179			161	98	
Cigar, binder	Mill. lb.	110			104	98			90	87	
Cigar, wrapper	Mill. lb.	22			24	21			27	112	

1/ Prices paid, interest, taxes, and farm wage rates. 2/ Annual rate, seasonally adjusted. 3/ Seasonally adjusted.

4/ July 1 for flue-cured and cigar wrapper and October 1 for other types. 5/ Held in London. 6/ Dealers' and manufacturers' holdings in United States and Puerto Rico on first day of quarter. n.a. - not available.

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 T H E T O B A C C O S I T U A T I O N
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Approved by the Outlook and Situation Board, March 21, 1958

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SUMMARY

The 1958 production of most kinds of tobacco is likely to be fairly close to the comparatively small 1957 crops. Total tobacco production last year was considerably below any year since 1943. However, carryovers are still substantial and total supplies are generally ample except for particular grades in some types.

The 1958 output and consumption of manufactured tobacco products are expected to continue near 1957 levels, except for chewing tobacco which has shown a persistent downtrend for many years. Calendar year 1957 exports of unmanufactured tobacco were only a little less than in 1956. Exports in 1958 may show a small decline but are not expected to differ much from the recent 10-year average.

A record 44.2 billion cigarettes were manufactured in 1957, 18 billion more than in 1956 and nearly 7 billion above the previous high of 1952. Tax-paid removals (largely domestic consumption) in 1957 at 40.9 billion were over 4 percent above 1956. The gain occurred in the first 9 months of 1957. In the final quarter of 1957 and in January 1958, tax-paid removals fell slightly below a year earlier. During 1957 additional cigarettes, about 80 millimeters in length, were placed on the market under established and new brands. Formerly the king size, close to 85 millimeters long, predominated among filter tips.

The substantial volume of these shorter cigarettes and the expanding use of sheet tobacco were the principal factors in holding down use of tobacco leaf in the fact of the 4 percent increase in total cigarette output. Filter tip cigarettes attracted substantial numbers of smokers in 1957, and according to unofficial trade sources were still gaining at the year-end.

Cigarette taxes (Federal, 42 States, District of Columbia, and several cities) grossed close to 2.3 billion dollars in 1957 and absorbed about 45 percent of the record 5.1 billion dollar retail expenditure for cigarettes.

Total 1957 cigar and cigarillo consumption in the U. S. and by overseas forces totaled 6.2 billion--nearly 3 percent above 1956 and the highest since 1930. Sheet binder on cigars in place of natural leaf binder continues to expand as additional manufacturers make use of it on various brands.

The 1957 output of smoking tobacco for pipes and "roll-your-own" cigarettes was close to 70½ million pounds--nearly 1 million less than in 1956. Although this was a new low, the decline was not nearly as sharp as from 1955 to 1956. Little change from the 1957 level is expected in 1958.

The 1957 output of chewing tobacco was nearly 72½ million pounds, over 4 percent below 1956 and a new long-time low. Output of snuff in 1957 at a little above 36 million pounds was 4 percent less than in 1956 and 8 percent less than in 1955. The 2-year decline in snuff consumption appeared to be leveling off in the final quarter of 1957.

The 1957-58 total supplies of flue-cured and burley are about 3.5 billion and 1.8 billion pounds--5 and 1 percent below 1956-57, respectively. The 1956-57 supply of fire-cured was a record high. The peak burley supply was in 1954-55, and the 1957-58 level is only about 4 percent lower. The 1958 prospective acreage for flue-cured as of March 1 is 2 percent less than 1957 harvested acreage. Placements of tobacco acreage in the reserve of the Soil Bank program through mid-March totaled about 94,300, of which 54,840 acres were flue-cured and 10,370 acres were burley; the remainder were other eligible types. Placements of tobacco acreage in the Soil Bank program through mid-March exceeded last year's and additional eligible acreage is to be accepted in accordance with available funds. The 1958 prospective acreage for burley is 1 percent less than that harvested last year.

If yields per acre are near the average for recent years, the 1958 crops of flue-cured and burley will be close to last year's. Carryover of flue-cured at the beginning of the 1958-59 marketing year may be about 6 percent lower than a year earlier, and burley carryover may decline slightly. The 1958-59 flue-cured supply (this year's crop plus carryover) seems likely to be about 5 percent below the current year's and burley supply may be down a little.

Flue-cured and burley are supported at 90 percent of parity as are other types under marketing quotas except fire-cured, dark air-cured and sun-cured. Price supports for these latter types are established at fixed per-

centages of the burley support level and generally have exceeded 90 percent of parity for these types. Beginning with 1958 crops, the price supports for fire-cured, dark air- and sun-cured cannot exceed last year's level unless 90 percent of their own parities is higher than their 1957 supports. Parity levels for flue-cured and burley in February were higher than when last season's 90 percent support levels were set.

The supply of Maryland tobacco in the current marketing year is 6 percent below a year ago and the smallest in 6 years. The small 1957 crop--estimated to be 15 percent below 1956--will be marketed mostly this spring and summer. The 1958 acreage of Maryland tobacco, according to March 1 intentions, may be 5 percent less than last year's. Exports of Maryland tobacco in 1956-57 were the largest in many years but domestic use declined.

According to farmers' intentions on March 1, the 1958 acreage of fire-cured and dark air-cured tobaccos will be 16 and 13 percent smaller than last year's harvested acreage. This reflects about a 10 percent cut in acreage allotments and placements in the Soil Bank. Supplies for 1958-59 probably will be moderately lower than for 1957-58.

The intended acreage of binder types in the Connecticut Valley is down 29 percent from that harvested last year, but in Wisconsin, acreage may be up about 2 percent. The Soil Bank program has assisted materially in reducing acreage in the Connecticut Valley this year and in the previous 2 years.

Except for Pennsylvania filler, type 41, continental filler and binder types have marketing quotas and acreage allotments. The prospective 1958 tobacco acreage in Pennsylvania is 5 percent below that harvested last year. The probable acreage of Ohio cigar filler is up 3 percent. The 1957 Puerto Rican crop to be marketed during this half of 1958 is probably one-sixth larger than the small crop of a year earlier. However, January 1 stocks of Puerto Rican tobacco were substantially less than a year ago and also 2 years ago.

The 1958-59 supplies of cigar binder types may be around 12 percent below the current level while supplies of continental cigar filler types may be 3 percent less than for 1957-58.

This year's prospective acreage of the shade-grown wrapper is 3 percent less than last year's harvested acreage. Assuming normal yields per acre, supplies of cigar wrapper leaf in 1958-59 probably will be close to the current year's high level.

Calendar year 1957 exports of unmanufactured tobacco totaled 501 million pounds, declared weight, (equivalent to 560 million pounds, farm-sales weight). This was 2 percent less than in 1956 but 3 percent above the recent 10-year average. Exports last year were equal to about one-third of the small 1957 crop compared with about a fourth of the larger crops of previous years. About 8 percent of total tobacco exports in 1957, and 14 percent in

1956 were acquired by importing countries with their own currencies under the P. L. 480 programs. The President has recommended and the Congress is considering the extension of the law authorizing these programs beyond its present expiration date of June 30, 1958.

TOBACCO PRODUCTS

Cigarettes

The record number of cigarettes manufactured in 1957 at 442 billion was 18 billion higher than in 1956 and exceeded the previous high of 1952 by nearly 7 billion. Domestic consumption accounted for about nine-tenths of the output, and the other one-tenth was mostly commercial exports and shipments to overseas forces and U. S. island possessions. Output in 1958 seems likely to continue near last year's high level; the sizable increase which occurred from 1956 to 1957 probably will not be duplicated.

Tax-paid removals (largely domestic consumption) in 1957 at 409 billion were 4.1 percent above 1956 and a new high. Tax-paid removals were especially high in the third quarter of 1957 and probably reflected the stocking of new sizes and brands which attained considerable volume about that time. Beginning with 1955 and through the third quarter of 1957--11 consecutive quarters--tax-paid removals of cigarettes topped those of the same quarter a year earlier. In the final quarter of 1957, tax-paid removals fell 1.2 percent below a year earlier in sharp contrast with the 9 percent gain registered in the preceding quarter. Tax-paid cigarettes in January 1958 (latest available data) were slightly below a year earlier. Filter tip cigarettes attracted substantial numbers of smokers in 1957 and made a sharp gain while nonfilter tips showed a moderate decline. (See cover chart.) According to unofficial trade sources, filter tips were still gaining at year-end.

During 1957, several additional established and new filter tip brands measuring about 80 millimeters in length were placed on the market. Formerly, the king size measuring approximately 85 millimeters predominated among filter tips. The substantial volume of these shorter cigarettes and the expanding use of sheet tobacco were the principal factors in holding down the total use of unstemmed tobacco in spite of the 4 percent increase in cigarette output. A recent development is the lengthening of the filter plug which, if it becomes general, could bring about a further reduction in tobacco requirements for cigarettes.

Data for the 42 States and the District of Columbia which tax cigarettes indicate that the 1957 increase in cigarette consumption was widespread geographically. The only declines from 1956 to 1957 occurred in Montana and Nebraska. The increases amounted to less than 1 percent in District of Columbia, Michigan and South Dakota. In all other cigarette taxing States, the 1957 increases over a year earlier in cigarette consumption ranged from 2 percent in Connecticut and Vermont to 11 percent in Florida and Arizona.

Maryland recently became the 43rd State to levy a tax on cigarettes. The levy is 3 cents per pack of 20 effective July 1. Seven States raised the tax rate per pack of cigarettes in 1957. These States were Kansas, Michigan,

Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption <u>1/</u>	Shipments and other <u>2/</u>	Exports
	<u>Billions</u>	<u>Billions</u>	<u>Billions</u>	<u>Billions</u>
Average:				
1935-39	164.2	157.0	1.7	5.5
1940-44	256.9	223.5	27.5	5.8
1945	332.2	267.2	58.1	6.9
1946	350.0	321.7	6.6	24.1
1947	369.7	335.4	11.5	22.8
1948	386.8	348.5	13.5	25.2
1949	385.0	351.8	13.7	19.5
1950	392.0	360.2	17.5	14.3
1951	418.8	379.7	22.1	16.8
1952	435.5	394.1	23.6	16.4
1953	423.1	386.8	20.8	16.2
1954	401.8	368.7	17.7	15.4
1955	412.3	382.1	15.2	15.1
1956	424.2	393.2	15.3	15.7
1957 <u>3/</u>	442.4	409.4	15.8	17.0
Fiscal year				
Year ending June				
1954	413.6	377.7	19.9	15.6
1955	407.8	375.2	17.4	15.1
1956	416.8	387.1	14.5	15.3
1957	433.9	401.7	16.0	16.1
1958 <u>4/</u>	445.0	412.0	16.0	17.0

1/ As indicated by tax-paid removals. 2/ Mainly to forces overseas, to United States possessions, and ships' stores. 3/ Subject to revision.
4/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Montana, Nebraska, Vermont, Wisconsin and Wyoming. The cigarette tax in 42 States and District of Columbia at the end of 1957 averaged above 4 cents per pack of 20. The rate ranged from 2 cents in Arizona, District of Columbia and Missouri to 8 cents in Louisiana and Montana. Within this range, a tax rate of 3 cents was in effect in 14 States; a rate of 4 cents, in 6 States; a rate of 5 cents, in 16 States; and a rate of 6 cents, in 2 States. Cigarettes are not subject to a State tax in California, Oregon, Colorado, Virginia and North Carolina.

The Federal tax on cigarettes is 8 cents per pack of 20. Under existing law, the 8-cent rate is to revert to 7 cents on July 1. The Budget message of the President recommended to the Congress that the 8-cent rate be continued for an additional year.

In calendar 1957, Federal and State taxes on cigarettes reached a record 2,270 million dollars--nearly 5 percent more than in 1956. (See table 23 for Federal tobacco tax collections.) State cigarette taxes, grossing over 630 million dollars, were 7 percent above a year earlier. (The gross figure includes the amounts allowed distributors for placing tax stamps or impressions on packages.) In addition to Federal and State cigarette taxes, city cigarette taxes probably totaled in excess of 25 million dollars last year. In 1957 total cigarette taxes absorbed about 45 percent of the record 5.1 billion dollars spent at retail for cigarettes in this country.

Commercial exports of cigarettes were 8 percent higher in 1957 than in 1956 and the highest since 1949. There were particularly sharp increases to France, Hong Kong, British Malaya and Belgium. (See table 2.) Cigarette exports are an outlet for roughly 50 million pounds of farm-sales weight tobacco, about 8 percent of all U. S. tobacco exports.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Average 1950-54	1955	1956	1957	1957 as percentage of 1956
	Millions	Millions	Millions	Millions	Percent
Venezuela	1,455	1,744	1,953	2,332	119
Morocco	1,813	1,144	1,751	1,938	111
France	642	979	777	1,311	169
Hong Kong	944	842	863	1,219	141
British Malaya	633	511	687	929	135
Belgium	890	507	487	639	131
Sweden	623	679	769	624	81
Panama-Canal Zone	721	617	557	567	102
Ecuador	164	538	504	490	97
Germany	385	500	515	476	92
Other countries ^{2/}	7,558	7,065	6,851	6,468	94
Total all countries:	15,828	15,126	15,714	16,993	108

^{1/} Preliminary. ^{2/} Includes approximately 90 to 95 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

Shipments of cigarettes for overseas use apparently held fairly steady in 1957 even though the number of armed forces overseas was reduced a little. The 1957 shipments of cigarettes to Puerto Rico increased moderately and exceeded those of any previous year.

Cigars

The 1957 consumption of cigars and cigarillos in the United States and by overseas forces totaled 6.2 billion--nearly 3 percent above 1956 and 2 percent above 1955. (In December 1957, the Internal Revenue Service published a downward revision of 1956 tax-paid removals from domestic factories.) This year's consumption of cigars and cigarillos is expected to stay near last year's level which was the highest since 1930. In the late 1920's, cigar consumption average 6.9 billion.

Use of sheet binder on cigars in place of natural leaf binder continues to expand as additional manufacturers adopt it on their brands. No official figures are available on what proportion of all cigars have a sheet binder. A very large percentage of cigarillos have a sheet binder. Official figures are not available to indicate what percentage cigarillos constitute of cigars and cigarillos combined, but it is probably significantly greater than 3 or 4 years ago. Both the development of sheet binder and the larger proportion than a few years ago of cigarillos have tended to lower the quantity of leaf tobacco used in cigar manufacture.

Cigars from domestic factories provide nearly 94 percent of total cigar consumption. Cigars produced in bonded manufacturing warehouses exclusively from imported tobacco, together with those imported readymade, account for about 4 percent of total consumption. Shipments from Puerto Rico account for the other 2 percent. The number of cigars made in bonded manufacturing warehouses increased to a new high, those imported were the highest since 1945, and those coming from Puerto Rico exceeded any year back to 1931.

According to the Bureau of Labor Statistics data, wholesale prices for cigars have changed comparatively little in the last several years. There was a slight increase in some popular- and medium-priced cigars in early 1957 and a small increase in low-priced cigars recently. The January 1958 index of wholesale prices for all cigars was less than 1 percent above 1956 and only 5 percent above 1950.

While there has been no pronounced shift in the proportions of cigars in the several retail price brackets in the past few years, the lower-priced cigars did account for a little larger share in the last half of 1957 than a year earlier. During July-December 1957, cigars selling in the 4.1-8.0 cent bracket accounted for about 49½ percent of the total, compared with 47½ percent a year earlier. Most of the shift was away from cigars in the 8.1-15.0 cent bracket which dropped to 39½ percent of the total from nearly 41½ percent a year earlier. The July-December 1957 percentage share of the higher-priced

Table 3.-Cigars 1/: Output and domestic consumption for specified periods

Period	Domestic factories			Bonded manuf- turing ware- house	Imports for consump- tion	From Puerto Rico:		Total tax-paid consump- tion
	Total output	Tax-paid remov- als	Tax-free remov- als	Tax-paid remov- als	Total 2/	From Cuba	Tax- paid with- drawals in United States	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average:								
1935-39	5,075	5,060	13	66	192.4	3.0	27.4	5,346
1940-44	5,450	5,282	199	105	93.7	15.3	11.6	5,492
1945	5,275	4,774	469	82	60.0	59.8	59.8	4,976
1946	5,618	5,621	26	125	22.2	20.1	77.8	5,846
1947	5,488	5,460	41	124	12.5	9.1	6.2	5,603
1948	5,645	5,588	38	140	11.8	10.3	5.0	5,745
1949	5,453	5,399	46	142	10.9	10.2	4.6	5,556
1950	5,399	5,365	47	160	11.9	11.1	.7	5,538
1951	5,594	5,518	85	177	14.3	13.0	.7	5,710
1952	5,825	5,755	102	196	14.6	12.5	1.9	5,968
1953	5,915	5,820	90	205	16.8	13.4	9.9	6,052
1954	5,820	5,690	89	206	16.3	12.3	49.5	5,962
1955	5,776	5,688	82	227	20.3	14.7	84.3	6,019
1956	5,768	5,633	72	230	22.8	18.4	93.2	5,979
1957 <u>3/</u>	5,897	5,761	76	238	26.0	20.0	123.9	6,149
	Fiscal year							
Year ending:								
June								
1954	5,849	5,736	101	199	16.2	12.6	30.0	5,981
1955	5,787	5,704	82	222	18.2	14.3	66.4	6,010
1956	5,806	5,672	74	231	20.9	14.9	92.8	6,017
1957	5,779	5,652	74	234	23.7	18.5	100.8	6,011
1958 <u>4/</u>	5,970	5,840	75	238	27.0	21.0	130.0	6,235

1/ Weighing over 3 pounds per 1,000 and including cigarillos. 2/ Predominant share of cigar imports prior to World War II came from the Philippine Islands. 3/ Subject to revision. 4/ Preliminary estimate.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

cigars--over 15 cents apiece--was almost 7 percent and nearly the same as a year earlier; the cheapest cigars--4 cents or less--accounted for about 4 percent in both periods.

Commercial exports of cigars are small in relation to total output. In 1957 cigar exports totaled 9.2 million, only slightly more than in 1956 but 70 percent more than the 1951-55 average. Canada took about 30 percent of total U. S. cigar exports. Panama-Canal Zone, Morocco, the Union of South Africa and Egypt are the most important among other destinations.

Smoking Tobacco

The 1957 output of smoking tobacco for pipes and "roll-your-own" cigarettes was close to $70\frac{1}{2}$ million pounds--nearly 1 million pounds less than in 1956. Although this was a new low, the decline was not nearly as sharp as the $9\frac{1}{2}$ million pound drop between 1955 and 1956. From mid-1955 through mid-1957, output of smoking tobacco each successive quarter dropped below the corresponding quarter of a year earlier. In the third quarter of 1957, there was an upturn and output ran $6\text{-}2\frac{2}{3}$ percent ahead of a year earlier. This sizable gain was not maintained in the fourth quarter of 1957, though output did top the relatively low fourth quarter of 1956 by 2 percent. During the current year, output of smoking tobacco may equal that in 1957 or show a small increase. Tax-paid cigarette papers, which probably account for around a half of those used on "roll-your-own" cigarettes, were indicated to be almost 4 percent higher in the last half of 1957 than in the last half of 1956.

According to Bureau of Labor Statistics data, wholesale prices of smoking tobacco, after only minor increases in a period of several years, rose significantly in mid-1957. At the beginning of 1958, this price index was 20 percent above a year earlier and $2\frac{1}{4}$ percent above 5 years ago. The December 1957 retail price for smoking tobacco in rural areas averaged \$1.28 per pound--11 percent above a year earlier.

Domestic consumption absorbs the overwhelming share of smoking tobacco production. Exports of packaged smoking tobacco in 1957 totaled 607,000 pounds--the same as in 1956. In the last 10 years, these exports have ranged from the high of 827,000 pounds in 1948 to 548,000 in 1955. In recent years, about a third of the total has gone to Canada. The rest is split up in small quantities going to numerous foreign destinations.

Most exports of manufactured tobacco in bulk form are not included in the Internal Revenue Service output figure for smoking tobacco. This export category includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed blended tobacco, and shredded tobacco. The 1957 exports of manufactured tobacco in bulk form totaled 4.4 million pounds--over 20 percent below 1956 and nearly 30 percent lower than the record 1955 figure. The leading outlets in 1957 were Spain, Panama, Haiti, Mexico, Dominican Republic, Bolivia and Ecuador. All took less than in 1956 except

Table 4.--Output of manufactured tobacco in the United States for specified periods

Period	Chewing						Snuff
	Smoking	Plug	Twist	Fine-cut	Scrap	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average:							
1935-39	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5
1952	96.8	39.1	4.8	2.8	38.2	84.9	38.8
1953	86.6	38.1	4.7	2.9	38.1	83.8	39.1
1954	83.7	36.9	4.9	2.9	36.6	81.3	38.5
1955	80.0	36.5	4.5	3.0	36.0	80.0	39.2
1956	71.5	33.0	4.3	2.9	35.5	75.7	37.7
1957 <u>1/</u>	70.5	31.6	4.0	2.8	33.9	72.3	36.2
	Fiscal year						
Year ending:							
June							
1954	83.1	37.6	4.7	2.9	37.5	82.7	39.0
1955	85.0	36.5	4.8	3.0	36.5	81.1	39.0
1956	74.0	34.0	4.3	2.9	36.1	77.3	38.4
1957	68.9	32.3	4.1	2.8	34.3	73.5	36.5
1958 <u>2/</u>	72.0	31.2	4.0	2.8	33.5	71.5	36.0

1/ Subject to revision. 2/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Panama and Dominican Republic. Australia and Philippine Republic, both of which formerly took substantial amounts of manufactured bulk tobacco, took little or only insignificant amounts in 1957.

Chewing Tobacco

The 1957 output of chewing tobacco was less than $72\frac{1}{2}$ million pounds--about $3\text{-}1/3$ million less than in 1956 and a new long-time low. The downtrend is likely to continue in 1958 and the years ahead.

Output of scrap chewing (accounting for 47 percent of all chewing tobacco) declined $4\frac{1}{2}$ percent from 1956 and 11 percent from 5 years ago. Plug chewing (accounting for less than 44 percent of all chewing tobacco) fell 4 percent from 1956 and dropped 19 percent from 5 years ago. The smaller categories, twist and fine-cut (accounting for the remaining 9 percent), declined about 7 and $3\frac{1}{2}$ percent, respectively, between 1956 and 1957. Output of twist in 1957 was nearly 17 percent smaller than 5 years ago while output of fine-cut chewing about equaled the 1952 figure.

The Bureau of Labor Statistics index of wholesale prices of plug chewing tobacco in early 1958 was 7 percent higher than a year earlier and 20 percent higher than 2 years ago. Until the advances occurring in late 1956 and about mid-1957, wholesale prices of chewing tobacco remained virtually constant for several years.

Only about 2 percent of the chewing tobacco output is exported--mainly twist and plug. In 1957 exports totaled 1,464,000 pounds--nearly 200,000 pounds less than in 1956 and the least since 1951. Australia, accounting for over three-fifths of the total, took 7 percent less in 1956 than in 1957. The Philippine Republic, accounting for about one-fifth of the total, took 34 percent less than a year earlier.

Snuff

The 1957 output of snuff was a little over 36 million pounds, 4 percent less than in 1956 and 8 percent less than in 1955. The 1957 output was the smallest since 1935. Until the last 2 years, snuff output tended to fluctuate fairly narrowly ever since World War II. The 2-year decline in snuff consumption appeared to be leveling off in the final quarter of 1957, although January 1958 tax-paid removals fell 6 percent below a year earlier. Domestic consumption absorbs practically the entire output and exports are negligible.

According to Bureau of Labor Statistics data, wholesale prices of snuff in early 1958 were 10 percent higher than a year ago and about 13 percent above 5 years ago. Wholesale prices were raised late last spring.

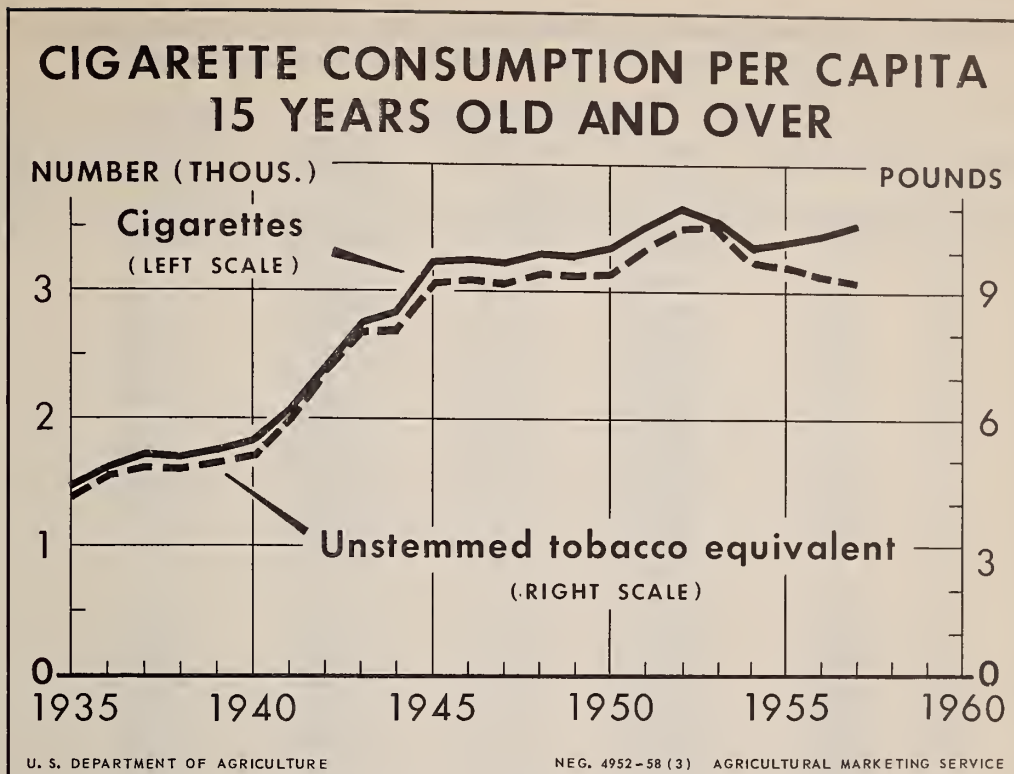
PER CAPITA CONSUMPTION OF TOBACCO PRODUCTS AND TOBACCO

Arthur G. Conover

Generally, over a period of several years, increases in total population are expected to result in increases in total consumption which in turn would absorb greater output. Total population in the U. S. has grown continuously although at varying rates. In order to indicate year-to-year increases in consumption resulting from factors other than an expanding population, total consumption is usually converted to consumption per capita; that is, each year's total consumption is divided by the corresponding total population in that year. Year-by-year comparisons in such series readily indicate whether or not the consumption of a commodity is rising, staying even or declining in relation to population change. Consistently rising per capita figures in the U. S. generally have meant that consumption was growing because of factors in addition to the increasing number of people. Per capita figures that stayed practically constant indicated total consumption was increasing about as might be expected considering the larger number of people. Declines in per capita figures have meant that despite the additions to population year-by-year, total consumption was staying the same or falling; or if there were increases in total consumption, they were less percentagewise than the increases in the number of people.

To appraise consumption trends of tobacco products in relation to the population, it is more satisfactory to compute per capita figures by dividing total consumption by the population aged 15 years and over rather than total population including all ages. For cigars, smoking, and chewing products separately, consumption per adult male is an even more satisfactory measure. (See table 6, page 15, of September 1957 issue of Tobacco Situation.) However, in the combined tobacco products, cigarettes have long been the predominant component; therefore, the most suitable population group with which to compute per capita figures is considered to be males and females--both 15 years and over. Year-to-year expansion of this subtotal of the entire population probably parallels fairly closely the yearly increases in potential consumers of tobacco. For a considerable period, the 15 years-and-over population segment has increased more slowly than total population. To illustrate, the 15 years-and-over subtotal rose 11 percent in the past 10 years while total population jumped 19 percent.

It is important to keep in mind that the per capita tobacco figure is not the average consumption per user of tobacco but instead is average consumption per person, derived by using a population divisor that includes both users and nonusers of tobacco. Increases in per capita cigarette figures can result either from a higher average smoking rate of smokers, or from a rising percentage of the population who smoke, or some combination of these factors. The percentage of smokers in the population increases when the number of nonsmokers who become smokers is greater than the number of smokers who become nonsmokers. Unquestionably, a substantial part of the increases in per capita consumption of cigarettes in the past 2 decades has been due to the net increase in women smokers.



The grower of tobacco is more vitally concerned with pounds of tobacco consumed than with the finished product. Although the number of cigarettes consumed per person 15 years and over has risen 5.7 percent since 1954, the pounds of cigarette-type tobacco (unstemmed equivalent) consumed per person has declined 5.7 percent. (See chart.) This has happened mainly because manufacturers have increased the number of cigarettes made from a pound of leaf.

The number of cigars and cigarillos consumed per person 15 years and over increased about $1\frac{1}{2}$ percent from 1956 to 1957 and was near that of 1954. On a poundage basis (unstemmed equivalent), cigar consumption per person has fallen about 9 percent since 1954. The increased proportion of cigarillos which generally require less than half as much tobacco as large cigars, and the replacement of natural binder by processed binder probably are the main factors contributing to the poundage decline.

Consumption of smoking, chewing and snuff per person 15 years old and over has been declining for many years; unstemmed leaf equivalent of these products on a per person basis is estimated at 5 percent lower in 1957 than in 1956, 13 percent below 1954, and 33 percent below 10 years ago. (See table 5.) In terms of the finished product weight, available data permit consumption trends of smoking, chewing and snuff to be considered separately. (See table 6.) Consumption per person, 15 years and over, of smoking tobacco in pipes and "roll-your-own" cigarettes declined 3 percent from 1956 to 1957 and is about three-fifths as much as 10 years ago. Consumption of chewing tobacco measured in the same way dropped 5 percent from 1956 to 1957 and also is less than three-fifths of what it was in 1946. Per capita (15 years and over) consumption of snuff in 1957 was 6 percent below 1956 and about 19 percent below a decade ago.

Table 5.- Tobacco products: Consumption per capita, 15 years and over, in the United States and by overseas forces, 1920-57

Year	Cigarettes: Number	Cigars 1/ Number	Cigarettes 2/ Pounds	Cigars 1/ 2/ Pounds	Smoking, chewing, and snuff 2/ Pounds	Total tobacco products 2/ Pounds
1920	611	117.2	1.89	2.45	4.33	8.67
1921	681	94.0	2.07	2.00	4.14	8.21
1922	707	96.1	2.14	2.16	4.28	8.58
1923	836	96.4	2.51	2.21	4.26	8.98
1924	901	89.0	2.69	2.06	4.06	8.81
1925	996	86.7	2.96	1.99	4.03	8.98
1926	1,093	85.2	3.17	1.99	3.87	9.03
1927	1,174	82.9	3.42	1.93	3.61	8.96
1928	1,255	80.6	3.58	1.91	3.44	8.93
1929	1,381	79.9	3.91	1.86	3.44	9.21
1930	1,365	71.6	3.84	1.67	3.34	8.85
1931	1,287	64.3	3.63	1.53	3.29	8.45
1932	1,147	52.4	3.21	1.24	3.19	7.64
1933	1,230	50.8	3.49	1.23	3.07	7.79
1934	1,368	53.0	3.94	1.29	3.11	8.34
1935	1,442	53.8	4.11	1.30	2.80	8.21
1936	1,618	57.3	4.61	1.40	2.81	8.82
1937	1,704	57.8	4.81	1.40	2.74	8.95
1938	1,687	55.5	4.76	1.31	2.68	8.75
1939	1,754	55.9	4.95	1.32	2.56	8.83
1940	1,824	56.3	5.16	1.36	2.60	9.12
1941	2,065	58.8	5.95	1.42	2.41	9.78
1942	2,393	58.6	7.01	1.41	2.27	10.69
1943	2,745	52.4	7.99	1.28	2.19	11.46
1944	2,831	49.2	8.04	1.22	1.96	11.22
1945	3,222	52.2	9.15	1.26	2.05	12.46
1946	3,230	56.1	9.24	1.37	1.59	12.20
1947	3,202	52.3	9.16	1.29	1.50	11.95
1948	3,292	53.0	9.35	1.31	1.46	12.12
1949	3,274	50.8	9.33	1.16	1.44	11.93
1950	3,320	50.1	9.36	1.18	1.42	11.96
1951	3,527	51.4	9.98	1.19	1.31	12.48
1952	3,661	53.3	10.41	1.26	1.25	12.92
1953	3,558	53.6	10.46	1.26	1.18	12.90
1954	3,339	52.2	9.73	1.22	1.16	12.11
1955	3,387	52.2	9.58	1.20	1.15	11.93
1956	3,436	51.2	9.33	1.11	1.06	11.50
1957 3/	3,529	52.0	9.18	1.11	1.01	11.30

1/ Weighing more than 3 pounds per 1,000 including cigarillos. 2/ Tobacco, unstemmed processing-weight equivalent. 3/ Preliminary.

Note: Data are not available to adjust for quantities lost, destroyed, bartered, etc., under war and postwar conditions but such adjustments probably would be small in relation to totals.

Table 6.- Selected tobacco products: Consumption per capita, 15 years and over, in the United States and by overseas forces

(manufactured weight)

Year	Smoking	Chewing	Snuff
	Pounds	Pounds	Pounds
1920	1.94	3.07	.50
1921	1.98	2.70	.48
1922	2.20	2.80	.51
1923	2.03	2.80	.51
1924	2.13	2.59	.50
1925	2.09	2.57	.47
1926	2.03	2.51	.47
1927	1.91	2.34	.49
1928	1.82	2.23	.48
1929	1.80	2.13	.47
1930	1.87	1.90	.46
1931	2.05	1.65	.45
1932	2.12	1.33	.41
1933	2.10	1.24	.40
1934	2.07	1.23	.41
1935	2.05	1.22	.39
1936	2.04	1.21	.41
1937	1.95	1.19	.39
1938	2.05	1.09	.39
1939	2.05	1.03	.39
1940	2.04	1.00	.38
1941	1.93	1.03	.39
1942	1.67	1.10	.40
1943	1.49	1.11	.42
1944	1.36	1.18	.40
1945	1.59	1.09	.41
1946	.99	1.03	.37
1947	.96	.90	.37
1948	.98	.86	.38
1949	.97	.80	.37
1950	.94	.78	.36
1951	.88	.76	.35
1952	.83	.74	.34
1953	.75	.72	.34
1954	.71	.69	.33
1955	.67	.67	.34
1956	.60	.63	.32
1957 ^{1/}	.58	.60	.30

^{1/} Preliminary.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Calendar year 1957 exports of unmanufactured tobacco totaled 501 million pounds (export weight)--2 percent less than in 1956 and 7 percent less than in 1955. The declared value of exports in 1957 was 359 million dollars, 8 percent higher than in 1956 and a new record for any calendar year. In the 10 years, 1947-56, exports in 5 years were larger and in the other 5 years, were smaller than in 1957. The annual average for the period was 485 million pounds.

In the past 3 years, tobacco exports have been significantly aided by the Public Law 480 program, under which sales are made for foreign currencies. P. L. 480 shipments in 1957 were 39½ million pounds--8 percent of the total. In 1956, 71 million pounds--14 percent of the total--were shipped under the program, and in 1955, 44 million pounds--8 percent. Under existing authorizations, 32 million pounds remain to be shipped during 1958, mostly in the first half of the year. Some additional agreements being negotiated also will include tobacco.

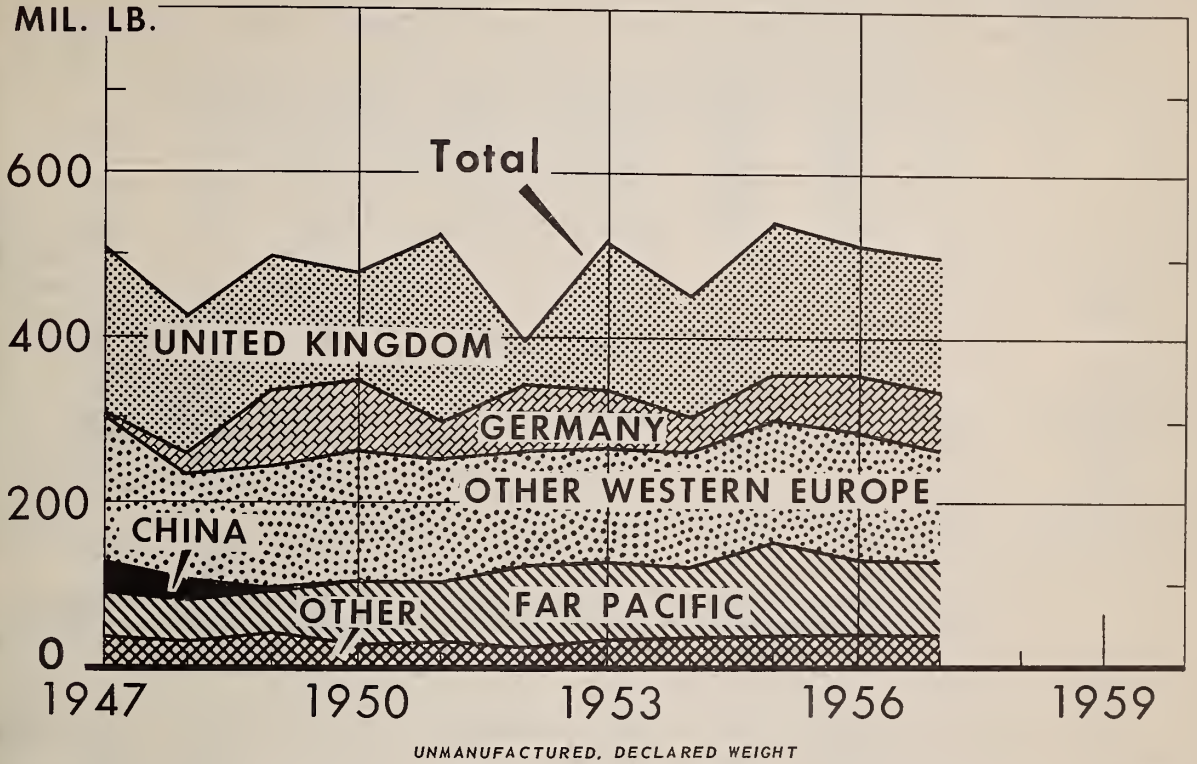
The President has recommended that Title I of the Agricultural Trade Development and Assistance Act (permitting sales for foreign currencies) be extended for 1 year beyond its present expiration date of June 30, 1958. Also recommended was a 1½ billion dollar increase in authority. Several bills providing for an extension of the program and authorizing additional funds are being considered by Congress.

In 1957 flue-cured made up 83 percent of total unmanufactured exports, while burley and fire-cured comprised 4 and 5 percent, respectively. Last year's flue-cured exports were 1 percent lower than in 1956. The 1957 crop contained a substantial proportion of tobacco with characteristics desired by foreign buyers. The relatively heavy exports in the last 5 months of the year, despite the smaller crop, mainly reflected larger shipments than a year earlier to the United Kingdom and Australia. Burley exports were down 30 percent from 1956 and 35 percent from 1955. Strong domestic demand for burley and the high level of most grade prices limited burley exports to some foreign markets. Exports of Maryland tobacco were nearly one-eighth larger than in 1956. Kentucky-Tennessee fire-cured exports declined 9 percent, but those of Virginia fire-cured rose by one-fifth. A little less Black Fat was exported but more Green River and One Sucker. There also were increases for cigar binder and shade-grown wrapper but a decrease for cigar filler.

The United Kingdom, the leading export outlet for U. S. tobacco, accounted for one-third of the total exports, taking 6 percent more than in 1956. Germany, second ranking importer, accounted for 14 percent of the total,

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

EXPORT MARKETS FOR U. S. TOBACCO



U. S. DEPARTMENT OF AGRICULTURE

NEG. 4953-58 (3) AGRICULTURAL MARKETING SERVICE

Exports of unmanufactured tobacco at 501 million pounds (equivalent to 560 million, farm-sales weight) were about 2 percent smaller than in 1956 and 7 percent below the 10-year high of 1955. The United Kingdom took nearly 15 percent more than in 1956 and Germany took nearly the same quantity in each year. Leaf exports to "other Western Europe" in 1957 were down about a tenth from 1956, mainly due to sharp declines in ship-

ments to Belgium and Austria and decreases to Netherlands, Portugal, Norway, Italy and Finland.

Exports of tobacco to Far Pacific countries were down a little despite the record takings of Australia and Thailand. Leaf exports to Indonesia dropped sharply below the record high of 1956, and there were sizable decreases to Japan, Korea, Formosa and Viet Nam - Laos - Cambodia.

Table 7.-United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)						
	July-January						1957-58 as percentage of 1956-57
	Average 1950-54	1955	1956 ^{1/}	1957 ^{1/}	1956-57 ^{1/}	1957-58 ^{1/}	
Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent	
Flue-cured	391.2	456.1	420.4	417.7	288.8	288.4	100
Burley	28.9	31.7	29.2	20.5	17.4	9.5	55
Maryland	7.5	8.4	12.1	13.5	6.3	8.1	129
Va. fire-cured and sun-cured	4.8	4.4	4.4	5.3	2.5	3.5	140
Ky. and Tenn. fire-cured	23.1	21.4	24.2	22.0	12.8	11.1	87
Green River	1.9	1.8	1.3	1.6	.9	1.0	111
One Sucker	1.8	1.7	2.4	2.6	2.8	1.3	46
Black Fat, etc.	4.0	5.3	4.6	4.5	2.6	3.0	115
Cigar wrapper	3.4	4.2	3.9	4.5	2.0	2.5	125
Cigar binder	2.7	1.7	3.1	3.9	2.0	3.7	185
Cigar filler	.6	.2	.8	.1	.5	.1	20
Perique	.1	.1	.1	.1	<u>2/</u>	<u>2/</u>	---
Stems, trimmings, and scrap	3.7	3.3	3.9	4.7	2.7	2.9	107
Total	473.7	540.3	510.4	501.0	341.3	335.1	98
Country of destination:							
United Kingdom	148.2	183.9	156.4	166.5	125.9	141.8	113
France	8.5	7.9	6.4	7.5	2.9	2.7	93
Belgium	19.6	25.0	21.8	16.3	12.1	9.9	82
Netherlands	33.8	31.0	33.0	31.7	18.9	21.3	113
Germany, W. and E.	64.9	59.2	70.0	68.9	30.9	33.7	109
Portugal	6.6	6.9	7.9	5.8	3.0	1.9	63
Denmark	11.0	12.3	12.5	14.0	10.1	9.4	93
Ireland	16.6	12.8	8.8	9.3	8.5	6.3	74
Switzerland	12.2	10.8	13.8	14.2	7.5	8.9	119
Norway	7.4	7.8	8.5	7.4	4.7	3.8	31
Sweden	12.3	11.3	14.4	14.8	13.2	12.0	91
Italy	3.4	4.5	6.6	4.8	4.9	.1	2
Hong Kong	4.2	4.3	3.7	3.2	2.4	1.7	71
Australia	23.5	31.6	23.2	38.2	20.7	29.7	143
India	3.5	3.0	1.6	4.3	1.5	3.7	247
Pakistan	15.9	2.6	2.7	2.9	1.3	0	---
New Zealand	6.3	7.6	7.1	6.3	3.3	4.2	127
Philippine Rep.	21.3	21.5	2.3	.1	.9	<u>2/</u>	---
Indonesia	11.3	9.9	17.8	11.5	13.3	5.9	44
Japan	5.1	17.5	5.8	3.6	7.0	3.2	46
Other countries	38.1	68.9	86.1	69.2	47.8	34.9	73
Total	473.7	540.3	510.4	501.0	341.3	335.1	98

^{1/} Preliminary.^{2/} Less than 50,000 lbs.

Compiled from publications and records of the Bureau of the Census.

Table 8.--Tobacco: Exports under P.L. 480 programs and totals, by countries, 1955-57

Country	1955 exports			1956 exports			1957 exports		
	P.L. 480	Regu- lar	Total	P.L. 480	Regu- lar	Total	P.L. 480	Regu- lar	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Austria	0.7	5.1	5.8	4.9	4.1	9.0	0.3	1.4	1.7
Brazil	---	.1	.1	.1	---	.1	---	---	---
Burma	---	---	---	.6	---	.6	1.4	---	1.4
Chile	---	.1	.1	.2	---	.2	.1	---	.1
Ecuador <u>1/</u>	---	<u>2/</u>	<u>2/</u>	.3	---	.3	.1	.1	.2
Finland	3.9	1.4	5.3	5.4	1.0	6.4	2.1	2.1	4.2
France	.9	7.0	7.9	---	6.4	6.4	3.1	4.4	7.5
Iceland <u>3/</u>	---	.5	.5	---	.6	.6	.4	---	.4
India	---	2.9	2.9	---	1.7	1.7	1.1	3.2	4.3
Indonesia	---	9.9	9.9	13.6	4.2	17.8	10.0	1.5	11.5
Israel	.3	.2	.5	.3	.1	.4	<u>2/</u>	.5	.5
Italy	3.6	.9	4.5	3.3	3.3	6.6	4.4	.4	4.8
Japan	6.6	10.9	17.5	3.2	2.6	5.8	---	3.6	3.6
Korea	---	---	---	6.1	---	6.1	2.4	.1	2.5
Pakistan	1.6	1.0	2.6	2.4	.3	2.7	1.7	1.2	2.9
Spain <u>1/</u>	1.2	4.9	6.1	4.9	.9	5.8	2.5	.3	2.8
Taiwan	---	2.2	2.2	1.5	2.2	3.7	.5	1.6	2.1
Thailand	2.6	6.0	8.6	---	8.8	8.8	2.4	10.5	12.9
United Kingdom:	22.4	161.5	183.9	24.2	132.2	156.4	<u>4/</u> 7.0	159.5	166.5
Total, above countries	43.8	214.6	258.4	71.0	168.4	239.4	39.5	190.4	229.9
Total, all countries <u>5/</u>			540.3			510.4			501.0

1/ Includes manufactured tobacco in bulk form. 2/ Less than 50,000 pounds.
3/ Includes cigarettes and manufactured tobacco in bulk form. 4/ Estimate based on a recently announced agreement. 5/ Unmanufactured tobacco.

taking slightly less than a year earlier. Australia was the third leading foreign market in 1957, with takings jumping 65 percent to a new high. Netherlands, ranking fourth, took 4 percent less than in 1956. Exports to Belgium, fifth in rank, dropped 25 percent.

Exports of tobacco in 1958 may show a small decline from 1957, but are not expected to differ much from the recent 10-year average. General economic factors are in the main favorable to tobacco exports. Economic activity abroad remains relatively high, although the rate of increase experienced in recent years has slackened. While several Western European countries sustained sizable losses in gold and dollar reserves earlier in 1957, in the closing months of the year much of the loss generally had been regained. By the end of February 1958, the United Kingdom's centrally held gold and dollar reserves were 2.5 billion dollars, 392 million higher than a year earlier and the highest since mid-1955. Germany's reserves continued to increase in 1957 and at the year's close, were substantially above those at the end of 1956. Total U. S. imports--the main source of dollars to foreign countries--reached a new high in 1957 and were 3 percent above 1956. On the other hand, higher prices are affecting sales of U. S. tobacco to some countries. Larger foreign-grown supplies, especially of Rhodesian tobacco, will mean increased competition in world markets.

Major Foreign Countries

Exporting Tobacco

The U. S. is the world's largest producer and exporter of tobacco. Other major exporting countries are Federation of Rhodesia and Nyasaland, Canada and India, which produce substantial quantities of flue-cured, and Turkey and Greece, producers of oriental tobacco.

Auctions for the Southern Rhodesian crop just harvested began on March 11. Last season the flue-cured crop averaged the equivalent of 45.9 cents per pound--nearly one-fifth higher than in 1956. Of last year's sales, the United Kingdom purchased $81\frac{1}{2}$ million pounds. The current flue-cured crop of Rhodesia and Nyasaland is expected to total 174 million pounds, one-sixth larger than last year and exceeded only by the 178 million pounds harvested in 1956. Quality of the crop is expected to be lower than last year; yields per acre probably averaged above those of recent years.

The Federation of Rhodesia and Nyasaland exported 139 million pounds of tobacco in 1957, 26 million less than in 1956. Of last year's exports, 82 percent consisted of flue-cured. The United Kingdom, destination for over one-half of the total, took moderately less than in 1956. Combined exports to other Commonwealth areas were down nearly 40 percent, attributable mostly to a sharp decline in consignments to Union of South Africa. Exports to the following European countries were larger than in 1956: West Germany, Norway, Austria, Portugal, France, Switzerland and Finland. Smaller shipments than in 1956 went to Netherlands, Belgium, Denmark and Sweden.

In Canada, the 1957 tobacco crop totaled 167 million pounds, of which 154 million were flue-cured. Marketings of the flue-cured crop in Ontario--the principal producing area--were delayed, pending the arrangement for a

Dutch-Clock auction system to replace the former country sales. Auction sales to March 14 amounted to 101 million pounds, averaging about 50.8 cents per pound, U. S. equivalent.

Turkey's 1957 tobacco crop, to be sold in 1958, is now placed at 228 million pounds--approximately one-tenth less than obtained in each of the two preceding years. Turkey exported a record 195 million pounds of tobacco in 1957, 60 million more than in the previous year. In Greece, the 1957 oriental crop is currently estimated at about 240 million pounds--nearly one-third more than harvested in 1956. Tobacco exports in 1957 reached a new high of 149 million pounds--nearly two-fifths more than a year earlier and nearly one-fourth more than 2 years earlier.

British Tobacco Situation

The United Kingdom is the world's leading tobacco importer and the largest single foreign market for U. S. tobacco. Leaf tobacco is imported into the United Kingdom not only for home consumption but also for subsequent export, mostly in the form of cigarettes.

Imports of tobacco into the United Kingdom totaled 319 million pounds in 1957--slightly more than in 1956 but 7 percent less than in 1955. About 93 percent of the total consisted of flue-cured, of which approximately three-fourths entered in the form of unstripped tobacco and the other one-fourth as stripped. The U. S. furnished $168\frac{1}{2}$ million pounds--5 percent more than in 1956--and accounted for 53 percent of total imports compared with 50 percent in 1956. Imports from Rhodesia-Nyasaland and India were down 5 percent and 11 percent, respectively, but those from Canada were up 18 percent. (See table 9). The three Commonwealth areas supplied 44 percent of total 1957 imports, compared with 46 percent in the preceding year. The quantities of imported flue-cured by principal source were U. S., 166 million pounds; Rhodesia and Nyasaland, $70\frac{1}{2}$ million; India, $33\frac{1}{2}$ million and Canada, 25 million. Most of the United States and Canadian flue-cured entered as unstripped tobacco, while the major part of the Indian and nearly half of the Rhodesian were imported in the form of strips. Average value of unstripped flue-cured imports in 1957, exclusive of duty, were as follows (expressed in United States cents per pound): United States, 78.9; Rhodesia-Nyasaland, 75.0; Canada, 68.1 and India, 39.7. British import duties on tobacco are very high--equivalent to about \$8.56 per pound on leaf from non-Commonwealth sources and to about \$8.35 per pound on leaf from Commonwealth sources.

Gross clearances of tobacco from bond in the United Kingdom are an approximate measure of home use and exports combined. The 1957 gross clearances at 305 million pounds were 5 million higher than in 1956 and nearly 7 million higher than in 1955. Indications are that gross clearances of U.S. flue-cured gained by $1\frac{1}{2}$ percent and made up 48 percent of total clearances of all types, the same proportion as in 1956. Gross clearances of Rhodesian, Indian and Canadian flue-cured also increased, with the largest gain in Rhodesian. Flue-cured from these three Commonwealth sources accounted for

Table 9.- Unmanufactured tobacco imports into the United Kingdom from major sources, average 1947-49, annual 1950-57

Period	United States	Rhodesia and Nyasaland	India	Canada	Turkey	Greece	Other	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average 1947-49	175.9	52.3	28.0	16.0	10.2	5.5	4.6	292.5
1950	143.7	78.5	48.1	15.8	10.8	1.0	7.9	305.8
1951	212.0	66.5	40.1	21.6	3.2	1.3	10.2	354.9
1952	66.8	70.2	38.3	32.7	.6	1.2	13.9	223.7
1953	174.2	68.2	31.4	24.1	2.4	.8	14.7	315.8
1954	159.7	76.8	36.2	24.9	2.8	1.4	10.7	312.5
1955	178.6	72.1	36.4	40.0	3.1	1.5	12.0	343.7
1956	160.3	84.4	40.0	21.7	2.6	1.4	8.0	318.4
1957 1/	168.3	79.9	35.6	25.7	2.5	1.1	5.9	319.0
Percentage change								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average 1947-49 to 1957	-4.3	52.8	27.1	60.6	-75.5	-80.0	28.3	9.1
1956 to 1957	5.0	-5.3	-11.0	18.4	-3.8	-21.4	-26.2	.2
Percentage distribution								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average 1947-49	60.1	17.9	9.5	5.5	3.5	1.9	1.6	100.0
1950	47.0	25.7	15.7	5.2	3.5	.3	2.6	100.0
1951	59.7	18.7	11.3	6.1	.9	.4	2.9	100.0
1952	29.9	31.4	17.1	14.6	.3	.5	6.2	100.0
1953	55.2	21.6	9.9	7.6	.8	.3	4.6	100.0
1954	51.1	24.6	11.6	8.0	.9	.4	3.4	100.0
1955	52.0	21.0	10.6	11.6	.9	.4	3.5	100.0
1956	50.4	26.5	12.6	6.8	.8	.4	2.5	100.0
1957	52.8	25.0	11.2	8.1	.8	.3	1.8	100.0

1/ Preliminary.

43 percent of total clearances, compared with 41 percent in 1956. Gross clearances of oriental and dark fire-cured tobacco in 1957 were smaller than in the previous year, but those of air- and sun-cured were moderately larger.

British home consumption of tobacco products totaled about 243 million pounds--3 percent more than in 1956 and 7 percent more than the 1951-55 average. Except for 1946, consumption in 1957 exceeded that of any previous year.

Exports of manufactured products from the United Kingdom in 1957 at 41 million pounds were 8 percent less than a year earlier. Shipments of cigarettes, which made up nearly nine-tenths of the total, were down about one-eighth. Leading destinations were Singapore, Federation of Malaya, West Germany, Hong Kong, New Zealand, France, Aden, Sudan and Cyprus.

Stocks of unmanufactured tobacco in the United Kingdom totaled 532 million pounds on December 31, 1957, about 10 million more than a year earlier and 25 million more than 2 years earlier. Year-end stocks represented 20.9 months' use, the same ratio as at the end of 1956 but higher than the ratio of 20.4 at the end of 1955. More detailed data available for stocks as of November 30, 1957 indicate holdings of U. S. flue-cured at 281 million pounds--6½ percent more than a year earlier. On the same date, stocks of Rhodesian, Indian and Canadian flue-cured were 113, 59 and 33 million pounds, respectively. These represented an increase of 5 percent for Rhodesian but a decrease of 5 percent for Indian; stocks of Canadian flue-cured were virtually unchanged. More dark fire-cured tobacco was held than on November 30, 1956 but less air- and sun-cured and oriental.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN GROWN TOBACCO 2/

About 9 percent of the tobacco used in the U. S. is imported, primarily for blending with U. S. types in cigarette and cigar manufacture.

Imports of foreign grown tobacco into the U. S. in 1957 were at a new record level of nearly 124 million pounds valued at 97 million dollars. Volume was up 2 percent from 1956, and the total value was up 8 percent.

Cigarette leaf imports, comprising nearly three-fourths of the total, increased 3 percent. Receipts from Turkey, principal supplier, were smaller, but imports from Greece were larger than in the previous year. On January 1, 1958 stocks of foreign grown cigarette and smoking tobacco in the U. S.

2/ Imports of tobacco for consumption are on a declared-weight basis and stocks are on an unstemmed-equivalent basis.

Table 10.-United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)							
							July-December	
	Average 1950-54	1955	1956 ^{1/}	1957 ^{1/}	1956 ^{1/}	1957 ^{1/}	1957 as percentage of 1956	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	
Cigarette leaf								
Unstemmed:								
Turkey	53.8	57.7	61.5	59.5	30.4	29.3	96	
Greece	13.3	17.9	18.9	23.0	9.7	11.8	122	
Syria	3.6	2.4	1.6	1.2	.7	.6	86	
Italy	1.0	1.5	1.8	1.5	.9	.9	100	
Cyprus, etc.	.2	.3	.5	.5	.2	.3	150	
Yugoslavia	1.0	1.5	2.9	3.5	2.0	1.6	80	
Total ^{2/}	76.4	83.7	88.0	90.4	44.3	45.2	102	
Cigar leaf (filler)								
Cuba:								
Stemmed	10.2	8.8	9.2	8.8	4.4	4.4	100	
Unstemmed	4.2	5.0	3.8	3.0	1.8	1.6	89	
Philippines, Rep.:								
Stemmed	.6	0	.4	.2	.4	.1	25	
Unstemmed	.2	0	.5	0	0	0	---	
Total ^{2/}	15.2	13.8	13.9	12.2	6.6	6.3	95	
Scrap:								
Cuba	7.6	9.4	11.3	12.3	5.4	6.4	119	
Philippines, Rep.	1.0	2.5	5.6	6.6	3.5	3.6	103	
Total ^{2/}	8.6	11.8	17.0	18.9	8.9	10.1	113	
Cigar wrapper (unst.):								
Indonesia	.7	.3	.1	.1	^{3/}	^{3/}	---	
Cuba	.4	.5	.6	.6	.3	.3	100	
Total ^{2/}	1.1	.8	.7	.7	.4	.3	75	
Stems ^{4/}								
Cuba	.1	.6	.8	1.2	.6	.5	83	
United Kingdom	.4	.5	.5	.4	.2	.2	100	
Total ^{2/}	.6	1.1	1.3	1.6	.8	.7	88	
Total imports	101.9	111.2	120.9	123.8	61.0	62.6	103	

^{1/} Preliminary. ^{2/} Includes relatively small quantities from other countries not separately listed. ^{3/} Less than 75,000 pounds. ^{4/} Not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

totaled 215 million pounds--over one-fourth larger than a year earlier and the most for that date than any previous year.

The total quantity of cigar leaf (filler) imported was down about one-eighth from 1957; stemmed tobacco formed a larger proportion of the total. Imports of scrap tobacco, also chiefly used in cigars, rose 11 percent above the relatively large 1956 volume, and were more than double the 1950-54 average. Cuba and the Philippine Republic each furnished 1 million pounds more scrap than in 1956. Cigar wrapper imports, chiefly from Cuba, were unchanged from the preceding year's level.

The January 1, 1958 stocks in this country of Cuban tobacco, 16.6 million pounds, were 11 percent larger than a year earlier, although a little less than 2 years earlier. Holdings of Philippine tobacco at 8.3 million pounds were up sharply, and were over one-fourth larger than a year earlier and nearly six times larger than 2 years ago. Only 64,000 pounds of Indonesian tobacco were held on January 1, 1958, down about one-third from a year earlier.

Imports from Cuba of stems not cut, ground, or pulverized, which have become significant in the past 4 years, increased 50 percent to 1.2 million pounds. In the 1950-54 period, imports of stems from Cuba averaged only about 100,000 pounds annually.

TOBACCO SHEET STOCKS REPORTS

The collection of data on leaf tobacco in processed tobacco sheet was started recently and will be continued on a regular basis by the Tobacco Division of the Agricultural Marketing Service. The newly reported figures pertain to the quantities of leaf (stemmed and unstemmed) represented in the stocks of tobacco sheet as of January 1, 1958. Data on tobacco stems added during manufacture of the sheet are not furnished in the reports made by manufacturers. Comparable figures are to be reported for April 1, July 1 and October 1 and published each quarter in the regularly issued Tobacco Stocks Report.

A summarization of the figures which were released last month in the Tobacco Stocks Reports as of January 1, 1958 are shown in table 11.

Table 11.--Tobacco leaf represented in January 1, 1958,
stocks of tobacco sheet ^{1/}

(Actual weight)			
Type	: Stemmed and : unstemmed : combined	: Stemmed	: Unstemmed
	: 1,000 : pounds	: 1,000 : pounds	: 1,000 : pounds
Flue-cured (types 11-14)	: 877	877	---
Burley (type 31)	: 617	617	---
Subtotal (cigarette types)	: <u>1,494</u>	<u>1,494</u>	---
Pennsylvania (type 41)	: 203	100	103
Ohio (types 42-44)	: 7	7	---
Puerto Rican (type 46)	: 7	7	---
Conn. Valley Broadleaf (type 51)	: 434	234	200
Conn. Valley Havana Seed (type 52)	: 370	1	369
Northern Wisconsin (type 55)	: 40	---	40
Conn. Valley Shade (type 62)	: 153	153	---
Ga.-Fla. Shade (type 61)	: 4	4	---
Cuban (type 81)	: 4	3	1
Subtotal (cigar types)	: <u>1,222</u>	<u>509</u>	<u>713</u>
Total all types	: 2,716	2,003	713

^{1/} Does not include the tobacco stems that are added in the manufacturing process.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-Cured, Types 11-14

Prices

The season average price received by growers for their 1957 flue-cured crop was 55.5 cents per pound--nearly 8 percent above the 1956 average and slightly above the previous overall record of 1950. The 1957 price averages in the Georgia-Florida and South Carolina-Border North Carolina Belts were 16 and 11 percent higher than in 1956 and record high. The 1957 price averages in the Eastern and Old Belts were both 5 percent above 1956 while the Middle Belt, the average increase was 2 percent. In both the Old and Middle Belts, the 1957 price averages were exceeded in only two prior years but in the Eastern Belt, last season's price average was topped in four prior years.

The Government support level for the 1957 crop was 50.8 cents per pound--90 percent of the July 1, 1957 parity price. The 1958 support level also will be computed at 90 percent of parity. For purposes of illustration, the parity price for flue-cured based on data for February 1958 (the legal parity price for March 1/) is calculated as follows:

1. The season average price for flue-cured for the most recent 10 years (1948-57) is divided by the average of the index (1910-14=100) of all prices received by farmers in the same 10 calendar years to arrive at an "adjusted base price."

$$\begin{array}{r} 1947-56 \text{ ave. flue-cured price } 52.0 \\ 1947-56 \text{ ave. all prices } \quad \quad \quad 262 \end{array} = 19.8 \text{-- "adjusted base price"}$$

2. The "adjusted base price" is multiplied by the February 1958 parity index (1910-14=100)--that is, the index of prices paid by farmers including interest, taxes and wage rates.

$$\begin{array}{l} 19.8 \text{ cents--"adjusted base price"} \\ \times 302 \text{ parity index February 1958} \\ 59.8 \text{ cents per pound--parity price for flue-cured} \\ \text{based on data for February 1958} \end{array}$$

The "adjusted base price" tends to change from year to year though staying constant within a particular year; but the parity price will differ from month to month if changes occur in the parity index ("prices paid") during the year.

Based on the February 1958 data, the flue-cured parity at 59.8 cents is 5.8 percent higher than it was July 1, 1957, which was the basis for computing the 90 percent support level for the 1957 crop. Ninety percent of 59.8 cents is 53.8 cents.

A minimum support level is announced before planting season. Generally the minimum supports have been 90 percent of the parity price calculated at the end of March (the legal parity price for April).

The actual support level for 1958 flue-cured will be either the minimum level announced prior to planting or 90 percent of the July 1 parity, whichever, is higher. Last year 90 percent of the July 1 parity exceeded the previously announced minimum and thus became the actual support level for the 1957 crop.

1/ Legally the parity price for any month is the parity price calculated on the basis of the adjusted base price and the parity index for the preceding month. For example, parity prices published in Agricultural Prices as "based on data for February 1958" are legally the parity prices for use in March 1958.

Table 12.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production Mil. lb.	Stocks, July 1 Mil. lb.	Supply Mil. lb.	Disappearance 1/			Average price per pound Ct.
				Total Mil. lb.	Domestic Mil. lb.	Exports Mil. lb.	
Average:							
1934-38	741	845	1,586	704	338	366	22.9
1941-45	902	1,349	2,251	992	617	375	38.5
1946	1,352	1,147	2,499	1,212	659	553	48.3
1947	1,317	1,287	2,604	1,054	695	359	41.2
1948	1,090	1,550	2,640	1,102	720	382	49.6
1949	1,115	1,538	2,653	1,168	729	439	47.2
1950	1,257	1,485	2,742	1,185	757	428	54.7
1951	1,453	1,557	3,010	1,279	777	502	52.4
1952	1,365	1,731	3,096	1,244	828	416	50.3
1953	1,272	1,852	3,124	1,209	778	431	52.8
1954	1,314	1,915	3,229	1,173	744	429	52.7
1955	1,483	2,056	3,539	1,281	728	553	52.7
1956	1,423	2,258	3,681	1,170	705	465	51.5
1957 2/	984	2,511	3,495				55.5
: Placed under Government loan: Remaining in							
Parity price 3/		Price support level	Quantity	Percentage of crop	Government loan stocks on February 28, 1958 4/		
Ct.		Ct.	Mil. lb.	Pct.	Mil. lb.		
1946	35.7	32.1	66.5	4.9	0		
1947	44.4	40.0	232.3	17.6	0		
1948	48.8	43.9	106.1	9.7	0		
1949	47.2	42.5	103.5	9.3	0		
1950	50.0	45.0	77.6	6.2	0		
1951	56.3	50.7	142.2	9.8	0		
1952	56.2	50.6	5/165.0	12.1	0		
1953	53.2	47.9	151.4	11.9	0		
1954	53.2	47.9	130.3	9.9	38.7		
1955	53.7	48.3	298.9	20.2	245.6		
1956	54.3	48.9	319.9	22.5	268.4		
1957	56.5	50.8	107.6	10.9	104.5		
Total	---	---	1,901.3	---	657.2		

1/ Year beginning July 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ An additional 78.4 million pounds under option to British manufacturers were pledged for CCC loans, but were purchased and shipped by mid-1953.

As was the case last year, the 1958 price supports for the flue-cured varieties, Coker 139, Coker 140 and Dixie Bright 244 will be one-half the support rates for comparable grades of other varieties. Federal and State scientists have specified that these varieties are "low to lacking in flavor and aroma, generally of light body and/or currently with poor acceptance in the trade."

Flue-cured placed under loan last season was only around a third as much as in 1956 and 1955 although it amounted to about 11 percent of the crop. Receipts under loan were heaviest in the latter part of the marketing season, particularly in the Old Belt.

Supplies

The 1957-58 total supply of flue-cured tobacco at 3,495 million pounds is 5 percent below the record 1956-57 level and about 1 percent below 1955-56, but above any other year.

According to farmers' intentions on March 1, 651,300 acres of flue-cured will be grown in 1958--2 percent less than in 1957 and the second smallest in over 40 years. Acreage allotments have been held at near last year's level, which was about a fifth lower than 1956 allotments. By mid-March, about 54,840 acres had been placed in the acreage reserve of the Soil Bank program. Additional eligible acreage is to be accepted in accordance with available funds. If 1958 yields per acre should equal the average of 1955 and 1957, this year's production would total about 970 million pounds--fairly close to the 1957 crop and perhaps the smallest in 15 years.

Carryover of flue-cured on July 1, 1958 seems likely to be about 2,355 million pounds--6 percent below a year earlier but second highest on record. Assuming this year's crop at 970 million pounds, total supply for 1958-59 would approximate 3,325 million pounds--down about 5 percent from 1957-58 and 10 percent below the record level of 1956-57.

Domestic Use and Exports

During the current marketing year (July 1957-June 1958), the domestic use of flue-cured may be near 700 million pounds--slightly below 1956-57. The number of cigarettes manufactured in 1957-58 is likely to be 2 or 3 percent above 1956-57. Though total cigarette output has been climbing since 1953-54, domestic use of flue-cured has gone down 10 percent. The increased average number of cigarettes from a pound of leaf tobacco has largely resulted from the smaller requirements of filter tips and the greater use of sheet tobacco and stems.

Exports of flue-cured during the year ending June 30 may be around 440 million pounds (farm-sales weight)--5 percent less than a year earlier. During the first 7 months of the marketing year, flue-cured exports were practically even with those in the same months of a year earlier. Exports to the United Kingdom accounted for nearly one-half the total and were up 13 percent from a year earlier. It appears that a larger than usual quantity of British purchases moved during the first 7 months of the current marketing year. The same seems true for Australia, whose takings during July 1957-January 1958 were 6 percent greater than for the entire 1956-57 year. Exports of flue-cured to West Germany were a little more than in the same period of a year earlier while those to Netherlands were up 11 percent. Other countries taking significantly more in July 1957-January 1958 than a year earlier were New Zealand, Thailand, India, and Nigeria. On the other hand, flue-cured exports to Indonesia, Ireland and Belgium--all major outlets--were down sharply. Other substantial declines occurred in shipments to Japan, Finland, Egypt, Viet Nam-~~Laos-Cambodia~~, **Pakistan**, Hong Kong, Austria, Italy and Formosa and moderately less went to Norway, Sweden and Spain. Takings by Denmark, France, Switzerland and Portugal were not greatly different from a year earlier.

Burley, Type 31

Prices

Growers received an average price of 60.1 cents per pound for the 1957 burley crop, 6 percent less than the 1956 record of 63.6 cents but otherwise higher than any previous year. The sales season was the shortest on record. Auctions began November 25, earlier than usual, and final sales were held February 11 at Lexington. About 85 percent of the crop was sold by the holiday shutdown at the auctions. The 1957 crop was about 3 percent smaller than a year earlier. Because of abnormally dry growing conditions, quality was poorer than that of the 1956 crop. Average prices of most lower quality offerings declined from 1956 levels, with the largest reductions in the heavier-bodied leaf, tip and nondescript grades. These grades made major price gains in the 1956 season. Prices of better grades--buff and tan lugs and flyings--and light nondescript were mostly up a little from a year earlier.

The Government support level for the 1957 crop was 51.7 cents per pound, 3.6 cents higher than for the 1956 crop. Placements under loan during the 1957 season totaled 16.7 million pounds, about 3 1/2 percent of the crop. This quantity was more than 10 million pounds above placements in the 1956 season but was sharply lower than other years in the postwar period, when loan placements ranged from 38 million pounds in 1947 to 221 million in 1954.

The 1958 burley crop will be supported at 90 percent of the applicable parity price. The parity for burley is calculated in the same manner as flue-cured (shown on page 29). The 1948-57 average price of burley for parity purposes is 52.7 cents--2 percent higher than the 1947-56 average of 51.5 cents. This in turn raises the "adjusted base price," so that parity price calculations for burley in 1958 start from a higher base than in 1957.

Table 13.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods (Farm-sales weight)

Year	Production : Mil. lb.	Stocks, : Oct. 1 : Mil. lb.	Supply : Mil. lb.	Disappearance 1/			Average : price : per pound : Ct.
				Total : Mil. lb.	Domestic : Mil. lb.	Exports : Mil. lb.	
Average:							
1934-38	287	701	988	314	302	12	22.2
1941-45	448	730	1,178	437	424	13	40.0
1946	614	853	1,467	526	476	50	39.7
1947	485	941	1,426	524	496	28	48.5
1948	603	902	1,505	531	489	42	46.0
1949	561	974	1,535	535	494	41	45.2
1950	499	1,000	1,499	518	488	30	49.0
1951	618	981	1,599	538	506	32	51.2
1952	650	1,061	1,711	548	519	29	50.3
1953	564	1,163	1,727	529	494	35	52.5
1954	668	1,198	1,866	519	486	33	49.8
1955	470	1,347	1,817	516	482	34	58.6
1956	506	1,301	1,807	508	480	28	63.6
1957 2/.....	490	1,299	1,789				60.1
: : : : : : :							
	Parity : price 3/	Price : support : level	Placed under Government loan: : Quantity	Percentage : of crop	Remaining in : Government loan : stocks on : February 28, 1958 4/		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1946	37.3	33.6	147.8	24.1	0		
1947	44.8	40.3	37.7	7.8	0		
1948	47.1	42.4	96.7	16.0	0		
1949	44.8	40.3	39.1	7.0	0		
1950	50.8	45.7	44.2	8.9	0		
1951	55.3	49.8	97.3	15.7	3.0		
1952	55.0	49.5	103.9	16.0	4.1		
1953	51.8	46.6	102.1	17.9	42.1		
1954	51.5	46.4	221.4	33.2	146.1		
1955	51.3	46.2	73.1	15.6	69.0		
1956	53.4	48.1	6.0	1.2	3.0		
1957	57.4	51.7	16.7	3.4	16.7		
Total	---	---	986.0	---	284.0		

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

Based on the February 1958 data, the burley parity at 60.7 cents is 5.7 percent higher than the October 1, 1957 parity, which was the basis for computing the support level for the 1957 crop. Ninety percent of 60.7 cents is 54.6 cents. This reflects not only the higher "adjusted base price" for burley but a 2 percent increase in the parity index ("prices paid") from September 1957 to February 1958.

A minimum support level is announced before the planting season. The actual support for the 1958 crop will be either the minimum level or 90 percent of the October 1 parity whichever is higher. In 1957, 90 percent of the October 1 parity slightly exceeded the previously announced minimum, and thus became the actual support price for the 1957 crop.

Supplies

The total 1957-58 supply of burley is 1,789 million pounds, 1 percent below 1956-57. Both the crop and October 1 carryover were a little below 1956 levels. Total supplies of burley have declined for 3 successive seasons but the decrease has been gradual. Total supplies for the current season are only 4 percent below the 1954-55 peak level and represent about $3\frac{1}{2}$ years' probable disappearance compared with a more desirable ratio of 2.8.

According to farmers' intentions on March 1, 302,600 acres of burley will be grown in 1958--1 percent less than in 1957. Acreage allotments were mostly the same, and about 10,370 acres were placed in the acreage reserve of the Soil Bank program by mid-March. If yields per acre should equal the 1955-57 average, the 1958 crop would be around 480 million pounds--2 percent smaller than the 1957 outturn.

The carryover of burley next October 1 probably will be near 1,285 million pounds--around 15 million less than last October. Such carryover plus the indicated crop will provide a total 1958-59 supply approximating 1,765 million pounds--1 percent less than that for the current season.

Domestic Use and Exports

In the current marketing year (October 1957-September 1958) domestic use of burley probably will be close to the 480 million pounds used in 1956-57. Manufacture of cigarettes and pipe-smoking tobacco, which together absorb the great bulk of burley used domestically, is not expected to change sharply from 1956-57 levels.

Exports of burley in 1957-58 probably will be below the 28 million pounds shipped in 1956-57 and may be the smallest in many years. Prices of grades usually bought by some foreign markets have risen substantially in the past 2 or 3 years. During the first third of the current marketing year (October 1957-January 1958), burley exports dropped more than 40 percent below those a year earlier. Consignments to all important outlets were down.

Takings by each of the three leading markets--West Germany, Sweden and Mexico--were down 23, 39 and 7 percent, respectively. No shipments were reported to Portugal, though it is normally a ranking outlet, nor to Finland which took more than a half-million pounds in October 1956-January 1957. Belgium, generally an important outlet, took only about one-tenth as much as a year ago. Other ranking outlets that received less were Denmark, Norway, Netherlands, Egypt and Switzerland.

Maryland, Type 32 3/

Prices

Maryland tobacco auctions for the 1957 crop are scheduled to open on April 29 and to close on July 17. Sales will also be held at the Baltimore hogshead market, where about one-tenth of the crop is marketed. The support price for the 1957 crop is 48.0 cents per pound, 1 cent higher than for the 1956 crop.

The average price for the 1956 crop (marketed mostly in 1957) was 51.6 cents per pound-- $1\frac{1}{2}$ percent above 1955. During the 1956 crop marketing season, about 9 percent of deliveries were placed under Government loan.

As marketing quotas were applicable to the 1956 and 1957 crops of Maryland tobacco, these crops qualified for Government support at 90 percent of parity. The 1958 crop, also produced under quota, will be supported at 90 percent of the applicable parity for Maryland tobacco. Based on the February 1958 data, the parity price is 55.9 cents per pound, nearly 5 percent above the level on October 1, 1957, which was the basis for calculating the support for the 1957 crop.

The actual price support for the 1958 crop will be either the minimum level announced prior to the planting season or 90 percent of parity as of October 1 of this year, whichever is higher. In 1957, the October 1 level was a little higher than the minimum and became the actual support for the 1957 crop.

Supplies

The 1957 crop of Maryland is estimated at nearly $31\frac{1}{2}$ million pounds, 15 percent below 1956 and one of the smallest crops in 12 years. Carryover on January 1, 1958 was $69\text{-}1/3$ million pounds, slightly less than a year earlier. Total supply--production plus carryover--is nearly 101 million pounds, 6 percent less than in 1956-57 and the lowest in 6 years.

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1, falling within the marketing year--the 12-month period, October 1 through September 30. Disappearance is calculated on the October-September basis.

Table 14.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Stocks following		Supply	Disappearance 2/			Average price per pound
	Production	:Jan. 1 1/:		Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	27.5	38.4	65.9	26.5	21.1	5.4	19.7
1941-45	29.4	44.1	71.5	29.7	27.1	2.6	48.9
1946	46.2	32.4	78.6	34.0	28.3	5.7	44.5
1947	37.8	44.9	82.7	34.3	27.0	7.3	42.8
1948	35.0	46.9	81.9	37.0	27.7	9.3	54.4
1949	41.2	45.5	86.7	35.4	28.0	7.4	48.3
1950	40.0	53.4	93.4	35.5	27.1	8.4	48.2
1951	41.6	59.3	100.9	33.3	26.7	6.6	44.8
1952	40.2	64.9	105.1	40.3	32.5	7.8	48.8
1953	40.5	65.4	105.9	36.4	28.4	8.0	54.5
1954	43.8	68.6	112.4	36.1	27.9	8.2	40.3
1955	31.5	77.5	109.0	38.6	25.7	12.9	50.8
1956	37.1	69.7	106.8	35.5	22.0	13.5	51.6
1957 3/	31.4	69.3	100.7				
	Parity price 4/	Price support level	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on February 28, 1958 5/		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1946	30.0	27.0	0	---	0		
1947	36.2	32.6	0	---	0		
1948	48.8	43.9	3.0	8.6	0		
1949	46.5	41.8	2.6	6.3	0		
1950	56.5	48.6	5.5	13.8	.7		
1951	60.6	Price supports not in effect 6/					
1952	58.5 do. 6/					
1953	56.0	50.4	6.7	18.1	4.5		
1954	53.5	Price supports not in effect 6/					
1955	53.1 do. 6/					
1956	52.2	47.0	3.3	9.0	2.7		
1957	53.3	48.0					
Total	---	---	21.1	---	7.9		

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed or October 1. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ No support since marketing quota was not approved by two-thirds of growers voting.

Based on farmers' intentions as of March 1, 35,000 acres will be grown this year--5 percent less than in 1957. Acreage allotments for most growers are about the same as in 1957 and about 6,980 acres have been placed in the acreage reserve of the Soil Bank program as of mid-March. Additional eligible acreage is to be accepted in accordance with available funds. If yields per acre equal the 1953-57 average, this year's crop may be around 29 million pounds--8 percent less than the 1957 small outturn and the smallest since 1945. As carryover next January 1 seems likely to be down some, 1958-59 total supplies may be lower than the current level.

Domestic Use and Exports

Domestic use of Maryland tobacco has declined in recent years. The 22 million pounds consumed in the 1956-57 marketing year was 5-1/3 million below the 1953-55 average and the least in many years. Most Maryland is used in cigarettes and apparently has shared in the reduction that has occurred in the use of other cigarette types. Lower grades of Maryland are used in some cigars. In the year ending next September 30, the quantity of Maryland used domestically may not be markedly different from that of last season.

Exports of Maryland tobacco during the first third of the current marketing year (October 1957-January 1958) totaled 4.7 million pounds (farm-sales weight)--up nearly one-fourth from a year earlier. The increase was attributable to larger takings by Switzerland and shipments of approximately a half-million pounds to Austria, which received none in 1956-57. Switzerland accounted for almost three-fourths of the total and took 84 percent more than a year ago. However, Germany, usually a leading outlet, received about two-fifths less. Netherlands and Spain also received less, but a little more went to Belgium. France, which took about 225,000 pounds in October 1956-January 1957, received none in the comparable period of the current marketing year. None was yet reported going to Portugal and Tunisia, which took 1 million and 437,000 pounds, respectively, in the 1956-57 marketing year.

Fire-Cured, Types 21-23

Prices

Auctions for Virginia fire-cured, type 21, began in early December and final regular sales were held at the end of January. Sales volume was the smallest on record; quality was poorer than that of last season. The auction average was 38.8 cents per pound--only seven-tenths of a cent less than the 1956 record price and the third highest in history. In the 1951 season, the crop sold for 39.2 cents but averaged 34.2 cents in the following 4 years.

Auction sales for Kentucky-Tennessee fire-cured started in the first week of January and, except for some clean-up sales, were completed in mid-February for Western District (type 23) and the first week in March for Eastern District (type 22). The average price of type 22 auction sales was 35.7 cents --slightly lower than the auction average for the 1956 crop.

Table 15.--Fire-cured tobacco, types 21-23^{1/}: Domestic supplies, disappearance, season average price, and price support operations for specified periods (Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 2/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	110.2	194.2	304.4	123.0	53.2	69.8	10.2
1941-45	66.1	170.7	236.8	81.9	49.6	38.3	22.1
1946	108.9	105.1	214.0	70.6	36.2	34.4	26.0
1947	86.4	143.4	229.8	67.2	36.9	30.3	29.5
1948	73.2	162.6	235.8	77.9	34.7	43.2	31.9
1949	72.2	157.9	230.1	65.2	36.5	28.7	29.8
1950	58.3	164.9	223.2	76.0	36.7	39.3	31.2
1951	59.5	147.2	206.7	59.8	32.2	27.6	40.0
1952	58.2	146.9	205.1	58.8	29.6	29.2	37.6
1953	48.9	146.3	195.2	61.2	32.9	28.3	33.8
1954	62.2	134.0	196.2	59.1	29.9	29.2	37.8
1955	65.2	137.1	202.3	64.6	31.2	33.4	37.3
1956	70.6	137.7	208.3	62.6	32.3	30.3	36.6
1957 ^{3/}	*50.0	145.7	195.7				*36.8
: : : : : : : :							
	Parity price ^{4/}	Price support level ^{5/}	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on February 28, 1958 ^{6/}		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1946	17.8	25.2	40.8	37.5	0		
1947	21.5	30.2	31.3	36.2	0		
1948	22.6	31.8	27.3	37.3	0		
1949	21.5	30.2	18.7	25.9	0		
1950	30.3	34.3	12.2	20.9	0		
1951	33.6	37.4	7.5	12.6	3.6		
1952	34.8	37.1	10.9	18.7	4.8		
1953	34.4	35.0	8.2	16.8	3.2		
1954	34.8	34.8	6.9	11.1	4.5		
1955	35.8	34.5	9.7	14.9	7.7		
1956	36.2	36.1	20.2	28.6	18.2		
1957	38.8	38.8	14.6	29.0	14.6		
Total	---	---	208.3	---	56.6		

1/ Type 24 included until early 1950's when it became practically nonexistent.
 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed. 5/ Not based on parity but set by law at 75 percent of the burley support. 6/ Actual loan stocks on a packed-weight basis average about 6 percent less than these farm-sales weight figures. *Indicated by sales data.

The type 23 auction average was 34.7 cents--7 percent above last season's price and the highest since the 1952 season.

The Government support level for the 1957 crop of fire-cured was 38.8 cents per pound. During the season just ended, growers of Virginia fire-cured placed 1.0 million pounds under loan--about one-eighth of the crop. This quantity and proportion were lower than in most other seasons in the past decade. Growers of Kentucky-Tennessee fire-cured (type 22) delivered about 11 $\frac{1}{2}$ million pounds--over three-tenths of marketings--for loans. The quantity of type 22 going under loan was less than for the 1956 crop, but well above other years back to 1948. Loan deliveries of type 23 were 2.0 million pounds--about one-fourth of marketings. These placements--both quantity- and percentage-wise--were down sharply from the comparatively large amounts taken under loan for the 1956 crop.

In a referendum held on February 18, growers of fire-cured tobacco by overwhelming majority approved marketing quotas for their 1958, 1959 and 1960 crops. Consequently, Government price supports will be continued for the 1958 crop. As provided by legislation last July, separate support prices will be established for Virginia fire-cured (type 21) and Kentucky-Tennessee fire-cured (types 22-23) which may not exceed the higher of (1) the 1957 support level or (2) 90 percent of parity for the respective kind. The 1957 support level set at 38.8 cents a pound exceeds 90 percent of the Virginia fire-cured parity, based on February 1958 data, by 1.8 cents and tops 90 percent of the Kentucky-Tennessee fire-cured parity, based on February 1958 data, by 2.4 cents. It appears likely that the price supports for 1958 fire-cured will be at the 1957 level.

Supplies

The 1957-58 total supply of fire-cured tobacco at 196 million pounds is about 6 percent less than 1 year earlier and 3 percent less than 2 years earlier. Though volume marketed was down more than a fourth from 1956, stocks at the beginning of the season were 6 percent above those in the previous year.

According to farmers' intentions on March 1, about 31,000 acres of fire-cured will be grown in 1958--down nearly one-sixth. The 1958 acreage allotments are reduced about 10 percent from a year ago, and about 7,460 acres were placed in the acreage reserve of the Soil Bank program by mid-March. Additional acreage is to be accepted in accordance with available funds. If yields per acre are near the averages of recent years (adjusted for the upward trend), this year's crop may approximate 45 million pounds--10 percent less than the volume marketed last season.

Carryover of fire-cured next October may be reduced 9 percent to about 133 million pounds. These stocks plus a 1958 crop of 45 million pounds would provide a total 1958-59 supply of about 178 million pounds--about 9 percent less than the current year's level.

Domestic Use and Exports

Domestic use of fire-cured in the current marketing year (October 1957-September 1958) may be down slightly from last season's 32 million pounds. In the first third of the current marketing year, manufacture of snuff--the principal domestic outlet for fire-cured--was 3 percent below that in the comparable period of a year earlier.

Exports of fire-cured tobacco during 1957-58 also may approach 32 million pounds--5 or 6 percent above last year's shipments. In the first third of the current marketing year, exports of Virginia fire-cured were one-fourth larger than a year earlier. Consignments to Norway, usually the leading outlet, increased 12 percent, and more also went to Sweden and Germany. On the other hand, less went to the United Kingdom, and none is yet reported going to Netherlands and Austria. Exports of Kentucky-Tennessee fire-cured were 2 percent larger than in October 1956-January 1957. The Netherlands, accounting for more than two-fifths of the total, took 16 percent more than a year earlier. Belgian takings nearly doubled. But less went to Switzerland, Germany, and Denmark. None was yet reported going to France, Italy or Viet Nam-Laos-Cambodia, and only negligible quantities to Sweden. In the 1956-57 marketing year, each of these countries received substantial quantities.

Dark Air-Cured and Sun-Cured, Types 35-37

Prices

Auctions for One Sucker (type 35), Green River (type 36) and Virginia sun-cured (type 37) began during the first half of December and were concluded by early February. For each of the three types, volume sold was the smallest or among the smallest ever recorded, while average prices were at or approached all-time highs. The auction market average price for type 35 was 36.7 cents--topping the previous year's record by 2 percent. The auction average of 34.4 cents for type 36 was 15 percent higher than last season. A comparable price was realized in only two previous seasons. The quality of the One Sucker crop was a little lower than last year, but that of Green River was better than in 1956. The average price of Virginia sun-cured (more than two-fifths of which were sold on the fire-cured markets) was 34.0 cents--5 percent below the 1956 record but otherwise one of the most favorable prices ever obtained for this type. General quality was lower than that of the 1956 crop.

The Government support level for the 1957 crop of dark air-cured and sun-cured was 34.5 cents per pound--2.4 cents higher than in 1956. In the season just ended, growers of One Sucker placed 2.1 million pounds under loan--about 15 percent of market deliveries. Receipts under loan were the smallest since 1945 and, in relation to size of the crop, the second lowest since 1945. In 1956, 3.4 million pounds--one-sixth of the crop--went under loan. Loan placements of Green River tobacco were about 926,000 pounds (about 16 percent of market deliveries), down sharply from 1956 when 3.2 million pounds (nearly

Table 16.--Dark air-cured and sun-cured tobacco, types 35-37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)							
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	35.5	62.8	98.3	39.0	27.0	12.0	9.4
1941-45	37.0	64.4	101.4	39.8	33.9	5.9	20.6
1946	49.6	60.4	110.0	37.3	29.7	7.6	22.5
1947	37.2	72.7	109.9	32.7	26.3	6.4	25.8
1948	34.8	77.2	112.0	37.5	22.7	14.8	28.7
1949	36.2	74.5	110.7	29.9	23.1	6.8	28.2
1950	28.6	80.8	109.4	36.4	25.6	10.8	24.6
1951	31.7	73.0	104.7	30.1	21.5	8.6	34.3
1952	33.8	74.6	108.4	29.3	22.7	6.6	31.6
1953	26.6	79.1	105.7	29.9	22.8	7.1	25.9
1954	34.1	75.8	109.9	29.1	19.0	10.1	34.1
1955	31.1	80.8	111.9	26.5	20.5	6.0	31.1
1956	33.9	85.4	119.3	36.5	25.3	11.2	34.1
1957 2/	*23.0	82.8	105.8				36.0
: Parity : Price : Placed under Government loan: Remaining in							
: price 3/ : support : Quantity : Percentage : Government loan							
: Types: Type : level 4/ : of crop : stocks on							
: 35-36: 37 : 4/ : : Feb. 28, 1958 5/							
	Ct.	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1946	14.3	19.1	22.4	15.7	31.7	0	
1947	17.2	23.1	26.9	14.5	39.0	0	
1948	18.1	24.2	28.3	8.9	25.6	0	
1949	17.2	23.1	26.9	4.0	11.0	0	
1950	27.2	34.2	30.5	4.1	14.3	0	
1951	29.6	37.5	33.2	7.4	23.3	4.3	
1952	30.5	37.7	33.0	6/9.9	29.3	6.0	
1953	30.2	35.6	31.1	7.5	28.2	3.5	
1954	29.4	34.5	30.9	7.3	22.5	5.6	
1955	30.4	34.1	30.8	6.3	20.0	4.9	
1956	31.0	33.0	32.1	6.7	19.8	6.0	
1957	33.2	35.5	34.5	3.0	13.1	3.0	
Total	---	---	---	95.3	---	33.3	

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Not based on parity but set by law at 66 2/3 percent of the burley support. 5/ Actual loan stocks on a packed-weight basis average about 8 percent less than these farm-sales weight figures. 6/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but were purchased and shipped by mid-1953.

*Indicated by sales data.

one-third of the crop) went under loan. Loan deliveries from the 1957 crop were smaller than in any season since 1945. Loan placements of Virginia sun-cured were small, as is usual for this type.

In a referendum held on February 18, growers of dark air-cured (types 35 and 36), by overwhelming majority, approved marketing quotas for their 1958, 1959 and 1960 crops. Growers of Virginia sun-cured (type 37) in a previous referendum approved marketing quotas for their 1956, 1957 and 1958 crops. Government price supports will be in effect for the 1958 crops of dark air-cured and sun-cured tobacco, which may not exceed the higher of (1) the 1957 support level or (2) 90 percent of parity for the respective kind. The 1957 support level for dark air- and sun-cured tobacco set at 34.5 cents a pound exceeds 90 percent of the dark air-cured parity, based on February 1958 data, by 2.7 cents and tops 90 percent of the sun-cured parity, based on February 1958 data, by 1.1 cents. It appears likely that the price supports for 1958 dark air-cured and sun-cured will be at the 1957 level.

Supplies

Total 1957-58 supplies of dark air- and sun-cured, 106 million pounds, are over a tenth below 1 year earlier and over 5 percent less than 2 years earlier. Most of the reduction from last season is attributable to a smaller crop--down nearly a third. Carryover stocks were 3 percent lower than a year earlier.

According to farmers' intentions on March 1, about 13,100 acres of dark air-cured and 3,000 acres of sun-cured will be grown in 1958--a reduction of nearly 2,000 acres for dark air-cured but an increase of 300 acres for sun-cured. Allotments for dark air-cured are about 10 percent below last year, and about 2,060 acres were placed in the acreage reserve of the Soil Bank program by mid-March. Sun-cured tobacco allotments are about the same as last year, and about 2,030 acres were placed in the acreage reserve by mid-March. Additional acreage may be accepted in accordance with available funds. If yields per acre are near the average of the recent 3 years (adjusted for the low 1955 sun-cured figure), this year's production of dark air-cured and sun-cured would approximate 22 million pounds--4 percent less than the volume marketed in 1957.

Carryover next October 1 of the combined dark air- and sun-cured types seems likely to be around 77 million pounds--6 million less than last October and around 8 million below the high October 1956 figure. The carryover plus the indicated crop of about 22 million pounds would give total 1958-59 supplies of 99 million pounds--7 percent below a year earlier and 17 percent below the postwar peak 2 years earlier.

Domestic Use and Exports

In the current marketing year (October 1957-September 1958), domestic use of dark air- and sun-cured is expected to be moderately below the unusually high 1956-57 figure. The principal domestic outlet for these types is the manufacture of plug, twist and fine-cut chewing tobacco, which in the first third of the current marketing year was 9 percent smaller than a year earlier. Another factor which may affect domestic use is the quantity of dark air-cured utilized for nonchewing uses. In the past 2 seasons, apparently more dark air-cured than usual went into such outlets.

Exports of dark air-cured tobacco in the current marketing year are likely to be below those in 1956-57, when shipments were swelled by sales, at reduced prices, of 1950 and prior-crop tobacco under Government loan. Exports this marketing year may be around 6 million pounds (farm-sales weight), compared with 11.2 million in 1956-57 and the 1951-55 average of a little over 7½ million. In October 1957-January 1958, exports of One Sucker leaf were 144,000 pounds (farm-sales weight), compared with 2.7 million pounds a year earlier. Negligible quantities went to Union of South Africa, the principal outlet last season, while exports to Belgium, the second ranking outlet, were only one-fifth of takings a year earlier. None was yet reported going to Portugal and Finland, which received sizable quantities in 1956-57. Exports of Green River leaf were less than half of those in the same period of 1956-57. The Union of South Africa took none, compared with 385,000 pounds in the same months of a year ago. A little more than a year earlier went to Belgium, Belgian Congo and Indonesia, but considerably less to the United Kingdom.

In addition to exports of One Sucker and Green River as leaf, substantial quantities, particularly One Sucker, are shipped in the form of Black Fat, a semiprocessed product. In recent years, usually around two-fifths of total dark air-cured exports went out as Black Fat. In the first third of 1957-58, exports of Black Fat were 25 percent larger than in the comparable period of 1956-57. Exports to Nigeria, the leading outlet, increased 35 percent. Ghana (formerly Gold Coast) took 1 percent more, while French West Africa received three times as much as in the like period of 1956-57. Larger quantities than a year earlier also went to Cameroon and Spanish Africa but less to Canary Islands.

Cigar, Types 41-62

Price Supports and Prices

The 1958 crops of continental filler and binder tobaccos, except type 41 Pennsylvania Seedleaf, will be supported at 90 percent of the applicable parity. Ninety percent of parity is the mandatory level for cigar types under marketing quotas. The type 41 filler grown in Pennsylvania is not under a marketing quota due to grower disapproval, and the marketing quota legislation does not cover the cigar wrapper types 61 (Connecticut Valley) and 62 (Georgia-Florida). Therefore, price supports are not available for types 41, 61 and 62. The February 1958 calculation of parity for cigar binder types 51-52

(Connecticut Valley) was 57.4 cents, the same as the figure last October 1 when the 1957 support prices were determined. The February 1958 calculation of parity for types 42-44 and 54-55 (Ohio filler and Wisconsin binder) was 30.2 cents, 3 percent above last October 1.

Minimum support prices for individual types will be announced prior to the planting season. The actual support levels for 1958 crops of these types will be either the minimums announced prior to the planting season or based on next October 1 calculations, whichever is higher.

The support level for Puerto Rican (type 46) tobacco is based on its supply relationship. The support price for the 1957 crop, which mostly will be sold during the first half of 1958, is 32.5 cents per pound. The support was set at 90 percent of its October 1, 1957 parity inasmuch as supply is not above normal.

Table 17.--Cigar tobacco price support operations, quantities placed under loan, 1946-57 and remaining under loan

Crop year	Ohio, types 42-44	Puerto Rican, type 46	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1946	0	10.6	0	0	2.2	0	12.8
1947	0	10.3	0	0	.8	0	11.1
1948	0	12.3	0	0	2.0	3.0	17.3
1949	0	9.3	.1	3.2	.2	.5	13.3
1950	2.6	.3	.1	3.7	1.4	.6	1/11.5
1951	.6	1.1	1.7	2.7	4.8	.1	1/11.0
1952	2/	1.4	2/	2/	2/	2/	1.4
1953	2.7	1.4	3/	1.8	2.4	1.9	1/10.3
1954	1.2	5.1	.8	3.4	1.3	.9	12.7
1955	.8	2.8	7.8	5.2	.4	3.1	20.1
1956	.4	1.5	1.7	1.6	.1	.9	6.2
1957	.4	4/	2.5	.4	---	.2	3.5
Total	8.7	56.1	14.7	22.0	15.6	11.2	1/131.2
Remaining as of:							
Feb. 28, 1958	2.0	.9	8.0	6.5	.5	1.7	19.6

1/ Includes 2.8 million pounds of 1950 crop Pennsylvania Seedleaf (type 41) and negligible amounts from the 1950, 1951, and 1953 crops of New York and Pennsylvania Havana seed (type 53). 2/ Price support not in effect because marketing quotas were disapproved by growers. 3/ Less than 50,000 pounds. 4/ 1957 crop marketings not completed.

Prices received for the 1957 cigar binder crops in the Connecticut Valley averaged about 10 percent less than for the 1956 crop. Approximately 3 million pounds were received under Government loan.

The Northern Wisconsin binder (type 55) prices during the 1957 marketing season have averaged near 33 cents--about 7 percent above the 1956 average. Prices of stemming grades (fillers out) and straight-stripped and crop lots were appreciably above a year ago but binder grades and stemming ends of fillers averaged about the same as a year earlier. The Southern Wisconsin (type 54) crop averaged close to 30 cents--15 percent more than for the 1956 crop. A very high proportion of the type 54 crop is sold in straight-stripped and crop lots.

The 1957 crop of Pennsylvania filler type 41 brought an average price of around 22 cents--about 8 percent lower than in 1956 and the lowest for any crop since 1951.

1958 Cigar Filler and Binder Allotments

The 1958 acreage allotment for the Connecticut Valley binder types was announced at 12,064 acres in late January. Most farm allotments are reduced 10 percent below the 1957 allotments. Also announced was the 1958 allotment for the Ohio filler and Wisconsin binder types, which totaled 23,896 acres. In these areas, most farm allotments will be about the same in 1958 as in 1957.

Supplies

Filler: The 1957-58 total supply of continental filler types grown in Pennsylvania and Ohio is 175 million pounds, 5 percent less than in 1956-57 and the lowest on record. The reduction in supply is attributable to last year's small harvest which resulted mainly from dry weather.

Based on farmers' intentions as of March 1, the 1958 prospective acreage of continental filler types is 31,800--4 percent less than 1957 harvested acreage. Indicated acreage in Pennsylvania is 28,000 and in Ohio, 3,800. Through mid-March, 440 acres of Ohio filler had been placed in the Soil Bank acreage reserve.

If 1958 yields should equal the 1953-57 average, filler production this year would be about 50 million pounds--6 percent above 1957. Last year, yields per acre of Pennsylvania filler were the lowest in many years. Carryovers of continental filler type next October 1 may be around 120 million pounds--6 percent lower than last October and the smallest on record. Total supplies indicated for 1958-59--this year's crop plus carryover--may approximate 170 million pounds, a decline of 3 percent from the current level and a new low.

Table 18.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)							
Year	Production	Stocks Oct. 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Cents
Pennsylvania Seedleaf (type 41)							
1947	52.1	98.5	150.6	50.8	49.3	1.5	30.5
1948	57.4	99.8	157.2	51.2	50.5	.7	26.3
1949	54.2	106.0	160.2	44.4	43.7	.7	26.4
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	51.0	103.7	154.7	49.4	49.2	.2	24.0
1957 ^{2/}	41.2	105.3	146.5				22.2
Ohio, Miami Valley (types 42-44)							
1947	8.4	23.7	32.1	8.2	8.2		31.0
1948	10.9	23.9	34.8	8.9	8.9		23.0
1949	11.2	25.9	37.1	9.1	9.1		25.0
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.6	23.2	29.8	6.7	6.7		22.0
1957 ^{2/}	5.9	23.1	29.0				
Puerto Rico (type 46)							
1947	26.1	74.0	100.1	32.1	30.6	1.5	27.5
1948	27.0	68.0	95.0	41.8	32.9	8.9	27.0
1949	26.0	53.2	79.2	28.1	25.9	2.2	20.0
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	3/28.0	2/50.3	3/78.3				

^{1/} Year beginning October 1. ^{2/} Subject to revision. ^{3/} Unofficial estimate.

The Puerto Rican filler type 46, is planted in the fall and harvested principally in the early months of the calendar year. Recent unofficial reports place the 1957-58 crop at 28 million pounds--around 16 percent larger than the small crop of a year ago. Acreage increased a little and yields per acre were up by probably 5 to 10 percent. Stocks of Puerto Rican tobacco on January 1 (63 percent in the U. S. and 37 percent on the Island) amounted to $43\frac{3}{4}$ million pounds, over a tenth below a year earlier.

Binder:

The 1957-58 total supply of binder types 51-55 at 126 million pounds is one-eighth lower than a year ago and the smallest on record.

March 1 intentions of farmers indicate a 1958 acreage of all binder types combined at 15,000. In the Connecticut Valley where the 1958 allotments were cut, the indicated acreage of types 51-52 is 3,200, and 29 percent less than the small acreage harvested last year. Through mid-March, growers had placed about 7,660 acres in the Soil Bank acreage reserve. Indicated acreage of Wisconsin types 54-55 is 11,800, up about 2 percent from the 1957 harvested acreage. About 2,480 acres of the Wisconsin types have been signed up in the Soil Bank acreage reserve by mid-March.

If yields per acre should equal the 1953-57 average and harvested acreage is close to intentions, the 1958 production of the combined binder types would be about 25 million pounds--roughly a tenth below 1957 when production was second lowest on record. Carryover of the binder types next October 1 probably will drop to around 85 million pounds--13 million pounds less than last October 1 and a new low point. The 1958-59 total supply seems likely to be about 110 million pounds--about ~~an eighth~~ less than for the current year. Sizable drops in the supply level of the Connecticut Valley binder types are in prospect.

Wrapper: The 1957-58 total supply of ~~shade-grown cigar wrapper~~ is a record $36\frac{1}{2}$ million pounds, 6 percent higher than in 1956-57.

Prospective 1958 acreage of the two wrapper types is 12,700 acres--3 percent less than last year's harvested acreage. Indications are for only slightly less acreage of type 61 (Connecticut Valley) and for about a 6 percent reduction of type 62 (Georgia-Florida). If 1958 yields per acre should equal the 1955-57 average, this year's crop would be about $16\frac{1}{2}$ million pounds, around 8 percent less than in 1957. Cigar wrapper carryover on July 1, 1958 may be near 20 million pounds--8 percent higher than a year earlier and the largest since the record level of mid-1952. Adding this year's probable production, the prospective supply for 1958-59 is $36\frac{1}{2}$ million pounds, very little different from that in the current year.

Table 19.- Cigar binder tobacco, types 51-55: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Broadleaf (type 51)							
1947	15.0	28.6	43.6	13.3			51.0
1948	14.0	30.3	44.3	17.8	13.5	4.3	60.0
1949	14.1	26.5	40.6	12.9	11.8	1.1	53.0
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957 ^{2/}	4.8	25.5	30.3				
Connecticut Valley Havana Seed (type 52)							
1947	15.1	16.5	31.6	12.2			73.3
1948	14.6	19.3	33.9	14.1	9.4	4.7	62.3
1949	14.7	19.8	34.5	9.5	7.4	2.1	41.9
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957 ^{2/}	3.2	20.2	23.4				
Southern Wisconsin (type 54)							
1947	15.8	37.9	53.7	16.5			22.3
1948	11.9	37.2	49.1	9.3	8.9	.4	22.4
1949	12.6	39.8	52.4	12.3	12.3		22.8
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0	10.0		24.3
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.3	9.9	.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957 ^{2/}	7.1	21.0	28.1				
Northern Wisconsin (type 55)							
1947	21.5	37.6	59.1	22.9			34.9
1948	18.4	36.2	54.6	19.4	17.7	1.7	23.0
1949	18.8	35.2	54.0	13.2	13.0	.2	28.5
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957 ^{2/}	13.0	31.6	44.6				

^{1/} Year beginning October 1.

^{2/} Subject to revision.

Table 20.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, 1947-57

(Farm-sales weight)							
Year	Production	Stocks July 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
<u>Connecticut Valley Shade-grown (type 61)</u>							
1947	9.3	10.1	19.4	8.7			310.0
1948	9.8	10.7	20.5	8.4			290.0
1949	11.1	12.1	23.2	9.6			205.0
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957 ^{2/}	10.9	11.4	22.3				
<u>Georgia-Florida Shade-grown (type 62)</u>							
1947	4.2	3.2	7.4	3.6			265.0
1948	5.3	3.8	9.1	4.6			245.0
1949	6.2	4.5	10.7	4.8			195.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957 ^{2/}	7.1	7.1	14.2				
<u>Total Shade-grown (types 61-62)</u>							
1947	13.5	13.4	26.9	12.4	12.4	0	296.0
1948	15.1	14.5	29.6	13.0	10.5	2.5	274.0
1949	17.3	16.6	33.9	14.5	10.8	3.7	201.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957 ^{2/}	17.9	18.5	36.4				

^{1/} Year beginning July 1.^{2/} Subject to revision.

Disappearances and Exports

Filler: The 1957-58 marketing year disappearance of continental filler type tobacco is expected to be approximately the same as in 1956-57. Almost all the filler types are consumed in domestic factories with exports usually taking only nominal amounts.

Binder: The 1957-58 marketing year disappearance of the binder types is likely to be smaller than in 1956-57. The expansion in use of binder sheet and the reduction in use of natural leaf binders on cigars is a major cause. Scrap chewing tobacco, another sizable outlet for binder types, continues to trend downward. A partial offset is the probable increase in exports compared with a year ago. During the first third of the current marketing year, exports of the combined binder types were 76 percent larger than in the comparable period of a year earlier. The major export increase was the roughly 2 million pounds of Wisconsin tobacco, most of which went to West Germany. Increased quantities of Connecticut Valley Havana Seed were shipped to West Germany and Netherlands, but less of this type went to Belgium than in the same period of 1956-57. During the first third of the 1957-58 marketing year, exports of Connecticut Valley Broadleaf were far below a year earlier when approximately 1 million pounds went to Spain. Denmark took a sizable amount in contrast with very little a year earlier.

Wrapper: Total disappearance of the shade-grown wrapper types may be a little higher in 1957-58 than the 5-year low of 1956-57. Domestic cigar manufacture seems likely to require a little more than in 1956-57 and exports during the first 7 months of the current marketing year (July 1957-June 1958) were over a fourth larger than in the comparable period of last marketing year. German takings in July 1957-January 1958 were nearly 30 percent above a year earlier, and Canadian takings were up 63 percent, but exports of wrapper to other destinations showed little change.

Table 21.--Acreage of tobacco in the United States, by class and type, average 1947-49, annual 1956-58, and percentages

Class and type	Average	1956	1957	1958	Percentage
	1947-49	1956	1957	1958	change 1957 to 1958
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	355.0	315.0	237.0	233.0	-1.7
Eastern North Carolina, type 12	327.0	282.0	218.0	214.0	-1.8
South Carolina, type 13	198.0	172.0	133.0	130.0	-2.3
Georgia and Florida, type 14	113.5	106.3	74.7	74.3	-.5
Total flue-cured, types 11-14	993.5	875.3	662.7	651.3	-1.7
Virginia, type 21	12.0	8.5	6.9	6.5	-5.8
Kentucky and Tennessee, type 22	39.3	27.3	22.2	18.1	-18.5
Kentucky and Tennessee, type 23	17.6	11.2	7.8	6.4	-17.9
Total fire-cured, types 21-23	2/69.0	47.0	36.9	31.0	-16.0
Burley, type 31	433.3	309.8	306.1	302.6	-1.1
Maryland, type 32	48.0	43.7	37.0	35.0	-5.4
One Sucker, type 35	17.8	12.5	10.1	8.9	-11.9
Green River, type 36	11.4	6.8	4.9	4.2	-14.3
Virginia sun-cured, type 37	3.2	3.1	2.7	3.0	11.1
Total dark air-cured, types 35-37	32.4	22.4	17.7	16.1	-9.0
Pennsylvania Seedleaf, type 41	3/37.3	30.0	29.4	28.0	-4.8
Miami Valley, types 42-44	6.8	4.0	3.7	3.8	2.7
Total cigar filler, types 41-44	3/44.1	34.0	33.1	31.8	-3.9
Connecticut Valley Broadleaf, type 51	9.3	4.3	2.8	2.1	-25.0
Conn. Valley Havana Seed, type 52	8.8	3.0	1.7	1.1	-35.3
Southern Wisconsin, type 54	9.2	4.1	4.3	4.5	4.7
Northern Wisconsin, type 55	13.3	7.7	7.3	7.3	0.
Total cigar binder, types 51-55	4/40.6	19.1	16.1	15.0	-6.8
Conn. Valley shade-grown, type 61	10.2	7.9	7.9	7.8	-1.3
Ga. & Fla. shade-grown, type 62	4.6	5.4	5.2	4.9	-5.8
Total cigar wrapper types 61-62	14.8	13.3	13.1	12.7	-3.1
Louisiana Perique, type 72	.4	5/3	5/3	.3	0.
Total all types	1,676.1	1,364.9	1,123.0	1,095.8	-2.4

1/ Farmers' intentions as of March 1.

2/ Includes small acreage of type 24.

3/ Includes small acreage of type 53.

4/ Includes small acreage of type 56.

5/ Rounded to hundred acres for inclusion in types and U. S. totals.

Table 22.- Tobacco: Acreage in the United States, by types, for specified periods with percentages

Period	Flue-cured: 11-14	Fire-cured: 21-24 <u>1/</u>	Burley 31	Mary-land 32	Dark air- and sun-cured: 35-37	Cigar			United States
						Filler 41-45 <u>1/</u>	Binder 51-56 <u>1/</u>	Wrapper 61-62	
	: 1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>	1,000 : <u>acres</u>
Averages									
1924-28	: 893.7	224.4	322.2	31.2	85.9	68.1	64.0	9.6	1,700.3
1929-33	: 949.5	204.3	460.9	36.1	64.5	65.3	56.3	9.0	1,847.3
1934-38	: 863.2	135.2	347.2	36.7	42.0	38.7	29.2	8.9	1,501.3
1939-43	: 872.8	90.1	375.4	38.4	38.6	45.2	39.2	10.2	1,510.3
1944	: 1,017.3	64.7	496.6	45.0	40.2	37.9	37.3	10.5	1,749.9
1945	: 1,078.7	61.3	512.3	35.0	44.1	36.0	41.8	11.2	1,820.7
1946	: 1,188.8	91.6	489.0	50.0	40.8	39.0	48.8	12.5	1,960.8
1947	: 1,161.2	83.8	420.5	47.5	35.3	42.7	46.4	13.6	1,851.6
1948	: 883.8	62.6	432.0	46.6	29.9	43.6	39.7	15.1	1,553.6
1949	: 935.4	60.7	447.4	50.0	31.9	42.4	39.5	15.6	1,623.2
1950	: 958.4	52.9	408.3	50.0	28.7	45.1	41.5	13.7	1,599.0
1951	: 1,110.1	49.0	456.1	53.0	26.5	39.8	31.4	13.6	1,779.9
1952	: 1,111.3	47.4	463.5	50.0	26.3	29.4	30.4	13.1	1,771.8
1953	: 1,021.8	48.3	419.7	45.0	26.0	30.5	29.0	12.3	1,632.9
1954	: 1,042.2	52.0	420.9	50.0	25.9	33.8	29.4	13.0	1,667.5
1955	: 990.7	48.2	310.6	47.0	24.2	33.9	27.7	12.9	1,495.4
1956	: 875.3	47.0	309.8	43.7	22.4	34.0	19.1	13.3	1,364.9
1957 <u>2/</u>	: 662.7	36.9	306.1	37.0	17.7	33.1	16.1	13.1	1,123.0
1958 <u>3/</u>	: 651.3	31.0	302.6	35.0	16.1	31.8	15.0	12.7	1,095.8
Percentage decrease									
	: Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>	Per- : <u>cent</u>
Av. 1947-49: to 1958	: 34.4	55.1	30.2	27.1	50.3	27.9	63.1	14.2	34.6

1/ Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.

2/ Subject to revision.

3/ Farmers' intentions as of March 1.

Table 23.--Cash receipts from farm marketings, averages 1936-45, annual 1946-57, with percentages

Period	Cash receipts				Tobacco as a percentage of	
	Livestock and products	All crops	Total farm	Tobacco	All crops	Total cash receipts
	Million dollars	Million dollars	Million dollars	Million dollars	Percent	Percent
Average:						
1936-40	4,715	3,491	8,206	274	7.8	3.3
1941-45	10,057	7,479	17,536	585	7.8	3.3
1946	13,730	10,834	24,564	969	8.9	3.9
1947	16,476	13,230	29,706	1,032	7.8	3.5
1948	17,071	13,136	30,207	945	7.2	3.1
1949	15,359	12,585	27,944	903	7.2	3.2
1950	15,976	12,352	28,328	1,061	8.6	3.7
1951	19,612	13,187	32,799	1,190	9.0	3.6
1952	18,445	14,248	32,693	1,091	7.7	3.3
1953	17,209	14,035	31,244	1,094	7.8	3.5
1954	16,688	13,515	30,203	1,161	8.6	3.8
1955	15,837	13,427	29,264	1,225	9.1	4.2
1956 1/	16,250	14,122	30,372	1,162	8.2	3.8
1957 1/	17,134	12,885	30,019	975	7.6	3.2

1/ Preliminary.

Table 24.--Internal Revenue Collections from tobacco products, averages 1930-44, annual 1945-57

Period	Cigars 1/	Cigarettes 2/	Chewing and smoking	Snuff	Total 3/
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
Average:					
1930-34	14.3	344.6	56.9	6.9	423.9
1935-39	12.8	472.0	54.9	6.7	547.6
1940-44	21.0	750.5	50.4	7.3	833.3
1945	38.2	937.2	48.6	7.9	1,034.2
1946	47.5	1,125.2	38.0	7.1	1,218.4
1947	47.1	1,175.9	35.9	7.1	1,266.7
1948	46.7	1,220.6	35.9	7.5	1,311.5
1949	43.6	1,233.1	34.9	7.4	1,320.0
1950	42.8	1,262.7	34.3	7.2	1,348.1
1951	44.0	1,359.9	30.7	6.4	1,445.8
1952	45.8	1,579.6	17.6	3.9	1,661.7
1953	46.4	1,546.0	16.7	3.9	1,613.8
1954	44.9	1,477.1	16.1	3.9	1,542.8
1955	45.7	1,529.8	15.6	3.9	1,596.1
1956	44.5	1,575.6	14.5	3.8	1,639.0
1957	46.4	1,639.3	14.4	3.6	1,704.3

1/ Includes small cigars. 2/ Includes large cigarettes. 3/ Total includes cigarette papers and tubes, cigarette and cigar floor taxes, and leaf dealer penalties not shown separately in this table.

Compiled from reports of the Internal Revenue Service.

Table 25.- Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-56, by quarters 1955-57

Year and quarter	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders' equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent	
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,955	412	197	10.4	5.0	24.5	11.7
1955							
1	860	74	35	8.6	4.1	18.8	8.9
2	975	98	47	10.1	4.8	24.6	11.8
3	994	110	53	11.1	5.3	27.3	13.1
4	967	106	48	11.0	5.0	26.0	11.8
1956							
1	904	88	41	9.7	4.5	21.4	10.0
2	1,002	105	50	10.5	5.0	25.2	12.0
3	1,026	111	54	10.8	5.3	26.2	12.7
4	1,027	109	52	10.6	5.1	25.4	12.1
1957							
1	936	90	44	9.6	4.7	21.0	10.3
2	1,066	111	52	10.4	4.9	25.4	11.9
3	1,119	131	62	11.7	5.5	29.3	13.9

Note: The 1947-50 data lack strict comparability with the series beginning 1951.

Compiled and adapted from Quarterly Financial Report for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

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