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TOBACCO SITUATION



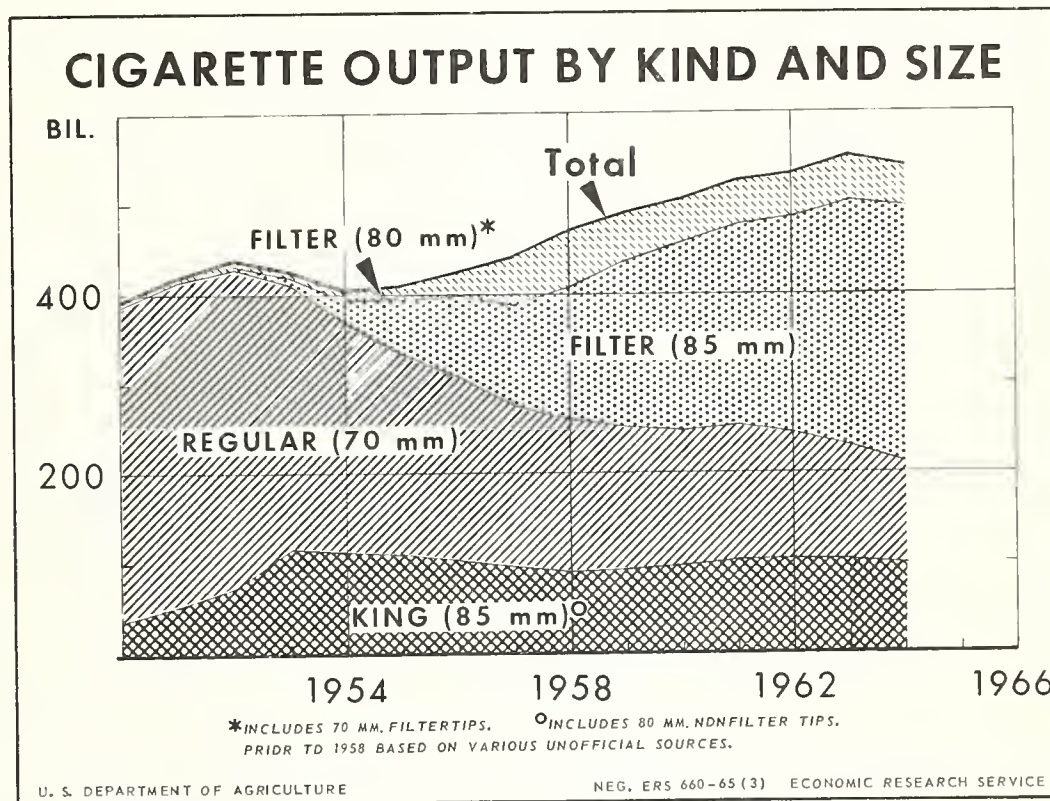
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For Release March 31, P. M.

MARCH 1965

In 1964, U.S. cigarette output, at nearly 541 billion, was 1.8 percent below the record 1963 level. From 1955 to 1963, annual production had increased steadily, the gain averaging over 3-1/2 percent a year. In 1964, close to 61 percent of the output consisted of filter tip cigarettes, and about 39 percent, nonfilter tips. The year before, filter tips comprised nearly 58 percent, and nonfilter tips about 42 percent. In 1954, filter tip cigarettes accounted for less than 10 percent of total output.

U.S. smokers (including those overseas) use about 95 percent of the cigarettes produced in the United States; foreign markets and offshore shipments take the other 5 percent.

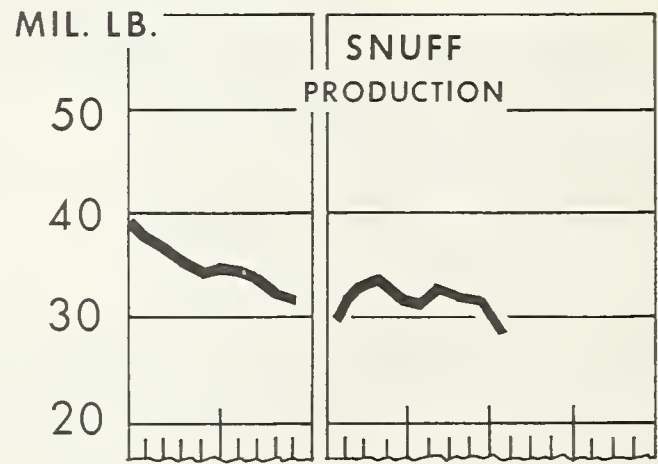
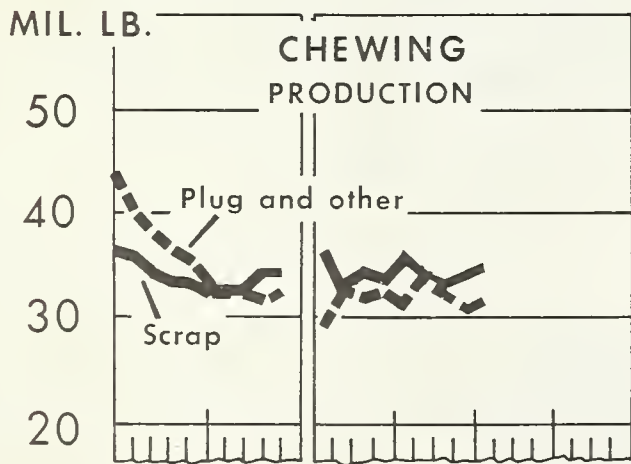
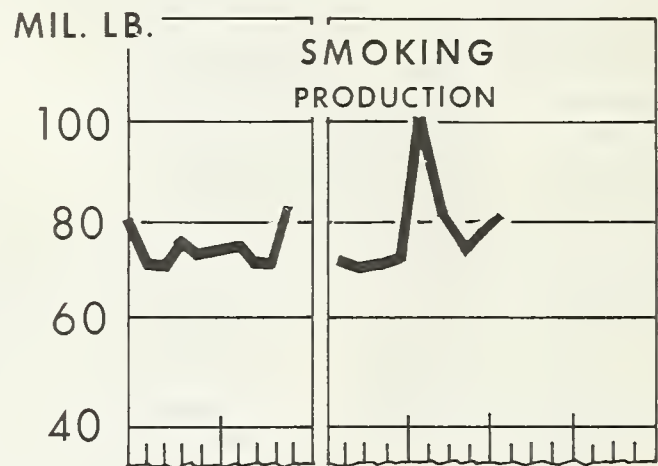
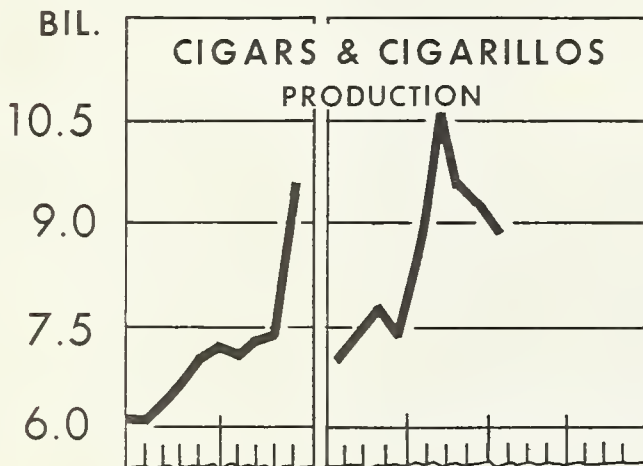
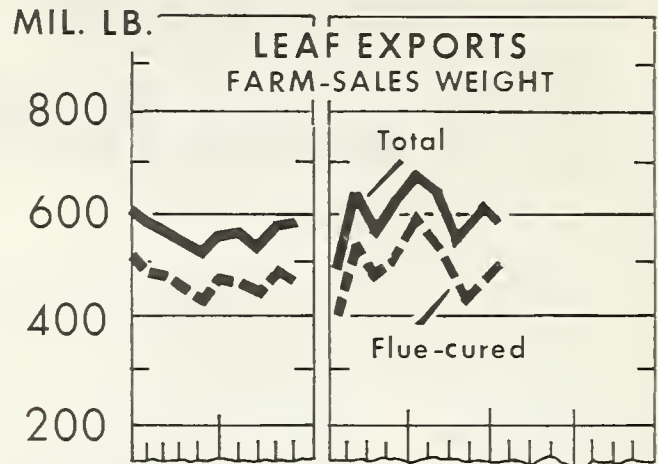
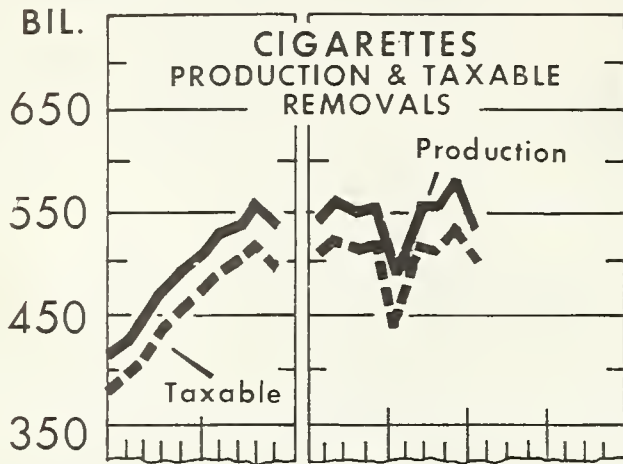


IN THIS ISSUE

- Tobacco Products
- Per Capita Consumption
- Exports, Imports, Foreign Production
- Leaf Supplies and Use

TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



1955 '60 '63 '64 '65 '66

1955 '60 '63 '64 '65 '66

ANNUAL

ANNUAL

QUARTERLY,
SEASONALLY ADJUSTED,
AT ANNUAL RATES

QUARTERLY,
SEASONALLY ADJUSTED,
AT ANNUAL RATES

LAST QUARTER SHOWN PARTLY ESTIMATED.

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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 23, 1965

CONTENTS

	<u>Page</u>		<u>Page</u>
Summary	3	British tobacco situation	24
Tobacco Industry Advisory Committee	6	U. S. imports of tobacco	28
Acreage-Poundage Proposal	6	Marketing quota referendums	32
Tobacco products	7	Tobacco leaf situation	31
Cigarettes	7	Flue-cured, types 11-14	31
Per capita consumption, cig-		Burley, type 31	35
arettes and total tobacco	10	Maryland, type 32	38
Per capita consumption cigars,		Fire-cured, types 21-23	40
smoking, chewing, and snuff ...	13	Dark air- and sun-cured,	
Cigars, cigarillos, small		types 35-37	44
cigars	11	Cigar tobacco	48
Smoking tobacco	14	Filler, types 41-46	
Smoking tobacco--bulk export	14	Binder, types 51-55	
Chewing tobacco	16	Wrapper, types 61-62	
Snuff	16	Foreign cigar tobacco	
U. S. exports of tobacco	18	Statistical summary	59
Major foreign countries		Index--1964 quarterly issues ...	61
exporting tobacco	22	List of tables	62

SUMMARY

Growers' intentions as of March 1 indicate this year's tobacco acreage will be about 15 percent below 1964 and the smallest since 1890. The 1965 acreage allotments of flue-cured and burley--the 2 big-volume cigarette tobaccos--have been cut about 19½ and 10 percent, respectively, below 1964, because of record supplies. Congress is considering legislation on an acreage-poundage program for tobacco. If enacted, and then if favored by at least two-thirds of flue-cured growers voting in a referendum, the 1965 acreage of flue-cured would be increased above that indicated by the March 1 intentions report. In 1964, average per-acre yields of flue-cured tobacco were highest in history. Yields of burley were the second highest recorded even though drought conditions affected a substantial producing area. Acreage allotments of Maryland and Kentucky-Tennessee fire-cured and dark air-cured were also reduced because of large supplies.

In 1964, U. S. smokers consumed 511 billion cigarettes--2½ percent fewer than the record number in 1963. Cigarette consumption per capita (18 years old

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and over) declined $3\frac{1}{2}$ percent from the 1963 peak and was lowest since 1960. Tax data indicate that cigarette consumption by late 1964 and early 1965 had regained and probably topped the late-1963 level. Congressional committees are considering legislation concerned with the labeling and advertising of cigarettes.

In 1964, output of cigarettes, at nearly 541 billion cigarettes, was about 10 billion less than the record 1963 level. U. S. smokers consumed about 95 percent of the total, and near-record exports took most of the rest. Of total output in 1964, filter tip cigarettes comprised nearly 61 percent and nonfilter tips about 39 percent; in 1963, filter tips comprised close to 58 percent, and nonfilter tips about 42 percent.

Consumption of cigars and cigarillos by U. S. smokers in 1964 totaled a record 9.1 billion--25 percent more than in 1963 and 7 percent above the previous record of 1920. Cigarillos accounted for a significant proportion of the 1964 total, whereas in 1920 the full-size cigars were dominant. Consumption of cigarette-size cigars (not included in the cigar and cigarillo total), though still only a small part of total tobacco consumption, rose sharply in 1964.

In 1964, consumption of smoking tobacco in pipes and "roll-your-own" cigarettes totaled about 84 million pounds--19 percent above the previous year and the highest since 1953. Nearly all the increase was in consumption of pipe tobacco.

Output of chewing tobacco last year was about 66 million pounds--1 percent above 1963 and highest in 5 years. Though output of scrap chewing, the largest category was slightly under 1963, this decrease was more than offset by the gain in output of plug chewing, the second largest category. Last year's output of snuff, at 31.4 million pounds, was down about 1 percent from 1963 and a long-time low.

Exports of unmanufactured tobacco in 1964 totaled about 584 million pounds (farm-sales weight)--a little above 1963. Exports during December 1964 were unusually large, probably due to anticipation of the dock strike. The strike which occurred during January and February also affected exports those 2 months. Exporters placed a value of \$413 million on 1964 exports of unmanufactured tobacco--a record high and 2 percent above the declared value in 1963. For the year ending June 30, 1965, exports of tobacco are likely to be down about 8 percent below the 8-year high of 1963-64, largely because exports of flue-cured tobacco, which make up over three-fourths of total exports, will likely be down.

Government price support levels for 1965 tobaccos eligible for price support are about 1 percent higher than for 1964. The increase results from the rise in the parity index--based on the comparison of its 1962-64 average with 1959. The parity index measures the average change over time in the prices of commodities and services commonly bought by farm families.

The 1965 intended acreage (reflecting the cut in acreage allotments) would result in a smaller crop of flue-cured tobacco than in 1964, assuming an average yield per acre with an allowance for trend. The crop, plus a mid-1965 carryover that is expected to be about 6 percent larger than in mid-1964, would provide a total supply for 1965-66 that would be a little lower than the record level for 1964-65.

Assuming an allowance for trend in average yield per acre, the intended acreage of burley would provide a 1965 production that would be about 3 percent above past season marketings when dry weather in some areas reduced the crop. The burley carryover into 1965-66 is likely to be at a new high which, together with this year's production, may raise the 1965-66 supply to a record high.

The 1964-65 supply of Maryland tobacco is above any previous year. The 1965 allotments for most farms were reduced 15 percent and intended acreage is down about 13 percent. Auctions for the 1964 crop are scheduled to begin April 21 and continue through July 9. Prices are expected to be considerably higher than last season when the 1963 crop was marketed; the quality of the 1963 crop was reduced by dry weather.

Based on the 1965 prospective acreages and average yields with an allowance for trend, the 1965 production of fire-cured tobacco would be about 7 percent smaller than 1964 crop marketings; production of the dark air-cured and sun-cured tobaccos would be 6 percent below 1964 crop marketings. The 1965 acreage allotments for farms growing Kentucky-Tennessee fire-cured and dark air-cured types were cut 10 percent. Farm allotments for Virginia fire-cured and sun-cured tobaccos were unchanged; supplies of these types are significantly lower in relation to requirements than those of the Kentucky-Tennessee types.

The 1964-65 supply of the Pennsylvania cigar filler type is the largest in many years but supply of Ohio filler is a tenth lower than in each of the previous 2 years. The 1965 intended acreage of Pennsylvania filler is the same as last year's harvested acreage, and intended acreage of Ohio filler is up 5 percent from a year earlier. Manufacturers' and dealers' stocks of Puerto Rican filler (including those in Puerto Rico) on January 1, 1965, were 3 percent above a year earlier.

Arrivals of foreign cigar tobaccos climbed sharply in 1964. Stocks held by U. S. manufacturers and dealers on January 1, 1965, jumped 53 percent above those held on January 1, 1964; stocks of Dominican and Brazilian tobaccos more than doubled, and stocks of Philippine and Colombian tobaccos were up around 70 percent from a year earlier. On the other hand, since imports of Cuban tobacco are embargoed, U. S. stocks of Cuban tobacco continue to diminish and are far below the normal pre-embargo level.

The 1964-65 supply of the Connecticut Valley binder types is at a new low. Based on March 1 intentions, the 1965 acreage of Broadleaf is indicated 6 percent below that harvested in 1964, and intended acreage of Havana Seed is one-fifth below that harvested in 1964.

The 1964-65 supply of Southern Wisconsin tobacco is below each of the previous 3 years, and total supply of Northern Wisconsin tobacco is the smallest in many years. The 1964 crops of both Wisconsin types brought the highest prices paid for these types of the past several years. Prospective 1965 acreages of Southern Wisconsin and Northern Wisconsin tobaccos are the same as last year's harvested acreages.

The 1964-65 supply of Connecticut Valley shade-grown cigar wrapper tobacco is the smallest in 5 years; the supply of Georgia-Florida cigar wrapper tobacco is about the same as in 1963-64. According to March 1 intentions, 1965 acreage will be up 10 percent from 1964 in the Connecticut Valley area, and up 9 percent in the Georgia-Florida area. During the 1963-64 marketing year, exports of Connecticut Valley wrapper tobacco were probably record high; but during the first half of 1964-65 (July-December 1964), they were a fifth lower than the year-earlier level. The exports of Georgia-Florida wrapper were down about 4 percent comparing the same 2 periods.

NATIONAL TOBACCO INDUSTRY ADVISORY COMMITTEE

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THE ACREAGE-POUNDAGE PROPOSAL

The National Tobacco Industry Advisory Committee--a 44-member group representing all types of tobacco and all segments of the industry--advises the Secretary of Agriculture on tobacco problems. This group met in Washington on January 15, 1965, to consider the report of a task force on recommended changes in the present tobacco program and other matters. The task force was appointed by the Secretary in response to a recommendation of the Advisory Committee at its meetings November 18-19, 1964. Members of the task force were chosen from the Advisory Committee, Land-Grant institutions, and the U. S. Department of Agriculture.

The report of the task force dealt primarily with a proposal to stabilize production of tobacco by means of an acreage-poundage program. An acreage-poundage program would continue acreage allotments, and in addition apportion poundage quotas among growers. This would provide more effective adjustment of supplies in line with demand, and would provide greater incentive for quality improvement--an essential prerequisite if exports are to be expanded. The Advisory Committee thoroughly discussed the principal features of the proposed acreage-poundage program and unanimously recommended that the Department of Agriculture adopt this approach to the problem of stabilizing tobacco production. It was recognized that legislative authority was necessary before further steps could be taken.

The President, in part of his agricultural message to Congress on February 4, 1965, stated:

"The tobacco program must also be reappraised this year. Yield increases, higher Government costs, deterioration in quality, and loss of foreign markets have weakened what has been a highly successful program.

"Legislation is needed to authorize production and marketing limits on an acreage-poundage basis. Consideration should also be given to revisions in our programs which will make American tobacco more competitive in world markets."

Legislation authorizing the establishment of an acreage-poundage program for tobacco was introduced in both the Senate and House of Representatives. Hearings on this legislation have been held in Washington, and also in the flue-cured tobacco producing areas (flue-cured tobacco is the only kind of tobacco that would be affected in the 1965 crop year if the proposed legislation becomes law). The Under Secretary of Agriculture testified in favor of the proposed legislation authorizing an acreage-poundage program for tobacco at hearings held by the Senate and the House Agriculture Committees (February 9 and 11, respectively).

On March 23, 1965, H. R. 5721, a bill to provide for acreage-poundage marketing quotas for tobacco, and for other purposes was passed by the House of Representatives and sent to the Senate. As this report was being prepared, the Senate Agriculture Committee was considering legislation to authorize an acreage-poundage program for tobacco. Under the bill as passed by the House and also as introduced in the Senate, at least two-thirds of the growers of a kind of tobacco, voting in a referendum, would have to approve before an acreage-poundage program could go into effect for that kind.

TOBACCO PRODUCTS

Cigarettes

In 1964, U. S. smokers consumed about 511 billion cigarettes--2½ percent less than the record 1963 total but above any previous year. The number of cigarettes consumed per person 18 years and over in 1964, at 4,191 (about 209½ packages), was down 3½ percent from the 1963 peak and was the lowest since 1960. (See table 3. Average consumption per smoker would exceed the per capita figure, which is obtained by dividing total consumption by total population 18 years and over.) Most of the 1964 decline in cigarette consumption occurred in the first few months following release of the Surgeon General's report on smoking and health in mid-January. Data on taxable removals indicate that by the final quarter of 1964, cigarette consumption had regained and probably topped consumption of late 1963. Cigarette consumption in 1965 seems likely to increase gradually but uncertainties affecting the outlook will continue for some time.

Regulations of the Federal Trade Commission requiring health warnings on packages and in all cigarette advertising are scheduled to go into effect on July 1, 1965.

On March 22, 1965, the Senate Commerce Committee started hearings on proposed bills dealing with labeling and advertising of cigarettes. Also, hearings on this subject are expected to be held beginning April 6, by the House Committee on Interstate and Foreign Commerce. (In the last session of Congress, the House Committee held hearings on several bills concerned with regulation of cigarette labeling and advertising on June 25-29 and July 2, 1964.)

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

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other <u>1/</u>	Puerto Rico and U. S. islands <u>2/</u>	
	Billions	Billions	Billions	Billions	Billions
Average:					
1947-49	380.5	345.2	11.7	1.5	22.5
1950	392.0	360.2	15.6	1.9	14.3
1951	418.8	379.7	20.1	2.0	16.8
1952	435.5	394.1	21.7	1.9	16.4
1953	423.1	386.8	18.8	2.0	16.2
1954	401.8	368.7	15.9	1.8	15.4
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963	550.6	509.6	14.3	3.2	23.6
1964 <u>3/</u>	540.9	497.4	13.9	3.6	25.1

1/ Also includes ship stores and small tax-exempt categories.

2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands.

3/ Subject to revision.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

In 1964, U. S. output totaled nearly 541 billion cigarettes--about 95 percent for U. S. smokers and most of the other 5 percent for commercial exports to over 100 countries and for shipment to Puerto Rico. The 1964 output of cigarettes was divided nearly 61 percent filter tip and about 39 percent nonfilter tip. (See table 2.)

The United States, world's leading exporter of cigarettes, exported more in 1964 than in any previous year except 1948 when large shipments went to the Philippine Republic. Cigarette exports in December 1964 were particularly large, probably in anticipation that shipping would be interrupted if agreement were not reached between employers and longshoremen. U. S. cigarette exports

Table 2.--Cigarettes: Estimated output of nonfilter tip and filter tip by length, and percentage distribution, 1952-64

Year	Total output	Nonfilter tip			Filter tip			
		Total	Regular 70 mm.	King 85 mm. <u>1/</u>	Total	Regular 70 mm.	Long 80 mm.	King 85 mm.
	Bil.	Bil.	Bil.	Bil.	Bil.	Bil.	Bil.	Bil.
1952	435.5	429.9	353.4	76.5	5.6	5.0		0.6
1953	423.1	410.7	297.0	113.7	12.4	6.0		6.4
1954	401.8	364.9	253.3	111.6	36.9	6.9		30.0
1955	412.3	335.3	224.5	110.8	77.0	9.0	6.5	61.5
1956	424.2	307.3	203.9	103.4	116.9	7.1	17.9	91.9
1957	442.3	274.0	180.3	93.7	168.3	8.0	46.1	114.2
1958 <u>2/</u>	470.5	257.5	169.0	88.5	213.0	6.9	54.5	151.6
1959	489.9	251.1	159.0	92.1	238.8	5.5	48.2	185.1
1960	506.9	248.9	151.9	97.0	258.0	3.6	46.4	208.0
1961	528.3	251.2	148.5	102.7	277.1	3.1	47.4	226.6
1962	535.5	243.0	139.8	103.2	292.5	2.4	48.1	242.0
1963	550.6	231.5	128.6	102.9	319.1	2.2	45.8	271.1
1964	540.9	211.6	111.9	99.7	329.3	1.8	42.5	285.0
Percentage distribution								
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1952	100.0	98.7	81.1	17.6	1.3	1.2		0.1
1953	100.0	97.1	70.2	26.9	2.9	1.4		1.5
1954	100.0	90.8	63.0	27.8	9.2	1.7		7.5
1955	100.0	81.3	54.4	26.9	18.7	2.2	1.6	14.9
1956	100.0	72.4	48.1	24.3	27.6	1.7	4.2	21.7
1957	100.0	62.0	40.8	21.2	38.0	1.8	10.4	25.8
1958	100.0	54.7	35.9	18.8	45.3	1.5	11.6	32.2
1959	100.0	51.3	32.5	18.8	48.7	1.1	9.8	37.8
1960	100.0	49.1	30.0	19.1	50.9	.7	9.2	41.0
1961	100.0	47.5	28.1	19.4	52.5	.6	9.0	42.9
1962	100.0	45.4	26.1	19.3	54.6	.4	9.0	45.2
1963	100.0	42.1	23.4	18.7	57.9	.4	8.3	49.2
1964	100.0	39.1	20.7	18.4	60.9	.3	7.9	52.7

1/ Includes 80 mm. nonfilter tips which were fairly significant in 1956-60, but which have since comprised a very small proportion of the total. 2/ Data shown for 1958 are final figures from the Census of Manufactures; total production indicated by the Census is slightly above the 470.1 billion total reported by the Internal Revenue Service.

General notes: Cigarettes having lengths other than specified in this table were included in the group with which they were most nearly comparable. The distribution of total cigarette output prior to 1958 represents approximate estimates based on unofficial source materials.

Table 3.--Cigarettes and all tobacco products: Consumption per capita, 18 years and over (including overseas forces), and indexes, 1925-64

Year	Cigarettes <u>1/</u>		All tobacco products <u>1/</u>	Cigarettes (number)	Cigarettes (pounds)	All tobacco products
	Number	Pounds	Pounds	----- (Indexes--1957-59=100) -----		
1925	1,085	3.10	9.66	28	33	83
1926	1,191	3.23	9.62	30	34	83
1927	1,279	3.65	9.69	33	39	83
1928	1,366	3.75	9.58	35	40	82
1929	1,504	4.08	9.85	38	44	85
1930	1,485	4.21	9.66	38	45	83
1931	1,399	3.99	9.23	36	43	79
1932	1,245	3.42	8.23	32	37	71
1933	1,334	3.51	8.17	34	37	70
1934	1,483	3.95	8.72	38	42	75
1935	1,564	4.22	8.67	40	45	75
1936	1,754	4.77	9.33	45	51	80
1937	1,847	5.01	9.50	47	54	82
1938	1,830	4.92	9.25	47	53	80
1939	1,900	5.15	9.35	48	55	80
1940	1,976	5.35	9.62	50	57	83
1941	2,236	6.08	10.22	57	65	88
1942	2,585	7.27	11.23	66	78	97
1943	2,956	8.04	11.78	75	86	101
1944	3,039	8.12	11.53	77	87	99
1945	3,449	9.48	13.02	88	101	112
1946	3,446	9.43	12.58	88	101	108
1947	3,416	9.12	12.11	87	97	104
1948	3,505	9.42	12.36	89	101	106
1949	3,480	9.45	12.22	89	101	105
1950	3,522	9.54	12.29	90	102	106
1951	3,743	9.94	12.59	95	106	108
1952	3,884	10.44	13.10	99	111	113
1953	3,702	10.36	12.95	94	111	111
1954	3,544	9.58	12.11	90	102	104
1955	3,595	9.48	11.98	92	101	103
1956	3,647	9.34	11.64	93	100	100
1957	3,751	9.20	11.43	96	98	98
1958	3,949	9.45	11.72	101	101	101
1959	4,071	9.44	11.72	104	101	101
1960	4,172	9.65	11.82	106	103	102
1961	4,266	9.84	12.00	109	105	103
1962	4,265	9.68	11.80	109	103	102
1963	4,345	9.70	11.78	111	104	101
1964 <u>2/</u>	4,191	9.20	11.52	107	98	99

1/ The weight represents the unstemmed processing-weight equivalent of the tobacco.

2/ Subject to revision.

totaled 25.1 billion in 1964, valued at \$114½ million. The number exported was up 6½ percent from 1963 and total value was up 7½ percent. Cigarette exports to Hong Kong--leading outlet--were up one-fifth and to Spain--second ranking outlet--were 2½ times the 1963 level. There were moderate to sharp increases in cigarette exports to Kuwait, the Netherlands, Canary Islands, Japan, Denmark, Republic of Panama, Ecuador, and Paraguay, but moderate to sharp drops in cigarette exports to Gibraltar, Peru, Belgium, and Malaysia.

Cigars, Cigarillos, Small Cigars

U. S. smokers (including those overseas) smoked a record 9.1 billion cigars and cigarillos in 1964--25 percent more than in 1963 and 7 percent above the long-standing previous high of 1920. Cigarillos accounted for a significant proportion of the 1964 total whereas in 1920 the full-size cigars were dominant. The 1964 consumption of small cigars (approximately cigarette-size and not included in the cigar and cigarillo total) was about 970 million, 2½ times higher than in 1963 and the highest since 1917.

Cigar and cigarillo consumption per male 18 years and over in 1964 rose to 154--an increase of about 30 over 1963 and the highest since 1929. Because of the growing proportion of cigarillos, the trend towards slimmer dimensions in cigars, and the savings in leaf use from reconstituted binder, the unstemmed tobacco equivalent of cigars has not risen commensurately with the units. (See table 6.)

The biggest increase in cigar and cigarillo sales from 1963 to 1964 occurred in those priced to sell for 6 cents each and under; in this retail price bracket, which includes the big majority of cigarillos, taxable removals jumped 38½ percent. Taxable removals of cigars retailing for over 6 cents but not over 15 cents apiece rose 14 percent from 1963 to 1964, and those retailing for more than 15 cents apiece increased about 10½ percent.

Data for January 1965 show taxable removals of large cigars and cigarillos to be down only slightly from the high January 1964 figure. Cigar and cigarillo consumption is expected to gain moderately in 1965 and set a new high.

Taxable removals of cigarette-size cigars during the first half of 1965 are not likely to reach the exceptionally high rate of a year earlier. Taxable removals for 1965 as a whole, however, will be well above recent years except for 1964.

Exports of cigars in 1964 totaled a record high of 44 million, valued at \$1.8 million; the number exported was nearly one-third higher than in 1963. The principal countries of destination were France, Iceland, Canada, Australia, Republic of South Africa, and the Bahamas.

Table 4.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States ^{1/}			From Puerto Rico:	Imports for consumption		Exports	Total consumption ^{3/}
	Total output	Removals		taxable	Total ^{2/}	From Philippine Republic		
	Million	Million	Million	Million	Million	Million	Million	Million
Average: 1947-49	5,668	5,618	42	5	12	2	12	5,665
1950	5,558	5,525	47	1	12	1	2	5,583
1951	5,774	5,695	85	1	14	1	3	5,792
1952	6,026	5,951	102	2	15	2	3	6,067
1953	6,122	6,025	90	10	17	3	6	6,136
1954	6,029	5,896	89	50	16	4	8	6,043
1955	6,004	5,915	82	84	20	5	6	6,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963	6,716	6,621	144	526	24	15	33	7,282
1964 ^{5/}	8,736	8,122	193	809	28	13	44	9,108

^{1/} Includes bonded manufacturing warehouses that made cigars from tobacco imported from a single source country. ^{2/} Prior to the embargo on imports from Cuba (effective February 1962) cigars imported from Cuba accounted for 70 percent or more of total cigar imports except in 1961. ^{3/} Total removals from U. S. factories including bonded manufacturing warehouses, from Puerto Rico, imports, minus exports. ^{4/} Estimated--excludes little cigars. ^{5/} Subject to revision.

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

Table 5.--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	Million	Million	Million	Million
Average: 1947-49	84.1	84.6	84.6	Neg.
1950	68.9	69.2	69.1	.1
1951	69.2	68.6	68.2	.4
1952	67.1	67.4	66.9	.5
1953	58.3	56.9	56.7	.2
1954	61.2	62.9	60.3	2.6
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963	281.4	272.4	264.2	8.2
1964 ^{1/}	973.9	973.8	939.7	34.1

^{1/} Subject to revision.

Compiled from reports of the Internal Revenue Service.

Table 6.--Consumption of cigars, smoking tobacco and chewing tobacco per male, and snuff per person, 18 years and over, and indexes for specified periods

Period	Consumption per male 18 years and over				Per person
	Large cigars and cigarillos <u>1/</u>		Smoking tobacco <u>1/</u>	Chewing tobacco <u>1/</u>	18 years and over
	Number	Pounds	Pounds	Pounds	Snuff <u>1/</u>
Average:					
1925-29	177.4	4.10	4.15	5.03	0.52
1930-34	125.2	2.96	4.40	3.15	.46
1935-39	120.9	2.89	4.39	2.48	.42
1940-44	118.9	2.87	3.67	2.34	.43
1945	112.3	2.71	3.41	2.34	.44
1946	120.4	2.93	2.12	2.21	.40
1947	112.8	2.78	2.06	1.92	.39
1948	113.7	2.80	2.09	1.85	.40
1949	109.3	2.50	2.08	1.71	.40
1950	107.8	2.53	2.03	1.67	.38
1951	110.7	2.56	1.89	1.62	.37
1952	115.0	2.72	1.80	1.58	.36
1953	115.5	2.72	1.62	1.55	.36
1954	112.8	2.64	1.55	1.48	.35
1955	112.8	2.60	1.47	1.44	.35
1956	110.8	2.41	1.30	1.36	.34
1957	112.9	2.37	1.27	1.29	.32
1958	117.3	2.45	1.37	1.23	.31
1959	125.0	2.55	1.31	1.20	.29
1960	124.7	2.42	1.30	1.13	.30
1961	122.9	2.43	1.30	1.13	.29
1962	121.9	2.40	1.22	1.10	.28
1963	124.6	2.39	1.22	1.11	.27
1964 <u>2/</u>	154.3	2.69	1.42	1.11	.26
1957-59=100					
Average:					
1925-29	150	167	316	406	168
1930-34	106	120	334	254	150
1935-39	102	117	333	200	138
1940-44	100	117	279	189	140
1945	95	110	259	189	144
1946	102	119	161	178	129
1947	95	113	157	155	127
1948	96	114	159	149	130
1949	92	102	158	138	129
1950	91	103	154	134	125
1951	94	104	144	131	121
1952	97	110	137	128	118
1953	98	111	123	125	117
1954	95	107	118	120	115
1955	95	106	112	116	115
1956	94	98	99	110	110
1957	95	96	97	104	105
1958	99	100	104	99	100
1959	106	104	99	97	95
1960	105	98	99	91	97
1961	104	99	99	91	93
1962	103	97	93	89	91
1963	105	99	93	89	86
1964 <u>2/</u>	130	109	108	90	84

1/ Unstemmed weight equivalent for cigars and finished-product weight for all others. 2/ Subject to revision.

Smoking Tobacco

The 1964 production of smoking tobacco for pipes and "roll-your-own" cigarettes totaled $82\frac{1}{2}$ million pounds--17 percent above 1963 and largest in 10 years. Output surged upward in the first quarter of 1964 but the rate of gain slackened in succeeding quarters.

An estimate of consumption of smoking tobacco by U. S. smokers (including overseas forces) is derived by adding total removals from domestic factories and taxable removals of imported smoking tobacco and by subtracting exports. For 1964, consumption is estimated at 84 million pounds--19 percent above the previous year and the highest since 1953. (See table 7.) Nearly all of the increase was in consumption of pipe tobacco; use of tobacco for "roll-your-own" cigarettes increased a little. The number of "roll-your-own" cigarettes smoked in 1964 is estimated at around 12 billion, compared with about $11\text{-}3/4$ billion in 1963.

Consumption of smoking tobacco per male, 18 years and over, was about $1\text{-}2/5$ pounds (product weight) in 1964--16 percent more than in 1963 and the most since 1955. (See table 6.) Total consumption of smoking tobacco in 1965 will probably be below 1964, although higher than in other recent years.

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices of smoking tobacco through January 1965 remained virtually unchanged since April 1964, when they increased 1.7 percent.

Taxable removals of imported smoking tobacco in 1964 reached a record 3 million pounds, contrasted with removals ranging from 1.3 to 1.6 million in the preceding 3 years. Imported smoking tobacco made up about $3\frac{1}{2}$ percent of total U. S. consumption of smoking tobacco in 1964. The Netherlands furnished 80 percent of the imported smoking tobacco, the United Kingdom 10 percent, and Denmark 4 percent. The average value of imports in 1964 were as follows (per pound, excluding the $17\frac{1}{2}$ -cent duty): The Netherlands, \$1.11; United Kingdom, \$2.47; Denmark, \$0.96; all sources, \$1.23.

Exports of packaged smoking tobacco in 1964 totaled 1,419,000 pounds, valued at \$2.1 million. The quantity jumped 62 percent, and the value 59 percent over 1963. The volume shipped was the largest since 1947. Canada, accounting for over a fifth of the total, increased takings 29 percent. Large percentage increases occurred in exports to Japan, Australia, Denmark, Iceland, and West Germany. Other destinations taking more than in 1963 included Switzerland, Sweden, and Hong Kong.

Smoking Tobacco in
Bulk for Export

Bureau of Census export statistics report a sizable volume of manufactured tobacco as smoking tobacco in bulk, most of which is not covered in Internal Revenue Service output statistics. This export category includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed

Table 7.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals		Imports, taxable <u>1/</u>	Exports, in packages	Total consump- tion <u>2/</u>	Exports, smoking tobacco in bulk <u>3/</u>
		Taxable	Tax- exempt				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	106.8	<u>4/</u> 104.6	<u>4/</u> 2.3	.1	1.2	105.8	1.4
1950	107.7	104.3	3.4	.1	.6	107.2	1.4
1951	101.3	97.4	4.0	.1	.7	100.8	1.9
1952	96.8	92.9	3.6	.1	.6	96.0	2.3
1953	86.6	84.2	2.4	.1	.6	86.1	4.7
1954	83.7	81.2	2.5	.1	.6	83.2	4.6
1955	80.0	77.7	2.3	.1	.5	79.6	6.2
1956	71.5	69.9	1.7	.1	.6	71.1	5.7
1957	70.5	68.7	1.7	.2	.6	70.0	4.4
1958	76.0	74.0	2.0	.4	.7	75.7	7.5
1959	73.2	71.2	1.9	.7	.7	73.1	8.5
1960	73.8	71.3	2.3	.9	.9	73.6	7.7
1961	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962	70.9	68.3	2.6	1.4	.9	71.4	8.6
1963	70.4	68.0	2.2	1.6	.9	70.9	9.8
1964 <u>5/</u>	82.5	79.0	3.4	3.0	1.4	84.0	12.3

1/ Prior to July 1962, data are from Census import classification "tobacco manufactures, n.e.s."

2/ Total removals plus taxable imports minus exports in packages.

3/ Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class is not included in Internal Revenue Service output figures for smoking tobacco.

4/ Partly estimated.

5/ Subject to revision.

Compiled from reports of Internal Revenue Service and Bureau of Census.

blended tobacco, and shredded tobacco. In 1964, exports of smoking tobacco in bulk increased 26 percent to 12.3 million pounds--a record high. December exports were unusually large, and may have reflected concern about a possible dock strike that began the following month. Declared value of the 1964 exports was \$12-3/4 million--27 percent above 1963 and also a record high. Switzerland, accounting for over a fourth of the total quantity, increased takings 16 percent. Dominican Republic, second ranking outlet, boosted takings 36 percent, while Italy, ranking third, tripled its 1963 takings. Exports to Spain more than doubled and to Ecuador rose over a third. Other countries receiving larger exports were Finland, Bolivia, Haiti, and Australia, but among those receiving less were Mexico and Panama.

Chewing Tobacco

Chewing tobacco output in 1964 totaled about 66 million pounds--1 percent above 1963 and highest in 5 years. Production of scrap chewing, which made up 51 percent of all chewing tobacco, was slightly below 1963. But plug chewing, comprising 39 percent of total chewing tobacco, gained 1 million pounds or 4 percent. In the first 10 months of 1964, production of plug chewing exceeded total removals by approximately 700,000 pounds, but in the final 2 months of the year it fell below total removals by nearly a half-million pounds.

Twist and fine-cut together made up about 10 percent of chewing tobacco production in 1964. Production of twist declined a little but fine-cut increased moderately.

All except a small fraction of chewing tobacco output is consumed domestically. In 1964, taxable removals of the combined chewing tobaccos--a measure of total domestic consumption--were slightly above the previous year, due to a small rise in plug and fine-cut. Taxable removals of scrap chewing and twist were practically even with 1963.

The 1964 consumption of chewing tobacco, per male 18 years and over, was about the same as in 1963 but about a fourth less than 10 years ago.

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices for plug chewing through January 1965 remained unchanged since October 1963 when they advanced 6 percent.

Exports account for only a small fraction of chewing tobacco output and consist mostly of twist and plug. These exports have trended downward and, in 1964, totaled 412,000 pounds--11 percent less than in 1963 and lowest on record. Value of the exports was \$395,000--down 6 percent. Shipments to Australia--principal outlet--declined nearly a tenth, and none was reported as exported to Canada, which took a significant quantity in 1963. Panama, French Pacific Islands, and the Netherlands Antilles each increased takings moderately.

Snuff

Snuff production in 1964, at 31.4 million pounds, declined about 1 percent below 1963 to a long-time low. In the past 9 years, output has trended

Table 8.--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing tobacco					Total	Snuff
	Plug	Twist	Fine-cut	Scrap			
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
Average: 1947-49	44.9	5.5	3.3	41.3	95.0	40.3	
1950	40.3	5.5	2.7	39.0	87.5	40.0	
1951	39.9	4.6	2.8	39.1	86.4	39.5	
1952	39.1	4.8	2.8	38.2	84.9	38.8	
1953	38.1	4.7	2.9	38.1	83.8	39.1	
1954	36.9	4.9	2.9	36.6	81.3	38.5	
1955	36.5	4.5	3.0	36.0	80.0	39.2	
1956	33.0	4.3	2.9	35.5	75.7	37.7	
1957	31.6	4.0	2.8	34.0	72.4	36.1	
1958	29.6	3.8	2.9	33.0	69.3	34.8	
1959	28.6	3.6	3.0	33.0	68.2	34.3	
1960	26.4	3.4	3.1	32.0	64.9	34.6	
1961	26.0	3.3	3.2	32.7	65.2	33.8	
1962	26.0	2.9	3.3	32.5	64.7	33.2	
1963	24.9	2.9	3.3	34.2	65.3	31.8	
1964 <u>1/</u>	25.9	2.8	3.5	34.0	66.2	31.4	

1/ Subject to revision.

Compiled from reports of the Internal Revenue Service.

downwards; the 1964 output was nearly 8 million pounds or 20 percent below the 1955 level. Snuff production likely will continue its gradual decline in 1965.

Virtually all U. S. snuff output is consumed in this country. In 1964, taxable removals--the measure of domestic consumption--were about 2 percent less than in the preceding year. The 1964 per capita consumption by persons 18 years and over was 4 percent below 1963 and about a fourth below 10 years earlier.

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices for snuff increased nearly 2 percent in March 1964 from the preceding month, and remained unchanged through January 1965.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Exports of unmanufactured tobacco in 1964 totaled 510 million pounds (equivalent to about 584 million, farm-sales weight)--1 percent above 1963 and 9 percent above 1962, when exports were third lowest in 10 years. Exports in December 1964 were highest for that month since 1953, and probably were spurred by concern about the possibility of a dock strike that began the following month. The declared value of 1964 exports was \$413 million, up 2 percent from 1963 and the highest on record. During 1953-62, annual exports averaged 494 million pounds, valued at \$354 million.

Flue-cured comprised 77 percent of total 1964 unmanufactured tobacco exports, compared with 80 percent in each of the 3 preceding years. Burley made up somewhat over 10 percent, compared with less than 9 percent in the previous year, and exports of fire-cured represented 5 percent, up from 4 percent in 1963 and more in line with the proportion in most recent years.

Exports of flue-cured declined 3 percent, but this was more than offset by gains in most other types. The United Kingdom and West Germany reduced flue-cured takings 9 and 5 percent, respectively, and less quantities than in 1963 were also shipped to Australia, Ireland, Egypt, Denmark, and Italy. Larger quantities than in 1963 were consigned to Japan, the Netherlands, Belgium, Sweden, Thailand, Hong Kong, and Malaysia.

Burley exports in 1964 jumped nearly a fifth to the largest on record. Countries taking more than in the previous year included West Germany, Sweden, Mexico, Egypt, Thailand, Belgium, Denmark, and Switzerland; less went to Italy, Portugal, the Netherlands, Hong Kong, and Austria.

Exports of Maryland rose 15 percent to the highest in 5 years. Kentucky-Tennessee fire-cured jumped 46 percent over the relatively low year-earlier level; those of Virginia fire-cured fell about an eighth. Exports of Green River and One Sucker rose appreciably, but those of Black Fat declined 12 percent. Cigar leaf exports increased more than a fourth, all types sharing in the gain.

The United Kingdom, leading U. S. foreign market for tobacco leaf, reduced takings 10 percent but accounted for about a fourth of the total in 1964. West Germany, second ranking market, took about as much unmanufactured tobacco as a year earlier. Exports to the Netherlands, ranking third, and to Japan, ranking fourth, increased 11 and 7 percent, respectively. Sweden, which ranked fifth, boosted takings 89 percent, while Belgium, ranking sixth, took moderately more. Other markets taking more U. S. tobacco than in 1963 included Switzerland, Thailand, Portugal, and France, while those taking less included Australia, Denmark, Ireland, and Italy. Exports to Egypt and Norway were about even with a year earlier.

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

Table 9.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)						
Country and type	Average 1956-60	1961	1962	1963 <u>1/</u>	1964 <u>1/</u>	1964 as a percentage of 1963
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Flue-cured	403.8	402.8	375.4	403.4	391.5	97
Burley	28.8	36.6	40.1	44.5	53.0	119
Maryland	12.7	11.4	10.9	10.7	12.3	115
Va. fire- and sun-cured	4.9	4.7	4.6	5.2	4.6	88
Ky. and Tenn. fire-cured	20.5	25.0	17.3	14.2	20.8	146
Green River	1.1	.5	.6	.6	1.2	200
One Sucker	1.7	.8	.5	.5	.6	120
Black Fat, etc.	4.7	4.3	3.7	4.2	3.7	88
Cigar wrapper	4.1	4.3	4.8	4.6	5.2	113
Cigar binder	2.8	3.0	.9	.8	1.6	200
Cigar filler	.6	.2	.1	.4	.6	150
Perique	.1	.1	.2	.2	.2	100
Stems, trimmings, and scrap	5.3	7.3	9.8	16.1	15.1	94
Total	491.1	501.0	468.9	505.5	510.4	101
Country of destination						
United Kingdom	160.0	152.4	97.0	139.0	125.2	90
France	6.6	7.2	4.6	5.6	7.2	129
Belgium	18.5	17.3	17.3	16.3	17.5	107
Netherlands	30.5	30.0	28.1	29.7	33.1	111
West Germany	70.0	77.5	80.6	85.3	85.5	100
Portugal	7.2	6.5	7.6	6.0	8.0	133
Denmark	13.1	14.1	13.8	13.8	12.3	89
Ireland	11.1	13.8	21.6	14.5	11.2	77
Switzerland	12.1	14.2	13.0	11.5	15.0	130
Norway	7.7	7.3	8.4	7.3	7.2	99
Sweden	13.7	18.9	15.1	11.0	20.8	189
Italy	7.0	11.7	18.2	12.0	9.0	75
Thailand	9.6	13.6	7.7	9.1	11.1	122
Australia	25.6	11.8	22.0	18.1	14.2	78
India	2.0	2.0	2.4	1.5	.6	40
Pakistan	1.7	1.9	2.1	2.3	.8	35
New Zealand	6.4	6.0	4.7	2.9	3.3	114
Philippine Republic	2.5	6.9	<u>2/</u>	<u>2/</u>	.9	---
Indonesia	6.7	3.0	<u>2/</u>	1.2	0	---
Egypt	10.2	1.6	12.4	15.2	15.2	100
Japan	10.1	24.5	24.1	28.7	30.8	107
Spain	4.0	3.6	.3	1.2	3.1	258
Other countries	54.8	55.2	65.3	73.3	78.4	107
Total	491.1	501.0	468.9	505.5	510.4	101

1/ Preliminary.2/ Less than 50,000 pounds.

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

In 1964, exports of tobacco for foreign currencies under Title I, P. L. 480, were about 35 million pounds, valued at close to \$23 million. The volume was a little below that of the previous year. Recipient countries and the quantities taken were as follows: Egypt, 12.6 million pounds; South Viet Nam, 10.1 million; Republic of the Congo, 5.1 million; Poland, 3.0 million; Taiwan, 2.2 million; Pakistan, 0.9 million; India, 0.6 million; and Israel, 0.3 million. Under present legislation, the termination date for Title I, P. L. 480, is December 31, 1966. There are no fixed expiration dates for Titles III and IV, under which exports of tobacco are also made.

Title III, P. L. 480, authorizes sales of surplus agricultural commodities for strategic and other materials produced abroad. In 1964, exports of tobacco under this barter program totaled 19½ million pounds, valued at nearly \$12 million. The quantity was about a third above 1963, but substantially below the volumes shipped in 1961 and 1962. (See table 10.) Principal countries receiving barter tobacco were West Germany, 7.4 million pounds; United Kingdom, 4.7 million; the Netherlands, 1.9 million; Finland, 1.1 million; and Hong Kong, 1.0 million. The balance was distributed among 14 destinations; chief among these were Japan, Ireland, the Philippine Republic and Uruguay.

Title IV, P. L. 480, authorizes sales under long-term dollar credit. In 1964, Title IV sales of tobacco totaled 3.7 million pounds, slightly above 1963, and were valued at \$3.9 million. Chief countries taking Title IV tobacco were Chile, Iceland, Dominican Republic, and Syria. Some also went to Ecuador, Iraq, and Ryukyu Islands.

Combined exports of tobacco under P. L. 480 programs totaled 58 million pounds or about 11½ percent of all unmanufactured tobacco exports, a somewhat higher percentage than in 1963. Around 4 million pounds were exported in 1964 under Agency for International Development (A.I.D.) programs. The total of 62 million pounds exported under specified Government-financed programs made up about an eighth of all unmanufactured tobacco exports in 1964 (table 10).

In 1964, about 17½ million pounds of tobacco were exported under the export payment program. This program, announced in February 1962, provides for payments to tobacco exporters from Section 32 funds on export sales of Government loan stocks of leaf tobacco from 1956 and earlier crops. Export sales include those under barter arrangements and for foreign currency. The termination date for making application for sales of tobacco under the export payment program was November 30, 1964 (see December 1964 Tobacco Situation, page 17, for the total of approved applications). The final date for completing shipment has been extended to May 31, 1965. Quantities exported and payments to exporters in the past 3 calendar years were as follows:

Kind	Exports			Payments		
	1962	1963	1964	1962	1963	1964
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. dol.	Mil. dol.	Mil. dol.
Flue-cured	11.3	30.4	13.2	1.4	3.0	1.2
Other	2.8	2.7	4.4	.3	.3	.4
Total	14.1	33.1	17.6	1.7	3.3	1.6

Table 10.--Tobacco exports under Government-financed programs, 1955-64

Calendar year	Public Law 480					Total	Mutual security programs	Total under Government-financed programs	Total unmanufactured tobacco exports	Exports under Government-financed programs as percentage of total exports
	Title I, foreign currency sales	Title III, barter sales 1/	Title IV, long-term dollar credit sales	Total						
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent	
1955	43.8	---	---	43.8	2.3	46.1	540.3	8.5		
1956	71.2	---	---	71.2	4.3	75.5	510.4	14.8		
1957	35.8	---	74	35.8	---	35.8	501.0	7.1		
1958	37.9	0.5	6.5	38.4	2.6	41.0	481.8	8.5		
1959	56.5	19.5	7.5	76.0	5.5	81.5	465.6	17.3		
1960	31.2	27.3	24.4	58.5	22.8	81.3	496.1	16.4		
1961	26.0	61.3	40.4	87.3	20.5	107.8	501.0	21.5		
1962	28.5	50.3	77.4	79.2	.4	79.6	468.9	17.0		
1963	35.6	14.9	18.1	54.1	---	54.1	505.5	10.7		
1964 2/	34.8	19.5	15.4	58.0	4.3	62.3	510.4	12.2		
		113.3	192.7							

	Quantity (export weight)		Value	
	Million pounds	Million pounds	Million dollars	Million dollars
1955	31.3	31.3	31.3	0.6
1956	48.5	48.5	48.5	2.3
1957	26.6	26.6	26.6	---
1958	28.3	28.7	28.7	1.5
1959	41.6	52.9	52.9	3.5
1960	22.0	43.0	43.0	17.8
1961	20.4	55.6	55.6	16.5
1962	22.2	53.7	53.7	.3
1963	25.1	37.6	37.6	---
1964 2/	22.9	38.7	38.7	2.8

1/ Title III, P. L. 480 broadened the authority of the barter program, which is conducted under several legislative authorizations.

2/ P. L. 480 exports preliminary; subject to revision.

In the year ending June 30, 1965, U. S. exports of unmanufactured tobacco may total around 490 million pounds--about 8 percent less than the 532 million shipped in fiscal 1964, which was highest in 8 years.

Major Foreign Countries

Exporting Tobacco

The current flue-cured crop in Rhodesia and Western Zambia (to be sold on the Salisbury auctions) is estimated at 240 to 260 million pounds, down substantially from the record 324 million sold in 1964. The crop was cut back by a voluntary control program. Nevertheless, a 1965 crop of this size would still be the second largest ever harvested in this area. Auctions for the Rhodesian crop opened March 9. Prices for the 7.8 million pounds sold through the second week of sales averaged the equivalent of 39.7 cents per pound. In the comparable period a year ago, 9.7 million pounds were sold and averaged the equivalent of 37.2 cents per pound. For the full season last year, the Salisbury auction sales of 324 million pounds averaged 30.3 cents, lowest in nearly 20 years.

The 1964 exports of flue-cured tobacco from Rhodesia and Western Zambia (accounting for most of the production in the former Federation of Rhodesia-Nyasaland) totaled a record 221 million pounds (dry weight)--23 percent more than in 1963. Over two-fifths of the total was consigned to the United Kingdom, which increased takings 9 percent. Other Commonwealth areas, mainly Australia, Malaysia, and Hong Kong, accounted for about a fifth. Exports to Continental West European countries totaled 70 million pounds, compared with 51 million in 1963. Chief outlets among these countries, and their 1964 takings, were West Germany, 33.1 million pounds; the Netherlands, 15.4 million; Belgium, 7.1 million; Denmark, 3.5 million; Portugal, 2.0 million; and Switzerland, 2.0 million. About 9 million pounds of flue-cured were shipped to Japan, compared with less than 6 million in 1963 and about 6½ million in 1962. The Soviet Union took 2.9 million pounds and Egypt took 1.7 million pounds, in contrast to none the year before. The average value of the former Federation's flue-cured exports in 1964 (which include around 2 million pounds from Malawi and Eastern Zambia) was equivalent to about 49 cents a pound, ranging from 24½ cents for exports to the Soviet Union to 58 cents for exports to the United Kingdom.

Canada's 1964 flue-cured crop is estimated at 143 million pounds--23 percent less than in the previous year. Acreage in Ontario, which usually accounts for around nine-tenths of the total crop, was cut about a fourth. Auction sales of Ontario flue-cured which began November 12, were concluded February 25. Sales totaled 136½ million pounds, and averaged 56.7 Canadian cents per pound. In the previous season, interrupted by a 2-week closing of auctions in March due to grower dissatisfaction with prices, regular sales amounted to 179 million pounds and averaged 46.8 Canadian cents. All of the stocks of "no-sale" tobacco from the 1961 and 1962 crops, originally amounting to about 23 million pounds (redried weight basis), reportedly have been sold. The 1965 quota acreage of flue-cured in Ontario has been announced at 18 percent above the 1964 quota acreage, and is designed to produce a crop of around 170 million pounds this year.

Exports of flue-cured tobacco from Canada in the first 11 months of 1964 totaled 47 million pounds, about a third more than a year earlier and exceeding any previous calendar year. The United Kingdom accounted for nearly 70 percent of the total, increasing takings about a sixth. West Germany took 3.2 million pounds and Denmark, 1.0 million--both sharply higher than a year earlier--while Japan took 1½ million, in contrast to none a year earlier. The Soviet Union and Czechoslovakia were outlets for 2.7 million and 1.0 million pounds, respectively, and some Canadian flue-cured also went to Belgium and the Netherlands. About 3¼ million pounds of burley were exported, principally to West Germany and the United Kingdom.

India's 1964 flue-cured crop, placed at about 240 million pounds, surpassed the 1963 peak by 29 percent. Its flue-cured exports in January-October were a record 126 million pounds--15 percent higher than a year earlier and exceeding calendar year shipments in 1962 and 1963. The Soviet Union accounted for half of all exports, its takings jumping 89 percent. Second ranking outlet was the United Kingdom, which reduced takings about a tenth. Approximately 7-3/4 million pounds were exported to Japan, more than twice as much as a year earlier. Other countries taking Indian flue-cured included Yugoslavia, East Germany, Belgium, the Netherlands, and Malaysia--all of which took less than a year earlier--and Hungary, which increased its takings. The average values of January-October 1964 exports, expressed in U.S. cents per pound, were as follows: Soviet Union, 23; United Kingdom, 56; Japan, 32; Yugoslavia, 21; Belgium, 21; all destinations, 32.

Oriental tobacco production in Turkey in 1964 has been estimated at 390 million pounds--more than a third above 1963 and by far the largest on record. However, there is a lag between production and exports, and shipments in 1964 reflected the sharp drop in prior crops reduced by blue mold. In January-November 1964, Turkey's tobacco exports totaled 85 million pounds, 7 percent below a year earlier and 52 percent below record exports 2 years earlier. The United States accounted for nearly two-thirds of the total, taking 4 percent more than in the comparable period of 1963. More than a year earlier also was exported to Hungary and Israel. But exports dropped to West Germany, Poland, East Germany, Switzerland, Japan, Czechoslovakia, and Soviet Union. Around 2 million and 1 million pounds, respectively, were exported to Italy and Iraq, neither of which took any a year earlier.

The 1964 production of oriental tobacco in Greece is estimated at about 290 million pounds--about 4 percent above the 1963 harvest and above any previous year. Exports in 1964 are placed at 157 million pounds--about a sixth above the previous year and largest on record. Shipments to West Germany, leading destination, rose a fifth, but those to the United States, second ranking outlet, declined nearly an eighth from the relatively high level of 1963. Substantially more than the year before went to France, Soviet Union, Italy, Poland, Egypt, and Hungary; less went to Belgium and Yugoslavia.

Effective May 1, duties on Greek tobacco imported into European Economic Community (EEC or Common Market) countries will be reduced another 10 percent

of the original 1957 rates, bringing the rates to 30 percent of those in force at the formation of the Community. EEC consists of West Germany, Belgium, the Netherlands, Luxembourg, France, and Italy. Greece is an associate member, and an association agreement between Turkey and EEC became effective last December, granting Turkey an annual quota of about 27½ million pounds of tobacco for shipment to EEC at the duty rates charged on Greek tobacco. When the new reduction goes into effect, duties levied on Greek tobacco imported into Belgium and the Netherlands will be equivalent to about 1.1 cents per pound, compared with 9.9 cents for U.S. tobacco. Duties on Greek tobacco imported into West Germany will be 5.8 cents compared with 18.4 cents for U.S. tobacco; for imports into France and Italy, they will be zero compared with 7.7 cents for U.S. tobacco. Duties in all EEC countries for both Greek and Turkish tobaccos are eventually scheduled to be reduced to zero; for outside countries, the eventual duty is presently scheduled at 28 percent ad valorem, with a minimum equivalent to 13.2 cents a pound and a maximum of 17.2 cents. For most U.S. tobacco, the maximum of 17.2 cents a pound would apply.

British Tobacco Situation

Imports of unmanufactured tobacco into the United Kingdom in 1964 totaled 313 million pounds--about 4 percent below 1 year earlier but 12 percent above the relatively low total 2 years earlier. About 123 million pounds--39 percent of the total--were received from the United States. This was 15 percent less than in 1963, when 145 million pounds from the United States comprised 45 percent of the total. Imports from Commonwealth suppliers increased 4 percent to 181 million pounds, and made up 58 percent of all unmanufactured tobacco imports compared with 54 percent in 1963. Imports from Rhodesia, Zambia, and Malawi rose 3½ percent to 105 million, while imports from Canada jumped 24 percent to 40 million--the most since 1955. On the other hand, imports from India dropped 11 percent to 35 million, compared with a 1958-62 average of 42 million.

As usual, over nine-tenths of 1964 tobacco imports consisted of flue-cured, of which 71 percent entered in stemmed form, the rest unstemmed. In 1963, the proportion of stemmed flue-cured was 58 percent, and in 1962 it was 46 percent. Quantities of imported flue-cured by principal sources were United States, 121 million pounds; Rhodesia, Zambia, and Malawi, 97 million; India, 31½ million; and Canada, 38-3/4 million.

Nearly three-fifths of U.S. flue-cured was stemmed, compared with less than half in 1963, and almost two-thirds of Canadian flue-cured was stemmed, compared with somewhat over a half in 1963. As recently as 1961, 16 percent of U.S. flue-cured and only 4 percent of Canadian flue-cured entered in stemmed form. Over four-fifths of the 1964 imports of Rhodesian flue-cured was stemmed, compared with around three-fifths in the previous year. As in 1963, virtually all imports of Indian flue-cured were stemmed.

Table 11.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports <u>1/</u>		Stocks Dec. 31 <u>3/</u>	Gross clearances from bond <u>4/</u>		Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco
	From U. S. <u>2/</u>	From Common- wealth countries <u>2/</u>		Total	Non- prefer- ential <u>2/</u>		
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1950	144	146	445	180	91	271	43
1951	212	131	498	183	104	287	51
1952	67	143	430	172	108	280	47
1953	174	127	452	167	116	283	45
1954	160	139	468	168	122	290	41
1955	179	149	507	173	125	293	44
1956	160	146	523	173	127	300	45
1957	168	141	529	169	135	304	41
1958	164	145	529	172	138	310	41
1959	140	157	509	171	144	315	34
1960	178	180	538	167	152	319	31
1961	157	182	563	161	156	317	31
1962	106	168	540	153	154	307	28
1963	145	174	536	155	159	314	29
1964 <u>2/</u>	123	181	541	146	163	309	26

Percentage change

	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average:							
1957-59							
to 1964	-21.7	22.3	0.3	3.6	17.3	-0.3	100.0
1963 to 1964	-15.3	4.0	-3.7	0.9	2.5	-1.6	33.3

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other nonpreferential areas is 2 per cent above the preferential rate on tobacco from Commonwealth areas. 3/ Beginning with 1957, stocks not strictly comparable with prior years. 4/ Largely withdrawals for manufactures for home use and export. 5/ Subject to revision.

Table 12. --Unmanufactured tobacco imports into the United Kingdom from major sources, average 1947-49, annual 1950-64

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	168.1	79.9	35.6	25.6	2.5	1.1	5.9	318.9
1958	163.9	74.6	44.7	23.4	1.0	.5	7.9	316.0
1959	140.1	86.8	37.4	29.7	.2	.4	5.7	300.3
1960	178.5	105.5	42.7	30.2	.4	.1	7.2	364.6
1961	157.1	102.0	43.6	34.8	.3	.4	7.1	345.3
1962	105.8	91.9	39.9	35.5	.1	.5	6.7	280.4
1963	145.5	101.3	39.5	32.3	.3	.1	5.6	324.6
1964 ^{1/}	122.9	104.8	35.3	40.1	.9	.5	8.2	312.7
Percentage change								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average 1957-59 to 1964	-22.0	30.3	-9.9	53.1	-25.0	-28.6	26.2	0.3
1963 to 1964	-15.5	3.5	-10.6	24.1	200.0	400.0	46.4	-3.7
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
1958	52.0	23.6	14.1	7.4	.3	.2	2.4	100.0
1959	46.7	28.9	12.4	9.9	.1	.1	1.9	100.0
1960	49.0	28.9	11.7	8.3	.1	---	2.0	100.0
1961	45.5	29.5	12.6	10.1	.1	.1	2.1	100.0
1962	37.7	32.8	14.2	12.7	---	.2	2.4	100.0
1963	44.8	31.2	12.2	9.9	.1	---	1.7	100.0
1964	39.3	33.5	11.3	12.8	.3	.2	2.6	100.0

^{1/} Preliminary.Basic data compiled from Accounts Relating to Trade and Navigation of the United Kingdom.

Average values of flue-cured imports in 1964, and those of the previous year, were as follows (expressed in U.S. cents per pound):

Country of origin	1963		1964	
	Stemmed	Unstemmed	Stemmed	Unstemmed
United States	97.2	88.3	95.1	87.7
Rhodesia, Zambia, Malawi	84.9	81.0	64.6	61.3
Canada	79.5	74.1	73.6	70.9
India	66.4	---	63.8	---

The sharp drop in auction prices for 1964 Rhodesian flue-cured is reflected in its lowered average import value.

The main United Kingdom import duty on unmanufactured tobacco from non-Commonwealth sources, applicable to both stemmed and unstemmed, is equivalent to \$10.83 a pound, and from Commonwealth sources, \$10.61½ a pound. The preferential margin thus accorded Commonwealth countries is equivalent to 21½ cents a pound.

Gross clearances of tobacco from bond in the United Kingdom are an approximate measure of home use and exports combined. In 1964, gross clearances declined about 1½ percent below the previous year. Gross clearances of flue-cured (over nine-tenths of total clearances) in 1964 amounted to 289 million pounds--down nearly 4 million from 1963. By source, they were as follows: United States, 136 million; Rhodesia, Zambia, and Malawi, 84½ million; India, 35½ million; and Canada, 33 million. Compared with 1963, gross clearances of U.S. flue-cured declined nearly 6 percent. Indian flue-cured also declined 6 percent, but gross clearances of Rhodesian and Canadian flue-cured rose 4 and 10 percent, respectively. U.S. flue-cured comprised 47.2 percent of all reported flue-cured gross clearances in 1964, compared with 49.3 percent in 1963 and 49.6 percent in 1962.

Net clearances of tobacco from bond (the measure of home consumption) in 1964, at 253 million pounds, were down 1.3 percent from 1963, although still slightly above 1962. Total sales of cigarettes in 1964--114.4 billion--were down seven-tenths of 1 percent from the year before, but in terms of manufactured weight, they were down about 3 percent. The number of plain-tip cigarettes declined 14 percent, but sales of filter-tip cigarettes increased more than a fourth and made up 42 percent of total cigarette sales, compared with 33 percent in 1963.

Sales of tobacco for pipes and hand-rolled cigarettes dipped slightly, but sales of cigars rose nearly a third although they still accounted for only about 1 percent of total tobacco consumption.

Exports of cigarettes, which make up most of Britain's exports of manufactured tobacco products, fell 11 percent in 1964. Among the major markets taking less than in 1963 were Aden, Malaysia, Kuwait, Sudan, West Germany, France, and Persian Gulf States. Hong Kong, third ranking market, took 9 percent more than in 1963.

Stocks of unmanufactured tobacco in the United Kingdom on December 31, 1964, at 541 million pounds, were 1 percent above a year earlier. Year-end holdings represented about 21 months' use (as measured by gross clearances), compared with a ratio of 20.5 for both 1963 and the 1958-62 average.

Included in the 1964 year-end stocks were 248 million pounds of U.S. flue-cured--4 percent less than a year earlier and lowest in many years. Stocks of Rhodesian flue-cured increased 9 percent to a record 146 million pounds. Holdings of Canadian flue-cured increased 15 percent to 49 million, but those of Indian, at 57 million, declined moderately. Stocks of dark fire-cured and air- and sun-cured from Malawi also were moderately lower, but air- and sun-cured from India were up sharply.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN-GROWN TOBACCO 2/

In 1964, U.S. imports of foreign-grown tobacco for consumption totaled nearly 169 million pounds, topping the preceding year's record by 1 percent. The value was close to \$110 million (excluding import duties)--11 percent above 1963 but below the annual value of imports in 1959-61. The spurt in value compared with 1963 was mainly due to a jump in value of cigarette leaf--despite a decline in volume--and a substantial rise in imports of scrap tobacco (small pieces of leaves) for cigars.

The 1964 imports of cigarette leaf for consumption (direct entries plus withdrawals from bond) fell 8 percent below 1963, in contrast to steady gains for many years. (The recorded December 1964 figure, however, was unusually low, while the recorded January 1965 figure was unusually high.) The direct entries and withdrawals from bond of Turkish tobacco dropped more than an eighth, but those of Greek tobacco rose moderately. Yugoslavia furnished 6 percent more than a year earlier. The average values of cigarette leaf imported for consumption in 1964 in cents per pound, excluding the 12-3/4-cent import duty (1963 values shown in parentheses), were as follows: Turkey, 61 (54); Greece, 92 (78); other countries, 65 (59); all sources, 70 (60).

General imports (total arrivals) of cigarette tobacco (direct entries plus that placed in bond) totaled 133 million pounds in 1964--up about a tenth from the year before. Arrivals from Turkey and Greece increased 1 and 11 percent, respectively. (See table 14.) On January 1, 1965, stocks of foreign-grown cigarette and smoking tobacco in this country amounted to 259 million pounds--about 1 percent more than a year earlier but 3 percent less than the record for that date 2 years earlier.

The 1964 imports for consumption of scrap in 1964 jumped 30 percent to 43 million pounds. Sharply increased quantities were imported from the Dominican Republic, Colombia, Brazil, and Indonesia; moderately more came from the Philippine Republic. Withdrawals of Cuban scrap from bond dropped 30 percent.

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

Table 13.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Average 1956-60	1961	1962	1963	1964	1964 as a percentage of 1963
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf:						
Unstemmed:						
Turkey	66.1	78.7	82.4	84.5	72.3	86
Greece	26.9	34.4	32.1	28.8	30.9	107
Yugoslavia	4.1	6.4	7.3	9.6	10.2	106
Italy	1.8	1.7	1.4	1.7	1.6	94
Syria	1.1	.9	.6	.4	.4	100
Cyprus	.9	.9	.6	.6	.8	133
Total ^{2/}	102.9	125.7	127.2	129.0	118.8	92
Cigar leaf (filler):						
Cuba:						
Stemmed	8.6	5.1	2.9	1.0	.5	50
Unstemmed	3.5	4.7	3.0	1.4	1.5	107
Philippine Republic						
Stemmed	.3	0	.1	.9	.4	44
Unstemmed	.1	.2	.1	^{3/}	^{3/}	---
Colombia	^{3/}	.3	.8	.3	.3	100
Brazil	^{3/}	.3	.6	.6	.8	133
Paraguay	^{3/}	.3	.3	.1	.1	100
Dominican Republic	.1	.2	.7	.3	.7	233
Mexico	0	0	.2	.6	.8	133
Total ^{2/}	12.8	11.3	8.9	5.3	5.9	111
Scrap:						
Cuba	13.5	12.5	6.4	3.3	2.3	70
Philippine Republic	6.9	10.4	10.1	12.9	14.1	109
Peru	.4	.5	0	.2	^{3/}	---
Colombia	^{3/}	1.2	3.2	5.3	8.0	151
Dominican Republic	.1	1.2	3.0	5.2	9.3	179
Netherlands	^{3/}	.3	^{3/}	.1	.1	100
Indonesia	^{3/}	.3	.6	1.0	2.1	210
Brazil	^{3/}	.1	.3	1.9	3.8	200
Argentina	^{3/}	.1	.3	.4	.5	125
Total ^{2/}	21.3	28.4	26.3	33.0	42.9	130
Cigar wrapper (unstemmed):						
Indonesia	.1	^{3/}	^{3/}	^{3/}	^{3/}	---
Cuba	.6	.6	.5	.2	.1	50
Total ^{2/}	.6	.6	.5	.3	.2	67
Total imports ^{4/}	138.9	166.4	163.2	167.8	168.7	101

^{1/} Preliminary.^{2/} Includes relatively small quantities from other countries not separately listed.^{3/} Less than 50,000 pounds.^{4/} Includes stems not cut, ground, or pulverized.

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

Table 14.--United States general imports of tobacco from principal supplying countries for specified periods

Classification and country of origin	(Declared weight)				
	Average 1958-61	1962	1963	1964	1964 as a percentage of 1963
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf (unstemmed):					
Turkey	81.9	116.8	67.4	68.1	101
Greece	35.4	17.0	41.7	46.4	111
Other countries	13.8	21.3	11.0	18.7	170
Total 2/	131.1	155.1	120.1	133.2	111
Scrap:					
Turkey	1.1	.7	.7	.1	14
Greece	.1	0	0	0	---
Total 2/	1.3	1.3	.7	.1	14
Total cigarette tobacco	132.4	156.4	120.8	133.3	110
Cigar wrapper (unstemmed):					
Cuba	.6	1/	0	0	---
Indonesia	1/	1/	1/	1/	---
Total	.7	.1	.2	.2	100
Cigar filler (stemmed):					
Cuba	8.1	1.3	0	0	---
Philippine Republic	.3	.1	2.3	1.2	52
Brazil	1/	.1	1.9	.2	11
Total 2/	8.4	1.6	5.1	3.1	61
Cigar filler (unstemmed):					
Cuba	19.7	3.5	0	0	---
Philippine Republic	1.9	.1	.1	1.2	---
Dominican Republic	2.3	5.4	6.5	22.1	340
Colombia	1.8	7.8	8.8	17.3	197
Brazil	.5	1.5	2.3	10.2	443
Paraguay	.4	1.4	.8	1.2	150
Indonesia	.4	1.8	1.9	5.9	311
Netherlands	.4	0	1/	.2	---
Peru	1.5	.4	0	0	---
Argentina	1/	.5	1/	1.6	---
Mexico	1/	.5	.9	2.1	233
Jamaica	1/	.4	1/	0	---
Other countries	1/	1/	.2	.7	350
Total	29.0	23.3	21.7	62.5	288
Scrap:					
Cuba	7.8	1.6	0	0	---
Philippine Republic	8.1	11.9	10.2	15.0	147
Dominican Republic	1/	.2	.6	1.1	183
Colombia	1/	.1	1/	0	---
Brazil	1/	.4	.1	.8	---
Paraguay	.1	.2	.1	.1	100
Indonesia	1/	0	1/	.4	---
Netherlands	.1	1/	.2	0	---
Argentina	1/	.6	.4	.3	75
Honduras	0	.1	1/	.1	---
Other countries	.7	.3	.4	.6	150
Total	16.8	15.3	11.9	18.4	155
Total cigar tobacco	54.9	40.4	38.9	84.2	216
Grand total	187.3	196.8	159.7	217.5	136

1/ Less than 50,000 pounds. 2/ Includes quantities from other countries not separately listed. Details may not add to total, due to rounding. Note: General imports include all arrivals in the United States as distinguished from "imports for consumption" which represent merchandise entering into domestic consumption channels.

Imports for consumption of cigar filler rose over a tenth, mainly due to increases in filler from the Dominican Republic and Brazil. Although stemmed Cuban filler withdrawn from bond dropped to half the 1963 total, withdrawals of unstemmed Cuban filler were somewhat higher than the previous year. Stocks of Cuban tobacco in the United States on January 1, 1965, dropped to 12.2 million pounds (unstemmed weight), compared with 18.9 million a year earlier and 29.2 million 2 years earlier.

Total arrivals of cigar tobacco in 1964 were more than double those of 1963. There were big increases in arrivals of unstemmed cigar filler from Dominican Republic, Colombia, Brazil, and Indonesia; more also arrived from Mexico, Argentina Philippine Republic, and Paraguay. Arrivals of scrap--the great bulk from the Philippine Republic--also rose sharply. Stocks of Philippine tobacco on January 1, 1965, at nearly 24 million pounds, jumped 66 percent above a year earlier to the most on record.

January 1, 1965, stocks of foreign-grown cigar tobacco, other than Cuban and Philippine, totaled about 61 million pounds (unstemmed weight), compared with about 30 million a year earlier and 29 million 2 years earlier. Stocks by source of importation, in farm-sales weight equivalent, are shown on page 51.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-cured, Types 11-14

Prices and Price Support

The 1964 season average price for flue-cured tobacco was $58\frac{1}{2}$ cents a pound, slightly above 1963. The Government support level was 57.2 cents per pound--six-tenths of a cent above the previous season. Over one-fifth of the 1964 crop went under Government loan--the third year in a row for heavy loan placements. At the end of February, the quantity of flue-cured under loan was $937\frac{1}{2}$ million pounds (farm-sales weight)--equal to nearly three-fourths of a year's disappearance. About 80 percent of the total loan holdings is from the last 3 crops.

The overall price support level for the 1965 crop is 57.7 cents per pound--one-half cent higher than for 1964. The increase in the overall support level in 1965 is based on the comparison of the 3-year average of the parity index for 1962, 1963, and 1964 with the parity index for the single year 1959. The parity index measures the average change over time in prices of commodities and services commonly bought by farm families. The basis for making year-to-year adjustments in the overall support price levels for eligible kinds of tobacco is specified by law: The average of the parity index of the most recent 3 calendar years is compared with 1959. Comparing the average of 1962-64 with 1959, the percentage increase in the parity index is 4 percent. The 1965 price support level for flue-cured, at 57.7 cents per pound, is 4 percent above 1959 and nearly 1 percent above last season's support of 57.2 cents per pound.

Table 15. Marketing quota referendums, by kinds of tobacco

Kind	Last referendum				Next referendum			
	Date	Crops to which applicable	Number voting	Percentage voting in favor of quota 1/	Date	Crops to which applicable	Number voting	Percentage voting in favor of quota 1/
Flue-cured (11-14)	Dec. 15, 1964	1965-67	356,951	96.5	About Dec. 1967			
Burley (31)	*Feb. 25, 1965	1965-67	361,167	99.0	About Feb. 1968			
Maryland (32)	Feb. 14, 1963	1963-65	4,441	83.8	About Feb. 1966			
Fire-cured (21-23)	Feb. 28, 1964	1964-66	11,978	94.7	About Feb. 1967			
Dark air-cured (35-36)	Feb. 28, 1964	1964-66	9,113	97.8	About Feb. 1967			
Va. sun-cured (37)	Feb. 25, 1965	1965-67	1,169	97.5	About Feb. 1968			
Pa. filler (41)	Feb. 18, 1965	1965-67	3,206	11.8	About Feb. 1968 <u>3/</u>			
Cigar binder (51-52)	Feb. 26, 1963	1963-65	349	96.0	About Feb. 1966			
Cigar filler and binder (42-44, 53-55)	Feb. 26, 1963	1963-65	3,401	89.6	About Feb. 1966			

1/ At least a two-thirds majority of farmers voting is required for marketing quotas to become effective. 2/ Unless circumstances necessitate an earlier date. 3/ Unless at least a fourth of the growers petition the Secretary in the interim.

*Polls kept open February 26, because of severe snow storms in some areas.

Table 16.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, July 1	Supply	Disappearance ^{1/}		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	1,174	1,458	2,632	1,108	715	393
1950	1,257	1,485	2,742	1,185	757	428
1951	1,453	1,557	3,010	1,279	777	502
1952	1,365	1,731	3,096	1,244	828	416
1953	1,272	1,852	3,124	1,209	778	431
1954	1,314	1,915	3,229	1,173	744	429
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	777	431
1963	1,371	2,282	3,653	1,267	769	498
1964 ^{2/}	1,382	2,386	3,768			
	Average price per pound	Price support level ^{3/}	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965 ^{4/}	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	54.7	45.0	77.6	6.2	0	
1951	52.4	50.7	142.2	9.8	0	
1952	50.3	50.6	5/165.0	12.1	0	
1953	52.8	47.9	151.4	11.9	0	
1954	52.7	47.9	130.2	9.9	0	
1955	52.7	48.3	298.9	20.2	0	
1956	51.5	48.9	319.9	22.5	0	
1957	55.4	50.8	107.8	11.1	27.0	
1958	58.2	54.6	144.8	13.4	54.1	
1959	58.3	55.5	55.3	5.1	18.3	
1960	60.4	55.5	51.8	4.1	31.0	
1961	64.3	55.5	70.5	5.6	53.6	
1962	60.1	56.1	237.2	16.8	223.5	
1963	58.0	56.6	277.2	20.2	248.3	
1964	58.5	57.2	285.6	20.7	281.8	
1965		57.7				
Total	---	---	2,515.4	---	937.6	

^{1/} Year beginning July 1. ^{2/} Subject to revision. ^{3/} Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. ^{4/} As reported by Flue-cured Tobacco Cooperative Stabilization Corporation; 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.

Supplies

The 1965 flue-cured acreage allotments announced last November 27 are $19\frac{1}{2}$ percent lower than in 1964. This is the third successive year flue-cured tobacco acreage allotments have been cut. Under consideration in Congress is legislation providing for an acreage-poundage program for tobacco that if approved, and then if voted upon favorably in a referendum of flue-cured producers, would increase the 1965 acreage of flue-cured above that indicated by the March 1 intentions report. In March, when the data on intended acreage for harvest were being collected, the $19\frac{1}{2}$ percent reduction in acreage allotments was the basis on which farmers would have reported their intended acreage. According to the March 1 intentions, 506,400 acres of flue-cured would be grown in 1965--19 percent less than in 1964. The average yield per acre, with an allowance for trend, applied to such an intended acreage would indicate a crop of about 1,152 million pounds, according to the Crop Reporting Board. A crop of this size would be 17 percent smaller than in 1964 and below each of the preceding 4 years. Intensive efforts by growers to offset the sharp cut in acreage allotments, however, could result in a larger harvest than is indicated by past trends in yields.

Carryover of flue-cured tobacco in mid-1965 is estimated at about 2,530 million pounds--around 145 million pounds greater than a year earlier and the largest on record. If the acreage allotment program remains in effect and the crop approximates 1,152 million pounds, the total supply for 1965-66 would be about 3,682 million pounds--86 million below the record 1964-65 level.

Domestic Use and Exports

Cigarette output during July 1964-June 1965 is expected to exceed the year-earlier figure which reflected the significant drop occurring in early 1964, following release of the smoking and health report. The 1964-65 domestic use of flue-cured may be around 785 million pounds--about 2 percent above 1963-64.

Exports of flue-cured tobacco during July 1964-June 1965 may approximate 455 million pounds (farm-sales weight)--down nearly one-tenth from 1963-64 and second lowest in 5 years. During the first half of the 1964-65 marketing year (July-December 1964), exports of flue-cured tobacco were 11 percent below the first half of 1963-64. (The December exports were particularly heavy probably in anticipation of a possible tie-up in shipping, which actually did take place during the dock strike that began January 11. January-February 1965 will show abnormally low exports because of the shipping tie-up.) During July-December 1964, exports of flue-cured to the United Kingdom--the leading export outlet--were 13 percent lower than in the same months a year earlier. West Germany--second ranking outlet--took $13\frac{1}{2}$ percent less, and Japan--third ranking outlet--took $10\frac{1}{2}$ percent less than in the year-earlier period. Exports to the Netherlands were down more than one-fifth, those to Belgium were down about one-sixth, and those to Denmark dropped a fourth. July-December 1964 exports to Ireland, Finland, and Australia fell

sharply below those of a year earlier. Sweden took 7 percent less and other countries showing declines included Austria, India, Taiwan, and Mexico. Countries taking more flue-cured in July-December 1964 than a year earlier included Norway, Portugal, Switzerland, France, Italy, New Zealand, Thailand, South Viet Nam, Hong Kong, Malaysia, Republic of the Congo, and Uruguay. Poland took about the same as a year earlier.

Burley, Type 31

Prices and Price Support

Auction prices for the 1964 burley crop averaged about 60.3 cents a pound --about 2 percent above the average for the 1963 crop. Markets opened November 30 and the season ended February 16 with a clean-up sale at Lexington. Volume sold dropped 18 percent below record sales of the 1963 crop. About 80 percent of total producers' sales were made by December 22, when markets closed for the holidays until January 11.

Overall quality of market offerings was little changed from the previous season. Prices of nearly all grades were higher, mostly from 1 to 4 cents a pound. Compared with the 1963 season, the price spread between the C4F grade (one of the major cigarette grades) and representative medium- and heavy-bodied grades narrowed somewhat, but still tended to be larger than in other recent years. (See table 17.)

The Government support level for the 1964 crop was 58.9 cents a pound--1 percent above 1963. Growers placed about 111 million pounds under loan, equal to nearly 18 percent of estimated producers' sales. Placements were well below those in the preceding season when 203 million pounds--27 percent of the record 1963 crop--went under loan. But they were substantially higher--both in volume and as a percentage of the crop--than in all other years from 1956 on.

As of February 28, Government loan stocks of burley amounted to 341 million pounds (farm-sales weight equivalent); a year earlier they were 295 million and 2 years earlier, 96 million.

In a referendum held on February 25 and 26 (polls were kept open a second day because of blizzard conditions in some areas), 99 percent of the burley growers voting approved marketing quotas for the 1965, 1966, and 1967 crops. The total vote cast was the largest on record, double the turnout in the previous referendum in 1962. With approval of marketing quotas, Government price support continues for the next 3 crops. The price support level for the 1965 burley crop will be 59.5 cents a pound--six-tenths of a cent or 1 percent above the 1964 support level.

Supplies

The 1964-65 total supply of burley, estimated at 2,032 million pounds, is 2-1/2 percent above 1963-64 and largest on record. Producers' sales were

Table 17.--Burley tobacco: Price spreads among specified grades, average 1953-55, annual 1956-64

Period	Average price of C4F	Cents per pound lower than C4F						
		X4F	C4R	B4F	B4FR	B4R	T4R	NIG
	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.
Average: 1953-55	64	1	6	8	15	23	28	43
1956	66	1	1	1	1	1	2	14
1957	67	1	3	4	7	10	13	29
1958	70	1	2	2	3	4	7	20
1959	70	1	2	2	7	12	17	32
1960	70	1	2	2	5	9	13	25
1961	71	1	4	3	5	8	10	15
1962	71	1	4	5	10	17	22	37
1963	71	1	6	5	12	20	26	42
1964	72	1	6	5	11	18	24	40

down more than a sixth but carryover, reflecting the huge 1963 crop, jumped 15 percent to a record high.

Farmers' March 1 intentions indicate that 277,600 acres of burley will be grown in 1965--10 percent less than in 1964. Acreage allotments for most farms were reduced 10 percent.

Based on an average yield per acre with an allowance for trend, the 1965 burley crop would be 638 million pounds--about 3 percent more than producers' marketings of the 1964 crop. Last year, production was affected by drought in some areas. Burley carryover next October 1 may be around 1,450 million pounds--about 35 to 40 million above October 1, 1964, and largest on record. If the crop should turn out near 638 million pounds, total 1965-66 supplies--production plus the indicated carryover--would be around 2,088 million pounds, nearly 3 percent more than for the current marketing year and a new high.

Domestic Use and Exports

Domestic use of burley in 1963-64, at 514 million pounds, was 3 percent below 1962-63. This was more of a decline than could have been expected on the basis of the reduction in cigarette output, chief outlet for burley, especially when secondary burley outlets--smoking tobacco and chewing tobacco other than scrap--increased. Domestic use of burley in the current marketing year is expected to increase some over 1963-64.

Table 18.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

Year	(Farm-sales weight)					
	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	550	939	1,489	530	493	37
1950	499	1,000	1,499	518	488	30
1951	618	981	1,599	538	506	32
1952	650	1,061	1,711	548	519	29
1953	564	1,163	1,727	529	494	35
1954	668	1,198	1,866	519	486	33
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963	755	1,228	1,983	571	514	57
1964 2/	*620	1,412	2,032			
	Average price per pound	Price support level 3/	Placed under Government loan Quantity	Government loan Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965 4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	49.0	45.7	44.2	8.9	0	
1951	51.2	49.8	97.3	15.7	0	
1952	50.3	49.5	103.9	16.0	0	
1953	52.5	46.6	102.1	18.1	0	
1954	49.8	46.4	221.4	33.2	0	
1955	58.6	46.2	73.1	15.6	0	
1956	63.6	48.1	6.0	1.2	0	
1957	60.3	51.7	16.6	3.4	1.9	
1958	66.1	55.4	11.2	2.4	1.2	
1959	60.6	57.2	13.2	2.6	.8	
1960	64.3	57.2	8.4	1.7	.5	
1961	66.5	57.2	10.3	1.8	1.7	
1962	58.6	57.8	63.5	9.4	57.8	
1963	59.2	58.3	203.1	26.9	166.3	
1964	*60.3	58.9	110.8	17.9	110.8	
1965		59.5				
Total	---	---	1,085.1	---	341.0	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

*Indicated by sales data.

Burley exports in 1963-64 reached a record high of 57 million pounds (farm-sales weight). In the first quarter of the current marketing year (October-December 1964), burley exports were 36 percent above a year earlier, with each of the 3 months showing appreciable increases over the like 1963 month. Exports to Sweden and West Germany--first and second ranking markets--jumped 63 and 54 percent, respectively. Substantially more than a year earlier also was consigned to Hong Kong, Mexico, Chile, Belgium, Switzerland, and Thailand, and moderately more to Denmark. On the other hand, smaller exports went to the Netherlands, Poland and Finland.

Maryland, Type 32 3/

Prices and Price Support

Auctions for the 1964 Maryland crop are scheduled to open April 21 and continue through July 9. Sales will also be held at the Baltimore hogs-head market, where approximately a sixth of the crop has been sold in the past few years.

The 1964 crop will be supported at an average level of 52.3 cents a pound-- 1/2 cent or 1 percent more than for the 1963 crop. For the 1965 crop that will go to market in 1966, the overall support level will be up another 1/2 cent to 52.8 cents.

The average price for the 1963 crop (marketed mostly in 1964) was 43.3 cents per pound--more than a fifth below the previous season's average and lowest since 1954. Auction sales volume declined considerably, and quality was well below average because of a dry season. About three-tenths of the crop was placed under Government loan.

Supplies

The 1964 crop of Maryland tobacco is estimated at 39 million pounds--about 5 million above the previous year. Carryover on January 1, 1965, was 82-1/2 million pounds--5 million more than a year earlier and highest on record. Total 1964-65 supply, at 121-1/2 million pounds, is 10 percent larger than in 1963-64 and above any previous year.

Based on farmers' intentions as of March 1, about 34,000 acres will be grown this year--13 percent less than in 1964. The 1965 allotments for most farms were reduced 15 percent. Based on an average yield with allowance for trend, about 34.8 million pounds would be produced from the 1965 intended

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

(Farm-sales weight)						
Year	Production	Stocks following Jan. 1 1/	Supply	Disappearance 2/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	38.0	45.8	83.8	35.6	27.6	8.0
1950	40.0	53.4	93.4	35.5	27.1	8.4
1951	41.6	59.3	100.9	33.3	26.7	6.6
1952	40.2	64.9	105.1	40.3	32.5	7.8
1953	40.5	65.4	105.9	36.4	28.4	8.0
1954	43.8	68.6	112.4	36.1	27.9	8.2
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.6	67.3	107.9	30.7	19.5	11.2
1963	34.0	76.6	110.6	30.5	18.0	12.5
1964 3/	39.0	82.5	121.5			
	Average price per pound	Price support level 4/	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965 5/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	48.2	48.6	5.5	13.8	0	
1951	44.8	No price support		6/		
1952	48.8	No price support		6/		
1953	54.5	50.4	6.7	16.5	0	
1954	40.3	No price support		6/		
1955	50.8	No price support		6/		
1956	51.7	47.0	3.3	9.0	0	
1957	44.9	48.0	5.9	15.3	1.6	
1958	62.5	50.8	1.1	3.6	.2	
1959	61.6	No price support		6/		
1960	63.8	50.8	1.6	4.6	.4	
1961	62.0	50.8	3.7	9.5	1.2	
1962	55.8	51.3	6.0	14.8	2.7	
1963	43.3	51.8	10.4	30.6	10.3	
1964		52.3	Auctions scheduled to start April 21, 1965			
1965		52.8				
Total	---	---	44.2	---	16.4	

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/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved.

acreage--about 4 million below the 1964 estimated outturn. Carryover next January 1 may be near 90 million pounds--approximately a tenth above last January 1 and a new record high. The 1965-66 total supply--production plus carryover--is indicated at near 125 million pounds, about 3 percent more than for the current marketing year.

Domestic Use and Exports

Domestic use of Maryland tobacco in the 1963-64 marketing year declined 1 million pounds below 1962-63 to the lowest in many years. The percentage decline--nearly 8 percent--was substantially in excess of the 2 percent decline in 1963-64 manufacture of cigarettes, main outlet for Maryland. Some Maryland tobacco is also used as filler in some cigars, the quantity varying according to the availability and prices of certain grades. It is estimated that in recent years roughly a fourth of total domestic use of Maryland may have been for cigar manufacture.

Exports of Maryland tobacco in the 1963-64 marketing year were largest in 5 years. In the first quarter of the current marketing year (October-December 1964), exports of Maryland tobacco were 11 percent above a year earlier. Switzerland, accounting for over three-fifths of the total, increased takings 35 percent, while the Netherlands raised its takings by 51 percent. On the other hand, there were sharp cuts in exports to Belgium, West Germany, and France.

Fire-Cured, Types 21-23

Prices and Price Supports

Auctions for Virginia fire-cured, type 21, began December 1 and ended February 11. Sales volume rose 45 percent above the record low of the previous season, when the crop was reduced by drought; quality of offerings improved considerably. The auction average price, at 43.0 cents a pound, was more than a fifth above the previous year and highest on record.

Auctions for Kentucky-Tennessee fire-cured, types 22 and 23, began during the third week of January, and sales ended during the first third of March. Gross sales of type 22 amounted to about 29 million pounds, and averaged 40.9 cents a pound--about 14 percent above the previous year. Sales volume was down more than a tenth and overall quality was better than last season. Gross sales on type 23 markets totaled 12.2 million pounds, and averaged 38.2 cents a pound, compared with 35.1 cents a year earlier. Sales volume declined 8 percent; quality of offerings was considerably improved over last year.

The Government price support level for the 1964 crop of fire-cured was 40.0 cents a pound--1 percent above the preceding year. During the season just ended, growers of Virginia fire-cured placed about 271,000 pounds--about 3 percent of marketings--under Government loan. This was the smallest quantity and proportion of market deliveries ever placed under loan.

Table 20.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	12.9	22.5	35.4	12.8	5.3	7.5
1950	12.8	23.1	35.9	11.3	5.9	5.4
1951	13.4	24.6	38.0	11.0	6.3	4.7
1952	12.2	27.0	39.2	10.5	5.5	5.0
1953	9.2	28.7	37.9	11.7	6.9	4.8
1954	10.6	26.2	36.8	10.2	6.0	4.2
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963	6.2	20.2	26.4	9.6	3.0	6.6
1964 2/	*9.1	16.8	25.9			
	Average price per pound	Price support level 3/	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	36.3	34.3	2.4	18.8	0	
1951	39.2	37.4	2.6	19.4	0	
1952	35.5	37.1	2.4	19.7	0	
1953	35.6	35.0	.7	7.6	0	
1954	34.4	34.8	2.1	19.8	0	
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	.5	
1957	38.7	38.8	1.0	11.6	.6	
1958	36.9	38.8	2.2	23.4	1.1	
1959	37.6	38.8	.8	8.1	.4	
1960	39.4	38.8	.3	3.3	.1	
1961	38.8	38.8	.9	9.8	.5	
1962	38.8	39.2	1.2	12.6	.5	
1963	35.5	39.6	.4	6.5	.4	
1964	*43.0	40.0	.3	3.3	.3	
1965		40.4				
Total	---	---	20.8	---	4.4	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

*Indicated by sales data.

Table 21.--Fire-cured tobacco, types 22-23 1/: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance <u>2/</u>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	64.4	132.1	196.5	57.3	30.7	26.6
1950	45.4	141.8	187.2	64.6	30.7	33.9
1951	46.1	122.6	168.7	48.8	25.8	23.0
1952	46.0	119.9	165.9	48.3	24.2	24.1
1953	39.7	117.6	157.3	49.5	26.0	23.5
1954	51.6	107.8	159.4	48.9	23.9	25.0
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	17.2	29.5
1962	44.6	89.4	134.0	40.8	21.1	19.7
1963	49.7	93.2	142.9	41.4	19.6	21.8
1964 <u>3/</u>	*45.5	101.5	147.0			
	Average price per pound	Price support level <u>4/</u>	Placed under Government loan: Quantity	Percentage of crop	Remaining in Government loan stocks Feb. 28, 1965 <u>5/</u>	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	29.7	34.3	9.8	21.6	0	
1951	40.3	37.4	4.9	10.6	0	
1952	38.1	37.1	8.5	18.4	0	
1953	33.3	35.0	7.5	18.9	0	
1954	38.5	34.8	4.8	9.3	0	
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	.6	
1957	36.4	38.8	13.9	33.1	4.8	
1958	38.1	38.8	4.4	12.0	2.0	
1959	38.3	38.8	5.3	12.3	3.8	
1960	43.3	38.8	3.2	8.7	2.7	
1961	40.2	38.8	5.1	11.8	4.4	
1962	38.7	39.2	8.6	19.3	7.9	
1963	36.9	39.6	13.0	26.2	12.1	
1964	*41.5	40.0	7.2	15.8	<u>6/</u> 7.2	
1965		40.4				
Total	---	---	122.7	---	<u>6/</u> 45.5	

1/ Type 24 included until early 1950's when it became practically nonexistent. 2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years. 5/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. 6/ Includes total receipts in 1964 season.

*Indicated by sales data.

Growers of Kentucky-Tennessee fire-cured, type 22, placed about 4.6 million pounds under loan--around 14 percent of estimated producers' sales. This volume was only about half that of the previous year, when a fourth of producers' sales went under loan. Season loan deliveries of type 23 amounted to about 2.6 million pounds--about 21 percent of estimated producers' sales--down substantially from the 1963 season, when placements were equal to nearly 30 percent of larger producers' sales.

The 1965 crop of fire-cured will receive Government price support at an overall level of 40.4 cents a pound--four-tenths of a cent or 1 percent above the level in effect for the 1964 crop.

Supplies

The 1964-65 total supply of fire-cured, about 173 million pounds, is 2 percent above the previous year. The supply of Virginia fire-cured, type 21, is a little under the previous year, but the supply of Kentucky-Tennessee types 22-23 is nearly 3 percent larger than for 1963-64 and largest in 7 years.

According to farmers' intentions as of March 1, about 22,800 acres of Kentucky-Tennessee fire-cured and 7,600 acres of Virginia fire-cured will be grown in 1965. Intended acreage of Kentucky-Tennessee fire-cured is down approximately a tenth from 1964, while that of Virginia fire-cured is a little above last year. Acreage allotments for most farms growing the Kentucky-Tennessee types were reduced 10 percent below 1964; the 1965 farm acreage allotments for Virginia fire-cured are the same as for 1964 because of relatively lower supplies. If the yield per acre equals the average with allowance for trend, production of the combined fire-cured types would be close to 51 million pounds--7 percent less than marketings from the 1964 crop.

Carryover of fire-cured next October 1 may be around 120 million pounds--about 2 million higher than last October 1. Such stocks plus the indicated crop would provide a total 1965-66 supply of 171 million pounds--1 percent less than for the current year.

Domestic Use and Exports

In 1963-64, domestic use of fire-cured, at about 23 million pounds, fell 2-1/2 million below 1962-63. Domestic disappearance of type 21 dropped a fourth to the lowest on record, while domestic use of types 22-23 declined 7 percent.

Exports of Virginia fire-cured in 1963-64 were the largest in many years; those of the Kentucky-Tennessee types were about a tenth above the comparatively low level of the preceding year. In the first quarter of the current marketing year (October-December 1964), exports of Kentucky-Tennessee fire-cured were 64 percent above those a year earlier, with virtually all the increase occurring in December. The Republic of the Congo accounted for over a fourth of the total; a year earlier, only token quantities went there. The Netherlands increased takings 6 percent, while South Viet Nam more

than tripled its takings. Substantially more also went to Belgium, and a significant quantity went to France in contrast to none a year earlier. Other countries increasing their takings included West Germany, Denmark, and Canary Islands.

Exports of Virginia fire-cured in October-December 1964 dropped 57 percent below a year earlier. Shipments to Norway declined 8 percent; Sweden, West Germany, and United Kingdom got much less than in the year-earlier period.

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

Prices and Price Supports

Auction markets for One Sucker (type 35), Green River (type 36), and Virginia sun-cured (type 37) opened during the second week of December and ended on January 28 for type 35, and on January 22 for types 36 and 37. The price average for type 35 was 37.8 cents a pound--15 percent above the previous season's average, which was lowest in 8 years. Sales volume dropped 9 percent, and the quality of offerings was better compared with the 1963 crop. Auction sales of type 36 averaged 35.5 cents a pound--up 5 percent from the previous year and highest since 1958. Volume sold declined 4 percent; quality was much improved over the previous season. For all auction sales of Virginia sun-cured, the price average--a record 41.1 cents a pound--was nearly a third above the relatively low price of the 1963 season. Poundage sold increased by more than half, and the quality was greatly improved due to a more favorable growing and curing season. About 16 percent of the Virginia sun-cured volume was sold on the fire-cured markets.

The Government support level for the 1964 crop of dark air-cured and sun-cured was 35.5 cents a pound--1 percent higher than in 1963. In the season recently ended, growers of One Sucker placed about 1-1/2 million pounds under loan--about 10 percent of marketings. In the previous season, placements amounted to 5.8 million pounds, equal to 36 percent of marketings. Type 36 loan placements totaled 2.1 million pounds--down about an eighth from the previous year--and comprised about 28 percent of market deliveries compared with 31 percent in the 1963 season. Loan placements of Virginia sun-cured--only 10,000 pounds or less than 1 percent of the crop--were down from the larger-than-usual quantity and percentage of the previous season.

Nearly 98 percent of growers of Virginia sun-cured, type 37, voting in a referendum February 25, approved marketing quotas on their 1965, 1966, and 1967 crops. A two-thirds majority was required to continue quotas in effect. In a February 1964 referendum, growers of Kentucky-Tennessee dark air-cured types 35 and 36 had approved marketing quotas on their 1964-66 crops, also by a large majority.

The overall support level for the 1965 crops of dark air- and sun-cured will be 35.9 cents a pound--four-tenths of a cent or 1 percent higher than the support level in effect for the 1964 crop.

Table 22.--Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
				Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	33.0	71.2	104.2	30.4	21.3	9.1
1950	25.0	76.8	101.8	32.9	22.6	10.3
1951	27.7	68.9	96.6	26.4	18.5	7.9
1952	30.1	70.2	100.3	25.2	19.2	6.0
1953	23.6	75.2	98.8	26.7	20.1	6.6
1954	30.4	72.1	102.5	25.9	16.3	9.6
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	16.5	3.0
1963	24.2	58.2	82.4	21.2	18.1	3.1
1964 ^{2/}	*22.5	61.2	83.7			
	Average price per pound	Price support level ^{3/}	Placed under Government loan	Quantity	Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965 ^{4/}
	Ct.	Ct.	Mil. lb.		Pct.	Mil. lb.
1950	23.2	30.5	4.1		16.3	0
1951	34.3	33.2	7.3		26.4	0
1952	31.6	33.0	^{5/} 9.9		32.9	0
1953	25.2	31.1	7.5		31.8	0
1954	34.3	30.9	7.2		23.7	0
1955	31.8	30.8	6.3		22.7	0
1956	34.0	32.1	6.6		21.5	0
1957	36.1	34.5	3.0		15.2	1.4
1958	38.4	34.5	.5		2.7	.2
1959	34.5	34.5	3.7		19.2	3.1
1960	37.4	34.5	2.2		12.2	1.6
1961	37.8	34.5	1.9		9.2	1.7
1962	36.2	34.8	4.1		18.2	3.8
1963	33.3	35.2	8.3		34.3	8.1
1964	*37.0	35.5	3.7		16.4	3.7
1965		35.9				
Total	---	---	76.3		---	23.6

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

5/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but purchased and shipped by mid-1953.

*Indicated by sales data.

Table 23.--Sun-cured tobacco, type 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/}		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	3.0	3.6	6.6	3.0		
1950	3.6	4.0	7.6	3.5	3.0	0.5
1951	4.0	4.1	8.1	3.8	3.1	.7
1952	3.7	4.3	8.0	4.0	3.4	.6
1953	2.9	4.0	6.9	3.2	2.7	.5
1954	3.7	3.7	7.4	3.2	2.7	.5
1955	3.3	4.2	7.5	2.9	2.1	.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963	1.1	5.1	6.2	2.0	1.7	.3
1964 ^{2/}	1.7	4.2	5.9			
	Average price per pound	Price support level ^{3/}	Quantity	Placed under Government loan Percentage of crop	Remaining in Government loan stocks on Feb. 28, 1965	
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.	
1950	33.9	30.5	34	0.9	0	
1951	34.6	33.2	59	1.5	0	
1952	31.6	33.0	84	2.3	0	
1953	31.8	31.1	24	.8	0	
1954	32.2	30.9	123	3.3	0	
1955	25.3	30.8	72	2.2	0	
1956	35.7	32.1	103	3.2	0	
1957	34.0	34.5	11	.4	0	
1958	36.8	34.5	29	1.5	0	
1959	34.4	34.5	24	1.1	0	
1960	37.9	34.5	4	.2	0	
1961	39.8	34.5	7	.3	0	
1962	37.4	34.8	59	2.6	0	
1963	31.4	35.2	92	8.1	0	
1964	*41.1	35.5	10	.6	0	
1965		35.9				
Total	---	---	735	---	0	

^{1/} Year beginning October 1.

^{2/} Subject to revision.

^{3/} Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

* Indicated by sales data.

Supplies

The 1964-65 combined supply of dark air-cured and sun-cured tobacco, at about 89-1/2 million pounds, is 1 percent above 1963-64. The supply of dark air-cured, types 35-36, is a little larger, but the supply of Virginia sun-cured is down 5 percent to the lowest in many years.

According to farmers' intentions on March 1, about 11,200 acres of dark air-cured and 1,600 acres of sun-cured will be grown in 1965. Prospective acreage of types 35-36 is down a tenth, and that of Virginia sun-cured is down 6 percent. The 1965 acreage allotments for most farms growing types 35-36 were reduced 10 percent from 1964. Due to relatively lower supplies, 1965 farm acreage allotments for Virginia sun-cured tobacco are the same as for 1964. Based on an average yield per acre with allowance for trend, 1965 production of dark air-cured and sun-cured would be about 22.7 million pounds, 6 percent less than marketings from the 1964 crop.

Carryover of the combined dark air- and sun-cured types next October 1 may be near 66 million pounds --not much different from the level of last October 1. The indicated carryover plus this year's crop may result in total 1965-66 supplies of around 88-1/2 million pounds--1 million less than for the current marketing year.

Domestic Use and Exports

Domestic use of dark air-cured, types 35-36, increased a tenth in 1963-64 over the previous year, but Virginia sun-cured fell 15 percent. Output of plug, twist, and fine-cut chewing tobaccos--chief outlet for dark air-cured in this country--gained 4 percent in the 1963-64 marketing year. In the first third of the current marketing year (October 1964-January 1965), it was a little below a year earlier.

During the first quarter of the current marketing year (October-December 1964), exports of One Sucker leaf leaped 65 percent above a year earlier. A big increase occurred in exports to the Republic of the Congo and a significant quantity went to South Viet Nam. But exports to Belgium were less than a third those of a year earlier. Exports of Green River leaf jumped to 652,000 pounds (farm-sales weight), contrasted with 74,000 pounds in October-December 1963. The increase was also attributable to significant quantities shipped to the Republic of the Congo and South Viet Nam; but Belgium cut takings sharply.

A large portion of U. S. exports of dark air-cured tobacco is made in the form of Black Fat--a semi-processed product. In October-December 1964, these exports were 11 percent above a year earlier. Half went to Nigeria, which increased takings 15 percent. Exports to Ghana, second ranking outlet, increased nearly a fourth, but those to West Africa, ranking third, dropped sharply. More was shipped to Cameroun than a year earlier, and some also went to Togo, Bahamas, and the Netherlands Antilles.

Cigar Types, 41-62

Prices and Price Supports

Official season prices for 1964 crops of the cigar types are not yet available. The 1964 crop of Connecticut Valley Broadleaf (type 51) was marketed at prices averaging fairly near last season. Less than 100,000 pounds were placed under loan, the smallest quantity in 11 years. The average the 1964 crop of Havana Seed (type 52) approximated 46 cents per pound; a little over 1 million pounds--about half of the estimated crop--were placed under Government loan.

The 1964 Wisconsin crops began selling in January. Prices of Southern Wisconsin tobacco (type 54) averaged around 32 cents a pound--about 2 cents higher than last season. Prices of Northern Wisconsin tobacco (type 55) averaged about 36 cents--about 4 cents higher than for the 1963 crop.

The Government overall price support for 1965 crops of Connecticut Valley binder (types 51-52) will be 41.2 cents a pound, compared with 40.8 cents in 1964. The overall price support for the cigar filler and binder types 42-44 and 54-55 (practically all grown in Wisconsin and Ohio) for 1965 will be 29.7 cents per pound, compared with 29.5 cents in 1964.

The overall support level for Puerto Rican cigar filler type 46 for 1965 is 30.9 cents per pound, compared with 30.6 cents in 1964.

Price supports will not be in effect for Pennsylvania filler type 41, since growers rejected marketing quotas in a referendum on February 18. Marketing quotas have never been in effect for this type.

1965 Cigar Filler and Binder Allotments

On January 27, the 1965 acreage allotments for Connecticut Valley types 51-52 and Ohio filler-Wisconsin binder types 42-44 and 54-55 were announced. Acreage allotments for most farms will be about the same as for 1964. However, for farms for which tobacco acreage history in recent years has been less than 75 percent of the allotment, the 1965 allotment may be below 1964. In 1964, about 42 percent of the allotted acreage of Connecticut Valley binder types was grown as was about 70 percent of allotted acreage of the Wisconsin types. Approximately 80 percent of the Ohio filler allotted acreage was grown in 1964.

The Government of Puerto Rico sets a quota annually for Puerto Rican type 46 cigar filler.

Supplies

Filler: The 1964-65 supply of Pennsylvania cigar filler is largest in many years, due to an increase in carryover that more than offset a 5-percent reduction in the 1964 crop. According to March 1 growers' intentions, the 1965 acreage will be the same as that harvested in 1964. Based on an average yield adjusted for trend, 1965 production could approximate 53 million pounds--8 percent larger than the 1964 crop.

Table 24.--Cigar tobacco price support operations, quantities placed under loan, 1952-64, and remaining under loan February 28, 1965

Crop	Quantities placed under loan						Total
	Puerto Rican, type 46	Ohio, types 42-44	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1952	1.4	No	Price	Support	1/		1.4
1953	1.4	2.7	3/	1.8	2.4	1.9	2/10.3
1954	5.1	1.2	.8	3.4	1.3	.9	12.7
1955	2.8	.8	7.8	5.2	.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	3/	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	2/ 7.1
1963	.6	.6	.2	1.3	1.0	3.1	6.8
1964	4/	0	.1	1.0	3/	.1	1.2
Total	20.6	5.9	17.5	20.9	11.1	22.5	2/98.6
Remaining under loan as of February 28, 1965							
1955	0	0	0	0	0	0	0
1956	0	0	0	0	0	0	0
1957	0	0	0	.1	0	0	.1
1958	0	0	0	0	0	0	0
1959	0	0	0	0	0	0	0
1960	0	0	0	.2	0	*.3	*.5
1961	0	0	0	.6	0	0	.6
1962	0	0	0	1.0	.2	*.7	*1.9
1963	0	0	.1	1.1	0	*1.2	*2.4
1964	4/	0	.1	.8	3/	.1	1.0
Total	0	0	.2	3.8	.2	*2.3	*6.5

1/ Price support not in effect because marketing quotas were disapproved by growers. 2/ Includes negligible amounts from the 1953 and 1962 crops of New York and Pennsylvania Havana Seed (type 53). 3/ Negligible. 4/ Not yet marketed.

*Loan holdings of Wisconsin type 55 have been virtually all sold on a deferred payment basis.

Table 25.--Cigar filler tobacco, types 41-46; Domestic supplies, disappearance, and season average prices, for specified periods

(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
Pennsylvania Seedleaf (type 41)							
Average:							
1947-49	54.6	101.4	156.0	48.8	47.8	1.0	27.7
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	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	^{2/} 52.0	^{2/} 51.7	.3	23.5
1963	51.8	128.0	179.8	^{2/} 44.7	44.0	.7	21.0
1964 ^{3/}	49.0	138.1	187.1				
Ohio, Miami Valley (types 42-44)							
Average:							
1947-49	10.2	24.5	34.7	8.7	8.7		26.3
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	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.5	20.2	27.7	6.6	6.6		28.2
1963	6.8	21.1	27.9	8.7	8.7		27.1
1964 ^{3/}	5.9	19.2	25.1				
Puerto Rico (type 46)							
Average:							
1947-49	26.4	65.0	91.4	34.0	29.8	4.2	24.8
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	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	27.6	42.4	70.0	26.2	25.8	.4	32.2
1960	27.1	43.8	70.9	27.6	27.5	.1	34.2
1961	30.4	43.3	73.7	32.1	32.1	neg.	37.2
1962	35.6	41.6	77.2	28.0	28.0	---	38.0
1963	32.0	49.2	81.2	29.8	29.8	---	40.6
1964 ^{3/}	38.0	51.4	89.4				

^{1/} Year beginning October 1. ^{2/} Adjusted to take into account 1962 tobacco still held at the farm level at end of 1962-63 marketing year. ^{3/} Subject to revision.

The 1964-65 supply of Ohio cigar filler, at 25 million pounds, is about a tenth below that in each of the 2 preceding years. The 1965 prospective acreage is 5 percent above that harvested in 1964. Based on an average yield adjusted for trend, this year's production could total about 7 million pounds--approximately 1 million pounds above last year's harvestings.

The January 1, 1965, stocks of Puerto Rican tobacco totaled a little over 45 million pounds--3 percent more than a year earlier. The crop planted in late 1964 for harvest in early 1965 is estimated to be nearly a fifth above the previous season's outturn.

Imported Cigar Tobacco: In 1964, about 108 million pounds (farm-sales weight equivalent) of foreign cigar tobacco arrived in the United States, compared with about 54 million in 1963. The Dominican Republic, leading supplier, furnished over 3 times as much unstemmed cigar filler as in 1963, and a significant quantity of scrap. Total arrivals of scrap from the Philippine Republic (second ranking supplier of cigar tobacco in 1964) jumped 47 percent; more unstemmed cigar filler also arrived from that source but less stemmed. Arrivals of unstemmed cigar filler from Colombia (third ranking supplier) were nearly double those of 1963. Brazil and Indonesia, next ranking suppliers, provided over 4 times and 3 times, respectively, as much unstemmed filler as in the previous year, but there was a sharp drop in arrivals of stemmed filler from Brazil. Arrivals of cigar tobacco from Paraguay, Mexico, and Argentina also increased appreciably over 1963.

January 1, 1965, stocks of cigar tobaccos from countries other than Cuba rose sharply over the year-earlier level. January 1 stocks of Cuban tobacco dropped more than a third; at the rate of usings during 1964, these stocks would be exhausted by the latter part of 1966. The January 1, 1965, stocks of foreign-grown cigar tobacco owned by U.S. manufacturers and dealers, compared with those of 1 and 2 years earlier, were as follows:

Country of origin	January 1 stocks--farm-sales weight		
	1963	1964	1965
	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>
Philippines	18.1	16.7	27.8
Dominican Republic	11.1	10.7	23.5
Colombia	9.2	9.7	17.7
Cuba	33.8	21.9	14.1
Brazil	3.7	5.5	12.0
Indonesia	2.3	3.1	6.4
Paraguay	3.3	3.0	3.5
Other	4.0	3.2	7.6
Total*	85.5	73.7	112.5

*Based on unrounded data.

Table 26.--Cigar binder tobacco types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

Year	(Farm-sales weight)							Average price per pound
	Production	Stocks October 1	Supply	Disappearance 1/			Average price per pound	
				Total	Domestic	Exports		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cts.	
Connecticut Valley Broadleaf (type 51)								
Average:								
1947-49	14.4	28.5	42.9	14.7	12.4	2.3	54.7	
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	5.1	25.5	30.6	8.4	7.7	.7	50.0	
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0	
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0	
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0	
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3	
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5	
1963	3.7	15.5	19.2	4.6	4.3	.3	51.0	
1964 2/	3.6	14.6	18.2					
Connecticut Valley Havana Seed (type 52)								
Average:								
1947-49	14.8	18.5	33.3	11.9	9.1	2.8	59.2	
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	3.2	20.2	23.4	7.5	6.3	1.2	44.9	
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4	
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2	
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5	
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6	
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5	
1963	2.2	10.1	12.3	4.0	2.7	1.3	41.6	
1964 2/	2.1	8.3	10.4					
Total Connecticut Valley (types 51-52)								
Average:								
1947-49	29.2	47.0	76.2	26.6	21.5	5.1	56.9	
1950	31.6	52.7	84.3	27.2	24.5	2.7	46.1	
1951	25.7	57.1	82.8	25.1	22.3	2.8	47.3	
1952	24.4	57.7	82.1	27.4	25.3	2.1	49.6	
1953	26.7	54.7	81.4	25.3	23.5	1.8	56.8	
1954	25.2	56.1	81.3	24.6	23.7	.9	50.6	
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4	
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7	
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2	
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4	
1959	7.7	34.5	42.2	9.0	8.1	.9	42.6	
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3	
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1	
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5	
1963	5.9	25.6	31.5	8.6	7.0	1.6	47.5	
1964 2/	5.7	22.9	28.6					

1/ Year beginning October 1. 2/ Subject to revision.

Table 27. --Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

Year	Production	Stocks October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
				Mil. lb.	Mil. lb.	Mil. lb.	
(Farm-sales weight)							
Southern Wisconsin (type 54)							
Average:							
1947-49	13.4	38.3	51.7	12.7	12.5	0.2	22.5
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	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.6	.1	29.3
1963	8.3	24.3	32.6	9.7	9.7	<u>3/</u>	30.0
1964 <u>2/</u>	8.3	22.9	31.2				
Northern Wisconsin (type 55)							
Average:							
1947-49	19.6	36.3	55.9	18.5	17.5	1.0	28.8
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	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963	9.7	27.6	37.3	12.5	12.5	<u>3/</u>	31.6
1964 <u>2/</u>	10.4	24.8	35.2				
Total Wisconsin types (54-55)							
Average:							
1947-49	33.0	74.6	107.6	31.2	30.0	1.2	26.2
1950	31.9	80.9	112.8	29.4	29.3	.1	26.2
1951	23.3	93.4	106.7	31.6	31.5	.1	28.6
1952	21.9	75.1	97.0	28.3	26.5	1.8	26.9
1953	20.0	68.7	88.7	26.4	26.1	.3	25.8
1954	22.9	62.3	85.2	25.3	24.6	.7	30.0
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963	18.0	51.9	69.9	22.2	22.2	<u>3/</u>	30.9
1964 <u>2/</u>	18.7	47.7	66.4				

1/ Year beginning October 1.

2/ Subject to revision.

3/ Negligible.

Binder: The 1964-65 supplies of the 2 Connecticut Valley binder types are both at new lows; the total, at about 28 $\frac{1}{2}$ million pounds, is 3 million below 1963-64. Based on farmers' intentions as of March 1, the 1965 prospective acreage of Broadleaf is 1,700 acres and Havana Seed, 800. Intended acreage of Broadleaf is 6 percent below last year's harvested acreage, and Havana Seed is down 20 percent. Allowing for trend in average yields per acre, production of the Connecticut Valley binder types may total about 5 million pounds--about an eighth lower than in 1964.

The 1964-65 supply of Wisconsin binder types, about 66 $\frac{1}{2}$ million pounds, is lowest in many years; both the Northern and Southern Wisconsin types are below 1963-64. According to farmers' intentions, the 1965 acreages of Northern and Southern Wisconsin may be 6,300 and 4,600, respectively, each the same as last year. Based on average yields adjusted for trend, the 1965 production of the Wisconsin tobacco types may total about 19 million pounds--a little above 1964.

Wrapper: The 1964-65 total supply of shade-grown wrapper types is about 40 $\frac{1}{2}$ million pounds--down 2 percent from the previous year. Total supply of Georgia-Florida wrapper is about the same as in 1963-64, but that of the Connecticut Valley type is smallest in 5 years. Prospective 1965 acreage of wrapper in the Connecticut Valley is 9,200, a tenth above last year's harvested acreage, and Georgia-Florida cigar wrapper (including fire-cured wrapper) acreage may be 5,900, up 9 percent. Based on average yields adjusted for trend, 1965 crops in the Connecticut Valley and Georgia-Florida would total about 23 million pounds--10 percent above 1964.

Domestic Use and Exports

Filler: Domestic use of Pennsylvania filler during the 1963-64 marketing year, indicated at 44 million pounds, was 15 percent below 1962-63 and unusually low compared with most recent years. Use of Ohio filler, at 8 $\frac{1}{2}$ million pounds, rose sharply to a 9-year high. Domestic use of Puerto Rican filler in 1963-64, indicated at nearly 30 million pounds, rose moderately above the previous year and was second highest in 5 years. Exports of filler in October-December 1964 totaled about 218,000 pounds (farm-sales weight) and went mostly to South Viet Nam, Canada, and France.

Foreign Cigar Tobacco: Use of foreign cigar tobacco in October 1963-September 1964 (the period corresponding with the marketing year for U.S. filler types) totaled about 70 $\frac{1}{2}$ million pounds (farm-sales weight)--13 million above a year earlier. Use of Cuban tobacco (farm-sales weight and derived from stocks data) dropped to 8 million pounds, and was only about three-fifths as much as in the previous year. Use of Philippine tobacco was not greatly different from 1962-63, but there were substantial increases in cigar tobacco from Dominican Republic, Colombia, Brazil, and Indonesia. Use of Mexican and Paraguayan tobaccos also increased.

During October 1964-January 1965, use of Cuban tobacco from stocks was further curtailed, but use of most other imported cigar tobaccos increased

Table 28.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks July 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 Shade-grown (type 61)							
Average:							
1947-49	10.2	11.0	21.0	8.9			268.3
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	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	15.1	27.1	11.4	8.9	2.5	190.0
1961	10.3	15.7	26.0	12.2	8.9	3.3	235.0
1962	11.9	13.8	25.7	12.0	9.2	2.8	250.0
1963	12.0	13.7	25.7	14.2	10.1	4.1	260.0
1964 2/	13.3	11.5	24.8				
Georgia-Florida Shade-grown (type 62)							
Average:							
1947-49	5.2	3.8	9.1	4.3			235.0
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	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.6	16.9	6.5	5.5	1.0	200.0
1961	8.8	10.4	19.2	9.2	6.6	2.6	190.0
1962	7.4	10.0	17.4	8.5	6.4	2.1	205.0
1963	6.7	8.9	15.6	7.6	5.3	2.3	205.0
1964 2/	7.6	8.0	15.6				
Total Shade-grown (types 61-62)							
Average:							
1947-49	15.3	14.8	30.1	13.3	11.2	2.1	257.0
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	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	22.7	44.0	17.9	14.4	3.5	194.0
1961	19.1	26.1	45.2	21.4	15.5	5.9	214.0
1962	19.3	23.8	43.1	20.5	15.6	4.9	233.0
1963	18.7	22.6	41.3	21.8	15.4	6.4	240.0
1964 2/	20.9	19.5	40.4				

1/ Year beginning July 1. 2/ Subject to revision.

considerably above a year earlier. The imports for consumption of Philippine tobacco (unstemmed equivalent) rose more than a third. Dominican and Colombian tobacco entering consumption channels gained 72 and 12 percent, respectively, and there were substantial percentage increases for Indonesian, Mexican, and Argentinian tobaccos; Paraguayan tobacco showed little change from a year ago.

Binder: The 1963-64 domestic use of Connecticut Valley Broadleaf (type 51), at 4.3 million pounds, dropped sharply below the 6-year high of 1962-63. Use of Connecticut Valley Havana Seed, at 2-3/4 million pounds, gained slightly.

The 1963-64 domestic use of Southern Wisconsin rose to 9-3/4 million pounds, over a fourth above 1962-63 and was largest in 7 years. Domestic use of Northern Wisconsin (type 55), at 12 $\frac{1}{2}$ million pounds, increased 15 percent to the largest in 6 years.

During October 1963-September 1964, exports of Connecticut Valley Broadleaf (a relatively small part of its total disappearance) were above each of the 2 previous years, mainly due to an increase to West Germany. Exports of Havana Seed, a significant share of its total disappearance, were sharply higher in 1963-64 than in 1962-63 and was second largest in 7 years. Most of the increase was due to a sizable shipment to Spain. Exports of Wisconsin tobacco, which have been declining in recent years, were negligible in 1963-64.

During October-December 1964, exports of Broadleaf, although above those of a year earlier, remained relatively small and were mostly to West Germany and Denmark. Exports of Havana Seed, mainly to West Germany, were up more than a third from October-December 1963, while some Wisconsin binder was exported--chiefly to East Germany, Dominican Republic, and Czechoslovakia, in contrast to none to these markets a year earlier.

Wrapper: The July 1963-June 1964 domestic use of Connecticut Valley wrapper, at 10.1 million pounds, rose to a record high. Domestic use of Georgia-Florida wrapper--5.3 million pounds--was moderately below the level in each of the 2 preceding years. Exports of Connecticut Valley wrapper in 1963-64 were substantially above previous years, while those of Georgia-Florida wrapper were up some from 1962-63 but still moderately below 1961-62.

During July-December 1964 (the first half of the marketing year), exports of Connecticut Valley wrapper dropped 20 percent below those a year earlier. Increased quantities were shipped to Canada, but West Germany and the United Kingdom cut takings 28 and 5 percent, respectively. Less also went to Canary Islands, Spain, and the Netherlands, and none was shipped to East Germany. The July-December 1964 exports of Georgia-Florida wrapper declined 4 percent below the like period of 1963. Slightly more went to West Germany and increased quantities were also shipped to the Canary Islands, Canada, and Denmark. But Swedish takings were cut two-thirds and smaller exports than a year earlier were made to the Netherlands and Belgium; only a relatively small quantity was reported exported to East Germany.

Table 29.—Acreage of tobacco in the United States, by class and type, average 1953-57 and 1958-62, annual 1963-65 and percentages

Class and type	Average:	Average:	1963	1964	1965	Percent-
	1953-57:	1958-62:		<u>1/</u>	<u>2/</u>	age change 1964 to 1965
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	326.8	248.9	251.0	227.0	184.0	-18.9
Eastern North Carolina, type 12	296.4	223.6	223.0	202.0	162.0	-19.8
South Carolina, type 13	184.2	135.8	135.5	122.0	98.5	-19.3
Georgia and Florida, type 14	111.1	82.3	85.0	76.6	61.9	-19.2
Total flue-cured, types 11-14	918.5	690.6	694.5	627.6	506.4	-19.3
Virginia, type 21	8.9	7.4	6.6	7.4	7.6	2.7
Kentucky and Tennessee, type 22	27.0	19.6	19.8	18.0	16.3	- 9.4
Kentucky and Tennessee, type 23	10.5	7.2	7.9	7.2	6.5	- 9.7
Total fire-cured, types 21-23	46.4	34.2	34.3	32.6	30.4	- 6.7
Burley, type 31	353.6	310.2	338.5	306.8	277.6	- 9.5
Maryland, type 32	44.5	38.5	34.5	39.0	34.0	-12.8
One Sucker, type 35	12.8	8.9	9.2	8.2	7.4	- 9.8
Green River, type 36	6.8	4.4	4.6	4.2	3.8	- 9.5
Virginia sun-cured, type 37	3.5	1.9	1.5	1.7	1.6	- 5.9
Total dark air-cured, types 35-37	23.1	15.2	15.3	14.1	12.8	- 9.2
Pennsylvania Seedleaf, type 41	28.5	30.6	28.0	28.0	28.0	0
Miami Valley, types 42-44	4.2	4.0	3.9	3.8	4.0	5.3
Total cigar filler, types 41-44	32.7	34.6	31.9	31.8	32.0	.6
Connecticut Valley Broadleaf, type 51	6.3	2.0	1.8	1.8	1.7	- 5.6
Connecticut Valley Havana Seed, type 52	4.5	1.3	1.0	1.0	.8	-20.0
Southern Wisconsin, type 54	4.6	5.4	4.6	4.6	4.6	0
Northern Wisconsin, type 55	8.8	8.2	6.1	6.3	6.3	0
Total cigar binder, types 51-55	24.2	16.9	13.5	13.7	13.4	- 2.2
Connecticut Valley Shade-grown, type 61	8.0	8.0	7.8	8.4	9.2	9.5
Georgia and Florida Shade-grown, type 62	4.9	5.6	5.1	5.4	5.9	9.3
Total cigar wrapper, types 61-62	12.9	13.6	12.9	13.8	15.1	9.4
Louisiana Perique, type 72	.3	.3	.3	.2	.2	0
Total all types	1,456.2	1,154.1	1,175.7	1,079.6	921.9	-14.6

1/ Subject to revision.

2/ Farmers' intentions as of March 1.

Table 30.--Cash receipts from farm marketings, average 1950-54, annual 1955-64, with percentages

Period	Cash receipts				Tobacco as a percentage of--	
	Livestock and products	All crops	Total farm	Tobacco	All crops	Total cash receipts
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	Pct.
Average: 1950-54	17,586	13,467	31,053	1,119	8.3	3.6
1955	15,837	13,427	29,264	1,225	9.1	4.2
1956	16,250	14,122	30,372	1,162	8.2	3.8
1957	17,363	12,461	29,824	971	7.8	3.3
1958	19,301	14,259	33,560	1,020	7.2	3.0
1959	18,855	14,291	33,146	1,060	7.4	3.2
1960	18,937	15,076	34,013	1,154	7.7	3.4
1961	19,415	15,828	35,243	1,325	8.4	3.8
1962	20,013	16,064	36,077	1,321	8.2	3.7
1963	19,880	17,046	36,926	1,269	7.4	3.4
1964 ^{1/}	19,929	16,820	36,749	1,395	8.3	3.8

^{1/} Preliminary.

Table 31.--Disposable personal income, consumer expenditures for tobacco products, for specified periods

Year	Disposable personal income	Consumer expenditures for tobacco products				Tobacco product expenditures as percentage of disposable personal income			
		Total	Cigarettes	Cigars	Other ^{1/}	Total	Cigarettes	Cigars	Other ^{1/}
		Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	Pct.	Pct.
Average: 1950-54	236,642	4,982	4,166	539	277	2.11	1.76	.23	.12
1955	274,448	5,350	4,544	549	257	1.95	1.66	.20	.09
1956	292,942	5,638	4,843	553	242	1.92	1.65	.19	.08
1957	308,791	6,064	5,267	557	240	1.96	1.70	.18	.08
1958	317,924	6,400	5,564	581	255	2.01	1.75	.18	.08
1959	337,145	6,940	6,036	625	279	2.06	1.79	.19	.08
1960	349,889	7,323	6,384	647	292	2.09	1.82	.19	.08
1961	364,684	7,558	6,630	627	301	2.07	1.82	.17	.08
1962	384,558	7,711	6,788	627	296	2.01	1.77	.16	.08
1963	402,472	8,112	7,175	637	300	2.01	1.78	.16	.07
1964 ^{2/}	431,800	8,190	7,100	760	330	1.90	1.64	.18	.08

^{1/} Smoking, chewing, and snuff. ^{2/} Estimated.

Table 32.--Federal and State tax revenues from tobacco products for specified periods

Period	Federal				States ^{2/}		Total Federal and State
	Cigarettes	Cigars	Chewing, smoking, and snuff	Total ^{1/}	All tobacco products ^{3/}		
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	
Average: 1950-54	1,445	45	28	1,518	471	1,989	
1955	1,530	46	20	1,596	500	2,096	
1956	1,576	45	18	1,639	573	2,212	
1957	1,639	46	18	1,704	614	2,318	
1958	1,750	49	18	1,817	673	2,490	
1959	1,792	51	17	1,860	841	2,701	
1960	1,887	50	17	1,955	998	2,953	
1961	1,950	50	17	2,019	1,070	3,094	
1962	1,961	50	16	2,030	1,130	3,160	
1963	2,047	51	17	2,116	1,225	3,341	
1964 ^{4/}	1,987	62	18	2,069	5/1,260	3,329	

^{1/} Includes leaf dealer penalties, floor taxes, cigarette papers and tubes, etc. ^{2/} Includes District of Columbia. ^{3/} In postwar years cigarette taxes have accounted for about 98 percent of State tobacco tax revenues. ^{4/} Preliminary. ^{5/} Estimated. General note: Local government taxes from tobacco products in a recent year totaled about \$64 million.

Compiled from reports of the Internal Revenue Service, The National Tobacco Tax Association, and other sources.

STATISTICAL SUMMARY

Item	Unit or base period	1964		1965		Last data as percentage of a year earlier	
		Jan.	Feb.	Jan.	Feb.		
Average price at auctions							
Flue-cured	:Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---	
Burley	:Ct. per lb.	57.9	56.3	56.7	Closed	98	
Maryland	:Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---	
Virginia fire-cured	:Ct. per lb.	35.6	33.7	43.6	35.3	105	
Ky.-Tenn. fire-cured	:Ct. per lb.	37.0	36.3	40.1	38.2	105	
Ky.-Tenn. dark air-cured	:Ct. per lb.	32.8	32.6	37.2	Closed	113	
Virginia sun-cured	:Ct. per lb.	31.9	Closed	41.7	Closed	131	
Support price levels 1/			1/		1/		
Flue-cured	:Ct. per lb.		56.6		57.2	101	
Burley	:Ct. per lb.		58.3		58.9	101	
Maryland	:Ct. per lb.		51.8		52.3	101	
Virginia fire-cured	:Ct. per lb.		39.6		40.0	101	
Ky.-Tenn. fire-cured	:Ct. per lb.		39.6		40.0	101	
Ky.-Tenn. dark air-cured	:Ct. per lb.		35.2		35.5	101	
Virginia sun-cured	:Ct. per lb.		35.2		35.5	101	
Connecticut Valley cigar binder	:Ct. per lb.		40.4		40.8	101	
Wis. binder and Ohio filler	:Ct. per lb.		29.2		29.5	101	
Puerto Rican filler	:Ct. per lb.		30.3		30.6	101	
Parity index 2/	:1910-14=100	313	313	317	318	102	
Industrial production index 3/	:1957-59=100	128	128	138	139	109	
Employment	: Mil.	67.2	68.0	69.0	69.5	102	
Personal income 4/	: Bil. dol.	479.4	480.5	510.2	510.7	106	
		1963-64		1964-65			
		Dec.	Jan.	Nov.	Dec.	Jan.	
Taxable removals							
Cigarettes	: Bil.	36.7	41.0	41.5	39.9	39.1	95
Cigars and cigarillos	: Mil.	407.3	594.1	783.7	443.9	602.3	101
Smoking tobacco	: Mil. lb.	5.1	6.5	5.8	5.7	5.7	88
Chewing tobacco	: Mil. lb.	4.8	5.6	5.4	5.0	5.3	95
Snuff	: Mil. lb.	2.5	2.8	2.5	2.6	2.1	75
Accumulated from Jan. 1							
Cigarettes	: Bil.	509.6		457.5	497.4		98
Cigars and cigarillos	: Mil.	6,565.0		7,661.6	8,105.6		123
Smoking tobacco	: Mil. lb.	68.0		73.3	79.0		116
Chewing tobacco	: Mil. lb.	64.5		60.5	65.5		102
Snuff	: Mil. lb.	31.9		28.6	31.3		98
Tax-exempt removals							
Cigarettes	: Bil.	3.4	3.3	3.2	4.6	2.1	64
Exports	: Bil.	2.0	1.8	2.0	2.8	.7	#
Cigars and cigarillos	: Mil.	12.0	9.9	15.2	12.9	11.5	116
Smoking tobacco	: Mil. lb.	.2	.3	.3	.3	.1	33
Chewing tobacco	: Mil. lb.	.1	*	*	*	*	---
Accumulated from Jan. 1							
Cigarettes	: Bil.	41.1		38.1	42.6		104
Exports	: Bil.	23.6		22.3	25.1		106
Cigars and cigarillos	: Mil.	142.6		180.2	193.0		135
Smoking tobacco	: Mil. lb.	2.2		3.1	3.4		155
Chewing tobacco	: Mil. lb.	.6		.5	.5		83
Wholesale price indexes 5/							
Cigarettes, reg. nonfilter	: 1957-59=100	109.5			109.5		100
Cigarettes, filter tip	: Jan. 1959=100	100.0			100.0		100
Cigars	: 1957-59=100	100.3			100.3		100
Smoking tobacco	: 1957-59=100	117.1			121.2		104
Plug chewing tobacco	: 1957-59=100	123.9			123.9		100
Snuff	: 1957-59=100	113.0			115.0		102
Consumer prices indexes (urban) 6/							
Cigarettes, reg. nonfilter	: 1957-59=100	117.2			n. a.		
Cigarettes, filter tip	: Mar. 1959=100	112.6			n. a.		
Cigars	: 1957-59=100	100.2			n. a.		
Imports of tobacco							
Cigarette leaf	: Mil. lb.	9.3	9.7	10.1	4.5	17.0	175
Cigar tobacco 7/	: Mil. lb.	5.2	4.3	7.3	7.0	5.8	135
Accumulated from Jan. 1							
Cigarette leaf	: Mil. lb.	129.0		114.2	118.8		92
Cigar tobacco 7/	: Mil. lb.	61.3		70.8	77.8		127

See footnotes at end of Statistical Summary.

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1963-64			1964-65			Last data as percentage of a year earlier
		Dec.	Jan.	Nov.	Dec.	# Jan.		
Exports of leaf tobacco (farm-sales weight)								
Flue-cured	Mil. lb.	55.0	33.7	52.2	59.6	4.6	#	
Burley	Mil. lb.	4.7	2.0	6.4	6.8	.1	#	
Maryland	Mil. lb.	1.5	1.2	1.3	1.6	*	#	
Virginia fire- & sun-cured	Mil. lb.	.2	.8	.5	.2	.1	#	
Ky.-Penn. fire-cured	Mil. lb.	1.0	2.6	1.9	4.0	.1	#	
Ky.-Penn. dark air-cured	Mil. lb.	*	.2	.1	1.1	0	#	
Black Fat	Mil. lb.	.6	.2	.3	.6	*	#	
Cigar wrapper	Mil. lb.	.1	.3	.3	.2	.1	#	
Connecticut binder	Mil. lb.	*	.8	*	.1	*	#	
Wisconsin binder	Mil. lb.	0	*	*	.1	.3	#	
Accumulated from beginning of marketing year 8/								
Flue-cured	Mil. lb.	325.7	359.4	232.1	291.7	296.3	82	
Burley	Mil. lb.	12.8	14.8	12.0	18.8	19.0	128	
Maryland	Mil. lb.	3.4	4.5	2.1	3.7	3.8	84	
Virginia fire- & sun-cured	Mil. lb.	2.3	3.1	.8	1.0	1.0	32	
Ky.-Penn. fire-cured	Mil. lb.	4.5	7.1	3.4	7.4	7.4	104	
Ky.-Penn. dark air-cured	Mil. lb.	.4	.6	.2	1.2	1.2	200	
Black Fat	Mil. lb.	1.1	1.4	.7	1.2	1.3	93	
Cigar wrapper	Mil. lb.	2.6	2.9	2.0	2.2	2.2	76	
Connecticut binder	Mil. lb.	.1	.9	.1	.2	.2	22	
Wisconsin binder	Mil. lb.	.3	*	*	.1	.4	---	
Exports of manufactured tobacco in bulk	Mil. lb.	.5	.8	1.0	3.0	.1	#	
Accumulated from Jan. 1	Mil. lb.	9.8		9.4	12.3		126	

Quarterly data

		1963-64		1964-65		
		Oct.-Dec.	Jan.-Mar.	Oct.-Dec.	Jan.-Mar.	
Tobacco stocks--1st of quarter 9/:						
Domestic types (farm-sales weight)						
Flue-cured	Mil. lb.	2,627	2,880	2,720	3,033	105
Burley	Mil. lb.	1,228	1,520	1,412	1,680	111
Maryland	Mil. lb.	86	77	90	82	106
Fire-cured	Mil. lb.	113	103	118	109	106
Dark air- and sun-cured	Mil. lb.	63	64	65	67	105
Cigar filler	Mil. lb.	198	180	209	188	104
Cigar binder	Mil. lb.	77	74	71	67	91
Cigar wrapper	Mil. lb.	26	28	25	27	96
Under Government loan 10/	Mil. lb.	724	982	1,173	1,372	140
Tobacco sheet 11/						
Cigarette types	Mil. lb.	5.7	5.3	4.7	5.3	100
Cigar types	Mil. lb.	2.0	2.2	2.3	2.8	127
Foreign types (unst. equiv.)						
Cigarette and smoking	Mil. lb.	265	256	228	258	101
Cigar	Mil. lb.	67	55	73	85	155
Tobacco outlets 12/						
Seasonally adjusted data, annual rates, for charts, p.2:						
Cigarettes						
Production	Bil.	552	485	574	537	111
Taxable removals	Bil.	516	440	534	497	113
Cigar production	Bil.	7.37	8.49	9.26	8.80	104
Smoking production	Mil. lb.	71.9	100.4	77.8	80.4	80
Chewing production						
Scrap	Mil. lb.	33.5	35.2	33.9	34.1	97
Plug and other	Mil. lb.	32.2	30.6	30.7	31.2	102
Snuff production	Mil. lb.	31.6	30.8	31.5	28.2	92
Exports of leaf						
Total	Mil. lb.	620	676	606	580	86
Flue-cured	Mil. lb.	503	590	459	500	85

1/ 1963 and 1964 crops respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Farm-sales equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. * Less than 50,000 pounds. # January 1965 exports were small because of dock strike.

Index of Special Items, Tables, and Charts in 1964 Issues of the Tobacco Situation

Each issue of the Tobacco Situation carries discussion and standard statistical tables which cover (1) cigarettes, cigars, and other manufactured tobacco products, (2) exports, foreign production and United Kingdom data, (3) imports and (4) each of the different kinds of leaf tobacco. The discussion and regular tables contain current estimates and comparable data for earlier years. Also included in each issue are 6 standard charts that depict recent trends in manufactured tobacco products and leaf tobacco exports. In addition, various issues of the Tobacco Situation contain special items, special-purpose tables and charts; the following index provides references to such material published during calendar year 1964:

<u>Special items:</u>	<u>1964 Issue</u>
EEC internal duties lowered	June
National Agricultural Advisory Commission	December
Smoking-health developments	March
Tobacco Industry Advisory Committee	December
 <u>Statistical tables:</u>	
All tobacco leaf combined: Supply, domestic use, exports, etc.	December
British tobacco imports by source:	
Calendar years	March (also this issue)
Fiscal years	September
Burley price spreads among grades	March (also this issue)
Cash receipts from farm marketings:	
Tobacco and total, major tobacco States	June
Tobacco and total, U. S.	March (also this issue)
Cigarette manufacture--use of tobacco:	September
Kinds of tobacco used	
Percentage distribution by kinds	
Tobacco used per 1,000 cigarettes	
Cigarette output, filter and nonfilter tips	March (also this issue)
Consumer expenditures for cigarettes, cigars, other	September (also this issue)
Consumption per capita:	
18 years and over:	
Cigarettes, units and pounds, all tobacco products, pounds and indexes	March, Sept. (also this issue)
Snuff and indexes on basis of product weight	March, Sept. (also this issue)
Cigars, smoking, and chewing tobacco per male, and indexes on basis of units and pounds	March, Sept. (also this issue)
Exports of tobacco from U. S.	
Foreign currency sales (P. L. 480, Title I):	
Calendar years	March
Fiscal years	September
Government financed programs:	
Calendar years	March (also this issue)
Fiscal years	September
Value per pound by kinds to major countries of destination	June
Flue-cured:	
Average prices by belts	December
Gross volume by belts	December
Loan placements by belts	December
Untied tobacco sales types 11 (a) - 13	December
Foreign markets for tobacco and U. S. percentage	June
General imports of cigar and cigarette tobacco:	
Calendar years	March (also this issue)
General imports of cigar tobacco:	
Calendar years - value per pound	June
Fiscal years	September
Marketing quota referendum results	March (also this issue)
Production of flue-cured and oriental tobacco, major countries	September
Taxes on tobacco products:	
Calendar years, Federal and State revenues	March (also this issue)
Fiscal years, Federal, State, and local revenues	September
World tobacco production and exports--U. S. share	June
 <u>Charts:</u>	
Burley tobacco	December
Cigarette output by kind and size	March (also this issue)
Exports:	
Markets for U. S. tobacco	September
Value per pound, marketing years	June
Per capita consumption of tobacco products	September
Tobacco yields per acre	June
U. S. imports of cigar tobacco	December

LIST OF TABLES

<u>Table</u>	<u>Title</u>	<u>Page</u>
1	Cigarettes: Total output, domestic consumption, shipments, and exports for specified periods	8
2	Cigarettes: Estimated output of nonfilter tip and filter tip by length, and percentage distribution, 1952-64	9
3	Cigarettes and all tobacco products: Consumption per capita, 18 years and over (including overseas forces), and indexes, 1925-64	10
4	Large cigars and cigarillos: Output and consumption for specified periods	12
5	Small cigars (weighing <u>not more than 3 pounds per thousand</u> and approximately cigarette size): Output and removals for specified periods	12
6	Consumption of cigars, smoking tobacco and chewing tobacco per male, 18 years and over, and snuff per person, 18 years and over, and indexes for specified periods	13
7	Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods	15
8	Chewing tobacco and snuff: Output by category for specified periods	17
9	United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods	19
10	Tobacco exports under Government-financed programs, 1955-64	21
11	United Kingdom tobacco: Imports, stocks clearances, and exports for specified periods	25
12	Unmanufactured tobacco imports into the United Kingdom from major sources, average 1947-49, annual 1950-64	26
13	United States imports for consumption of unmanufactured tobacco, from principal supplying countries for specified periods	29
14	United States general imports of tobacco, from principal supplying countries, for specified periods	30
15	Marketing quota referendums, by kinds of tobacco	32
16	Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods	33

LIST OF TABLES - Continued

<u>Table</u>	<u>Title</u>	<u>Page</u>
17	Burley tobacco: Price spreads among specified grades, average 1953-55, annual 1956-64	36
18	Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods	37
19	Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods ..	39
20	Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods	41
21	Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods	42
22	Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods	45
23	Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods	46
24	Cigar tobacco price support operations, quantities placed under loan, 1952-64 and remaining under loan February 28, 1965	49
25	Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods	50
26	Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods	52
27	Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods	53
28	Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices for specified periods	55
29	Acreage of tobacco in the United States, by class and type, averages 1953-57 and 1958-62, annual 1963-65 and percentages	57
30	Cash receipts from farm marketings, average 1950-54, annual 1955-64 with percentages	58
31	Disposable personal income, consumer expenditures for tobacco products, for specified periods	58
32	Federal and State tax revenues from tobacco products for specified periods	58

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