

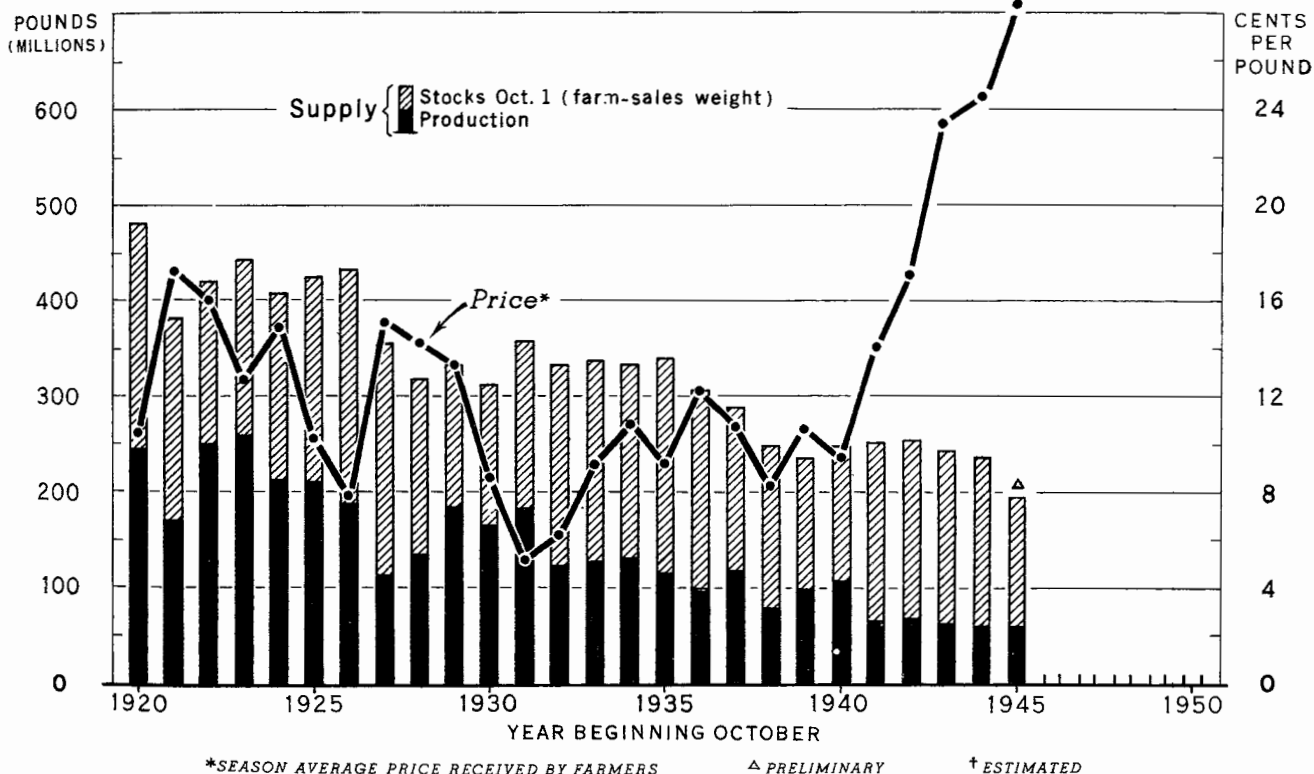
BUREAU OF AGRICULTURAL ECONOMICS
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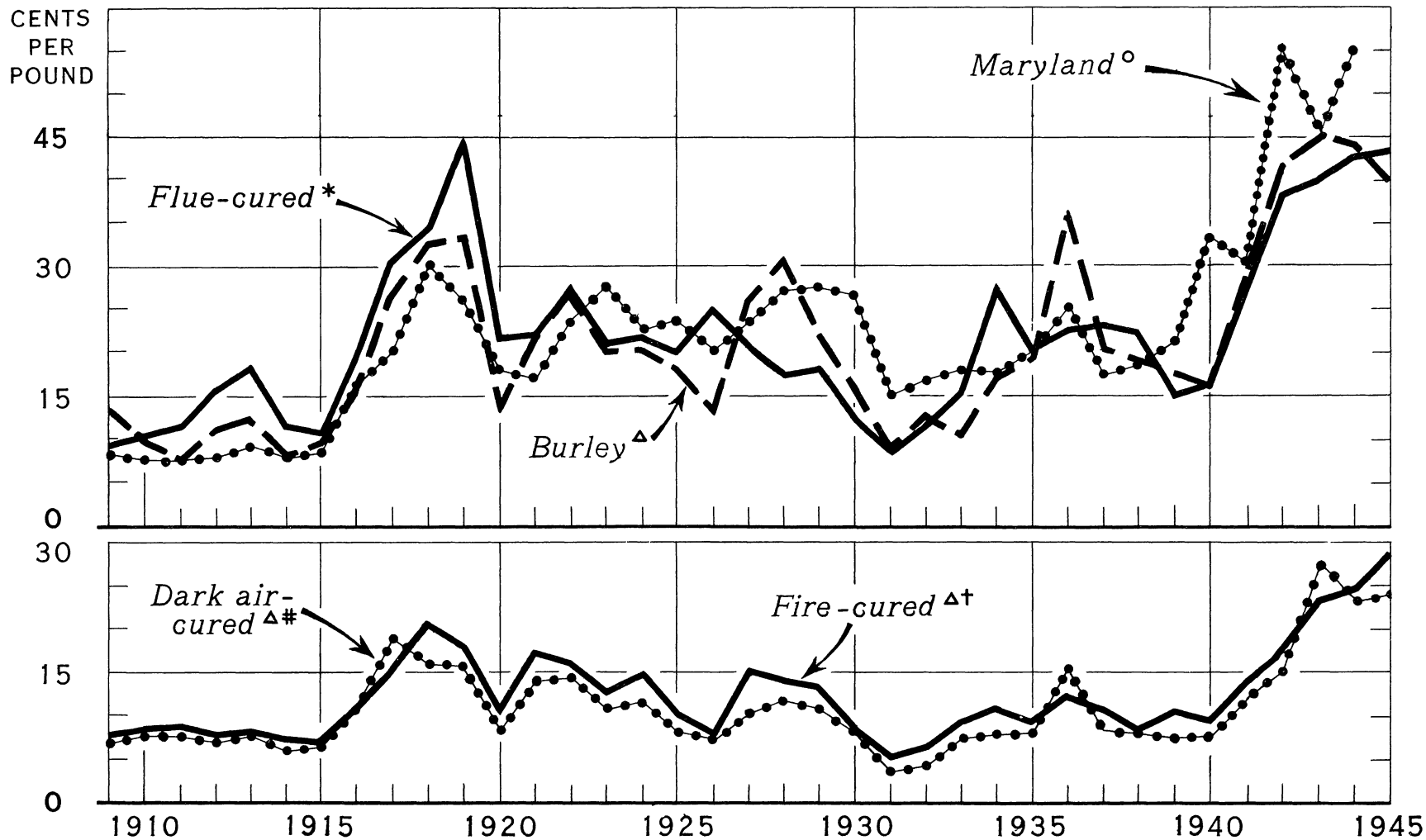
JANUARY 1946

FIRE-CURED TOBACCO: SUPPLY AND PRICE IN THE UNITED STATES, 1920-45



The supply of fire-cured tobacco is at the lowest level in many years, both actually and in relation to present and prospective requirements. Prices of fire-cured have advanced sharply since 1940, but the increase has not resulted in greater production. Exports have increased since the end of the war, and probably would increase further if supplies were available. Domestic consumption is expected to remain fairly stable because of the stability of snuff consumption.

TOBACCO: PRICES RECEIVED BY FARMERS, BY TYPES OR CLASSES, UNITED STATES, 1909-45



* YEAR BEGINNING JULY ° GROP OF YEAR INDICATED, SOLD FOLLOWING CALENDAR YEAR
 ▲ YEAR BEGINNING OCTOBER † 1909-18, EXCLUDING TYPE 36 ‡ 1909-18, EXCLUDING TYPE 24
 DATA FOR 1944 ARE PRELIMINARY; 1945 ESTIMATED

 T H E T O B A C C O S I T U A T I O N

Approved by the Outlook and Situation Board, February 1, 1946

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SUMMARY

The manufacture of tobacco products is continuing at a relatively high level, although below recent peaks. Domestic production of tobacco products during 1945 was at an all-time high, despite the sharp cut in military purchases after the end of the war and the drop in industrial employment and factory payrolls. Consumption of tobacco products in 1946 likely will be less than in 1945, but the extent of the decline will depend largely on the general level and distribution of consumer purchasing power.

Approximately 335 billion cigarettes were produced by domestic manufacturers in 1945, about 15 billion more than the previous record high of 1944. Of this total, about 275 billion were for domestic use and 60 billion were shipped overseas. October-December 1945 sales of revenue stamps were the highest in history. Domestic cigar consumption in 1945, at 5.1 billion was about at the pre-war average compared with a wartime peak of 6.2 billion in 1942. Consumption of chewing tobacco, smoking tobacco, and snuff is continuing at a high rate but also below recent peaks.

The supply of flue-cured tobacco is at an all-time high. However, when the supply is considered in relation to the prospective high level of domestic and export demand, it is lower than in most previous years. Buying of flue-cured tobacco for export this season has been particularly active. The supply of burley is at a record level, and in relation to prospective demand, is larger than any other type of tobacco. The supply of dark air-cured tobacco is also large. Like flue-cured, the supply of fire-cured is low in relation to prospective domestic and foreign demand.

Tobacco acreage goals for 1946 call for an increase in all major types except burley and dark air-cured. Flue-cured goals are 8 percent over 1945 harvested acreage, fire-cured 25 percent and other (including Louisiana and Maryland) 19 percent. Burley goals are 10 percent below 1945 actual acreage, and dark air-cured 5 percent below. These goals reflect the present level of stocks of the various types in relation to probable domestic and foreign requirements, as well as local conditions within each tobacco growing area. There will be marketing quotas and individual farm allotments on all types except cigar and Maryland.

Demand for leaf tobacco has been exceptionally strong again this season, and prices of most types except burley are at or near all-time highs. Growers of all types of tobacco are expected to receive about 900 million dollars from the 1945 crop, compared with 816 million from the 1944 crop, despite the sharp drop in burley prices after markets opened. The increased returns are principally the result of the large 1945 production, now placed at 2,041.8 million pounds, together with higher prices for flue-cured, dark and cigar types. All types of the 1945 crop, except cigar and dark tobacco, are covered by ceiling price regulations.

PRODUCTION AND CONSUMPTION OF TOBACCO PRODUCTS

Over-all production of tobacco products has probably declined somewhat in recent months, because of the sharp decrease in Government purchases for overseas shipments. It is likely that total production of tobacco products has passed its peak, and will be somewhat less during the next few months. The increase in domestic usage is not expected to completely offset the loss from overseas shipments. But in view of the long-term up-trend in cigarette consumption and the prospective high level of employment, prospects are bright for a high level of over-all domestic consumption of tobacco products during the next two or three years.

The over-all production of tobacco products in this country in 1945 (including cigarettes, cigars, chewing tobacco, smoking tobacco, and snuff) was at the highest level in the history of the industry. Despite the sharp reduction in Government purchases for overseas shipment after the end of the war, total output of most individual products topped their 1944 totals by a substantial quantity. The largest percentage increase was in smoking tobacco.

Cigarettes

During the calendar year 1945, approximately 335 billion cigarettes were produced by domestic manufacturers for domestic use and for overseas shipments, about 15 billion more than in 1944, and the largest number produced in any calendar year in the history of the industry. Of the total, an estimated 275 billion were tax-paid and about 60 billion were tax-free, most of which were shipped abroad. The present monthly rate of tax-paid withdrawals of cigarettes from manufacturing establishments is running above a year ago, but below the peak reached last October. Tax-paid withdrawals from manufacturing establishments would have been even larger in early 1945 if the armed forces had not taken so large a part of the cigarettes produced in late 1944. Tax-paid cigarettes during October-December 1945 totaled approximately 73 billion, 25 percent more than a year earlier.

Cigars

Tax-paid withdrawals during the last quarter of 1945 totaled about 1,356 million cigars, compared with 1,275 million during the same period a year earlier. As measured by sale of revenue stamps, output for sale in this country totaled approximately 368 million cigars in December, 472 million in November, 516 million in October, and averaged 418 million cigars a month in 1945. During the calendar year 1945, a little over 5 billion cigars were withdrawn tax-paid, compared with 4.8 billion in 1944, with 6.2 billion in 1942, and with a prewar (1934-38) average of 5.2 billion.

Smoking Tobacco

Production of smoking tobacco during the first 9 months of 1945, as reported by the Bureau of Internal Revenue, totaled 130 million pounds, almost 40 percent more than the 93 million reported for the first 9 months of 1944. Production in September totaled 14-1/2 million pounds, compared with 15-1/2 in August, and a monthly average of 14 million pounds during the first 9 months of 1945. Production of smoking tobacco declined during the war and reached a low

point of around 9-1/2 million pounds monthly during the first half of 1944. Production increased substantially after that time and during the 12-month period ended September 30, 1945, an average of about 15 million pounds were manufactured monthly, with a peak of about 17 million pounds in November 1944. Data on sales of revenue stamps for manufactured tobacco (chewing tobacco and smoking tobacco combined) indicate some reduction in smoking tobacco production since September. Production and consumption of smoking tobacco is higher now than during much of the war period, but still 15 to 20 percent lower than in the prewar years 1934-38.

Chewing Tobacco and Snuff

Production of chewing tobacco during the first 11 months of 1945 totaled 111.4 million pounds, slightly below production in the same period of 1944. Production in November totaled 8.6 million pounds, compared with 10.2 million pounds in October and with a monthly average of 10 million pounds during the 11 months January-November 1945.

As in the case of chewing tobacco, snuff consumption increased under war conditions, and in December was continuing near the wartime peak. Tax-paid withdrawals during December totaled 3.0 million pounds, compared with the 1945 monthly average of 3.7 million pounds. On a yearly basis, consumption of snuff reached an all-time peak of approximately 44 million pounds during 1945, compared with 42 million in 1944 and a prewar (1934-38) average of 37 million pounds.

FLUE-CURED, TYPES 11-14

Prices Near Record Levels;

Crop Value at All Time Peak

All flue-cured markets were closed for the season by January 18. 1/ The average price received by growers for the 1945 crop (types 11-14) was about 43.3 cents per pound, the highest since 1919 when the average was 44.4 cents and compares with 42.4 cents for the 1944 crop. The increase in prices this season over last and the record breaking 1945 crop resulted in an all-time high cash return to farmers of about 510 million dollars, compared with 463 million in 1944, the previous high, and with 212 million dollars for the 1919 crop.

Demand for flue-cured leaf was exceptionally strong throughout most of the season, and prices generally were well maintained. The relatively low level of stocks in this country and abroad, the availability of ocean shipping, and the bright outlook for domestic cigarette consumption were contributing factors. (For information on the 1945 flue-cured price regulation, see the July 1945 Tobacco Situation.)

1/ Most flue-cured markets were closed for the season by December 21. In the Old and Middle Belts, markets reopened January 8 for completion of sales of the 1945 crop. The opening and closing dates by Belts were: Georgia-Florida (type 14), July 24 to September 5; Border Belt (type 13), August 1 to October 5; Eastern North Carolina (type 12), August 21 to November 30; Middle Belt (type 11b), September 11 to January 18; Old Belt (type 11a), September 18 to January 18.

Disappearance at High Level;
Stocks Low in Relation to Demand

Disappearance of flue-cured (domestic consumption and exports) is continuing at an exceptionally high rate, although it appears to have declined somewhat from the wartime high. Disappearance reached an all-time annual peak of more than 1,152 million pounds during the 12 months ended June 30, 1945. With a slight decline in domestic consumption in prospect during the first half of 1946, disappearance of flue-cured during the 1945-46 season may be less than in 1944-45. The high rate of manufacturing during the last half of 1945 is attributable to the high level of domestic consumption of cigarettes and to the building up of inventories of tobacco products. With trade channels again well stocked and with relatively small Government purchases of tobacco products, domestic usage of flue-cured may decline during the next few months.

Some of the prospective decline in domestic disappearance during the next few months may be partly offset by increased exports. Exports have increased substantially since the early part of the war to about 450 million pounds (farm-sales weight) for the year ending June 30, 1945. Total exports during the 12-month period ending June 30, 1946, may total as much as 400 million pounds (farm-sales weight) and are expected to continue at high levels during the next two or three years. Several years of above average exports will be required to rebuild foreign stocks to prewar ratios. At the present time, cigarette consumption in Great Britain is still restricted but as increased supplies of leaf become available consumption is expected to rise above wartime levels. Should British consumption increase, larger holdings of leaf tobacco will be required as prior to the war, both in this country and in Great Britain, an upward trend in cigarette consumption was accompanied by increases in stocks.

Stocks of flue-cured on July 1, 1946, are expected to amount to about 1,200 million pounds, or slightly more than on July 1, 1945, when they totaled 1,126 million pounds. The 1945-46 supply of flue-cured is now placed at 2,302 million pounds, about 23 million pounds more than 1944-45. Although the supply is larger than for any previous year, it is low in relation to prospective domestic and export requirements.

Marketing Quotas in Effect in
1946-47 Season; Allotments
Increased 10 Percent

Flue-cured marketing quotas will be in effect during the 1946-47 season. Individual farm acreage allotments are 10 percent larger than in 1945.

Flue-cured acreage allotments for 1946 will total 1,250,000 acres, compared with 1,120,000 acres last year. If a normal proportion of the allotments are planted, and if yields are about the same as they were in 1945, production in 1946 will total about 1,300 million pounds of flue-cured, or 125 million pounds more than in 1945. The increase in flue-cured acreage in 1946 appears desirable, in view of the low level of stocks abroad, and the expected high level of postwar demand by foreign countries.

Despite the favorable outlook for flue-cured, it is likely that prices paid growers have reached their peak. In the future, price differentials between the various grades of tobacco will probably widen. The strong domestic and foreign demands for tobacco at or near ceiling prices, which were in terms of weighted averages, have prevented normal price spreads between the various qualities of leaf since the 1942 crop. Thus, growers who produce the better qualities in 1946 will be in a position to take advantage of these possible price shifts. The strong demand from Great Britain will likely continue for high-quality flue-cured tobacco.

Table 1.- Flue-cured tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-45 ^{1/}

Year	Production	Stocks July 1	Total Supply	Disappearance: year beginning July 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average :					
1934-38:	741.0	844.9	1,585.9	704.3	22.9
1939 :	1,170.9	946.3	2,117.2	707.5	14.9
1940 :	759.9	1,409.7	2,169.6	576.7	16.4
1941 :	649.5	1,592.9	2,242.4	783.0	28.1
1942 :	811.7	1,459.5	2,271.2	892.4	38.4
1943 :	790.2	1,378.8	2,169.0	980.2	40.2
1944 :	1,089.7	1,188.8	2,278.5	1,152.2	42.4
1945 ^{2/} :	1,175.4	1,126.3	2,301.7		^{3/} 43.3

^{1/} Farm-sales weight. ^{2/} Preliminary. ^{3/} Estimated.

BURLEY, TYPE 31

Average Prices Below Last Year;
Many Grades Below Ceilings

Sales of the 1945 crop of burley tobacco began December 3 with prices of a majority of the grades at the ceilings, which were the same as the prices established for the 1944 crop. During the first week, more than 85 million pounds (about 15 percent of the 1945 crop) were sold at an average of almost 47-1/2 cents per pound, about 3 cents higher than in the opening week of 1944.

Beginning with the second week of sales, considerable weakness developed in the market situation, and prices declined sharply with most grades below the ceiling. During the week of January 25, prices averaged about 36.7 cents per pound. Through January 25, gross sales amounted to approximately 455 million pounds, at an average price of 41.4 cents per pound. This corresponds with 44.8 cents for the corresponding period last year, and with an average of 44 cents for the 1944 crop. With almost 76 percent of the crop marketed, it appears that the season average price for the 1945 crop will be approximately 40 cents per pound, about 4 cents below last season. The decline in the average price this season is attributable to the unusually large crop and the stocks position in relation to prospective usage of burley tobacco. Although the decline in prices has been general for all grades, the largest decreases have been in heavy and red leaf. Prices for leaf suitable for cigarette manufacture have not declined as much.

As of December 1, the U. S. Department of Agriculture estimated 1945 production at 603 million pounds, an increase of 2 percent over the 1944 crop, and the largest crop ever produced. Although the season average price per pound will likely fall below last year, burley growers probably will receive a near record gross income from this season's crop.

Ceiling Prices by Grades

On November 27, the OPA announced a schedule of grade prices for the 1945 crop of burley which is the same as for the 1944 crop. The schedule for the 1944 crop was published in the January 1945 Tobacco Situation.

Supply at Record Level

Supplies of burley tobacco as of October 1, 1945, were estimated at 1,362 million pounds, the largest in history. It exceeds last season's supply by about 120 million pounds, and the prewar (1934-38) average by 374 million pounds. The present supply is not only large in actual quantity, but is large in relation to probable requirements. Disappearance during the marketing year 1944-45 was about 484 million pounds, a new record high, but substantially below the 1945 production of 603 million pounds. A disappearance of approximately 450 million pounds during 1945-46 season (larger than in any year except 1944-45) would leave a little over 900 million pounds in stocks on October 1, 1946. A carry-over of this size is greater than normal, in relation to probable disappearance of burley which is below its wartime peak. Burley disappearance is confined largely to domestic usage.

Table 2.- Burley tobacco: Domestic supplies, disappearance and season average price, average 1934-38, annual 1939-45 1/

Year	Production	Stocks October 1	Total Supply	Disappearance year beginning October 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average					
1934-38	287.2	700.9	988.1	314.5	22.2
1939	395.4	684.1	1,079.5	317.2	17.3
1940	375.3	762.3	1,137.6	339.6	16.2
1941	336.8	798.1	1,134.9	379.6	29.2
1942	343.5	755.3	1,098.8	412.8	41.8
1943	391.4	686.0	1,077.4	426.2	45.6
1944	591.5	651.2	1,242.7	<u>2/</u> 483.7	44.0
1945 <u>2/</u>	603.4	759.0	1,362.4		

1/ Farm-sales weight. 2/ Preliminary.

MARYLAND, TYPE 32

The situation with regard to Maryland tobacco has changed little since the last Tobacco Situation was issued in October 1945. The latest crop estimate placed the 1945 production at 21.6 million pounds, compared with 38.2 million in 1944, and with a prewar (1934-38) average of 27.5 million pounds. Although disappearance of Maryland during 1945 was at a high level, stocks on January 1, 1946, were about average because of the large 1944 crop. The supply available

for 1946, about 65 million pounds, is below the average for the war years, but about the same as prewar, when cigarette production was at a substantially lower level. Considerably more Maryland tobacco probably would be used by domestic manufacturers, if adequate supplies of the desired qualities were available.

Table 3.- Maryland tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-45. 1/

Year	Production	Stocks January 1 of following year	Total supply	Disappearance yr. beginning Jan. 1 of following yr.	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average 1934-38:	27.5	38.4	65.9	27.5	19.7
1939	32.8	36.3	69.1	25.9	21.1
1940	32.6	43.2	75.8	30.8	33.0
1941	31.2	45.0	76.2	28.5	30.1
1942	28.1	47.7	75.8	32.0	56.5
1943	20.8	43.8	64.6	27.0	45.3
1944	38.2	37.6	75.8	3/ 32.4	2/ 55.5
1945	2/ 21.6	3/ 43.4	3/ 65.0		

1/ Farm-sales weight. 2/ Preliminary. 3/ Estimated.

DARK TOBACCO

(Fire-cured, types 21-23 and Dark air-cured, types 35-37)

Demand Continues Strong;
Prices at or Near Peak Levels

Demand for dark tobacco is exceptionally strong again this season. Prices are at or near all-time peaks, with fire-cured prices considerably advanced over last season. Through the week ending January 25, 1946, gross sales of fire-cured (types 21-23) calculated from reports of the Tobacco Branch of PMA, amounted to 21.7 million pounds at an average of 30.2 cents per pound. This compares with an average of 24 cents during the corresponding period last season, and with an average of 24.5 cents for the full 1944 crop, the record high season average. Through January 24, over one-half of the 1945 crop of Virginia fire-cured (type 21) had been sold at an average of 31.5 cents per pound, 6.6 cents above the corresponding period last season. Through the same date, about 41 percent of the 1945 crop of type 23 had been sold at an average of 27.8 cents, compared with 21.7 cents last year. Type 22 markets opened January 15, and prices through January 23 averaged 30.5 cents, compared with 24.5 cents during the corresponding period last season.

So far this season, prices of dark air-cured (types 35-37) have averaged about the same as, or slightly higher than, for the same period a year earlier. Through January 25, 1946, gross marketings of One Sucker totaled 20.1 million pounds (about 68 percent of the crop) and sold at an average of 24.2 cents per pound, up 3 cents from the same period last year. Gross sales of Green River (type 36) through January 22 totaled 11.8 million pounds (approximately 73 percent of the crop) at an average of 24.8 cents per pound, which was about the same as last season's average. Sales of Virginia Sun-cured (type 37) averaged 32.9 cents through January 25, 2.4 cents above the corresponding period last year, and 1.4 cents over the average for the 1944 crop.

Fire-cured Supply Below Last Year;
Exports Larger

Stocks of fire-cured tobacco were reduced sharply last season. On October 1, 1945, they totaled only 132 million pounds, 40 million pounds less than on October 1, 1944, and were the lowest October stocks during the 34 years of record. The reduction is largely attributable to the sharp increase in exports after the end of the war in Europe. Since 1941, stocks have been lower each year than the preceding year, and production has equaled disappearance in only one year. The 1945-46 supply of fire-cured, 195 million pounds, is 43 million below last season, and about one-third less than the prewar (1934-38) average of 304 million pounds.

Disappearance last season totaled almost 106 million pounds. This was substantially above the average for the war years, but below the prewar average. Exports last season totaled about 57 million pounds, (farm-sales weight) compared with 18 million during the preceding 12 months. Domestic consumption, however, declined slightly. During the next two or three years domestic usage of fire-cured tobacco is expected to decline further, but it may not fall to the prewar level. On the other hand, exports probably would increase, if adequate supplies were available.

Dark Air-cured Stocks and
Supplies Larger

October 1 stocks of dark air-cured tobacco are placed at 60 million pounds, about 2 million above October 1, 1944, but 3 million below the 1934-38 average. The latest crop estimate placed the 1945 production at 48.6 million pounds. This gives a 1945-46 season supply of 109 million pounds, 7 million above a year earlier, and 11 million above the 1934-38 average. Disappearance last season, about 42 million pounds, exceeded the 1934-38 average by 3 million pounds. Any increase in production over the present level would result in a surplus of dark air-cured tobacco, unless accompanied by increased disappearance.

Marketing Quotas Approved by Growers
for 3-year Period; Acreage Allot-
ments Provided for Individual Farms

In a referendum held October 20, 1945, growers of fire-cured, Green River, and One Sucker approved by a vote of more than 9 to 1, marketing quotas for a 3-year period beginning with the 1946 crop. Under marketing quotas for 1946, individual farm acreage allotments will be 20 percent larger than the respective allotments in 1943 in the case of fire-cured tobacco and 10 percent larger in the case of Green River and One Sucker tobacco. Under the new allotments 80,000 acres of fire-cured are expected which compares with the 78,500 acre goal set last fall and with the 63,100 acres harvested in 1945. In the case of Green River and One Sucker, 40,000 acres are expected under the new allotments, compared with the 42,600 acres harvested in 1945.

Table 4.-Dark tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-45 1/

Year	Production	Stocks October 1	Total supply	Disappearance year beginning October 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
TOTAL ALL DARK TOBACCO					
Fire-cured types					
21, 24, and dark air-					
cured, types 35-37					
Average					
1934-38	145.7	257.0	402.7	162.0	10.0
1939	143.6	192.3	335.9	128.7	9.5
1940	150.1	207.2	357.3	99.7	9.0
1941	101.2	258.3	359.6	111.0	13.4
1942	106.7	248.6	355.3	110.2	16.4
1943	94.8	245.1	339.9	108.7	24.6
1944	108.6	231.2	339.8	2/ 147.6	24.0
1945 2/	111.5	192.2	303.7		
Fire-cured					
Total types 21-24					
Average					
1934-38	110.2	194.2	304.4	123.0	10.2
1939	99.4	136.2	235.5	93.9	10.6
1940	107.6	141.6	249.2	65.3	9.5
1941	69.7	183.9	253.6	69.0	14.1
1942	71.5	184.6	256.1	76.3	17.1
1943	64.8	179.8	244.6	71.1	23.4
1944	64.1	173.5	237.6	2/ 105.8	24.5
1945 2/	62.9	131.8	194.7		
Dark air-cured					
Total types 35-37					
Average					
1934-38	35.5	62.8	98.3	39.0	9.4
1939	44.2	56.1	100.3	34.7	7.3
1940	42.5	65.6	108.1	33.7	7.7
1941	31.5	74.4	106.0	42.0	12.0
1942	35.2	64.0	99.2	34.0	15.2
1943	30.0	65.3	95.3	37.6	27.2
1944	44.5	57.7	102.2	2/ 41.8	23.3
1945 2/	48.6	60.4	109.0		

1/ Farm-sales weight.

2/ Preliminary.

CIGAR TOBACCOLarger 1945 Crop Result of
Increase in Binder Types

The December 1 indicated production of all cigar tobacco in this country, 129.5 million pounds is slightly more than that grown in 1944, and 31 percent more than was grown annually during the prewar years 1934-38. Of the three separate classes, cigar filler types show a decrease of 2.4 million pounds from 1944 and wrapper types .3 million pounds. The slight total increase over 1944 is a result of the substantial increases in Wisconsin binder types 54 and 55. The 1945 crop of Miami Valley (types 42-44), 4,612,000 pounds, is 2,255,000 pounds below 1944, is 10,383,000 below the 1934-38 average, and is the smallest crop of these types on record. Among the wrapper types, a slight increase is indicated for Connecticut Valley shade-grown (type 61).

Stocks and SuppliesLower

Stocks of domestically grown cigar tobacco held by manufacturers and dealers on October 1, 1945, totaled 260 million pounds, 8 million pounds less than a year earlier, and 76 million pounds less than the 1934-38 average.

The 1945-46 season supply, 390 million pounds, is smaller than a year earlier, since the slight increase in the 1945 crop over 1944 was not sufficient to offset the decline in stocks. The October 1 filler supply of 200 million pounds was 5 million below a year earlier, but the binder supply was about the same. Wrapper supplies are larger than for a number of years past, although in relation to probable requirements, the supply is considered low. The increase this year over last in the supply of wrappers is attributable to an increase in the Connecticut Valley shade-grown (type 61). There was a slight decline in Georgia-Florida shade-grown (type 62).

Table 5.- Cigar tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-45 1/

Year	Production	Stocks : Oct. 1	Total : Supply	Disappearance : year beginning	Average : price per
	Million pounds	Million pounds	Million pounds	Million pounds	Cent
Average					
1934-38	3/ 99.2	335.7	434.9	123.8	17.1
1939	137.7	269.4	407.1	108.4	18.6
1940	144.0	297.5	441.5	146.1	17.4
1941	143.1	305.4	448.4	131.3	20.4
1942	118.5	317.2	435.7	143.2	25.8
1943	108.8	292.5	401.3	133.1	37.8
1944	127.8	268.2	396.0	4/ 135.8	36.0
1945 <u>4/</u>	129.5	260.2	389.7		

1/ Farm-sales weight.

2/ Stocks and disappearance for types 56 and 62 are as of July 1.

3/ Production was unusually low during this period.

4/ Preliminary.

Disappearance Expected to
Continue at High Level

Disappearance of cigar tobacco, largely through domestic manufacturing is expected to continue at a relatively high level during the remainder of this season. Disappearance of domestically produced types during the 12 months ended September 30, 1945, totaled 136 million pounds which was about the average for the years 1939-44 but well above the prewar years 1934-38. Each year since 1940 disappearance of cigar tobacco has exceeded production. Consumption of cigar leaf is higher now than in the prewar years and supplies are considerably lower.

Future-contract Purchases of 1945 Crop
Tobacco Prohibited by Government Order

Effective July 1, 1945, WFO 4.9 prohibited future-contract purchases of cigar filler (types 41-44) and cigar binder (types 51-55) of the 1945 crop. A similar order applied to the 1943 and 1944 crops of these types of tobacco. The purpose of this order was to assure a more equitable distribution of the crop, by halting the practices of buying tobacco in advance of the usual marketing dates. Normally, most cigar tobacco is sold after it is harvested, cured, and stripped.

Freeze Order Amended to Permit
Sales of 1945 Crops

On October 24, 1945, the U. S. Department of Agriculture announced an amendment to WFO 4.9. This amendment, effective November 12, permitted the sale of binder types 51, 52, and 53, grown largely in Connecticut and New York. Amendment 2 to the same order which became effective November 30, released types 54 and 55 for sale. On January 9, 1946, the original order 4.9 was terminated. This action released for sale the filler types (41-44), the only types not previously released from the terms of the order.

1945 Crop of Cigar Tobacco Exempt
From Price Control of OPA

On November 8, 1945, the OPA announced that there would be no ceiling on all types of domestically grown cigar tobacco of the 1945 crop. A substantial proportion of the 1945 crop of cigar leaf has been sold at prices materially above those of a year earlier.

Table 6.-Cigar tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-45 ^{1/}

Type and year	Production	Stocks October 1	Total Supply	Disappearance year beginning October 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Total filler types 41-44					
Average 1934-38	48.2	158.8	207.0	53.8	10.5
1939	62.3	139.5	201.8	53.2	11.6
1940	66.5	148.6	215.1	58.1	11.9
1941	71.5	157.0	228.5	61.8	12.4
1942	53.7	166.7	220.4	66.8	13.2
1943	47.4	153.6	201.0	55.6	18.6
1944	59.3	145.5	204.7	^{3/} 61.8	19.5
1945 ^{3/}	56.8	142.9	199.7		
Total binder types 51-56					
Average 1934-38	41.8	165.1	206.9	60.5	12.4
1939	63.2	116.6	179.8	45.0	16.6
1940	68.0	136.0	204.0	67.3	14.5
1941	61.5	136.7	198.2	60.4	16.9
1942	55.6	137.8	193.4	66.8	20.3
1943	51.4	126.6	178.0	69.4	30.3
1944	57.2	108.6	165.8	^{3/} 63.5	30.9
1945 ^{3/}	61.7	102.3	164.0		
Total wrapper types 61-62					
Average 1934-38	8.4	10.7	19.1	8.9	78.3
1939	11.4	10.8	22.2	9.3	67.7
1940	9.5	12.9	22.4	10.7	75.8
1941	10.1	11.7	21.8	9.1	98.4
1942	9.2	12.7	21.9	9.6	132.1
1943	10.0	12.3	22.3	8.1	168.0
1944	11.3	14.2	25.5	^{3/} 10.5	148.0
1945 ^{3/}	11.0	15.0	26.0		

^{1/} Farm-sales weight.

^{2/} Stocks for types 56 and 62 are as of July 1.

^{3/} Preliminary.

Table 7 .-Acreage and production of tobacco in the United States, by types, 1944 and 1945

Type	Acreage			Production		
	: 1944	: 1945	1/2 % Change	: 1944	: 1945	1/2 % Change
	: 1,000 : acres	1,000 acres	Percent	Million pounds	Million pounds	Percent
Total flue-cured, types 11-14	1,014.3	1,078.3	6.3	1,089.7	1,175.4	7.9
Old and Middle Belt, type 11	368.0	389.0	5.7	381.0	422.1	10.8
Eastern North Carolina, type 12	339.0	353.0	4.1	376.3	395.4	5.1
South Carolina, type 13,	193.0	213.0	10.4	222.0	233.0	5.0
Georgia and Florida, type 14	114.3	123.3	7.9	110.4	124.9	13.1
Total fire-cured, types 21-24	63.5	63.1	-0.6	64.1	62.9	-1.9
Virginia, type 21	14.9	16.0	7.4	14.2	15.6	9.9
Kentucky and Tennessee, type 22	33.0	33.0	0.0	34.2	33.4	-2.3
Kentucky and Tennessee, type 23	15.5	14.0	-9.7	15.5	13.8	-11.0
Henderson, type 24	0.1	0.1	0.0	0.1	0.1	0.0
Burley, type 31	500.6	531.6	6.2	591.5	603.4	2.0
Maryland, type 32	45.0	36.0	-20.0	38.2	21.6	-43.5
Total dark air-cured, types 35-37	40.4	46.1	14.1	44.5	48.7	9.4
One Sucker, type 35	22.1	27.2	23.1	24.9	29.4	18.1
Green River, type 36	15.0	15.5	3.3	16.5	16.3	-1.2
Virginia sun-cured, type 37	3.3	3.4	3.0	3.1	3.0	-3.2
Total cigar filler, types 41-44	39.9	39.4	-1.3	59.3	56.8	-4.2
Pennsylvania Seedleaf, type 41	33.6	35.3	5.1	52.4	52.2	-0.4
Miami Valley, types 42-44	6.3	4.1	-34.9	6.9	4.6	-33.3
Total cigar binder, types 51-56	36.4	39.9	9.6	57.2	61.7	7.9
Connecticut Valley broadleaf, type 51	7.8	8.2	5.1	13.0	13.4	3.1
Conn. Valley Havana Seed, type 52	6.8	6.6	-2.9	12.0	10.6	-11.7
N.Y. and Pa. Havana Seed, type 53	1.2	1.1	-8.3	1.6	1.5	-6.2
Southern Wisconsin, type 54	9.9	11.7	18.2	14.7	17.8	21.1
Northern Wisconsin, type 55	10.5	12.1	15.2	15.8	18.2	15.2
Ga. and Fla. sun-grown, type 56	0.2	0.2	0.0	0.1	0.22	55.0
Total cigar wrapper, types 61-62	10.5	11.2	6.7	11.3	11.0	-2.7
Conn. Valley shade-grown, type 61	7.3	8.1	11.0	7.7	7.4	-3.9
Ga. and Fla. shade-grown, type 62	3.2	3.1	-3.1	3.6	3.6	2/2.4
Total Miscellaneous	0.4	0.3	-25.0	0.2	0.22	-8.6
Louisiana Perique	0.4	0.3	-25.0	0.2	0.22	-8.6
Total all types	1,751.0	1,845.9	5.41	1,956.0	2,041.8	4.4

1/ Preliminary.

2/ Based on actual, not rounded figures.

Table 8.--Stocks of foreign-grown cigar, cigarette, and smoking tobacco, by types, as reported, combining unstemmed and stemmed, owned by dealers and manufacturers, in the United States, quarterly, 1940-45

Year and Type	Jan. 1	Apr. 1	July 1	Oct. 1
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Total foreign-grown cigar leaf:				
1940	14,637	16,252	17,194	15,942
1941	15,876	17,241	19,850	19,225
1942	19,311	18,911	19,695	21,411
1943	19,939	19,636	22,546	22,067
1944	23,634	24,985	23,606	21,191
1945	26,108	23,980	23,025	<u>1/</u> 23,368
Cuba (Havana), type 81:				
1940	6,495	6,810	6,942	7,156
1941	7,139	8,140	9,215	9,800
1942	9,539	10,107	11,899	13,193
1943	12,677	13,590	16,108	15,941
1944	18,084	19,704	19,103	17,356
1945	22,048	20,648	20,056	<u>1/</u> 20,585
Sumatra and Java, type 82:				
1940	2,170	1,720	3,016	2,659
1941	2,435	3,362	5,313	5,036
1942	5,913	6,212	5,954	6,608
1943	6,027	5,134	5,658	5,357
1944	4,839	4,698	4,015	3,534
1945	3,387	3,144	2,712	<u>1/</u> 2,421
Philippine Islands (Manila), type 83:				
1940	5,969	7,654	7,164	6,054
1941	6,197	5,712	5,199	4,236
1942	3,262	2,356	1,608	1,195
1943	864	635	539	461
1944	360	254	165	157
1945	109	68	45	<u>1/</u> 32
Other foreign-grown cigar leaf, type 84:				
1940	3	68	72	73
1941	105	27	123	153
1942	597	236	234	415
1943	381	277	241	308
1944	351	329	323	144
1945	564	120	212	<u>1/</u> 330
Total foreign-grown cigarette and smoking tobacco, type 90:				
1940	116,574	118,528	112,420	106,257
1941	101,733	98,583	108,802	99,487
1942	90,621	80,858	78,435	56,146
1943	76,792	67,989	57,494	56,390
1944	61,470	58,650	68,346	65,278
1945	56,025	49,345	78,286	<u>1/</u> 74,624

1/ Preliminary

Table 9.-Tax-paid withdrawals of tobacco products in the United States, fiscal years 1943-44 and 1944-45, January-November 1944-45 1/

Product	Fiscal year			January-November		
	1943-44	1944-45	Change	1944	1945	Change
	Millions	Millions	Percent	Millions	Millions	Percent
Small cigarettes	258,272	238,938	- 7.5	221,562	251,562	+ 13.6
Large cigarettes	10	83	2/ 698.3	22	82	2/ 277.3
Large cigars	4,878	4,893	+ 0.3	4,384	4,646	+ 6.0
Small cigars	143	112	- 21.7	133	93	- 30.2
Snuff 3/	42,731	43,004	+ 0.6	38,580	40,662	+ 5.4
Manufactured tobacco 3/ ..	250,412	275,383	+ 10.0	229,221	257,725	+ 12.4

1/ Tax-paid withdrawals include products from Philippine Islands and Puerto Rico. After January 1942 tax-paid withdrawals from Phillipine Islands are not included.

2/ Based on actual, not rounded figures.

3/ Thousand pounds.