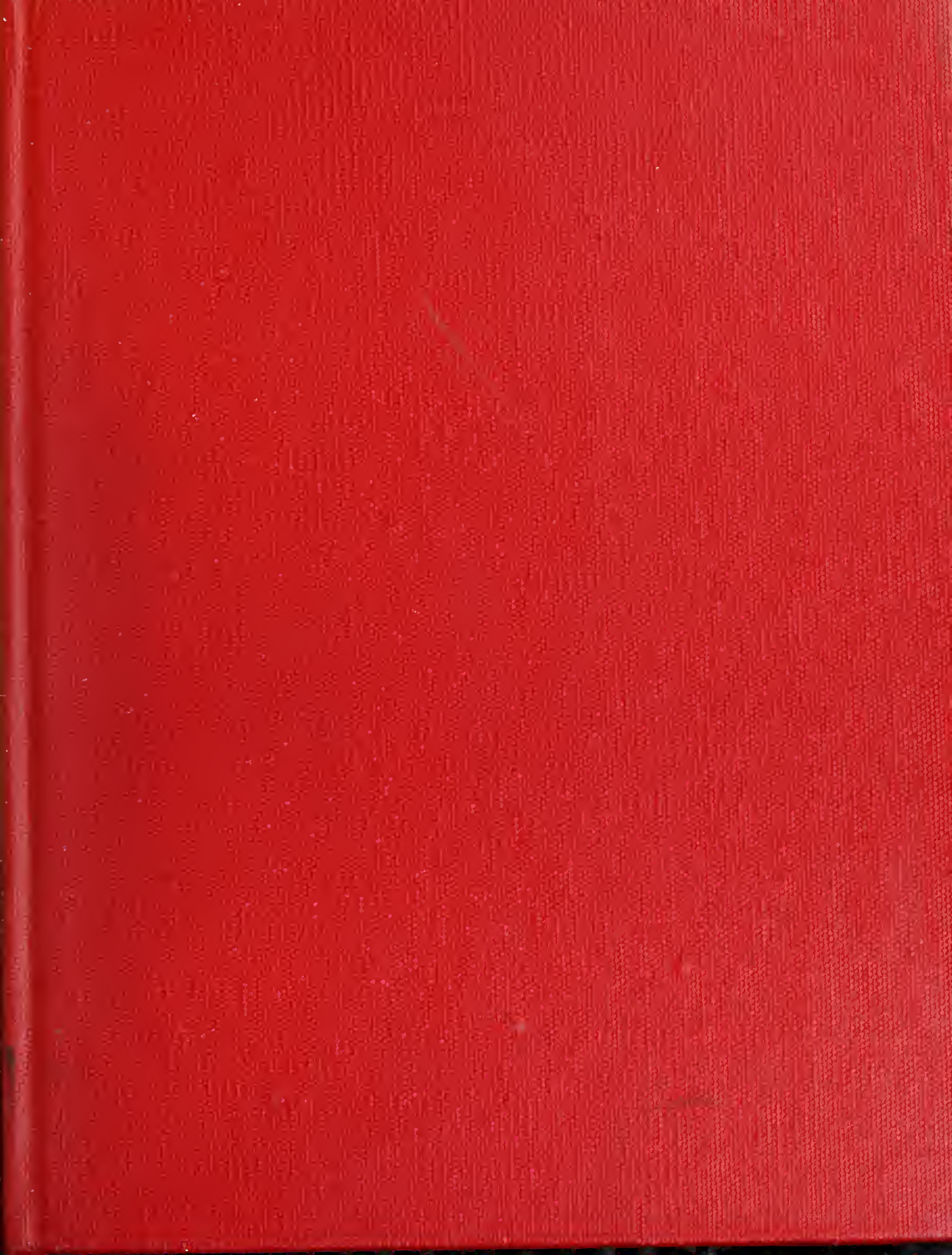


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# TOBACCO SITUATION

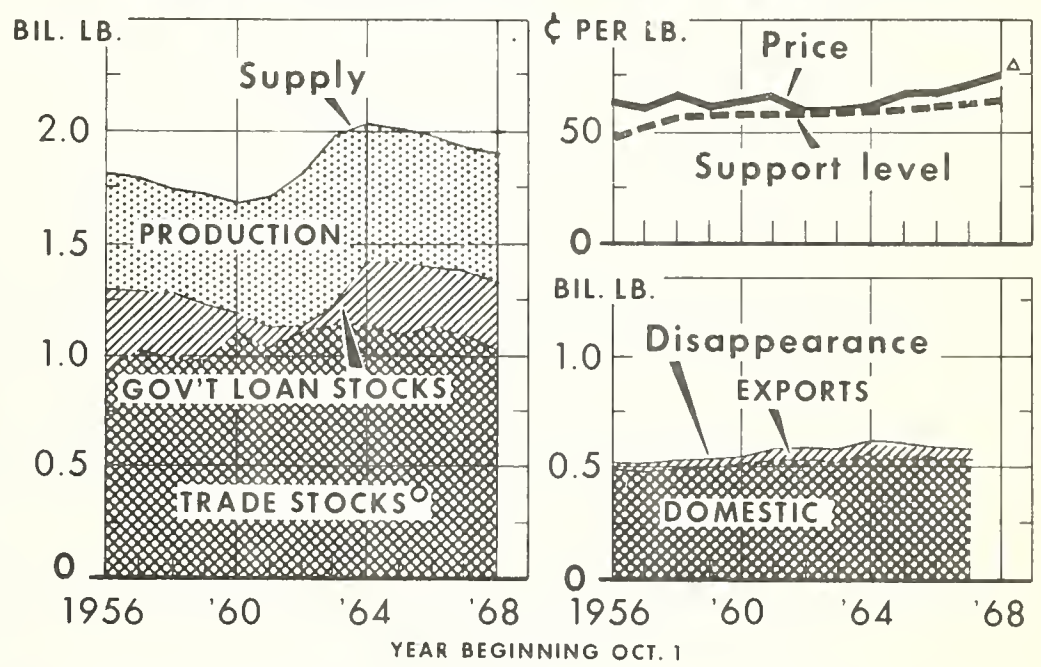
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DECEMBER 1968

By December 19, most of the 1968 burley crop had been sold at a record price of 74 cents a pound.

The 1968/69 burley supply of 1,886 million pounds is 2 percent below last year. All the decline has come in privately owned stocks as Government loan stocks and production are larger. The 1968 crop of 557 million pounds is below marketing year requirements. So a further decline in the carryover into 1969/70 is in prospect.

## BURLEY TOBACCO: SUPPLY, PRICE, USE



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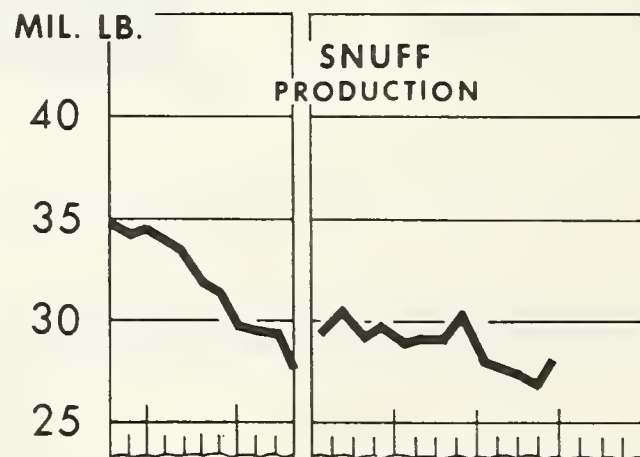
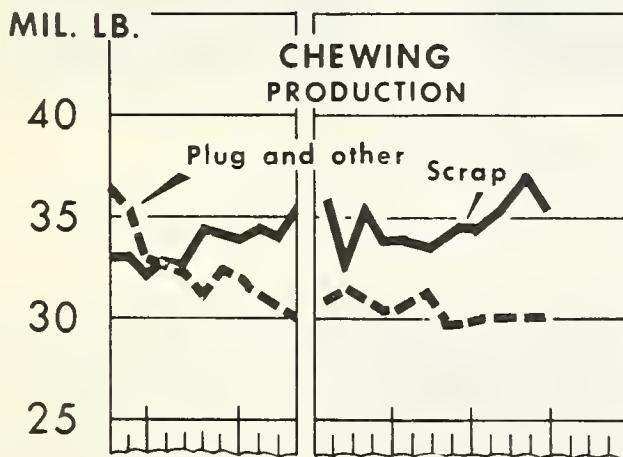
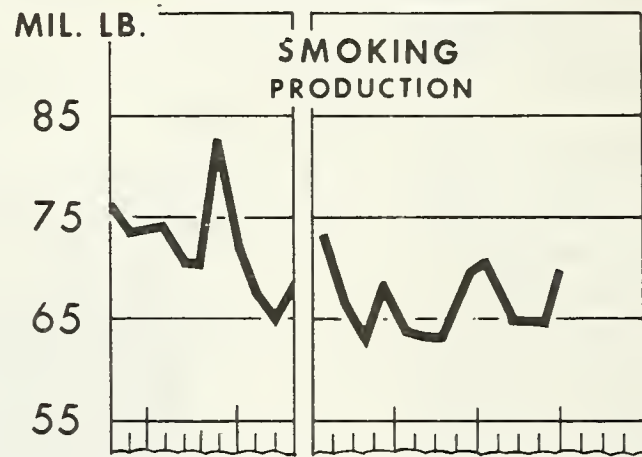
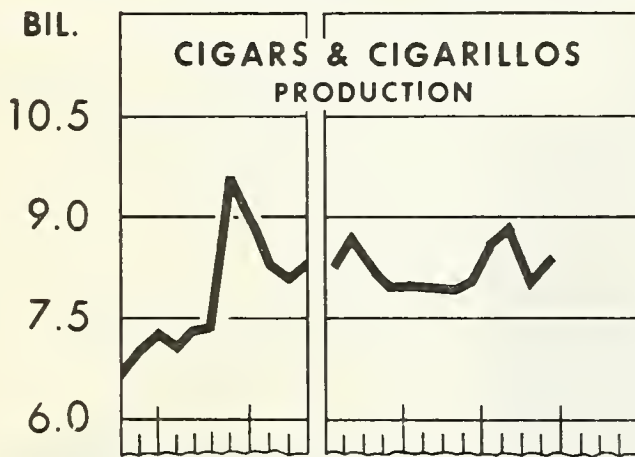
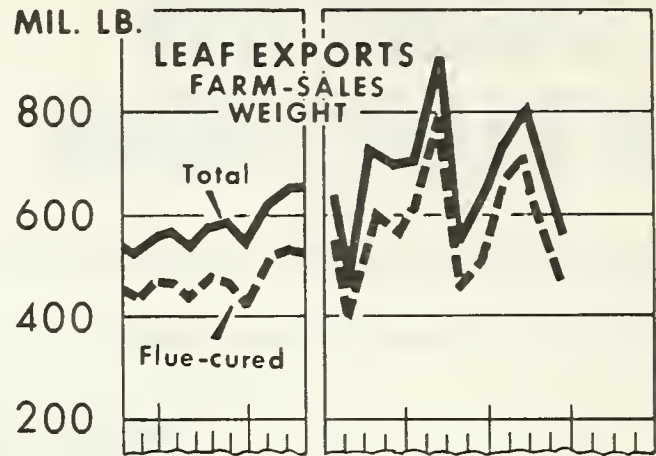
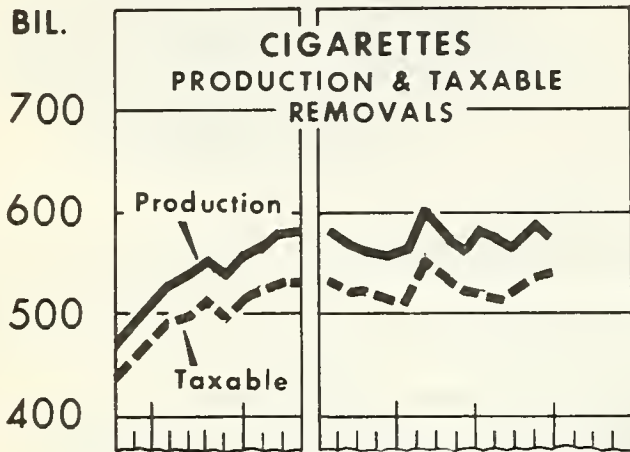
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- Exports and Foreign Tobacco
- Tobacco Imports
- Leaf Supplies and Use

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# TOBACCO OUTLETS

## Recent Trends In Manufactured Products and Exports



1960 '65 ANNUAL  
66 '67 '68 '69 QUARTERLY, SEASONALLY ADJUSTED, AT ANNUAL RATES

1960 '65 ANNUAL  
'66 '67 '68 '69 QUARTERLY, SEASONALLY ADJUSTED, AT ANNUAL RATES

LAST QUARTER SHOWN ESTIMATED.



# THE TOBACCO SITUATION

Approved by the Outlook and Situation Board, December 20, 1968

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## SUMMARY\*

The 1968/69 marketing year promises continued ample U.S. tobacco supplies, though 5 percent below last year because of smaller crops and carryover. Privately owned stocks at the beginning of the season were smaller; Government carryover stocks were up.

The smallest U.S. tobacco crop since 1967 is being sold. It is about 13 percent below last year and below that forecast earlier in the season, since dry weather in the important Virginia-Carolina area lowered yields for the flue-cured crop. Favorable weather in most other sections helped to maintain output of burley and other types.

Auction prices in recent weeks have been above last season's high levels. And they likely will stay a little higher for the rest of the marketing season (the first half of 1969). Based on the formula required by law, 1969 crop price support levels for eligible tobaccos seem likely to be 4 percent above those of 1968.

Domestic disappearance this marketing year likely will total near last year's

level, since output of cigarettes and other products may change little. With large tobacco supplies available from other exporters, U.S. tobacco exports near last season's total are in prospect. So total disappearance probably will be close to the 2.0 billion pounds of last season. This level of disappearance would exceed the 1968 crop of 1.74 billion, so carryover at the close of the 1968/69 marketing year could decline around  $\frac{1}{4}$  billion pounds from the 4.1 billion at the start.

Domestic cigarette consumption in 1969 may do well to match the 1968 total. Cigarette output for 1968 is about matching the 576 billion cigarettes produced in 1967. In the months ahead, recent price advances and the smoking-health publicity are likely to influence cigarette usage. The Federal Cigarette Labeling and Advertising Act of 1965 will expire June 30, so action by Congress or the Federal Trade Commission in this area is a possibility in 1969.

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\*The Summary of this report, along with a table on supply and disappearance, was released on December 20, 1968

U.S. leaf exports during August-October 1968 were 176 million pounds, 22 million higher than a year earlier. Anticipation of a possible U.S. dock strike this winter contributed to the gain.

In calendar 1968, U.S. exports of unmanufactured tobacco will match 1967's long-time high of 572 million pounds (approximately 642 million pounds, farm-sales weight). This high export level can probably be maintained in 1969 if U.N. trade sanctions continue against Rhodesia. The improved quality of U.S. tobacco is also favoring U.S. exports. But crops were large again this season in several foreign exporting countries, and some other countries continue to expand output.

A slower gain in world cigarette production since 1966 and changed manufacturing techniques are reducing the leaf import needs for several countries. The United Kingdom, the major U.S. export destination, may be taking less U.S. leaf in 1968/69. On the other hand, cigarette sales in West Germany are gaining again; its takings of U.S. leaf are rebounding.

The 1968/69 flue-cured tobacco supply at 3,302 million pounds is 6 percent below last year. The decline reflects a 274 million pound drop in the 1968 crop. Carryover from last year was a little larger. For the 1968 crop, flue-cured growers received about 4 percent higher prices at sales ended on December 4. About 13 per-

cent of the crop was placed under loan, a substantial decline from the previous season. Carryover stocks in mid-1969 will probably be down around 230 million pounds from the 2,302 million on July 1, 1968.

The 1969 national marketing quota for flue-cured is essentially unchanged from 1968. Under the acreage-poundage program net farm quotas will be increased to reflect undermarketings in 1968.

The supply of burley tobacco for 1968/69 is 1,886 million pounds, 2 percent below last year. Carryover on October 1, 1968, was 53 million pounds below a year earlier. The estimated 1968 burley crop of 557 million pounds is up slightly. In the pre-holiday sales period, about 80 percent of the crop was sold for 74 cents per pound 2 cents above last year's record.

The current marketing year's supplies of fire-cured, Maryland, cigar filler, and cigar binder are smaller than last season, while cigar wrapper and dark air-cured are about the same.

Marketing quotas and acreage allotments for burley, fire-cured, dark air-cured, sun-cured, and cigar tobaccos under support will be announced by February 1, 1969. Growers of Connecticut binder and the Ohio filler-Wisconsin binder types will vote in referendums on whether or not they favor quotas on their next 3 crops.

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Annual Outlook Conference Scheduled for February

The National Agricultural Outlook Conference, which has been held in mid-November in recent years, has been scheduled for February 17 to 19, 1969, in the U.S. Department of Agriculture at Washington, D.C. The conference will give more emphasis to the general economic situation with limited time devoted to the Commodity Sessions. The Tobacco Session is scheduled for 2:00 - 3:00 p.m., February 19, 1969.

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## TOBACCO PRODUCTS

## CIGARETTES

Production and  
Use Leveling

Cigarette output and consumption are holding about steady in 1968. This is the first year without expansion since 1964. Domestic consumption (taxable removals) takes about 91 percent of output, while tax-exempt removals for exports and shipments take the remainder. Domestic consumption may total about the same as in 1967, while exports and shipments to U.S. forces and possessions are gaining 10 percent. (Table 1.) In 1969, domestic consumption may equal the 1968 level.

Domestic cigarette consumption was 397 billion during January-September 1968, 1.2 percent below a year earlier. However, consumption in the third quarter was equal to a year earlier; the fourth quarter may show a slight gain.

Trade reports indicate a further gain in filter tip cigarettes in 1968 and a decline in the nonfilter category from 1967. The filter tip gain is largely in the 100 millimeter size. But the 100 millimeter gain slowed from the 1967 rate. The 100 millimeter lengths have a longer tobacco column than other major cigarette categories except the 85 millimeter nonfilter tips. Some new brands have smaller diameters.

During January-October, exports as well as shipments to Puerto Rico and U.S. possessions gained. Among leading U.S. export destinations, larger shipments were made to Spain, Paraguay, Kuwait and Panama. But declines occurred in shipments to Hong Kong, Netherlands Antilles, France and West Germany. (Table 2.)

Cigarette Prices  
Increase

Cigarette manufacturers increased prices 2 percent on regular (standard) nonfilter tip cigarettes in late October to \$9.45 per 1,000. Excluding the Federal

excise tax of \$4.00, the increase amounted to 4 percent. Regular length nonfilter tip cigarettes account for about 13 percent of total sales, and with the price boost are now priced the same as other categories except 100 millimeter lengths. The increase equals 0.4 cent per pack. The previous price change by manufacturers, for all types of cigarettes, was in June 1967.

Retail cigarette prices have been averaging 7 percent above those of last year. The consumer price index for all items is up 4 percent. The rise in retail cigarette prices slowed in June-September, but prices probably gained a little more by year-end.

September prices for filter tip, king-size, cigarettes rose 0.9 percent above June to 139.4 percent of the March 1959 base. The index was 5.2 percent above a year earlier. Increased State and local taxes contributed to these price gains. Eight States increased cigarette tax rates in 1968. This compares with gains for 10 States in 1967. By September the weighted average State cigarette tax was 9.1 cents per pack, up from 7.8 cents a year earlier.

Government Activity

In October, the Federal Trade Commission reported on "tar" and nicotine content of smoke from 122 brands of cigarettes. This was the third report since FTC began testing in 1967. The FTC is continuing its tests.

In November, the U.S. Circuit Court of Appeals for the District of Columbia Circuit upheld a ruling of the Federal Communications Commission requiring radio and television stations which carry cigarette advertising to devote a significant amount of broadcast time to presenting information against cigarette smoking. The case involved whether the Cigarette Labeling Act of 1965 pre-empted the field of cigarette regulation, whether the ruling was authorized, and whether the ruling was unconstitutional.

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: 1950-54	414.2	377.9	18.4	1.9	15.8
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	539.9	497.4	13.8	3.7	25.1
1965	556.8	511.5	17.2	3.9	23.1
1966	567.3	522.5	18.7	3.9	23.4
1967	576.2	527.8	21.4	3.9	23.7
1968 <u>3/</u>	580.0	526.7	23.0	5.0	25.5

1/ Also includes ship stores and small tax-exempt categories. 2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands. 3/ Estimated.

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

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

Country	Calendar year average 1961-65	1966	1967 <u>1/</u>	January-October		1968 as a percentage of 1967
				1967 <u>1/</u>	1968 <u>1/</u>	
	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Hong Kong	2,131	2,366	2,450	1,881	1,825	97
Spain	1,305	1,944	1,704	1,506	1,600	106
Netherlands Antilles	1,097	1,286	1,472	1,275	1,228	96
Paraguay	415	1,270	1,423	1,211	1,730	143
Kuwait	1,134	1,183	1,090	974	1,220	125
France	1,351	969	720	612	414	68
West Germany	558	653	720	630	555	88
Italy	726	622	715	603	630	104
Ecuador	501	626	561	486	304	63
Panama <u>2/</u>	680	524	763	627	796	127
Canary Islands	391	568	545	447	352	79
Lebanon	491	499	640	452	505	112
Other countries <u>3/</u>	12,843	10,847	10,848	9,073	10,671	118
Total all countries	23,623	23,457	23,651	19,778	21,831	110

1/ Subject to revision. 2/ Includes Canal Zone. 3/ Includes around 100 foreign destinations in recent years.



## CIGARS AND CIGARILLOS

Cigar consumption in the third quarter slowed from the first half rate; the 1968 total is expected to be about equal to a year earlier. (Table 3.) U.S. smokers (including those overseas) smoked 6.0 billion cigars and cigarillos in January-September 1968, about the same as a year earlier. Output exceeded use as U.S. production was up 8 percent from the 1967 period; shipments from Puerto Rico were the same. Total cigar and cigarillo consumption in 1969 may be near that of 1968.

Details of taxable removals (domestic consumption) of cigars, by revenue class this year through September, show a gain for the largest-selling Class C, and a decline for the medium-priced Class E cigars:

	<u>Billion</u>	<u>Pct. change from 1967</u>
A and B (up to 4¢ each)	0.39	-25.6
C (over 4 to 6¢)	2.64	+7.2
D (over 6 to 8¢)	.69	+14.3
E (over 8 to 15¢)	1.80	-7.3
F (over 15¢)	.38	+2.3
Total removals	5.90	0

Exports of cigars (less than 1 percent of output) have been about the same this year as last. During January-October 1968, Japan was the leading destination. Other comparatively sizable export destinations include the United Kingdom, Canada, Republic of South Africa, the Bahamas, Portugal, Iceland, and Kuwait.

Cigar imports in the first 10 months of 1968 nearly doubled the 1967 rate. The total for 1968 should reach 50 million, a record. Netherlands is the largest source; Canary Islands, Jamaica, and the Philippines are also important.

The 1968 taxable removals of small cigars (about cigarette-size and weighing not over 3 pounds per 1,000) may total some 15 percent over last year's 434 million.

The 1968 consumption is still one-half the unusually high 1964 figure.

## SMOKING TOBACCO

Smoking Tobacco  
Use Rising

Sales gains by U.S. manufacturers and importers are bringing 1968 smoking tobacco use 3 million pounds above last year's long-time low. (Table 4.) Prices have been relatively stable in the past 3 years in contrast to the rising trend for cigarettes. Smoking tobacco production in 1968 is expected to total some 4-5 percent above 1967. Further output and sales gains are expected in 1969.

Domestic use--including imports--through September totaled 52.3 million pounds, 6 percent above a year earlier. Domestic use of tobacco is up in both pipe and roll-your-own categories.

Both imports and exports continued to gain during the 3 months August-October. But for January-October, imports increased more than exports:

Item	<u>Jan.-Oct.</u>		Change
	: 1967	: 1968	
	:	:	:
	: ----- Million pounds -----		
Imports	: 3.1	4.7	+1.6
Exports	: 1.1	1.5	+ .4
	:	:	:

Imports are mostly from the Netherlands and the United Kingdom. Export destinations that accounted for 50 percent of U.S. exports, in order of importance, were Japan, Canada, Panama, Iceland, and Denmark.

Bulk Smoking Tobacco  
Exports Gaining

The pickup this fall in exports of smoking tobacco in bulk means the 1968 total probably rose 4 million pounds above the 16 million pounds in 1967. This export category has gained due to the growing overseas popularity of American-type blended cigarettes.



Table 3.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States <sup>1/</sup>			From Puerto Rico: taxable	Imports for consumption		Exports	Total consumption <sup>3/</sup>
	Total output	Removals			Total <sup>2/</sup>	From Philippine Republic		
		Taxable	Tax-exempt					
----- Million -----								
Average: 1950-54	5,902	5,818	83	13	15	2	4	5,925
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	8,736	8,122	193	809	28	13	44	9,208
1965	7,899	7,577	180	911	25	9	55	8,638
1966	7,155	7,076	193	1,075	25	10	73	8,295
1967	6,858	6,845	197	1,099	30	9	76	8,095
1968 <sup>2/</sup>	7,300	6,900	200	1,120	50	10	70	8,220

<sup>1/</sup> Includes output and removals of bonded manufacturing warehouses--a category in which no facilities have been classified since February 1964. <sup>2/</sup> Prior to the embargo on imports from Cuba (effective February 1962), the major share of imported cigars came from Cuba. <sup>3/</sup> Total removals from U.S. factories plus those from Puerto Rico, and imports, minus exports. <sup>4/</sup> Estimated--excludes little cigars. <sup>5/</sup> Subject to revision.

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

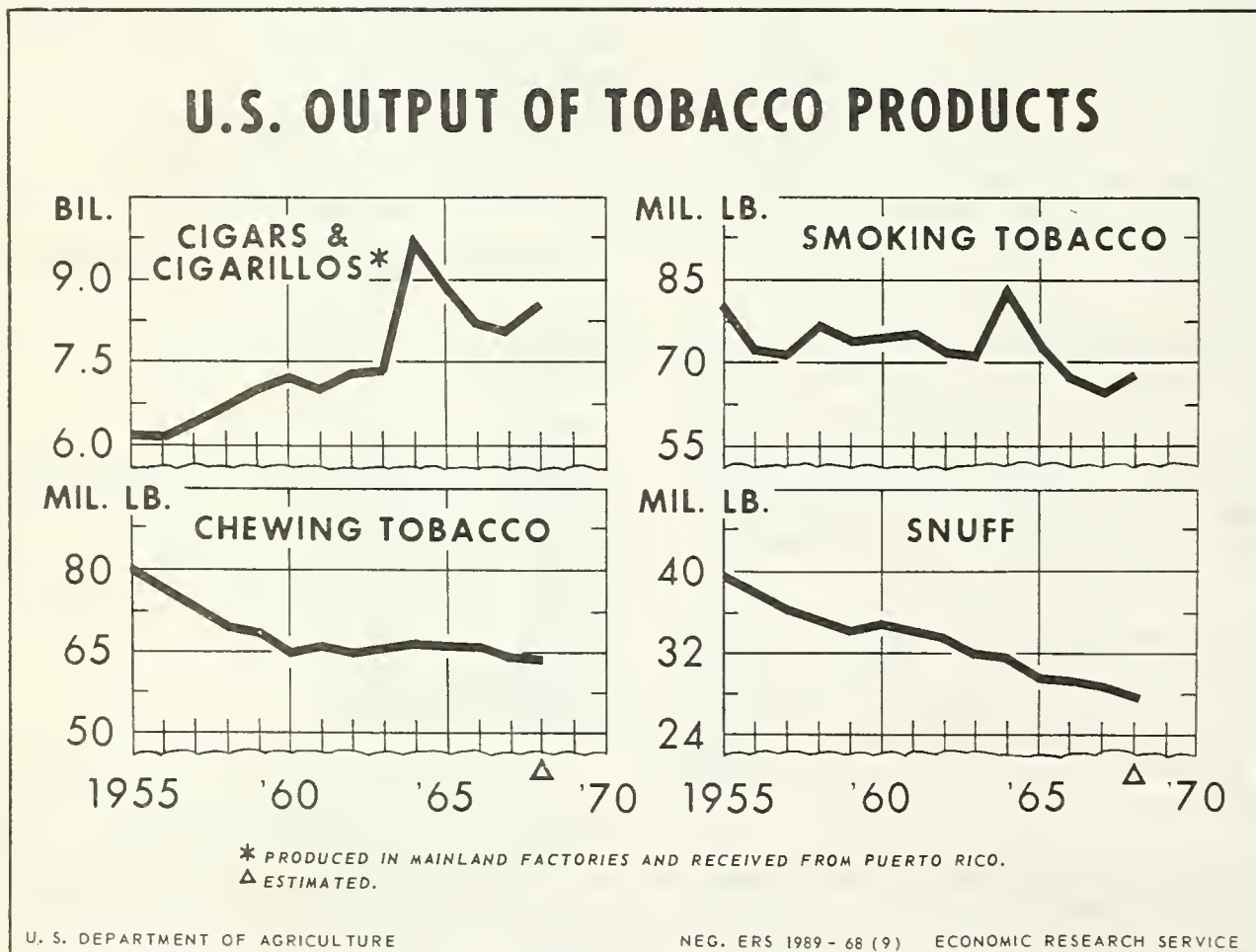


Table 4.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals <sup>1/</sup>		Imports <sup>2/</sup>	Exports, in packages	Total consumption <sup>3/</sup>	Exports, smoking tobacco in bulk <sup>4/</sup>
		Taxable <sup>1/</sup>	Tax-exempt <sup>1/</sup>				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1950-54	95.2	92.0	3.2	0.1	0.6	94.7	3.0
1955	80.0	77.5	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	1.5	.9	71.5	8.6
1963	70.4	68.0	2.2	4.0	.9	73.3	9.8
1964	82.5	75.0	3.4	3.0	1.4	84.0	12.3
1965	72.8	67.3	3.0	2.5	1.0	71.8	13.6
1966	67.3	65.3	1.5	3.3	1.0	69.2	14.8
1967	64.8	62.7	2.0	3.7	1.3	67.1	15.9
1968 <sup>5/</sup>	68.0	65.0	2.0	5.0	2.0	70.0	19.0

<sup>1/</sup> After December 1965, taxable removals data replaced by domestic sales, and tax-exempt removals data replaced by export sales. <sup>2/</sup> Prior to July 1962 and after December 1965, data are from Census import classification covering mainly smoking tobacco; from July 1962 through December 1965, data represent taxable removals of imported smoking tobacco reported by Internal Revenue Service. <sup>3/</sup> Total removals (or sales) plus imports minus exports in packages. <sup>4/</sup> 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 was not included in Internal Revenue Service output figures for smoking tobacco. <sup>5/</sup> Estimated.

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

Table 5.--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.	Mil. lb.	Mil. lb.
Average: 1950-54	38.9	4.9	2.8	38.2	84.8	39.2	
1955	35.5	4.5	3.0	36.1	79.1	39.2	
1956	33.0	4.3	2.9	35.3	75.5	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	25.9	2.8	3.5	34.0	66.2	31.4	
1965	24.7	2.8	3.7	33.9	65.1	29.7	
1966	24.3	2.7	3.9	34.3	65.2	29.5	
1967	23.8	2.5	4.1	34.0	64.4	29.3	
1968 <sup>1/</sup>	23.0	2.6	4.2	35.5	65.3	27.5	

<sup>1/</sup> Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and Consumer and Marketing Service, USDA.

These bulk exports include specially prepared cigarette tobacco, cut or granulated tobacco, partially processed blended tobacco, and shredded tobacco. They also include processed sheet tobacco and "blended strips" consisting of more than one kind--principally blended flue-cured and burley.

This year through October, exports of smoking tobacco in bulk were 17 million pounds compared with 13.6 million a year earlier. Among the 5 leading recipients in 1967, increased exports so far in 1968 went to Italy, Spain, and the Netherlands, about the same amount went to the Dominican Republic, and smaller shipments went to Peru.

**CHEWING TOBACCO AND SNUFF**

Chewing Tobacco  
Output Gains

Scrap chewing tobacco output and sales gained sharply in the third quarter.

These gains raised the prospects for 1968 chewing tobacco production to top 1967 by 1 percent. Most of the gain is in scrap chewing tobacco, which makes up half the total. Of the other categories, plug output is lower, while twist and fine-cut groups are about the same. (Table 5.)

Foreign trade in chewing tobacco is limited, and consists mainly of twist and plug. During January-October 1968, there were 208,000 pounds exported, compared with 253,000 pounds a year earlier.

Snuff production in 1968 is estimated about 6 percent less than in 1967. Output has been downward for several years and this trend is expected to continue. Through September manufacturers' domestic sales were 5 percent below those a year earlier.

**FOREIGN TRADE**

**U.S. EXPORTS AND IMPORTS**

U.S. Leaf Tobacco  
Exports Gaining

Exports of unmanufactured tobacco have been running ahead of last year's high level since June, and the total for 1968 may match the 21-year high set in 1967. Pending the settlement of contract negotiations involving U.S. dock workers, exports may move irregularly. Currently, no solution for the United Kingdom-Rhodesia situation appears imminent, and U.S. exports in 1969 will probably continue close to the 1968 high level because of the U.N. sanctions against Rhodesian tobacco.

U.S. leaf tobacco exports in January-October 1968 were 6 percent above a year earlier. (Table 6.) Mostly responsible was gain in exports of flue-cured--the principal export class. Fire-cured, sun-cured, cigar wrapper, and binder, as well

as the stems and trimmings category, were higher; exports of other types were lower.

Gains in U.K. takings during January-October about offset a decline in exports to West Germany. Sizable gains were made by Thailand, Japan, Denmark, and Australia. Exports to Italy suffered the largest decline.

Besides the U.N. sanctions against Rhodesia, U.S. exports are favored by the export payment program, and the high quality of recent tobacco crops. However, larger supplies are becoming available in some areas abroad, including several less countries that have expanded production since the ban on Rhodesian tobacco.

U.S. Import  
Gain Slows

U.S. tobacco imports for consumption (factory use of imports) in the second



Table 6.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)						1968 as a percentage of 1967
	Average 1960-64	1965	1966	1967 <sup>1/</sup>	January-October		
	1967 <sup>1/</sup>	1968 <sup>1/</sup>					
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Flue-cured	397.2	351.1	422.6	427.4	321.3	340.3	106
Burley	41.6	45.3	45.7	45.3	39.2	35.1	90
Maryland	11.4	10.1	10.6	15.1	12.0	11.8	98
Fire- and sun-cured	24.1	27.6	23.4	26.3	21.2	22.0	104
Green River	.8	.6	.5	.9	.9	.5	56
One Sucker	.6	.9	.6	1.0	.8	.7	88
Black Fat, etc.	4.1	3.9	3.5	4.1	3.4	2.2	65
Cigar wrapper	4.4	3.9	4.5	3.7	3.2	3.9	122
Cigar binder	1.6	2.5	1.9	1.8	1.6	2.1	131
Cigar filler	.4	.7	1.9	.9	.6	.6	100
Perique	.2	.4	.4	.2	.1	.1	100
Stems, trimmings, and scrap	10.8	21.1	35.6	44.9	31.6	44.7	141
<b>Total</b>	<b>497.2</b>	<b>468.1</b>	<b>551.2</b>	<b>571.6</b>	<b>435.9</b>	<b>464.0</b>	<b>106</b>
Country of destination							
United Kingdom	138.1	92.8	129.9	137.6	98.1	113.8	116
France	6.0	5.8	8.6	6.3	4.2	5.6	133
Belgium	17.4	18.8	17.5	17.5	13.5	15.6	116
Netherlands	32.2	37.2	28.8	40.5	34.2	36.3	106
West Germany	79.2	80.9	98.7	114.3	91.8	78.9	86
Portugal	7.3	3.7	3.8	5.5	4.2	4.5	107
Denmark	13.3	15.1	17.9	16.4	12.4	17.6	142
Ireland	14.9	10.6	13.5	14.3	10.8	10.6	98
Switzerland	13.2	12.6	16.9	21.4	18.4	21.4	116
Finland	7.3	6.1	4.7	5.9	4.8	4.5	94
Norway	7.7	6.0	9.3	8.4	6.8	9.0	132
Sweden	16.6	5.9	22.8	19.3	16.3	12.4	76
Italy	11.3	8.4	3.7	7.1	5.5	2.3	42
Spain	1.7	3.7	5.1	3.8	3.8	4.7	124
Thailand	9.2	11.8	17.7	23.2	18.8	22.4	119
S. Vietnam	5.9	7.3	12.4	12.9	11.6	10.1	87
Malaysia <sup>2/</sup>	5.2	6.6	7.3	9.6	7.3	8.3	114
Hong Kong	6.5	7.5	4.7	5.9	5.5	4.2	76
Japan	26.1	36.6	42.1	27.0	4.0	13.0	325
Australia	17.2	19.7	16.5	13.3	9.6	14.3	149
New Zealand	4.5	3.0	5.3	3.8	3.3	4.8	145
Egypt	11.5	18.4	12.0	1.4	.7	.6	86
Other countries	44.9	49.6	52.0	56.2	50.3	49.1	98
<b>Total</b>	<b>497.2</b>	<b>468.1</b>	<b>551.2</b>	<b>571.6</b>	<b>435.9</b>	<b>464.0</b>	<b>106</b>

<sup>1/</sup> Preliminary.<sup>2/</sup> Malaysia and Singapore.

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

half of 1968 are running about the same as last year, so the gain for the year arises from an increase in the first half. Most of the gain in imports is in oriental type cigarette leaf and scrap used in cigarettes. These gains are in tobacco from Turkey, Greece, and Yugoslavia. Other scrap imports are also gaining. (Table 7.)

Factory use of imports could rise further in 1969 due to record foreign leaf stocks in the United States, substantial exportable supplies overseas, and U.S. price levels above those of most exporting countries. Also, oriental tobacco, which accounts for three-fourths of the U.S. imports, is known for its low nicotine content.

January-October 1968 general imports of tobacco (total arrivals: direct entries plus that placed in bonded warehouses to be withdrawn for factory use later) were near the comparatively high figure a year earlier. (Table 8.) Cigar filler tobacco gained with larger Dominican Republic arrivals. Cigarette leaf tobacco declined. Scrap tobacco gained--both cigar types and the lower value oriental type from Greece and Turkey.

Imports of flue-cured and burley also gained in 1968. No breakdown of the 2 types is available, but of the 8 million pounds arriving during January-October about half came from South Korea. Other suppliers are Mexico, Argentina, Zambia, Canada, and Thailand.

As a result of import gains, stocks of foreign-grown cigarette and smoking tobacco in the United States on October 1, 1968, were a new record for that date--403 million pounds (farm-sales weight), 8 percent above a year earlier. Foreign-grown cigar tobacco stocks, by country of origin, are shown on page 41.

## FOREIGN PRODUCTION AND EXPORTS

### World Tobacco Harvest Down From 1967 Record

World production of tobacco in 1968 is down from the record output of 10.4 bil-

lion pounds in 1967. The decline stems largely from a reduction in U.S. and Rhodesian acreage. Dry weather affected the crops in both countries as well as in south-eastern Europe. Growing conditions were more normal in Canada, but weather was unfavorable in India.

Flue-cured tobacco production  
in 3 countries, 1965-68

Year of harvest	Country		
	Canada	India	Rhodesia
	----- Million pounds -----		
1965	159	209	233
1966	224	172	244
1967 <u>1/</u>	204	200	200
1968 <u>1/</u>	212	192	132

1/ Preliminary.

In Rhodesia, the 1968 flue-cured harvest is estimated at 132 million pounds. Quality was reported to be lower than last year. The output target for the crop to be harvested in early 1969 may be the same as for the 1968 crop.

Production in Canada increased slightly this year. Favorable weather at harvest improved the crop. Growers have continued to innovate and mechanize to reduce manual labor. Auctions in Ontario began November 7. Through December 13, about 10 million pounds had been sold, at an average price equivalent to 64 U.S. cents per pound. A year earlier, growers received  $\frac{1}{2}$  cents per pound more than this season on about the same quantity of marketings.

India's 1968 flue-cured crop turned out a little smaller because of reduced acreage. Early season drought and heavy rains in mid-season held down yield. Prospects are for a larger crop in 1969.

Oriental crops this past season probably were down 10 percent in Greece and 12 percent in Turkey and by smaller amounts in Bulgaria and Yugoslavia. Smaller crops were in part due to reduced acreage in

Table 7.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)						1968 as a percentage of 1967
	Average 1960-64	1965	1966	1967	January-October		
	1960-64	1965	1966	1967	1967	1968	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
<b>Cigarette leaf</b>							
<b>Unstemmed:</b>							
Turkey	78.4	83.6	84.3	92.8	79.2	83.0	105
Greece	31.7	36.0	36.6	37.6	33.0	37.0	112
Yugoslavia	7.8	12.9	11.4	13.2	11.4	13.8	121
Italy	1.7	1.4	.5	.4	.3	.1	33
Cyprus	.8	.8	.7	.7	.6	.4	67
Syria	.6	.2	.3	.4	.3	.3	100
<b>Total 2/</b>	<b>123.6</b>	<b>137.9</b>	<b>137.1</b>	<b>151.1</b>	<b>129.0</b>	<b>140.1</b>	<b>109</b>
<b>Scrap:</b>							
Turkey	.9	1.3	1.4	3.3	2.5	5.1	204
Greece	.1	0	3/	.1	3/	1.5	---
<b>Flue-cured and burley</b>	<b>4/.3</b>	<b>.3</b>	<b>1.0</b>	<b>1.6</b>	<b>.5</b>	<b>2.0</b>	<b>400</b>
<b>Cigar wrapper (unstemmed):</b>							
Cuba	.4	3/	3/	3/	3/	0	---
Cameroon Republic	3/	.1	.1	.1	.1	.2	200
Honduras	3/	.1	.1	.1	.1	.1	100
<b>Total 2/</b>	<b>.5</b>	<b>.2</b>	<b>.3</b>	<b>.5</b>	<b>.5</b>	<b>.6</b>	<b>120</b>
<b>Cigar leaf (filler)</b>							
<b>Cuba:</b>							
Stemmed	3.3	.2	.2	.1	.1	.1	100
Unstemmed	2.9	.6	.2	.3	.2	.1	50
<b>Philippine Republic:</b>							
Stemmed	.4	3/	3/	.1	.1	0	---
Unstemmed	.1	3/	.1	.2	3/	.1	---
Colombia	.3	.1	.6	.5	.4	.6	150
Brazil	.4	.6	.6	.5	.4	.7	175
Paraguay	.2	.4	.2	3/	3/	.1	---
Dominican Republic	.5	.8	.7	1.2	1.0	.8	80
Mexico	.3	1.0	1.3	.8	.7	.8	114
<b>Total 2/</b>	<b>8.7</b>	<b>4.3</b>	<b>5.0</b>	<b>5.3</b>	<b>4.1</b>	<b>4.6</b>	<b>112</b>
<b>Scrap:</b>							
Cuba	7.7	1.6	1.4	.7	.6	.2	33
Philippine Republic	11.5	14.1	17.1	16.7	13.9	16.2	117
Peru	.5	.3	.2	.3	.2	.7	350
Colombia	3.6	5.5	3.9	3.2	2.6	3.4	131
Dominican Republic	3.8	7.6	3.3	4.2	3.6	5.3	147
Netherlands	.1	3/	.2	3/	0	3/	---
Indonesia	.8	1.3	.9	1.1	.9	.9	100
Brazil	1.2	3.6	3.5	3.1	2.3	3.5	152
Argentina	.2	.4	.3	.8	.6	.5	83
Paraguay	.3	.9	1.4	1.8	1.5	1.1	73
<b>Total 2/</b>	<b>30.5</b>	<b>37.6</b>	<b>34.2</b>	<b>34.8</b>	<b>28.8</b>	<b>34.9</b>	<b>121</b>
<b>Total imports 2/</b>	<b>165.1</b>	<b>182.6</b>	<b>179.3</b>	<b>197.1</b>	<b>165.7</b>	<b>190.1</b>	<b>115</b>

1/ Preliminary. 2/ Includes relatively small quantities from other countries not separately listed.  
 3/ Less than 50,000 pounds. 4/ 1961-64 average. 5/ Includes stems not cut, ground, or pulverized. Detail may not add to total, due to rounding.

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



Table 8.--United States general imports of tobacco from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)						
	Average 1960-64	1965	1966	1967	January-October		1968 as a percentage of 1967
					1967	1968	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
<b>Cigarette leaf (unstemmed):</b>							
Turkey	86.8	79.8	124.6	132.5	107.0	82.5	77
Greece	36.1	35.7	34.1	51.9	40.8	37.7	92
Other countries	16.3	14.0	24.9	27.7	22.2	19.0	86
<b>Total</b>	<b>139.2</b>	<b>129.5</b>	<b>183.7</b>	<b>212.1</b>	<b>170.0</b>	<b>139.2</b>	<b>82</b>
<b>Scrap:</b>							
Turkey	.9	7.0	4.6	10.2	9.3	7.6	82
Greece	1/3	2/	0	1.2	.2	3.1	---
<b>Flue-cured and burley</b>	<b>.4</b>	<b>1.0</b>	<b>1.8</b>	<b>1.9</b>	<b>.7</b>	<b>7.9</b>	<b>---</b>
<b>Cigar wrapper (unstemmed):</b>							
Cuba 3/	.3	0	0	0	0	0	---
Cameroon Republic	.1	.1	.1	.1	.1	.3	300
Honduras	2/	.1	.1	.3	.3	.1	33
<b>Total 4/</b>	<b>.4</b>	<b>.4</b>	<b>.3</b>	<b>.8</b>	<b>.7</b>	<b>.8</b>	<b>114</b>
<b>Cigar filler (stemmed):</b>							
Cuba 3/	3.0	0	0	0	0	0	---
Philippine Republic	.8	2.2	2/	.1	.1	0	---
Brazil	.5	.2	.5	.3	.3	.3	100
Mexico	.1	.5	.7	.6	.5	.5	100
Dominican Republic	.1	.9	.1	.5	.4	1.0	250
Honduras	.1	.2	.3	.5	.3	.5	167
<b>Total 4/</b>	<b>4.8</b>	<b>4.2</b>	<b>1.9</b>	<b>2.2</b>	<b>1.8</b>	<b>2.4</b>	<b>133</b>
<b>Cigar filler (unstemmed):</b>							
Cuba 3/	8.4	0	0	0	0	0	---
Philippine Republic	.3	.8	1.0	.7	.3	2.9	967
Dominican Republic	8.6	2.5	.6	5.1	4.8	8.7	181
Colombia	8.2	7.0	4.2	5.0	4.6	5.4	117
Brazil	3.2	9.3	1.3	2.2	2.1	4.2	200
Paraguay	1.0	1.8	.5	2.0	1.8	2.4	133
Indonesia	2.3	2.5	.1	.9	.5	.4	80
Netherlands	.3	0	2/	.1	.1	2/	---
Peru	.1	2.1	0	0	0	2/	---
Argentina	.4	.2	.1	.1	2/	2.0	---
Mexico	.7	2.3	3.0	2.3	1.8	.9	50
Jamaica	.1	2/	2/	2/	2/	2/	---
<b>Total 4/</b>	<b>33.9</b>	<b>29.6</b>	<b>12.1</b>	<b>20.2</b>	<b>17.4</b>	<b>27.8</b>	<b>160</b>
<b>Scrap:</b>							
Cuba 3/	3.7	0	0	0	0	0	---
Philippine Republic	11.5	23.9	15.5	10.7	7.8	15.5	199
Dominican Republic	.4	1.0	.2	.6	.4	1.3	325
Colombia	2/	0	2/	.1	2/	2/	---
Brazil	.3	.1	.3	2/	0	2/	---
Paraguay	.1	.1	.4	.1	.1	2/	---
Indonesia	.1	2/	2/	.7	.7	.2	29
Netherlands	.1	2/	2/	2/	0	.1	---
Argentina	.3	.1	.1	.1	2/	.2	---
Honduras	2/	.1	.1	.1	2/	.1	---
Other countries	.5	.6	.5	2.6	2.3	2.4	104
<b>Total</b>	<b>17.0</b>	<b>25.9</b>	<b>17.0</b>	<b>14.9</b>	<b>11.3</b>	<b>19.8</b>	<b>175</b>
<b>Total cigar tobacco</b>	<b>56.2</b>	<b>60.1</b>	<b>31.4</b>	<b>38.1</b>	<b>31.2</b>	<b>50.9</b>	<b>163</b>
<b>Grand total 5/</b>	<b>197.0</b>	<b>198.0</b>	<b>221.7</b>	<b>263.8</b>	<b>211.5</b>	<b>209.3</b>	<b>99</b>

1/ 1960-61 average. 2/ Less than 50,000 pounds. 3/ For 1960-61 (pre-embargo) years, average imports were wrapper, 0.7 million pounds; stemmed filler, 6.8 million; unstemmed filler, 19.3 million; and scrap, 8.4 million. 4/ Includes quantities from other countries not separately listed. 5/ Includes stems not cut, ground, or pulverized. Detail may not add to total, due to rounding.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption."

Greece; reduction was made because of over-production and stock buildup in earlier years. Increased acreage in Turkey was offset by lower yields.

In countries producing oriental tobacco, weather conditions were not favorable during 1968. The Danubian countries had soil moisture well below normal at the beginning of the season and then crops suffered damage from heavy rains later. Greece had dry weather throughout the growing season.

Oriental tobacco production in 4 countries, 1965-68

Country	Year of harvest			
	1965	1966	1967	1968
			<u>1/</u>	<u>1/</u>
	----- Million pounds -----			
Turkey	291	361	402	354
Greece	267	204	232	209
Bulgaria	257	275	243	233
Yugoslavia	108	108	106	102

1/ Preliminary.

1968 Trade by Major Exporters

Among the major exporting countries, India exported more tobacco for the first 7-9 months of 1968; Canada, Greece, and Turkey shipped less:

Flue-cured and Oriental tobacco exports, major foreign exporters, 1967-68

Country and type	Period	1967	1968	Change from 1967
	----- Million pounds -----			
Flue-cured:				
India	Jan.-July	61	71	+10
Canada	"	37	35	-2
Oriental:				
Greece	Jan.-Sept.	95	74	-21
Turkey	Jan.-Aug.	107	82	-25

Most of Canada's total was consigned to the United Kingdom. Some Canadian

flue-cured was exported to Denmark, West Germany, and the Netherlands, all of which took less than a year earlier.

About three-fifths of India's exports through the first 7 months went to the United Kingdom, which took nearly 30 percent more than a year earlier, but the poorer quality of the 1968 crop held down the gain during mid-year. The Soviet Union and Japan are the chief minor destinations.

Turkey's reduced exports were mainly due to smaller takings by the United States and EEC countries. Shipments to Eastern European countries were maintained. Greece also shipped less to the United States; its EEC shipments rose.

FOREIGN MARKET DEVELOPMENTS

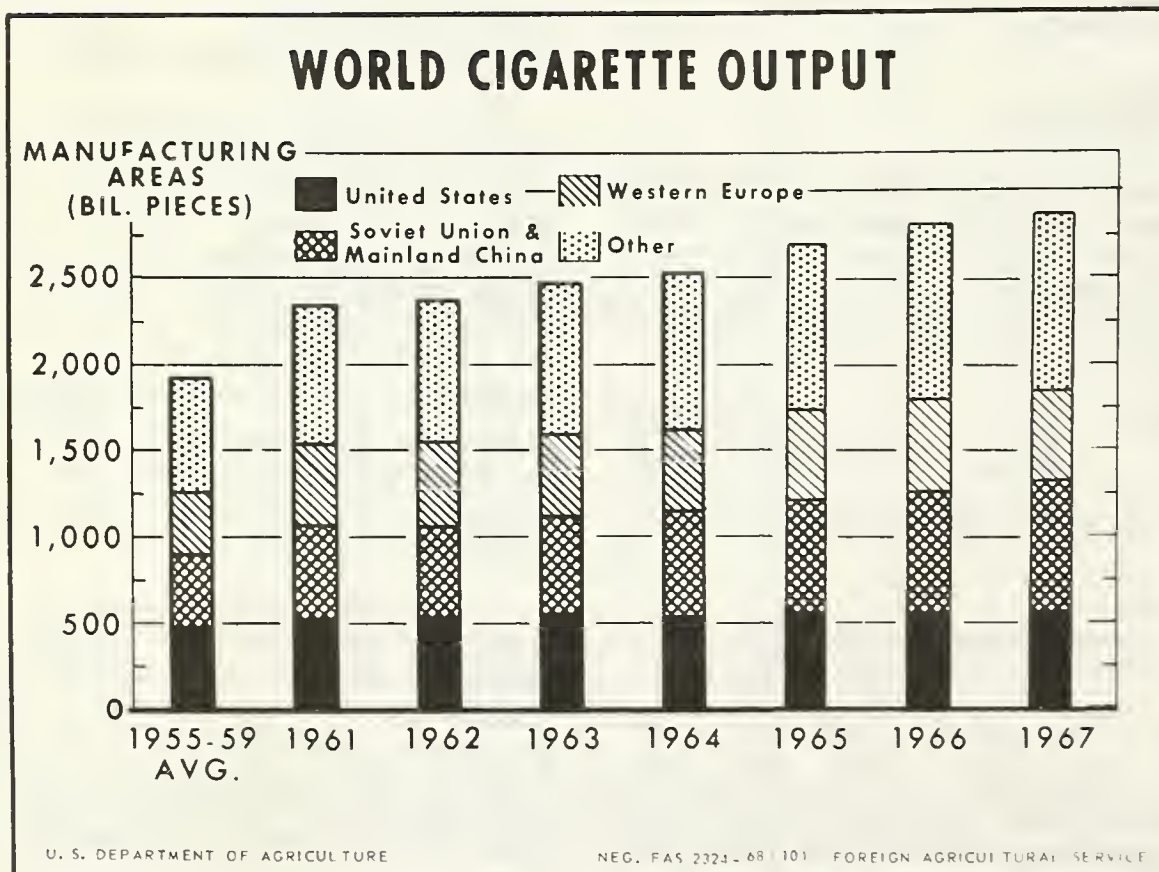
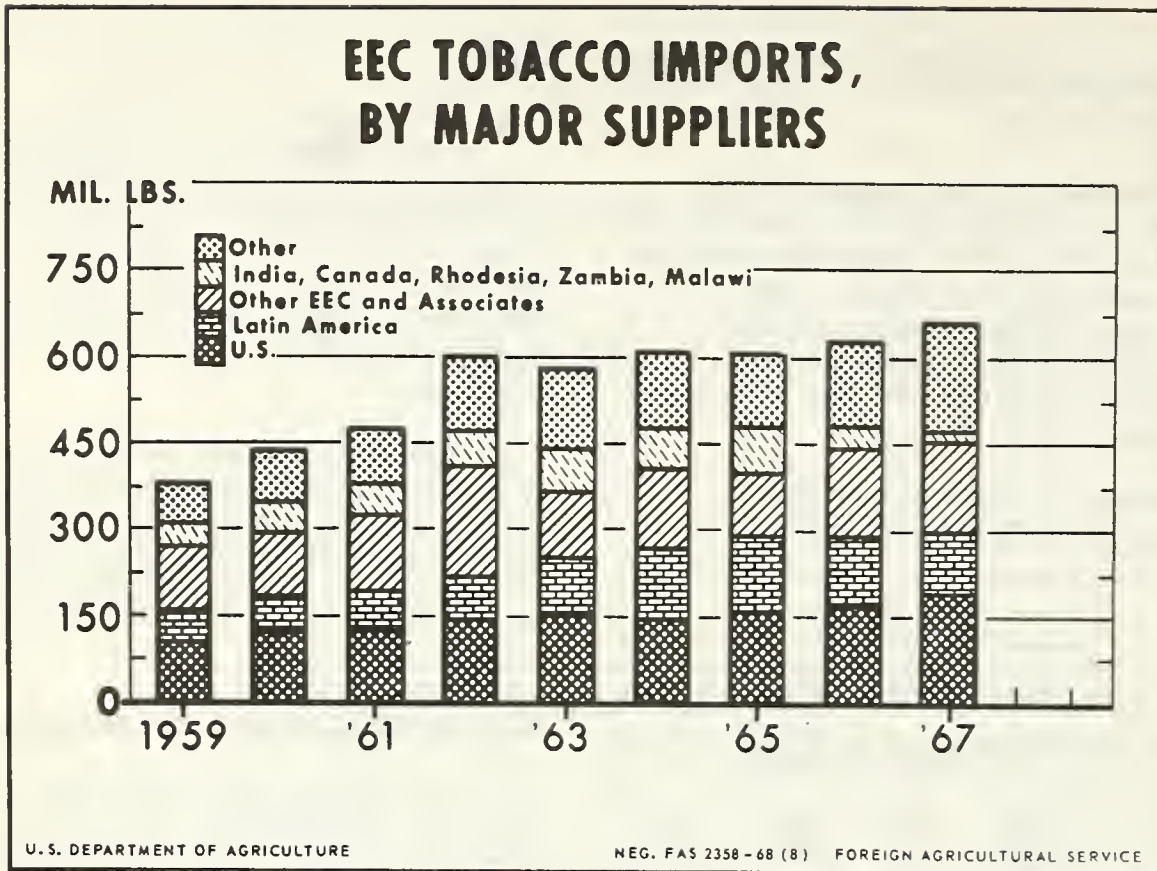
West Germany is the leading tobacco importer. The United Kingdom is second. For U.S. tobacco, the United Kingdom is the largest market and West Germany is second.

Common Market Plans Affect U.S.-W. German Trade

To find a more acceptable tobacco policy for the European Common Market is the goal of the EEC Parliament and especially West Germany in the next few months. The Common Agricultural Policy as now proposed by the EEC Commission could mean an estimated revenue loss of up to \$ $\frac{1}{2}$  billion for West Germany when tobacco taxes are harmonized and if cheaper black tobacco cigarettes displace high-value U.S. and oriental tobacco imports. West German consumers would have to adjust tastes and preferences or pay more for present brands.

The chief beneficiaries of the proposed CAP are French and Italian producers, who would receive heavy subsidies from Commission funds. In addition to high price guarantees, the plan has no production control, gives preferences to associated overseas territories, and continues the France and Italian state tobacco monopolies.







The United States exported 185 million pounds of tobacco valued at \$149 million to EEC countries in 1967. This was one-third of our total tobacco exports. Our shipments to West Germany were worth \$106 million, about two-thirds of the EEC area takings.

Since the proposed CAP would reduce U.S. exports and interfere with U.S. trade concessions granted under GATT, U.S. Government and industry officials have met several times with Common Market officials to explain the U.S. viewpoint.

Import Duties Raised in United Kingdom

Exports of U.S. tobacco in 1969 to the United Kingdom will be affected by the 10 percent increase (surcharge) in U.K.'s duty rate on unmanufactured tobacco. Another new competitive element during 1968/69 is the increase in U.K. imports from several non-traditional sources such as Pakistan, Tanzania, Malawi, and South Africa.

The current duty (including surcharge) also applies, however, to other tobacco exporters to the United Kingdom. It is one of several measures the British Government took to reduce imports and domestic consumption and stimulate exports. The duty effective November 22, 1968, is equivalent to \$12.106 per pound. Commonwealth sources receive a preferential rate equal to \$11.902. The latest increase follows a 5 percent rise last March.

The current duty means an increase equal to 4 cents per pack of 20 cigarettes. A pack formerly priced at 68 cents would now sell for 72 cents. The latest increase about offsets price cuts at the end of September when several cigarette manufacturers dropped their retail price-maintenance policies. The current duty gives manufacturers further incentive to reduce the tobacco content of cigarettes, with more filter tipped cigarettes of reduced diameter, and to adopt other manufacturing economies.

U.K. Trade in 1968

For the first 10 months of 1968, United Kingdom's imports of tobacco totaled 272 million pounds, 53 million above the same period of the previous year. Imports of U.S. tobacco alone amounted to 127 million pounds, showing an increase of 32 million. (Table 9.)

Gross clearances of tobacco from bond--an approximate measure of U.K. domestic use and exports--were 231 million pounds in January-September 1968, a gain of 1 percent from a year earlier. Net clearances for home consumption were down 1 percent, while exports, mostly cigarettes, gained 18 percent.

The 1968 gross clearances of flue-cured were as follows:

<u>Source</u>	<u>Jan.-Sept.</u>	<u>Change</u>
	<u>1968</u>	<u>from</u>
	<u>Mil. lb.</u>	<u>1967</u>
United States	108.7	+8.3
India	32.6	+2.9
Canada	34.4	-1.7
Rhodesia	19.1	-19.5
Zambia & Malawi	6.8	+3.0
Other countries	<u>12.6</u>	<u>+5.2</u>
Total	214.2	-1.8

Due to the gain in imports, U.K. manufacturers' leaf tobacco stocks at the end of September 1968 were 430 million pounds--3 percent above the low level of a year earlier. Flue-cured stocks, at 386 million pounds, were 2 percent above a year ago. The decline in flue-cured stocks since 1966 ended when holdings from the United States, India, and other countries gained to offset the decline in Rhodesian holdings.

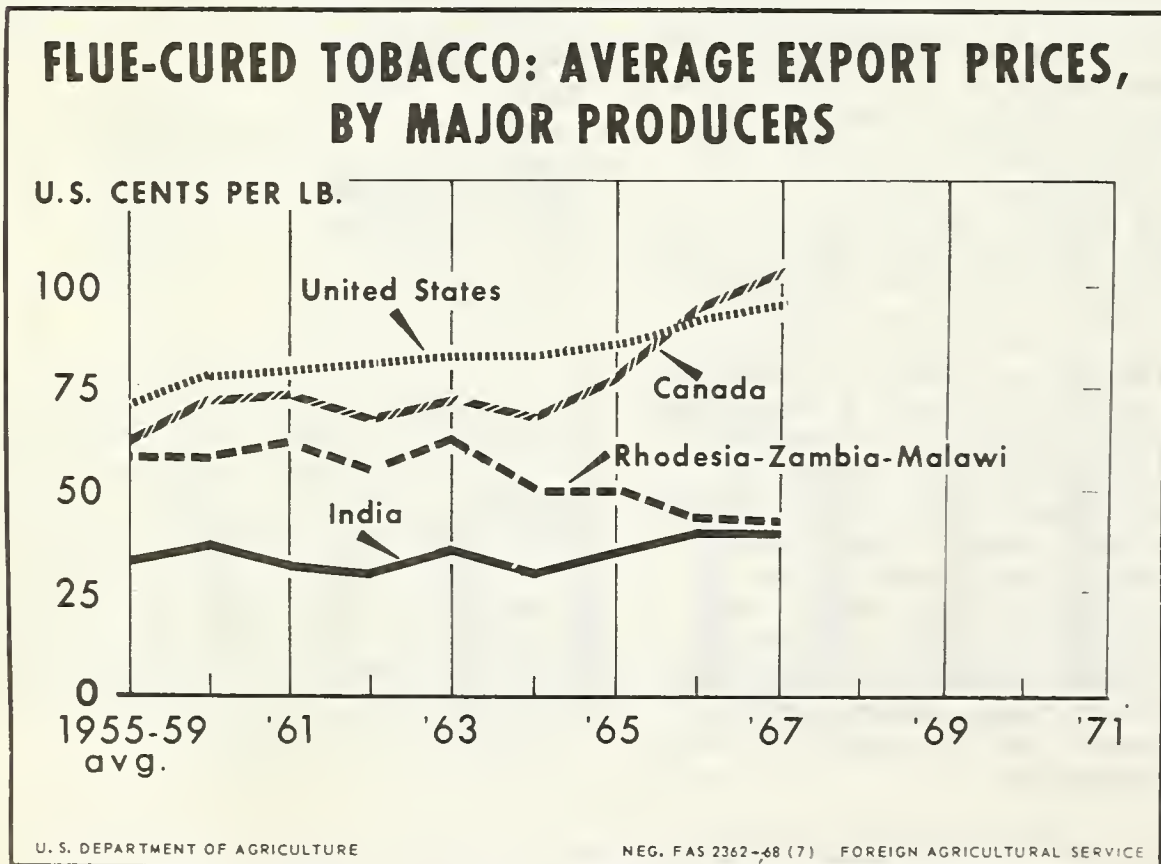
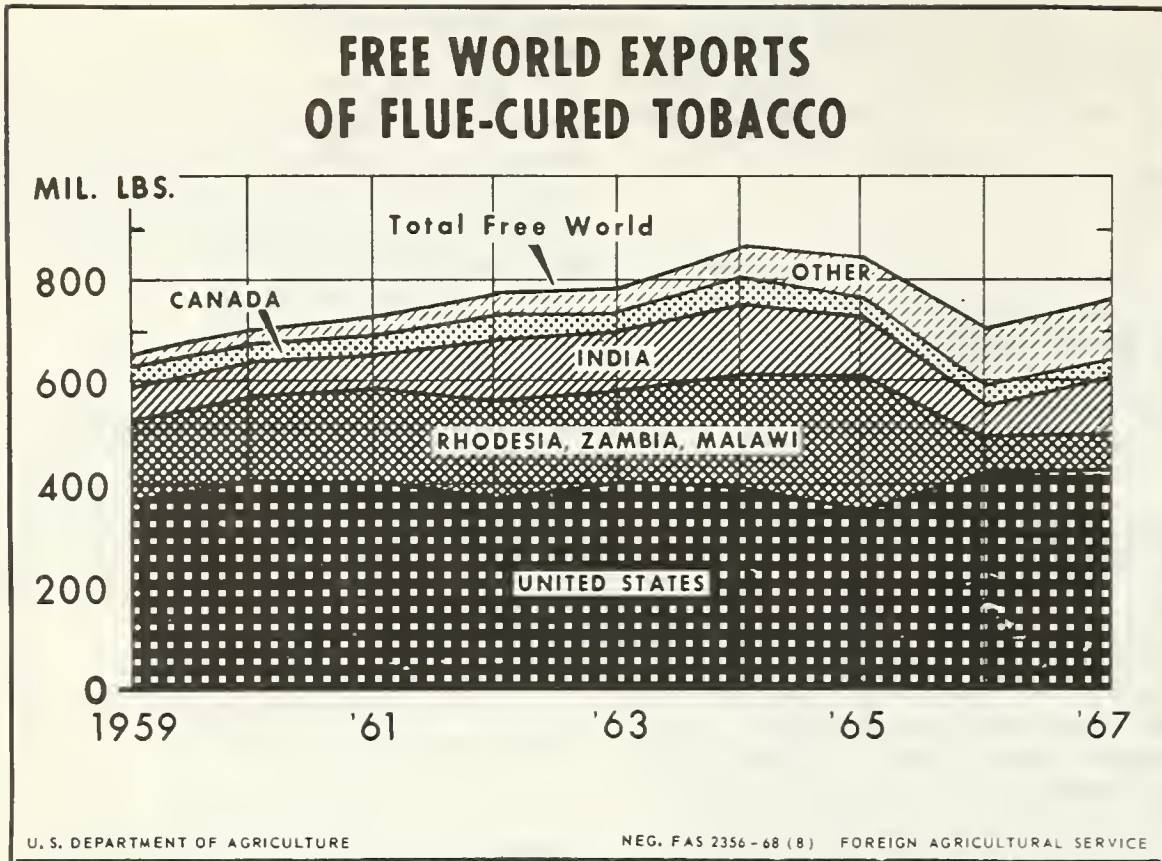


Table 9.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports 1/		Stocks Dec. 31	Gross clearances from bond 4/				Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco	
	Total	From U.S. 2/		From Common- wealth countries 2/	By duty preference		By form			
					Total	Nonprefer- ential 2/	Prefer- ential 2/			Stemmed
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
1950	306	144	146	271	180	91	50	221	43	
1951	355	212	131	287	183	104	50	237	51	
1952	224	67	143	280	172	108	45	235	47	
1953	316	174	127	283	167	116	45	238	45	
1954	312	160	139	290	168	122	45	245	41	
1955	344	179	149	298	173	125	50	248	44	
1956	318	160	146	300	173	127	59	241	45	
1957	319	168	141	304	169	135	69	235	41	
1958	316	164	145	310	172	138	74	236	41	
1959	300	140	155	315	171	144	78	237	34	
1960	365	178	180	319	167	152	88	231	31	
1961	345	157	182	317	161	156	100	217	31	
1962	280	106	168	307	153	154	107	200	28	
1963	325	145	174	313	154	159	125	188	29	
1964	313	123	181	308	146	162	157	151	26	
1965	284	91	184	298	130	168	191	107	32	
1966	262	133	110	301	132	169	218	83	35	
1967 5/	280	133	125	305	148	157	**237	**68	38	
Jan.-Oct.										
1964	241	87	147	*228	*108	*120	*112	*116	21	
1965	220	62	150	*222	*98	*124	*140	*82	26	
1966	199	87	96	*226	*98	*128	*163	*63	29	
1967	219	95	106	*229	*110	*119	*176	*53	31	
1968	272	127	123	*231	*124	*107	n.a.	n.a.	37	

Jan.-Oct.

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other non-preferential areas is about 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. #Stocks as of September 30. \*Jan.-Sept. \*\*Dec. 1967 estimated. n.a.--not available.  
Compiled from official United Kingdom sources.



## TOBACCO LEAF SITUATION AND OUTLOOK

1968 Crop Highlights

The smallest U.S. tobacco crop since 1957 is now being sold. It is 13 percent below last year and 6 percent below the forecast earlier in the season, since dry weather in the important Virginia-Carolinas area lowered yields for the flue-cured crop. Favorable weather in most other sections helped to maintain output of burley and other types.

Yields per acre averaged 1,940 pounds this season, compared with 2,050 pounds last season and the 1962-66 average of 1,957 pounds. Acres harvested totaled 884,500-8 percent below last year. Flue-cured tobacco accounted for most of this decline in acreage.

Smaller crops and carryover have reduced supplies available for the 1968/69 marketing year. Prices have increased and less tobacco is moving under loan this season. Prices for the season will likely average 4 percent above the 1967/68 season's levels.

Farmer's incomes from tobacco in calendar 1968 are below 1967. The higher average farm prices are not offsetting the smaller volume of farm marketings. For calendar 1968, cash receipts from tobacco are totaling about \$1.2 billion compared with \$1.4 billion in 1967. Most of the decline is due to the reduced volume of flue-cured sold.

A larger volume of tobacco sales is likely in 1969. Due to the higher support level required by law, the average price may be a little higher.

### QUOTAS, ALLOTMENTS, AND PRICE SUPPORT

#### 1969 Marketing Quotas and Allotments

By February 1, 1969, USDA will announce the 1969 marketing quotas and acreage allotments for burley and certain other kinds of tobacco. Shortly after

the announcement, growers of Connecticut binder, Wisconsin binder, and Ohio filler types will vote in referendums for or against quotas and allotments on their next 3 crops. If at least two-thirds of the farmers voting approve, marketing quotas will continue in effect.

For burley, fire-cured, dark air-cured, and Virginia sun-cured types, farmers approved marketing quotas applicable to the 1969 crop in previous referendums. Government price support cannot be made available on any crop of tobacco for which growers have disapproved marketing quotas.

Flue-cured growers had approved acreage-poundage quotas for 1968-70 crops in a 1967 referendum. The 1969 National quota for flue-cured is about same as in prior years but individual grower quotas are adjusted for over-or undermarketings in 1968.

#### 1969 Price Support Levels

Price support for eligible 1969 tobacco crops seems likely to rise 4 percent above the 1968 price support levels--some 15 percent above the 1959 base. This estimate is based on changes in the parity index through November 1968. As required by law the 1969 price support adjustment will be based on the average of the parity index in 1966, 1967, and 1968 compared with 1959. The parity index measures changes in prices paid by farmers, including interest, taxes and wage rates.

USDA is expected to announce support levels by March 1, as in past years. Individual grade loan rates will be announced later.

### FLUE-CURED

As a result of the smallest crop since 1957, the flue-cured supply for 1968/69 is 221 million pounds below last season. Export and domestic disappearance levels may be maintained in 1968/69, so the carryover by next July 1 could fall some 10 percent to under 2,100 million pounds.

The production quota for 1969 is substantially the same as 1968 prior to adjustments for undermarketings and overmarketings. Since growers can make up a substantial part of the 1968 undermarketing, the 1969 crop could rise about one-fifth from the reduced output this year. Such a crop, added to carryover, would provide a supply next year a little below 1968/69.

sales volume and crop value declined considerably from 1967. Most grade averages were higher and overall quality was better. Nearly all sales were in untied form and industry and Government efforts resulted in an orderly flow from farm to market. Government loan placements declined substantially in the 1968 season, but industry takings also declined.

Exports Up in July-October

During July-October 1968, flue-cured exports (farm-sales weight) were 13 percent above a year earlier, but 16 percent below the high level of years earlier. West Germany, second ranked destination, accounted for the gain as its cigarette sales are again expanding after last year's slowdown. The United Kingdom--leading destination--maintained its takings.

Supplies from non-traditional exporters are still large but U.S. flue-cured exports during the current marketing year may reach last season's level of 534 million pounds (farm-sales weight.) Exports last season were 9 percent below the unusually high level a year earlier. Otherwise they were largest since 1955/56.

Country	July-October		
	1966	1967	1968
	--- Million pounds ---		
United Kingdom	54	47	45
West Germany	45	21	37
Netherlands	8	9	10
Thailand	7	5	10
Belgium	6	4	4
Denmark	4	3	5
Ireland	8	3	4
Australia	5	1	5
South Vietnam	6	5	5
All others	43	40	31
Total*	186	138	156

\*Based on unrounded data.

1968 Auction Season  
Prices Higher

The 1968 flue-cured crop sold at higher prices than last season. However, the

The 1968 flue-cured auction season ended December 4, although 95 percent of the crop had been sold by October 25. The season average price for gross sales (including resales) was 66.5 cents per pound--up 2.3 cents from last year's average, but a little short of the 1966 record. Average gains over 1967 ranged from 1.3 to 2.9 cents in individual Belts. (Tables 10, 11, and 12.)

Producers' sales (allowing for resales--duplicate sales) totaled a billion pounds--approximately 250 million less than in 1967, which was the largest crop in the 4 years of acreage-poundage quotas. Many growers reduced acreage in 1968 because they overmarketed in 1967. Also late-summer dry weather in the Virginia-Carolina area lowered yields.

Undermarketings in 1968 were less than overmarketings by some 70 million pounds. The quantity by which a grower undermarketed his 1968 quota will be added to the farm's quota for 1969. A grower who marketed more than his 1968 quota will have the difference subtracted from the farm's 1969 quota.

Growers placed 128 million pounds of flue-cured tobacco under Government loan this season, or 13 percent of sales. Both the volume and proportion are substantially below 1967 but loan placements were above the low placements of 1965 and 1966. Government loan stocks of flue-cured tobacco have been above year-earlier levels since the fall of 1967, but loan holdings at the beginning of 1969 will be under the 800 million pounds of a year earlier.

Marketing Conditions Improve

A shift to selling untied tobacco



Table 10.--Flue-cured tobacco: Average price per pound (gross sales) and percentage comparisons by Belt, 1955-68

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	N. C. Border and S. C. Belt type 13	Ga.-Fla. Belt type 14 <u>1/</u>	All Belts
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1955	53.8	52.4	52.3	53.7	46.5	52.2
1956	49.9	51.9	51.5	53.2	48.0	51.1
1957	52.3	53.1	54.3	59.1	55.9	55.0
1958	57.2	57.1	57.1	59.6	57.1	57.7
1959	53.2	56.4	57.9	62.1	57.8	57.7
1960	58.5	60.9	60.7	61.4	56.4	59.9
1961	62.9	64.5	64.9	65.4	58.9	63.7
1962	60.3	60.4	59.4	61.0	56.5	59.7
1963	55.2	57.0	58.2	59.9	56.9	57.7
1964	59.0	58.7	56.3	59.2	58.6	58.1
1965	64.7	63.0	63.0	65.3	66.0	64.4
1966	62.3	64.1	68.3	68.8	69.9	66.7
1967	61.9	62.7	64.7	65.0	65.6	64.1
1968 <u>2/</u>	64.8	64.0	67.4	66.8	68.2	66.5
Price for each type as percentage of price for all types combined						
	Percent	Percent	Percent	Percent	Percent	Percent
1955	103.1	100.4	100.2	102.9	89.1	100.0
1956	97.7	101.6	100.8	104.1	93.9	100.0
1957	95.1	96.4	98.7	107.5	101.6	100.0
1958	99.1	99.0	99.0	103.1	99.1	100.0
1959	92.1	97.7	100.3	107.6	100.1	100.0
1960	97.7	101.7	101.3	102.5	94.2	100.0
1961	98.9	101.3	101.9	102.7	92.5	100.0
1962	101.0	101.2	99.5	102.2	94.6	100.0
1963	95.7	98.8	100.9	103.8	98.6	100.0
1964	101.5	101.0	97.1	101.9	100.9	100.0
1965	100.5	97.8	97.8	101.4	102.5	100.0
1966	93.4	96.1	102.4	103.1	104.8	100.0
1967	96.6	97.8	100.9	101.4	102.3	100.0
1968 <u>2/</u>	97.4	96.2	101.4	100.5	102.6	100.0

1/ Type 14 tobacco is marketed untied; through 1961 all other types were marketed tied, but in 1962-65 certain grades, and in 1966, 1967 and 1968 all grades were sold untied during specified periods at the start of auction season.

2/ Preliminary.



Table 11.--Flue-cured tobacco: Volume of gross sales (including resales) and percentage distribution by Belt, 1955-68

Marketing season	Old Belt	Middle Belt	Eastern N. C. Belt	N. C. Border and S. C. Belt	Ga.-Fla. Belt	All Belts
	type 11 (a)	type 11 (b)	type 12	type 13	type 14	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1955	311	170	528	371	213	1,593
1956	333	179	508	333	183	1,536
1957	235	124	353	254	120	1,087
1958	250	137	401	263	134	1,186
1959	250	136	359	279	161	1,185
1960	262	170	444	311	183	1,370
1961	272	162	414	325	192	1,364
1962	311	185	426	381	205	1,508
1963	296	178	448	344	198	1,463
1964	334	189	439	338	175	1,475
1965	242	117	314	307	172	1,152
1966	274	155	349	245	173	1,194
1967	260	152	360	322	224	1,318
1968 <u>1/</u>	201	111	295	268	164	1,039
	Percentage of total					
	Percent	Percent	Percent	Percent	Percent	Percent
1955	19.5	10.7	33.1	23.3	13.4	100.0
1956	21.7	11.6	33.1	21.7	11.9	100.0
1957	21.6	11.4	32.5	23.4	11.1	100.0
1958	21.1	11.6	33.8	22.2	11.3	100.0
1959	21.1	11.5	30.3	23.5	13.6	100.0
1960	19.1	12.4	32.4	22.7	13.4	100.0
1961	19.9	11.9	30.4	23.8	14.0	100.0
1962	20.6	12.3	28.2	25.3	13.6	100.0
1963	20.2	12.2	30.7	23.4	13.5	100.0
1964	22.6	12.8	29.8	22.9	11.9	100.0
1965	21.0	10.2	27.3	26.6	14.9	100.0
1966	22.9	13.0	29.2	20.5	14.5	100.0
1967	19.7	11.5	27.3	24.4	17.0	100.0
1968 <u>1/</u>	19.3	10.7	28.4	25.8	15.8	100.0

1/ Preliminary.

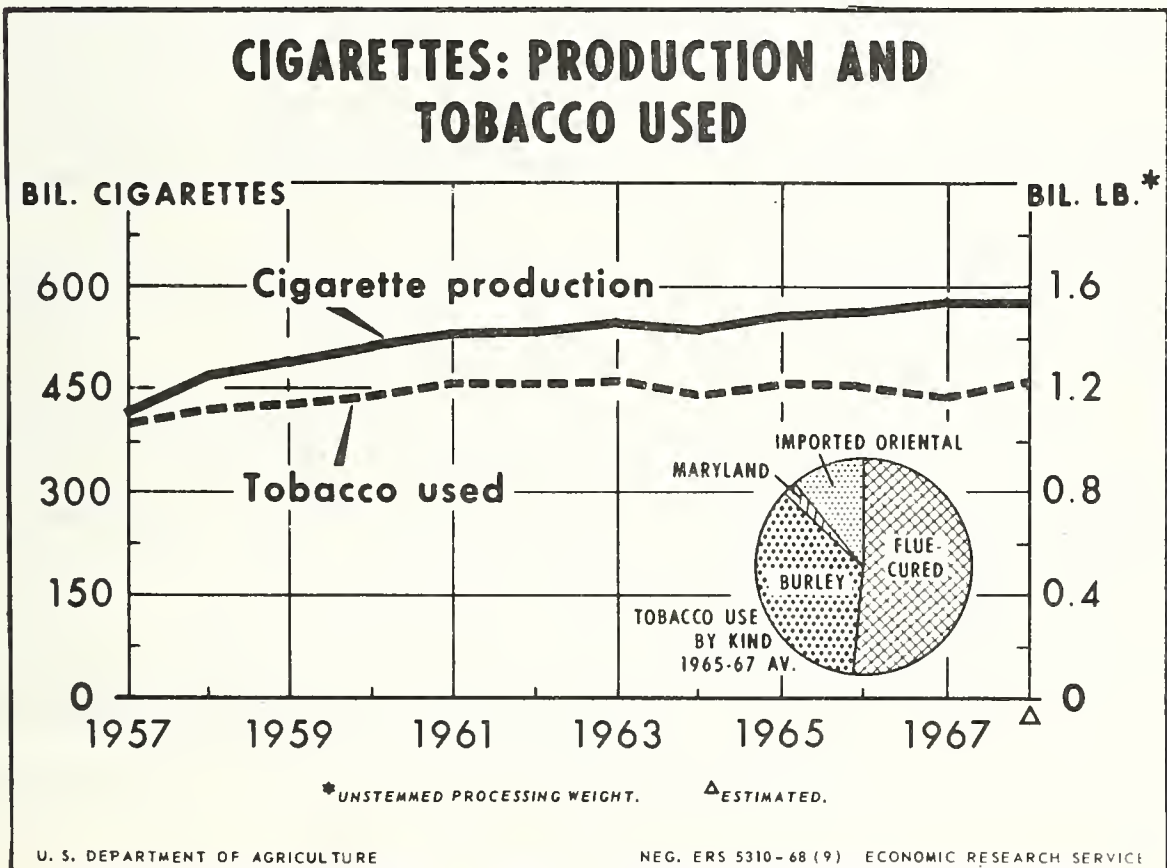
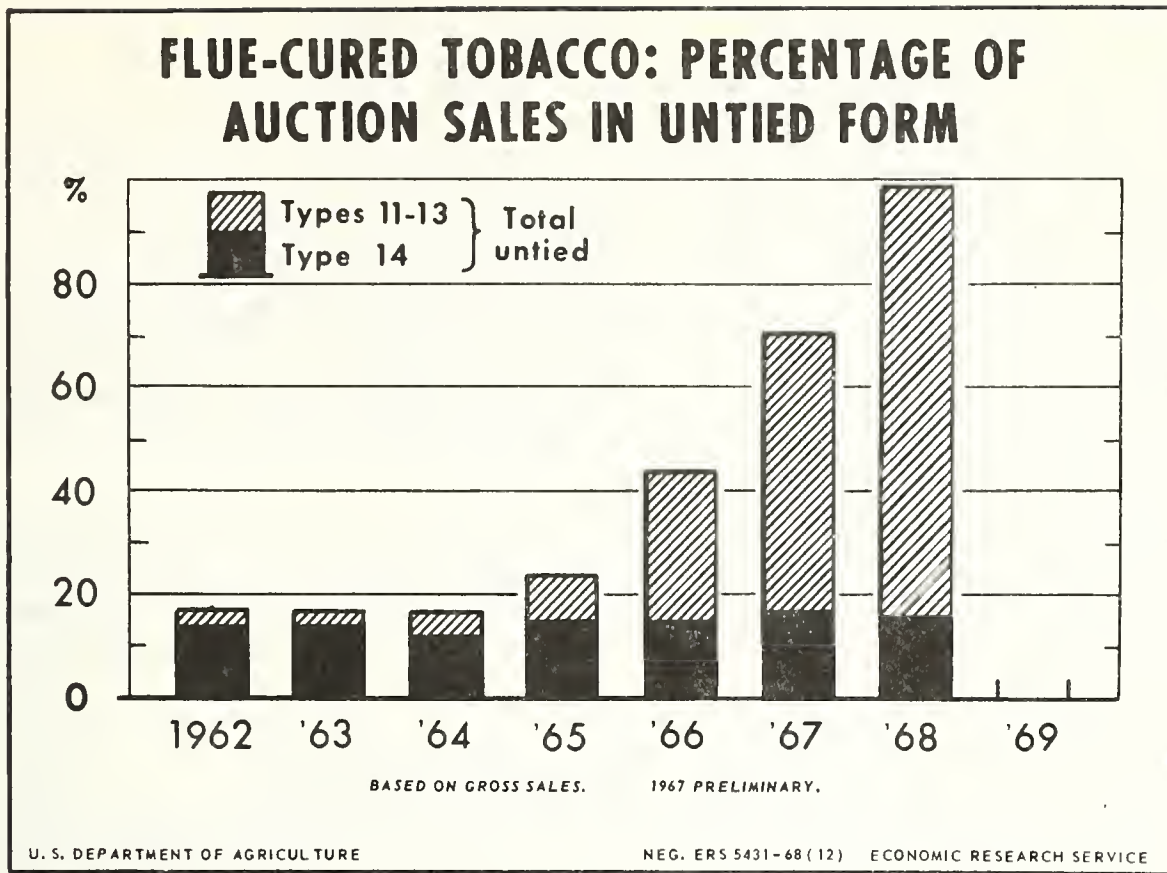
Table 12.--Flue-cured tobacco: Receipts under government loan and percentage distribution by Belt, 1955-68

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	N. C. Border and S. C. Belt type 13	Ga.-Fla. Belt type 14	All Belts
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1955	30.7	23.0	124.9	89.1	31.2	298.9
1956	64.8	50.6	128.1	62.8	13.5	319.9
1957	58.2	18.2	21.4	8.9	1.1	107.8
1958	41.2	15.7	50.0	35.6	2.4	144.8
1959	27.6	7.2	7.5	11.3	1.8	55.3
1960	16.2	5.3	19.0	8.9	2.3	51.8
1961	17.4	6.2	31.3	8.2	7.2	70.3
1962	93.8	35.1	65.9	37.5	4.9	237.2
1963	128.8	38.5	63.0	41.4	5.5	277.2
1964	71.3	39.0	125.6	46.7	3.0	285.6
1965	21.2	9.6	19.4	18.9	2.4	71.5
1966	49.2	15.1	7.4	2.5	.4	74.6
1967	84.5	49.7	79.8	57.2	11.0	282.1
1968 <u>1/</u>	36.0	26.9	24.3	29.5	12.0	128.8

Percentage distribution

	Percent	Percent	Percent	Percent	Percent	Percent
1955	10.3	7.7	41.8	29.8	10.4	100.0
1956	20.3	15.8	40.0	19.6	4.3	100.0
1957	54.0	16.9	19.9	8.2	1.0	100.0
1958	28.5	10.8	34.5	24.5	1.7	100.0
1959	49.7	13.0	13.6	20.4	3.3	100.0
1960	31.3	10.2	36.9	17.2	4.4	100.0
1961	24.8	8.8	44.5	11.7	10.2	100.0
1962	39.5	14.8	27.8	15.8	2.1	100.0
1963	46.5	13.9	22.7	14.9	2.0	100.0
1964	24.9	13.7	43.9	16.4	1.1	100.0
1965	29.7	13.4	27.1	26.4	3.4	100.0
1966	65.8	20.4	9.9	3.4	.5	100.0
1967	29.9	17.6	28.3	20.3	3.9	100.0
1968 <u>1/</u>	28.0	20.9	18.9	22.9	9.3	100.0

1/ Preliminary.





instead of tied tobacco was virtually complete this season as USDA extended price support of untied tobacco for the entire sales period in types 11-13 markets (Virginia-Carolinas). (Table 13.)

Extending price support helped reduce the flow of tobacco from one belt to another. Type 14 (Georgia-Florida) markets have traditionally sold tobacco in untied form. Here is the percentage shift in flue-cured auction sales toward untied form for recent years:

Year	Markets	
	Types 11-13	Types 11-14
	----- Percent -----	
1965	10	24
1966	34	44
1967	67	72
1968	99	99

In 1967 types 11-13 markets had price support on untied tobacco during the first 95 hours of selling time. As in the previous 3 years, support price for tied tobacco in 1968 was 3 cents per pound more than for the same grade of untied tobacco.

This season the voluntary Flue-cured Tobacco Marketing Committee geared marketings reasonably well to handling capacities of redrying plants. Such developments as standardized presheeting, booking of warehouse space and new warehouse conveyer systems helped in orderly marketing, and long waiting periods at warehouses were eliminated.

The Department of Agriculture in November recommended no further action on a proposed Federal marketing order for flue-cured tobacco. However, USDA could reopen a public hearing on the proposal should 1969 marketing conditions warrant further consideration of an agreement and order.

Supplies Lower in 1968/69

Due to the smaller 1968 crop the flue-cured supply of 3,302 million-pounds is 221 million below last year and 13 percent below the 1964/65 record high. The mid-1968 carryover was 1 percent above a year earlier, but the 1968 crop was 22 percent below the 1967 crop. (Table 14.) Harvested acreage in 1968 decreased 12 percent below 1967, and the average yield per acre dropped 11 percent.

Last season's disappearance of 1,221 million pounds may be matched this season. This would bring July 1 carryover a little under 2,100 million pounds, a drop of over 200 million pounds from a year earlier.

1969 Quota Unchanged; Larger Crop Likely

On November 25, USDA announced a 1969 flue-cured base quota of 1,127.1 million pounds, a national average yield goal of 1,854 pounds per acre, and a national acreage allotment of 607,929 acres. These are essentially the same as in the past 4 years, but effective acreage allotments and poundage quotas for individual farms will reflect 1968 undermarketings and overmarketings and other required adjustments.

The base quota plus net undermarketings gives an effective quota of about 1,200 million pounds. But some tobacco base is idled under the land retirement programs. With average growing conditions in 1969, marketings could run about one-fifth above the 1.0 billion pounds in 1968. Such a crop added to prospective carryover would provide a 1969/70 supply a little under this year's.

A grower can market and receive price support on any overmarketings up to 10 percent of quota, but this would reduce

Table 13.--Flue-cured tobacco marketing: Quantities and prices sold untied and tied, types 11-13, in specified periods, 1962-68 seasons

Auction period	During period of support for untied tobacco <u>1/</u>							Entire season
	Gross sales			Percent untied sales	Placed	Average price per lb.		Percent untied sales of gross sales
	Untied	Tied	Total	of gross sales	under loan	Untied	Price below tied	
	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	Pct.	Ct.	Ct.	Pct.
1962 (first 5 days)	48.7	45.2	93.9	52	2	Not available		3.7
1963 (first 7 days)	56.1	71.3	127.4	44	11			4.4
1964 (first 7 days)	74.4	118.5	192.9	39	6	available		5.7
1965 (first 7 days)	99.6	136.1	235.7	42	4	59.9	4.7	10.2
1966 (first 12 days)								
13 <u>2/</u>	113.9	2.9	116.8	97.5	---	68.0	1.3	46.6
12	107.0	6.9	113.9	93.9	1	67.0	3.7	30.7
11 b	53.0	.6	53.6	98.9	2	64.4	3.1	34.3
11 a	73.8	6.2	80.0	92.2	2	64.6	3.0	27.0
Total 11-13	347.7	16.6	364.3	95.4	1	66.4	2.8	34.0
1967 ( first 95 hours)								
13	231.4	.5	231.9	99.8	9	66.6	-5.1	71.9
12	222.9	4.6	227.5	98.0	13	64.6	3.5	62.0
11 b	104.4	1.1	105.5	99.0	27	62.5	3.1	68.6
11 a	168.4	7.1	175.5	96.0	29	61.4	4.8	64.8
<u>3/</u> Total 11-13	727.1	13.3	740.4	98.2	18	64.2	.4	66.5
1968 (entire season)								
13	267.6	.3	267.9	99.9	11	66.8	-11.0	99.9
12	293.0	2.1	295.1	99.3	8	67.4	14.0	99.3
11 b	110.2	.3	110.5	99.7	24	64.1	-4.1	99.7
11 a	191.7	9.6	201.3	95.2	18	64.3	8.8	95.2
Total 11-13	862.6	12.3	874.9	98.6	13	66.1	7.7	98.6

1/ Selling time of price support for untied tobacco given in parenthesis.

2/ About 370,000 pounds of additional untied type 13 tobacco was sold after the end of the 12-day period of price support for untied type 13 tobacco.

3/ Including untied tobacco sold after the period of price support for untied tobacco, total gross sales of types 11-13 untied tobacco amounted to 727.8 million pounds.

Table 14.--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 <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	1,388	2,386	3,774	1,219	775	444
1965	1,059	2,555	3,614	1,175	752	423
1966	1,108	2,439	3,547	1,274	687	587
1967	<sup>2/</sup> 1,250	2,273	3,523	1,221	687	534
1968 <sup>3/</sup>	<sup>2/</sup> 1,000	2,302	3,302			
Average price per pound	Price support level <sup>4/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968 <sup>5/</sup>		
		Quantity	Percentage of crop			
Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
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	0	
1958	58.2	54.6	144.8	13.4	0	
1959	58.3	55.5	55.3	5.1	0	
1960	60.4	55.5	51.8	4.1	0	
1961	64.2	55.5	70.3	5.6	1.5	
1962	60.1	56.1	237.2	16.8	17.3	
1963	58.0	56.6	277.2	20.2	137.3	
1964	58.5	57.2	285.6	20.7	138.0	
1965	64.6	57.7	71.5	6.8	38.3	
1966	66.9	58.8	74.6	6.8	66.1	
1967	64.2	59.9	282.1	22.6	256.4	
1968	<sup>3/</sup> 66.5	61.6	128.8	12.9	*128.8	
Total	---	---	2,405.8	---	*783.7	

<sup>1/</sup> Year beginning July 1. <sup>2/</sup> Sales. <sup>3/</sup> Subject to revision. <sup>4/</sup> 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. <sup>5/</sup> As reported by Flue-cured Tobacco Co-operative Stabilization Corp.; the unstemmed loan stocks on the packed-weight basis average about 11 percent less than their farm-sales weight figures.

\*Includes quantities received from marketings through December 4, when season ended.



his 1970 quota by an equivalent amount. Flue-cured marketings have totaled less than the base quota in 3 of the 4 seasons under the acreage-poundage program. The average difference is an undermarketing of 18 million pounds or almost 2 percent of the quota base.

## BURLEY

### Auction Prices Setting Another Record

Auction sales of 1968-crop burley began November 25. By December 13, when markets closed for the holidays until January 6, gross sales totaled 453 million pounds and averaged 74.1 cents a pound, 2.2 cents above last year's record. Approximately 80 percent of the 1968 crop had been sold through December 13.

Most grade prices have been little higher than a year ago. General quality of the crop is reported to be better than last year's excellent crop. However, there is a narrow price spread from lower grades to the best tobaccos that are selling at 77 cents per pound. Estimated yield gained 3 percent over 1967 and was second to the record high in 1966.

The average price support level for 1968 burley is 63.5 cents a pound. Through December 18, about 23 million pounds, or 5 percent of market deliveries, had been placed under Government loan. In the 1967 season, 12 percent of the crop went under loan.

### 1968/69 Supplies Lower; Loan Holdings Up

This season's burley supply is 1,886 million pounds--2 percent below last season and 7 percent below the 1964/65 peak. (Table 15.) The 1968 crop, estimated at 557 million pounds, was 3 percent above a year earlier due to improved yields. Harvested acreage in 1968 was about the same as in 1967; acreage allotments for most farms were unchanged from 1967.

October 1, 1968, burley carryover was 1,329 million pounds--down 3 percent

from a year earlier. But carryover under Government loan was up 45 million pounds (farm-sales weight) to 327 million.

The 1968/69 supply is equal to 3.2 times probable disappearance, about the same as last season. The desirable ratio, based on the legislative formula, is 2.8. Carryover stocks next October 1 will likely show a reduction from this season's level.

### 1967/68 Disappearance Slightly Smaller

During the year ended September 30 1968, disappearance of burley totaled 593 million pounds, 1 percent below the previous year. Both domestic use and exports fell slightly. Domestic use of burley was 540 million pounds, 4 million pounds below 1966/67. In the same period, cigarette manufacture--principal outlet for burley--was off 1 percent but smoking tobacco output gained. With steady cigarette production likely in 1968/69, little change is expected in domestic burley disappearance.

Heavy movement in August and September brought burley exports in the marketing year ended September 30, 1968 to 53 million pounds (farm-sales weight), or 3 million pounds below a year earlier. About 30 percent was shipped in stemmed form, compared with 21 percent the previous year (export weight).

West Germany, our leading foreign market for burley, decreased takings 2 million pounds from last year's record. Thailand became the next leading market with a gain of 3 million pounds. There were also substantial increases by Sweden, Denmark, Philippines, Portugal, Belgium, and Hong Kong. Shipments to Netherlands and Switzerland declined.

## MARYLAND

### 1967/68 Disappearance Steadies

During the year ended September 30, 1968, Maryland tobacco disappearance of

Table 15.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	620	1,412	2,032	616	560	56
1965	586	1,416	2,002	607	550	57
1966	587	1,395	1,982	600	544	56
1967	541	1,382	1,923	594	541	53
1968 <sup>2/</sup>	557	1,329	1,886			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on November 30, 1968 <sup>4/</sup>	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
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	0	
1958	66.1	55.4	11.2	2.4	0	
1959	60.6	57.2	13.2	2.6	0	
1960	64.3	57.2	8.4	1.7	0	
1961	66.5	57.2	10.3	1.8	0	
1962	58.6	57.8	63.5	9.4	15.5	
1963	59.2	58.3	202.3	26.8	78.4	
1964	60.3	58.9	110.4	17.8	66.8	
1965	67.0	59.5	42.2	7.2	38.8	
1966	66.9	60.6	62.5	10.6	55.8	
1967	71.8	61.8	64.2	11.9	64.0	
1968	*74.1	63.5	<sup>5/</sup>	<sup>5/</sup>	<sup>5/</sup>	
Total	---	---	683.9	---	6/319.3	

<sup>1/</sup> Year beginning October 1. <sup>2/</sup> Subject to revision. <sup>3/</sup> 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. <sup>4/</sup> Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. <sup>5/</sup> Through December 19 about 23 million pounds, 5 percent of deliveries, went under loan. <sup>6/</sup> About 12 million pounds of these holdings have been sold.

\*Auction average through December 19.



40 1/2 million pounds was 1 percent over the previous year and the most on record. (Table 16.)

Domestic use at 25 million pounds was 1 million above 1966/67. This was the largest domestic use in 10 years. Prior to 1964/65, domestic use of Maryland had trended downward, despite increased cigarette manufacture--chief domestic outlet for Maryland. Domestic use in the current marketing year may be near the level of 1967/68.

Exports of Maryland tobacco gained sharply in August and September so the season's total of 16 million pounds (farm-sales weight) was off only 3/4 million from the 40-year high in 1966/67. Switzerland, accounting for over 60 percent of the total, reduced takings 1/2 million pounds. Exports to West Germany rose about 3/4 million and those to Belgium also gained. Spain and Portugal took less.

1968/69 Supplies  
Equal Year Ago

Carryover on January 1, 1969, is estimated 8 percent below the 86 million pounds a year earlier because disappearance has exceeded marketings. The December estimate of the 1968 Maryland crop is 33.0 million pounds--about 2 percent above the previous year. For the third year, acreage allotments and price supports were not in effect, since growers disapproved a marketing quota for the 1968 crop. Compared with 1967, the current crop was produced on the less acreage, but yield was higher. The crop plus the estimated carryover provides a 1968/69 supply about 6 percent below a year earlier.

Auction sales of the 1968 Maryland tobacco crop will begin April 7 and end June 27. The Baltimore hogshead market operates year round. Last season, the quality of offerings generally gained and prices for most grades advanced. Volume was down and average price was high, exceeded only in 1965.

## FIRE-CURED

### Price and Price Support

Auction markets for Virginia fire-cured (type 21) opened December 3. For sales through December 19 (when markets closed for the holidays until January 7), prices averaged 46 cents a pound, compared with 43 cents a year earlier. Auctions for Kentucky-Tennessee fire-cured (types 22 and 23) usually open around the middle of January.

The 1968 fire-cured crop, an estimated 38.7 million pounds, is 6 percent above the record low of 1967, but is still about one-fourth below disappearance last marketing year. The overall support level for the 1968 crop is 43.1 cents a pound. In the Virginia fire-cured markets through December 19, about 3 percent of market deliveries had been placed under Government loan, compared with about 4 percent in the comparable period of last season.

### 1968/69 Supplies Lower

The 1968/69 supply of fire-cured types totals 129 million pounds--down about 10 percent from a year earlier. Based on use last season, this supply would last 2½ years. Carryover on October 1, 1969, will probably show a further decline from the current level.

The supply of Virginia fire-cured--at 18 million pounds--is down 4 million pounds from last year and is the least in many years. Carryover and the 1968 crop were smaller than in 1967. (Table 17).

The 1968/69 supply of Kentucky-Tennessee fire-cured, at about 111 million pounds, is 8 percent below a year earlier. The decline is due to smaller carryover stocks. (Table 18).

### Disappearance Declines Slightly

In the marketing year ended September 30, 1968, disappearance of fire-cured



Table 16.--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 <sup>1/</sup>	Supply	Disappearance <sup>2/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	34.5	76.6	111.1	31.0	18.5	12.5
1964	42.3	82.0	124.3	32.9	23.3	9.6
1965	38.5	90.1	128.6	35.7	24.7	11.0
1966	36.0	89.7	125.7	40.2	23.7	16.5
1967	32.4	86.3	118.7	40.6	24.9	15.7
1968 <sup>3/</sup>	33.0	*79.0	112.0			
Average price per pound	Price support level <sup>4/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968 <sup>5/</sup>		
		Quantity	Percentage of crop			
Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1955	50.8	No price support	6/			
1956	51.7	47.0	3.3	9.0		
1957	44.9	48.0	5.9	15.3		
1958	62.5	50.8	1.1	3.6		
1959	61.6	No price support	6/			
1960	63.8	50.8	1.6	4.6		
1961	62.0	50.8	3.7	9.5		
1962	55.8	51.3	6.0	14.8		
1963	43.2	51.8	10.4	30.1		
1964	62.0	52.3	4.2	10.1		
1965	65.5	52.8	2.7	7.0		
1966	48.6	No price support	6/			
1967	63.0	No price support	6/			
1968		No price support	6/			
Total	---	---	38.9	---	**8.3	

<sup>1/</sup> 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. <sup>2/</sup> Year beginning October 1. <sup>3/</sup> Subject to revision. <sup>4/</sup> 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. <sup>5/</sup> Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. <sup>6/</sup> Marketing quota not in effect since over one-third of growers voting disapproved. \* Estimated. \*\* All of the holdings have been sold. # Less than 50,000 pounds.

Table 17.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	9.1	16.8	25.9	10.3	4.0	6.3
1965	9.6	15.6	25.2	8.3	3.0	5.3
1966	7.5	16.9	24.4	9.6	2.3	7.3
1967	7.0	14.8	21.8	10.1	3.4	6.7
1968 <sup>2/</sup>	6.2	11.7	17.9			
Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968 <sup>4/</sup>		
Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	0	
1957	38.7	38.8	1.0	11.6	0	
1958	36.9	38.8	2.2	23.4	0	
1959	37.6	38.8	.8	8.1	0	
1960	39.4	38.8	.3	3.3	0	
1961	38.8	38.8	.9	9.8	.1	
1962	38.8	39.2	1.2	12.6	.1	
1963	35.5	39.6	.4	6.5	.4	
1964	43.1	40.0	.3	3.3	.2	
1965	39.9	40.4	1.0	10.4	.8	
1966	41.2	41.1	.6	8.0	.5	
1967	40.9	41.9	.7	10.1	.7	
1968		43.1	<u>5/</u>	<u>5/</u>	<u>5/</u>	
Total	---	---	12.9	---	2.8	

<sup>1/</sup> Year beginning October 1.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> 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 calendar years.

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

<sup>5/</sup> Through December 19, about 3 percent of marketings were placed under loan.

Table 18.--Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	46.0	101.5	147.5	42.7	21.7	21.0
1965	36.6	104.8	141.4	45.6	18.0	27.6
1966	40.2	95.8	136.0	44.7	21.0	23.7
1967	29.5	91.3	120.8	42.0	14.9	27.1
1968 <sup>2/</sup>	32.4	78.8	111.2			
Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968 <sup>4/</sup>		
		Quantity	Percentage of crop			
Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	0	
1957	36.4	38.8	13.9	33.1	0	
1958	38.1	38.8	4.4	12.0	0	
1959	38.3	38.8	5.3	12.3	0	
1960	43.3	38.8	3.2	8.7	1.4	
1961	40.2	38.8	5.1	11.8	1.1	
1962	38.7	39.2	8.6	19.3	2.5	
1963	36.9	39.6	13.0	26.2	4.5	
1964	41.0	40.0	7.2	15.7	5.3	
1965	43.6	40.4	2.3	6.3	1.8	
1966	42.2	41.1	6.3	15.7	4.6	
1967	46.2	41.9	.8	2.7	.6	
1968		43.1				
Total	---	---	96.6	---	21.8	

<sup>1/</sup> Year beginning October 1.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> 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 calendar years.

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



types was 52 million pounds--slightly less than the previous season. Exports gained; domestic disappearance fell. All the decline was in Kentucky-Tennessee types, as disappearance of the Virginia type gained.

Domestic disappearance of Kentucky-Tennessee types fell 6 million pounds below the previous season, but domestic use of Virginia fire-cured gained 1 million pounds. As snuff and roll and plug chewing tobacco output has declined, fire-cured disappearance has declined.

Exports of fire-cured tobacco last season gained 3 million pounds over 1966/67, reflecting a late-season spurt. Exports of Kentucky-Tennessee fire-cured in 1967/68 totaled 27 million pounds (farm-sales weight), 3 million pounds above the previous season and almost equaling 1965/66. The Netherlands, accounting for nearly half of the total, increased its takings 3 million pounds. Among other leading outlets, Switzerland took more this season than last, while Belgium and France took less. Sweden's total was the same.

The 1967/68 exports of Virginia fire-cured--6.7 million pounds (farm-sales weight)--declined 0.7 million from the previous year's long-time high. About four-tenths of the total was shipped to Norway, which boosted its takings. Other countries increasing their takings included West Germany and the United Kingdom. Exports to Sweden and South Vietnam declined.

### DARK AIR-CURED

#### Prices and Price Support

Auction markets for One Sucker and Green River (Kentucky-Tennessee dark air-cured, types 35-36) opened December 7 and December 5 respectively. Auctions at Richmond opened for Virginia sun-cured (type 37) on December 10. The overall price support level for 1967 dark air-cured is 37.3 cents a pound.

Through December 20, comparisons of auction prices and percent of sales placed under loan were as follows:

<u>Year and type</u>	<u>Avg. price per lb.</u>	<u>Loan receipts</u>
	<u>Cents</u>	<u>Percent</u>
1968		
35	50.5	1.6
36	42.7	4.5
37	53.2	.1
1967		
35	39.7	15.0
36	38.2	11.8
37	47.0	.9

The dark air-cured crop, an estimated 19.4 million pounds, was 15 percent above last year's record low, and about the same as last season's disappearance. Types 35-36 yields are up after the 1967 decline, but type 37 is about the same.

#### 1968/69 Supplies Near Year Ago

The 1968/69 supply of dark air-cured and sun-cured types, at 81-1/2 million pounds, is the same as in 1967/68. The larger crop offsets a lower carryover. Another decline occurred in Virginia Sun-cured supplies, while One Sucker and Green River supplies are unchanged. (Tables 19 and 20.)

Total supplies of dark air-cured tobacco represent about 4 years' supply, based on last season's disappearance. But Government loan stocks on October 1, 1968--outset of the current marketing year--were 4 million pounds below year-earlier holdings and the lowest for that date since 1962. If disappearance picks up in 1968/69, the carryover may drop from a year earlier.

#### Disappearance Declined in 1967/68

Disappearance of dark air-cured tobacco last season was 19 million pounds--

Table 19.--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, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
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	22.7	61.2	83.9	22.0	18.0	4.0
1965	18.5	61.9	80.4	19.8	16.2	3.6
1966	21.3	60.6	81.9	21.4	17.0	4.4
1967	15.5	60.5	76.0	17.8	14.8	3.0
1968 <sup>2/</sup>	18.2	58.2	76.4			
Year	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
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	0	
1958	38.4	34.5	.5	2.7	0	
1959	34.5	34.5	3.7	19.2	0	
1960	37.4	34.5	2.2	12.2	0	
1961	37.8	34.5	1.9	9.2	.1	
1962	36.2	34.8	4.1	18.2	.8	
1963	33.3	35.2	8.3	34.3	5.0	
1964	37.0	35.5	3.7	16.3	2.8	
1965	37.0	35.9	3.2	17.3	2.3	
1966	37.3	36.6	4.7	22.1	4.4	
1967	40.8	37.3	1.4	9.1	1.2	
1968		38.3	<sup>5/</sup>	<sup>5/</sup>	<sup>5/</sup>	
Total	---	---	49.6	---	16.6	

<sup>1/</sup> Year beginning October 1.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> Through 1957--66 <sup>2/3</sup> 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 calendar years.

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

<sup>5/</sup> Through mid-December, about 3 percent of marketings were placed under loan.

Table 20.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	3.3	4.2	7.5	2.9	2.1	0.8
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	1.8	4.2	6.0	1.7	1.4	.3
1965	2.0	4.3	6.3	2.0	1.7	.3
1966	1.5	4.3	5.8	1.6	1.2	.4
1967	1.3	4.2	5.5	1.6	1.2	.4
1968 <sup>2/</sup>	1.2	3.9	5.1			
Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on November 30, 1968		
		Quantity	Percentage of crop			
Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.		
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	5	.3	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	41.2	35.5	16	.9	0	
1965	39.2	35.9	75	3.8	0	
1966	42.3	36.6	26	1.7	0	
1967	45.2	37.3	25	1.9	0	
1968		38.3	<u>4/</u>	<u>4/</u>		
Total	---	---	544	---	0	

<sup>1/</sup> Year beginning October 1.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> 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 calendar years.

<sup>4/</sup> Through mid-December, less than 1 percent of marketings were placed under loan.



3 1/2 million below the previous season. Both domestic use and exports were lower. Almost all the drop was in types 35-36, after gains the previous season.

Domestic use of these tobaccos declined 2 million pounds. The decrease occurred principally in One Sucker, while domestic use of the smaller-volume Green River and Virginia sun-cured held near the previous season's level. In October 1967-September 1968, combined output of plug, twist, and fine-cut chewing tobacco was 1 percent below a year earlier.

Exports of the dark types last season (including Black Fat) fell 1.4 million pounds (farm sales weight) below the previous season's 5-year high. The 1967/68 total was 3.4 million pounds.

Exports of Black Fat were 3.0 million pounds in 1967/68, or 0.8 million below a year earlier. Exports to Nigeria and Ghana, the principal outlets, dropped sharply. Among other African countries, Spanish Africa and Cameroon Republic took more than a year ago, while Togo maintained takings.

The 1967/68 exports of One Sucker leaf were below a year earlier primarily because none was reported exported to Tunisia and South Vietnam, which together took 0.5 million pounds in 1966/67. Belgium, the major destination, increased its takings 0.2 million pounds.

Exports of Green River leaf in 1967/68 were 0.4 million pounds below those of a year earlier. The United Kingdom, the leading destination, decreased its takings, as did most other countries.

**CIGAR TOBACCO**

U.S. cigar leaf tobacco is sold directly on the farms or through cooperatives; price data on the 1968 crops of cigar types are not as readily available as for types sold at auctions. Season average prices will be published in the May 1969 issue of Crop Production. The

December estimate of production of U.S. cigar types, is about the same as 1967, as yields improved a little, offsetting reduced acreage. The quality of this year's crop is mixed. Yield estimates are equal the 1962-66 average.

U.S. and Puerto Rican Supplies Lower

Supplies of U.S. and Puerto Rican cigar tobacco are about 4 percent lower this year than last, continuing the post-war trend. (Table 21.) Carryover was down but 1968/69 production may be higher. Most of the decline in supplies is occurring in cigar filler and binder types.

Last season's domestic filler disappearance fell sharply from 1966/67. Wrapper use declined a little, while use of binder types gained. Imports provide more than one-half of U.S. filler requirements and are expected to increase further.

Both loan receipts and sales from Government loan stocks were lower than a year earlier for cigar tobaccos during December 1967-November 1968. By November 30, 1968, Government loan stocks of cigar tobacco were lower than last year's total:

Type	November 30--		
	1966	1967	1968
	:-Million pounds--		
Ohio, types 42-44	0.2	0.1	0
Puerto Rican, type 46	1.8	1.7	1.5
Conn. Valley, type 51	1.0	.9	.4
Conn. Valley, type 52	2.2	1.8	.9
Southern Wis. type 54	.6	.7	.2
Northern Wis. type 55	3.2	5.9	5.1
Total	9.0	11.1	8.1

**CIGAR FILLER**

U.S. and Puerto Rican Filler Use Down Sharply

Disappearance of filler tobacco (types 41-46) in the 1967/68 marketing

Table 21.--Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1964-68

Crop year	(Farm-sales weight)						
	Supply			Disappearance			Average price per pound to growers
	Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.	
Pennsylvania Seedleaf Filler (type 41)							
1964	45.9	138.1	184.0	54.6	54.1	0.5	27.0
1965	51.3	129.4	180.7	53.0	51.2	1.8	24.0
1966	38.5	127.7	166.2	53.9	52.4	1.5	25.0
1967	38.3	112.3	150.6	41.9	41.3	.6	28.0
1968 2/	37.8	108.7	146.5				
Ohio, Miami Valley Filler (types 42-44)							
1964	5.8	19.2	25.0	8.0	8.0	---	26.7
1965	5.4	17.0	22.4	6.2	6.2	---	26.2
1966	6.0	16.2	22.2	6.7	6.7	---	28.0
1967	3.6	15.5	19.1	6.2	6.2	---	29.0
1968 2/	3.9	12.9	16.8				
Puerto Rico Filler (type 46) 3/							
1964	37.9	51.4	89.3	26.7	26.7	---	37.2
1965	16.2	62.6	78.8	27.0	27.0	---	4/32.1
1966	12.0	51.8	63.8	23.3	23.3	---	4/31.3
1967	11.0	40.5	51.5	17.1	17.1	---	4/32.7
1968 2/	17.0	34.4	51.4				
Total Cigar Filler (types 41-46)							
1964	89.6	208.7	298.3	89.3	88.8	.5	31.3
1965	72.9	209.0	281.9	86.2	84.4	1.8	26.0
1966	56.5	195.7	252.2	83.9	82.4	1.5	26.7
1967	52.9	168.3	221.2	65.2	64.6	.6	29.0
1968 2/	58.7	156.0	214.7				
Connecticut Valley Binder (types 51-52)							
1964	5.7	22.9	28.6	7.3	5.2	2.1	47.9
1965	5.0	21.3	26.3	7.0	4.9	2.1	45.9
1966	3.8	19.3	23.1	6.8	5.2	1.6	51.2
1967	2.7	16.3	19.0	7.7	5.5	2.2	54.5
1968 2/	3.0	11.3	14.3				
Southern Wisconsin Binder (type 54)							
1964	8.7	22.9	31.6	8.9	8.9	---	32.2
1965	8.5	22.7	31.2	8.8	8.8	---	29.7
1966	7.4	22.4	29.8	9.1	9.1	---	34.3
1967	7.2	20.7	27.9	8.0	8.0	---	34.4
1968 2/	7.2	19.9	27.1				
Northern Wisconsin Binder (type 55)							
1964	11.2	24.8	36.0	9.2	8.6	.6	35.8
1965	10.8	26.8	37.6	9.4	9.1	.3	28.9
1966	8.8	28.2	37.0	7.7	7.4	.3	32.4
1967	8.9	29.3	38.2	9.3	8.9	.4	34.1
1968 2/	7.8	28.9	36.7				

See footnotes at end of table

Continued -

Table 21.--Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1964-68--Cont.

Crop year	(Farm-sales weight)						Average price per pound to growers
	Supply			Disappearance			
	Production	Beginning stocks <sup>1/</sup>	Total supply	Total	Domestic	Exports	
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.	
Total Wisconsin Binder (types 54-55)							
1964	19.9	47.7	67.6	18.1	17.5	0.6	34.2
1965	19.3	49.5	68.8	18.2	17.9	.3	29.3
1966	16.2	50.6	66.8	16.8	16.5	.3	33.3
1967	16.1	50.0	66.1	17.3	16.9	.4	34.2
1968 <sup>2/</sup>	15.0	48.8	63.8				
Total Cigar Binder (types 51-55)							
1964	25.5	70.6	96.1	25.3	22.7	2.6	37.3
1965	24.2	70.8	95.0	25.1	22.6	2.5	32.7
1966	20.1	69.9	90.0	23.7	21.8	1.9	36.7
1967	18.8	66.3	85.1	25.0	22.1	2.6	37.1
1968 <sup>2/</sup>	18.0	60.1	78.1				
Connecticut Valley Shade-grown (type 61)							
1964	13.5	13.9	27.4	13.1	10.0	3.1	250.0
1965	14.6	14.3	28.9	12.6	9.3	3.3	250.0
1966	13.7	16.3	30.0	14.0	10.5	3.5	295.0
1967	9.6	16.0	25.6	12.9	9.7	3.2	380.0
1968 <sup>2/</sup>	11.1	12.7	23.8				
Georgia-Florida Shade-grown (type 62)							
1964	7.6	8.2	15.8	8.5	7.3	1.2	235.0
1965	8.3	7.3	15.6	7.4	5.6	1.8	225.0
1966	7.3	8.2	15.5	6.8	6.1	.7	185.0
1967	8.0	8.7	16.7	6.6	5.0	1.6	245.0
1968 <sup>2/</sup>	7.9	10.1	18.0				
Total Shade-grown (types 61-62)							
1964	21.1	22.1	43.2	21.6	17.3	4.3	245.0
1965	22.9	21.6	44.5	20.0	14.9	5.1	241.0
1966	21.0	24.5	45.5	20.8	16.6	4.2	257.0
1967	17.6	24.7	42.3	19.5	14.7	4.8	318.0
1968 <sup>2/</sup>	19.0	22.8	41.8				
Grand Total Cigar Tobacco (types 41-62)							
1964	136.3	301.4	437.7	136.3	128.8	7.5	65.4
1965	120.1	301.4	421.5	131.4	122.1	9.3	68.3
1966	97.5	290.1	387.6	128.3	120.7	7.6	78.4
1967	89.3	259.3	348.6	109.7	101.7	8.0	87.4
1968 <sup>2/</sup>	95.7	238.9	334.6				

<sup>1/</sup> October 1 for types 41-55; July 1 for types 61-62.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> Puerto Rican planting occurs late in calendar year.

<sup>4/</sup> Excludes payment by Puerto Rican Government.



year was 65 million pounds, 19 million below a year earlier, and the lowest on record. Most of the decline was in Pennsylvania and Puerto Rican types, although Ohio types were also lower. Based on disappearance data, manufacturers apparently cut back their use of Puerto Rican tobacco very sharply during the July-September quarter to keep their supplies from shrinking.

Last season's filler exports--a relatively small part of total disappearance--were down sharply from a year earlier. South Vietnam, the leading destination in the 2 previous years, did not take any. Canada and France accounted for almost all our exports last year.

Filler Supplies Lower

This year's supply of continental cigar filler is 3 percent below last year and the smallest on record. The decline is due to smaller carryover since production may be up. These supplies would last about 3 years, based on 1967/68 disappearance. Disappearance in the 1968/69 marketing year is not likely to gain much, but it may again exceed production. Both production and use have declined since 1964.

The supply of Pennsylvania cigar filler is smallest in 12 years--3 percent below last year. Both carryover and production are lower. The average yield for the 1968 crop was below that of 1967.

This year's supply of Ohio Filler declined 2 million pounds to a new low. Although the 1968 crop was a little above last year's 10-year low, the carryover was down.

The supply of Puerto Rican filler is expected to hold at last year's long-time low. With a drop of 6 million pounds in carryover, the Puerto Rican Government has raised the production quota so growers may increase output. The crop is planted late in the calendar year and harvested early in the following year.

Imports Supplementing Lower U.S. Supplies

For 1967/68 (October-September),

cigar tobacco imports exceeded use from domestic supplies for the first time on record. With domestic supplies declining further in 1968/69, manufacturers may draw even more heavily on foreign leaf.

Last season 75 million (farm-sales weight) of cigar tobacco were imported for consumption, or 12 million above the previous season. This increased volume supplemented reduced U.S. supplies. Imports from both major and minor suppliers were higher:

Country of origin	Oct.- 1966 Sept. 1967	Oct.- 1967 Sept. 1968	Change from 1966/67
: ----- Million pounds -----			
Philippine Republic	27.1	30.9	+3.8
Dominican Republic	7.7	10.8	+3.1
Brazil	5.9	8.0	+2.1
Colombia	5.7	7.5	+1.8
All others	16.0	17.4	+1.4
Total	62.4	74.6	+12.2

Foreign-grown cigar leaf stocks in the United States on October 1 reached 91 million pounds--7 million above a year earlier. However, stocks were below the high levels of 1965 and 1966. Most of the decline from July 1, 1968 was in stocks of Dominican tobacco. The stocks of Philippine and Dominican tobaccos, the 2 largest holdings of imported tobacco gained the most from 1967.

Country of origin	October 1 --		
	1966	1967	1968
: - Million pounds -			
: Farm-sales weight			
Philippine Republic	42.5	30.1	35.6
Dominican Republic	11.6	10.2	14.4
Colombia	12.2	11.0	12.1
Brazil	13.2	10.6	9.5
Indonesia	5.6	5.0	3.8
Paraguay	3.3	2.3	3.2
Cuba	6.0	3.6	2.2
Others	12.3	12.1	10.0
Total*	106.5	84.9	90.9

\*Based on unrounded data.

## CIGAR BINDER

### Supplies Lower

The season's binder tobacco supplies are about 8 percent below 1967/68 due to smaller crops and carryovers. At the end of this season another decline in carryover is likely. The 1968 crop yields were higher than last year for Connecticut Valley and about the same for the Wisconsin types. Weather was more favorable during the 1968 growing and curing season.

Connecticut Valley production (types 51-52) was estimated at 3.0 million pounds, a little higher than last year's record low. Carryover of both Broadleaf and Havana Seed were at new lows. For both types, supplies are the lowest on record, together down some 5 million pounds, from 1967/68. Another substantial drop in carryover is likely by the end of the current marketing year.

Wisconsin binder production (types 54-55) is indicated at 15 million pounds, off 7 percent from last year. This is mainly due to reduced production for type 55. The Wisconsin total is the second lowest on record. Carryover was 1 million pounds below last year's so the supply of both types combined is down by some 2 million from 1967/68. The supply would last 3 1/2 years based on last marketing year's use, but disappearance in the current season probably will reduce the carryover.

### Disappearance Gains in 1967/68

Cigar binder disappearance for last season was 25 million pounds, about 1 million above a year earlier. Both Connecticut Valley and Wisconsin types gained from 1966/67 record lows.

Most of the 1.0 million-pound gain in Connecticut Valley binder disappearance was due to exports. Last marketing year, exports of Connecticut Valley binder to Spain, the leading destination, gained further. Exports to West Germany gained following a decline the previous year. East Germany did not take any, compared with a sizable shipment in 1966/67.

The 1967/68 disappearance of Wisconsin tobacco was 1/2 million pounds above the previous year. But as usual, domestic use accounted for nearly all the disappearance since exports were less than 400,000 pounds, (farm-sales weight). The Netherlands--the leading outlet--took appreciably more as did West Germany.

## CIGAR WRAPPER

### Supplies Near Last Season's Level

Wrapper tobacco supplies for 1968/69 are about the same as last year. The crop is larger due to a recovery in the Connecticut Valley, but total wrapper carryover was down 2 million pounds. This season through October, wrapper exports of 1.5 million pounds (farm sales weight) were 10 percent above a year ago. If disappearance holds at last marketing year's level, carryover next July 1 will be about the same as last July's 23 million pounds.

The 1968/69 supply of Connecticut Valley shade-grown wrapper is about 7 percent below a year earlier and about 16 percent below the 1962-66 average. Carryover stocks were the lowest since 1957. This year's crop is estimated 1 1/2 million pounds above last year's reduced level. Average yield per acre was still below the 1962-66 average. This season's weather pattern and air pollution caused fleck damage on the leaves.

The 1968/69 supply of Georgia-Florida wrapper rose about 8 percent from 1967/68 to the largest in 7 years. The carryover increased over 1967 while this year's crop was about the same as last year. The Federal marketing order, now in its fifth year, is helping to improve the quality of wrapper sales.

During July-October 1968 exports were higher than last year for Georgia-Florida wrapper but reduced for Connecticut Valley. Among the 4 leading cigar wrapper destinations last season, West Germany, United Kingdom and Canada decreased takings in July-October from a year earlier; Canary Island takings gained.



Table 22.--Tobacco: Acreage and yield per acre in the United States, by types, or groups of types, for specified periods

Period	Fire-cured		Va.		Dark		Va. sun-cured		Cigar		Total		
	acres	1,000 acres	21	22-23	air-cured	35-36	37	41	Filler		Wrapper		
									42-44	46	51-52	54-55	61-62
Average: 1950-54	1,048.8	433.7	9.9	40.0	23.1	3.6	30.2	5.5	37.9	15.7	16.5	13.1	1,728.1
1955	990.7	310.6	9.1	39.1	20.0	4.2	29.5	4.4	36.1	13.4	14.3	12.9	1,531.5
1956	875.3	309.8	8.5	38.5	19.3	3.1	29.0	3.9	26.3	7.2	11.8	13.3	1,389.8
1957	662.7	306.6	6.9	29.7	14.5	2.6	29.0	3.6	26.5	4.3	11.6	13.1	1,148.3
1958	639.4	297.1	6.8	24.3	12.7	1.6	30.0	3.0	24.2	2.9	13.0	12.9	1,102.1
1959	693.4	301.0	7.6	27.6	13.2	2.1	31.0	3.9	26.3	4.5	14.4	14.0	1,179.1
1960	691.8	295.7	7.3	25.9	13.0	1.8	31.0	4.3	28.5	3.8	14.6	14.6	1,170.0
1961	698.5	318.9	7.5	27.9	13.5	2.1	31.0	4.6	27.0	2.9	13.7	13.4	1,201.4
1962	729.8	338.6	7.6	28.5	13.9	2.2	30.0	4.2	28.5	2.6	12.1	13.2	1,252.6
1963	694.5	338.5	6.6	27.7	13.8	1.5	28.0	3.9	30.0	2.8	10.7	12.9	1,205.7
1964	627.6	306.6	7.3	24.8	12.4	1.7	27.0	3.7	30.8	2.8	10.9	13.8	1,108.6
1965	562.3	277.1	7.6	23.2	11.3	1.8	27.0	3.7	17.0	2.6	10.9	15.6	993.9
1966	607.0	240.7	6.0	21.0	10.7	1.4	23.0	3.2	9.0	1.8	9.3	14.6	982.9
1967	610.3	237.7	5.4	17.3	9.5	1.2	21.0	2.3	8.5	1.5	8.3	13.6	868.3
1968 2/	537.5	237.4	4.9	17.7	9.8	1.1	21.0	2.0	3/11.2	1.6	7.7	13.4	895.7
Average: 1950-54	1,271	1,382	1,178	1,145	1,191	1,011	1,572	1,506	824	1,711	1,459	1,164	1,281
1955	1,497	1,513	1,155	1,399	1,391	775	1,550	1,700	831	1,643	1,469	1,213	1,451
1956	1,625	1,635	1,260	1,555	1,592	1,030	1,670	1,625	913	1,849	1,712	1,290	1,583
1957	1,471	1,592	1,245	1,411	1,367	1,030	1,420	1,270	1,008	1,940	1,709	1,442	1,475
1958	1,691	1,567	1,385	1,393	1,269	1,170	1,700	835	1,058	1,867	1,682	1,283	1,599
1959	1,559	1,669	1,320	1,560	1,466	1,040	1,725	1,770	1,068	1,712	1,449	1,325	1,547
1960	1,808	1,639	1,220	1,411	1,403	995	1,700	1,535	965	1,826	1,431	1,460	1,685
1961	1,801	1,820	1,300	1,552	1,525	1,045	1,725	1,665	1,137	1,856	1,640	1,429	1,741
1962	1,930	1,993	1,255	1,566	1,619	1,040	2,000	1,775	1,249	2,014	1,621	1,464	1,876
1963	1,975	2,231	940	1,795	1,751	760	1,850	1,740	1,067	2,093	1,680	1,449	1,970
1964	2,211	2,022	1,085	1,854	1,828	1,060	1,700	1,555	1,231	2,021	1,821	1,530	2,044
1965	1,883	2,116	1,150	1,574	1,639	1,105	1,900	1,465	951	1,910	1,765	1,468	1,882
1966	1,825	2,437	1,030	1,919	1,987	1,065	1,675	1,885	1,338	2,111	1,744	1,440	1,932
1967	2,070	2,274	1,290	1,702	1,629	1,090	1,825	1,580	1,294	1,819	1,943	1,292	2,044
1968 2/	1,838	2,345	1,275	1,834	1,847	1,075	1,800	1,900	n.a.	1,923	1,950	1,412	1,934

1/ Total includes Perique--type 72--and in 1950-53, type 53. 2/ Preliminary. 3/ Approximation based on increase in quota. n.a.--not available.



Table 23.--Tobacco: Acreage, yield, production, stocks, supply, disappearance, price and crop value, United States and United States including Puerto Rico, for specified years (farm-sales weight)

Crop year	Acreage	Yield	Production	Stocks <u>1/</u>	Supply	Disappearance <u>1/</u>			Average price per pound	Value of crop
						Total	Domestic	Exports		
	1,000									Million dollars
	<u>acres</u>	<u>Pounds</u>			<u>Million pounds</u>				<u>Cents</u>	
Average:										
1947-49	1,676	1,208	2,019	2,947	4,965	1,908	1,417	491	45.9	926
1950-54	1,690	1,292	2,184	3,382	5,566	2,006	1,479	527	51.2	1,118
1955	1,495	1,466	2,193	3,977	6,170	2,058	1,410	648	53.2	1,166
1956	1,364	1,596	2,176	4,112	6,288	1,929	1,373	556	53.7	1,169
1957	1,122	1,486	1,668	4,359	6,027	1,921	1,393	528	56.1	936
1958	1,078	1,611	1,737	4,106	5,843	1,923	1,388	535	59.9	1,040
1959	1,153	1,558	1,796	3,920	5,716	1,927	1,424	503	58.3	1,048
1960	1,142	1,703	1,944	3,789	5,733	2,029	1,462	567	60.9	1,184
1961	1,174	1,755	2,061	3,704	5,765	2,051	1,461	590	63.8	1,315
1962	1,224	1,891	2,315	3,714	6,029	2,004	1,474	530	58.9	1,364
1963	1,176	1,994	2,344	4,025	6,369	2,046	1,437	609	57.7	1,352
1964	1,078	2,067	2,228	4,323	6,551	2,055	1,506	549	59.2	1,319
1965	977	1,898	1,855	4,496	6,351	2,000	1,462	538	65.1	1,207
1966	974	1,937	1,887	4,351	6,238	2,098	1,394	704	66.4	1,253
1967	960	2,050	1,968	4,140	6,108	2,019	1,371	648	66.9	1,316
1968 <u>2/</u>	884	1,940	1,716	<u>3/4,089</u>	5,805					
United States and Puerto Rico										
Average:										
1947-49	1,710	1,200	2,045	3,012	5,057	1,942	1,447	495	45.6	932
1950-54	1,728	1,282	2,215	3,430	5,645	2,036	1,508	527	50.9	1,127
1955	1,532	1,451	2,223	4,037	6,260	2,090	1,442	648	52.8	1,174
1956	1,390	1,583	2,200	4,170	6,370	1,960	1,403	557	53.5	1,176
1957	1,148	1,475	1,694	4,410	6,104	1,948	1,420	528	55.6	943
1958	1,102	1,599	1,762	4,156	5,918	1,956	1,420	536	59.5	1,048
1959	1,179	1,547	1,825	3,962	5,787	1,954	1,450	504	57.9	1,057
1960	1,170	1,685	1,972	3,833	5,805	2,058	1,491	567	60.5	1,193
1961	1,201	1,741	2,092	3,747	5,839	2,083	1,493	590	63.4	1,326
1962	1,253	1,876	2,350	3,756	6,106	2,032	1,502	530	58.6	1,378
1963	1,206	1,970	2,376	4,074	6,450	2,076	1,467	609	57.5	1,365
1964	1,109	2,044	2,266	4,374	6,640	2,081	1,532	549	58.8	1,333
1965	994	1,882	1,871	4,559	6,430	2,027	1,489	538	64.8	1,212
1966	983	1,932	1,899	4,403	6,302	2,121	1,417	704	66.2	1,257
1967	968	2,044	1,979	4,181	6,160	2,037	1,389	648	66.7	1,319
1968 <u>2/</u>	896	1,934	1,733	<u>3/4,123</u>	5,856					

1/ For flue-cured and cigar wrapper, year beginning July 1; for all other types, Oct. 1.  
2/ Preliminary. 3/ Includes about 13 million pounds of flue-cured held on farms.

Table 24.--Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods

Period	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
Average:							
1947-51	3,058	252	141	8.2	4.6	20.4	11.5
1952-56	3,779	351	159	9.3	4.2	22.6	10.2
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
1961	5,300	630	303	11.9	5.7	28.3	13.6
1962	5,340	634	306	11.9	5.7	27.1	13.1
1963	5,563	675	327	12.1	5.9	27.6	13.4
1964	5,836	664	345	11.4	5.9	25.8	13.4
1965	6,006	665	354	11.1	5.9	25.4	13.5
1966	6,570	727	389	11.1	5.9	26.3	14.1
1967	7,088	794	420	11.2	5.9	27.2	14.4
Quarterly 1967							
1	1,673	167	86	10.0	5.1	23.5	12.1
2	1,813	199	106	11.0	5.8	27.6	14.7
3	1,803	221	116	12.3	6.4	30.1	15.8
4	1,799	207	112	11.5	6.2	27.8	15.0
1968							
1	1,764	194	100	11.0	5.7	26.1	13.5
2	1,806	217	100	12.0	5.5	29.5	13.6
3	1,983	248	119	12.5	6.0	33.1	15.9

Note: Data include non-tobacco enterprises of tobacco manufacturing corporations. Compiled and adapted from Quarterly Financial Reports for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

STATISTICAL SUMMARY

Item	Unit or base period	1967		1968		Last data as percentage of a year earlier	
		Oct.	Nov.	Sept.	Oct.		Nov.
Average price at auctions							
Flue-cured	Ct. per lb.	62.6	62.6	66.8	63.7	61.2	98
Burley	Ct. per lb.	Closed	72.1	C - 1 - o - s - e - d		73.8	102
Maryland	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Support price 1/							
Flue-cured	Ct. per lb.	59.9			61.1		103
Burley	Ct. per lb.	61.8			63.5		103
Maryland	Ct. per lb.	No support		No support			---
Virginia fire-cured	Ct. per lb.	41.9			43.1		103
Ky.-Tenn. fire-cured	Ct. per lb.	41.9			43.1		103
Ky.-Tenn. dark air-cured	Ct. per lb.	37.3			38.3		103
Virginia sun-cured	Ct. per lb.	37.3			38.3		103
Connecticut Valley cigar binder	Ct. per lb.	42.8			44.0		103
Wis. binder and Ohio filler	Ct. per lb.	30.9			31.7		103
Puerto Rican filler	Ct. per lb.	32.1			33.0		103
Parity index 2/	1910-14=100	344	343	355	358	359	105
Industrial production index 3/	1957-59=100	157	160	165	166	167	104
Employment	Mil.	75.2	75.2	75.9	76.4	76.6	102
Personal income 4/	Bil. dol.	638.0	644.9	699.7	703.2	707.0	110
		1967		1968			
		Sept.	Oct.	Aug.	Sept.	Oct.	
Taxable removals							
Cigarettes	Bil.	43.8	46.7	48.9	44.2	50.1	107
Cigars and cigarillos	Mil.	714.0	812.0	718.8	661.1	787.1	97
Accumulated from Jan. 1							
Cigarettes	Bil.	402.0	448.7	352.9	397.1	447.2	100
Cigars and cigarillos	Mil.	5,899.0	6,711.1	5,235.1	5,896.2	6,683.3	100
Invoiced to domestic customers							
Accumulated from Jan. 1			Jan.-Sept.		Jan.-Sept.		
Smoking tobacco	Mil. lb.		46.1		48.2		105
Chewing tobacco	Mil. lb.		48.8		49.7		102
Snuff	Mil. lb.		22.1		21.1		95
Tax-exempt removals							
Cigarettes	Bil.	3.9	3.9	5.2	5.5	4.5	115
Exports	Bil.	1.8	1.7	3.0	3.3	1.6	94
Cigars and cigarillos	Mil.	19.9	16.4	14.3	9.9	11.6	71
Accumulated from Jan. 1							
Cigarettes	Bil.	37.1	41.0	35.2	40.7	45.2	110
Exports	Bil.	18.1	19.8	16.9	20.2	21.8	110
Cigars and cigarillos	Mil.	155.7	172.1	124.1	134.1	145.7	85
Invoiced for export							
Accumulated from Jan. 1			Jan.-Sept.		Jan.-Sept.		
Smoking tobacco	Mil. lb.		1.5		1.5		100
Chewing tobacco	Mil. lb.		.5		.4		80
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1957-59=100	119.9	119.9	119.9	119.9	119.9	100
Cigars	1957-59=100	107.7	107.7	101.6	101.6	101.6	94
Smoking tobacco	1957-59=100	130.2	130.2	130.2	130.2	132.8	102
Plug chewing tobacco	1957-59=100	133.3	133.3	133.3	133.3	133.3	100
Snuff	1957-59=100	127.3	127.3	127.3	129.2	131.7	103
Consumer price indexes (urban) 6/							
Cigarettes (reg. nonfilter)	1957-59=100	139.6	---	---	147.2	---	105
Cigarettes (filter tip king)	Mar. 1959=100	132.5	---	---	139.4	---	105
Cigars (domestic reg. size)	1957-59=100	103.6	---	---	104.8	---	101
Imports of tobacco							
Cigarette leaf	Mil. lb.	12.2	15.2	13.6	13.6	14.5	95
Cigar tobacco 7/	Mil. lb.	7.3	6.9	6.9	6.9	7.1	103
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	114.3	129.4	114.1	127.6	142.1	110
Cigar tobacco 7/	Mil. lb.	50.2	57.2	60.5	67.4	74.5	130

See footnotes at end of table.

Continued -



## STATISTICAL SUMMARY --CONTINUED

Item	Unit or base period	1967		1968		Last data as percentage of a year earlier	
		Sept.	Oct.	Aug.	Sept.		Oct.
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	60.2	50.5	53.8	64.6	38.4	76
Burley	Mil. lb.	3.9	4.0	9.8	7.2	1.9	48
Maryland	Mil. lb.	1.4	.8	1.7	3.2	.6	75
Virginia fire- & sun-cured	Mil. lb.	.6	.6	.7	1.4	.3	50
Ky.-Tenn. fire-cured	Mil. lb.	1.9	2.7	3.9	3.1	.8	30
Ky.-Tenn. dark air-cured	Mil. lb.	.2	*	*	.3	.3	---
Black Fat	Mil. lb.	.2	.2	.2	.4	.1	50
Cigar wrapper	Mil. lb.	.5	.4	.2	.6	.5	125
Connecticut binder	Mil. lb.	*	.1	*	*	.1	100
Wisconsin binder	Mil. lb.	*	0	.2	0	0	---
Accumulated from beginning of marketing year <u>8/</u>							
Flue-cured	Mil. lb.	125.3	175.8	93.8	158.4	196.8	112
Burley	Mil. lb.	56.4		46.2	53.4		95
Maryland	Mil. lb.	16.5		12.5	15.7		95
Virginia fire- & sun-cured	Mil. lb.	7.7		5.6	7.0		91
Ky.-Tenn. fire-cured	Mil. lb.	21.7		22.5	25.6		118
Ky.-Tenn. dark air-cured	Mil. lb.	2.4		1.1	1.4		58
Black Fat	Mil. lb.	3.8		2.6	3.0		79
Cigar wrapper	Mil. lb.	1.1	1.5	.6	1.2	1.7	113
Connecticut binder	Mil. lb.	1.6		2.1	2.2		138
Wisconsin binder	Mil. lb.	.3		.4	.4		133
Cigar filler	Mil. lb.	1.5		.6	.6		40
Exports of manufactured tobacco in bulk	Mil. lb.	1.8	1.0	2.5	2.6	.8	80
Accumulated from Jan. 1	Mil. lb.	12.5	13.6	13.6	16.2	17.0	125
		Quarterly data					
		1967		1968			
		July-Sept.	Oct.-Dec.	July-Sept.	Oct.-Dec.		
Stocks of tobacco--1st of quarter <u>9/</u>							
Domestic types (farm-sales weight)							
Flue-cured	Mil. lb.	2,273	2,621	2,302	2,628		100
Burley	Mil. lb.	1,526	1,382	1,480	1,329		96
Maryland	Mil. lb.	104	96	97	87		91
Fire-cured	Mil. lb.	118	106	105	91		86
Dark air- and sun-cured	Mil. lb.	69	65	66	62		95
Cigar filler	Mil. lb.	192	168	173	156		93
Cigar binder	Mil. lb.	72	66	66	60		91
Cigar wrapper	Mil. lb.	25	30	23	27		90
Under Government loan <u>10/</u>	Mil. lb.	1,059	1,091	1,169	**1,205		110
Tobacco sheet <u>11/</u>							
Cigarette types	Mil. lb.	18.8	19.2	20.3	19.7		103
Cigar types	Mil. lb.	2.4	2.1	2.8	2.8		133
Foreign types (unst. equiv.)							
Cigarette and smoking	Mil. lb.	405	372	442	403		108
Cigar	Mil. lb.	92	85	98	91		107
Tobacco outlets <u>12/</u>							
Seasonally adjusted data, annual rates, for charts, p.2							
Cigarettes							
Production	Bil.	571	559	591	580		101
Taxable removals	Bil.	530	520	533	526		101
Cigar production	Bil.	8.07	8.15	7.96	8.32		102
Smoking production	Mil. lb.	63.3	69.4	64.9	71.3		103
Chewing production							
Scrap	Mil. lb.	34.0	34.8	37.0	35.2		101
Plug and other	Mil. lb.	29.8	29.9	30.0	30.1		101
Snuff production	Mil. lb.	29.2	30.4	26.9	28.4		93
Exports of leaf							
Total	Mil. lb.	552	634	763	568		90
Flue-cured	Mil. lb.	444	502	599	486		97

1/ 1967 and 1968 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 weight 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. \*\*Of this quantity, approximately 63 million pounds had been sold.

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TS-126

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: The Tobacco Situation is published March, :  
: June, September and December. :  
:  
: The next issue is scheduled for release :  
: March 28, 1968. :  
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