

THE  
ECONOMIC  
LIBRARY

# Tobacco

SITUATION HD  
9131  
A27

BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE

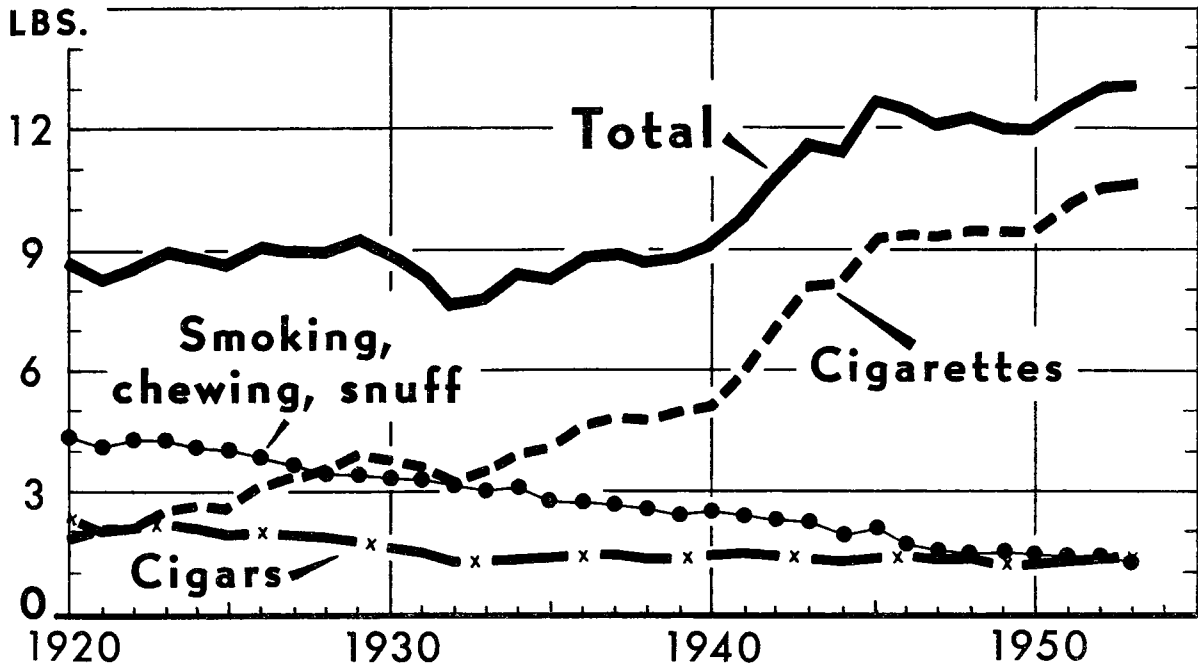
no. 66

TS-66



OCTOBER-DECEMBER 1953

## TOBACCO CONSUMPTION Per Capita, 15 Years Old and Over



UNSTEMMED PROCESSING-WEIGHT EQUIVALENT CONSUMED IN UNITED STATES AND BY OVERSEAS FORCES

U. S. DEPARTMENT OF AGRICULTURE

NEG. 48831-XX BUREAU OF AGRICULTURAL ECONOMICS

In 1953, tobacco consumption per person 15 years and over (in the United States and by overseas forces) was practically the same as the 1952 record. Cigarettes accounted for over four-fifths of the total. The daily average of cigarettes during 1953 is estimated at about 10 per day per person, including both smokers and nonsmokers—over twice the rate of late 1930's. A high level is expected to continue in 1954.

Cigar consumption per person during 1953 is estimated as being the highest in 5 years and close to the same rate is expected in 1954. The number per male, including both smokers and nonsmokers,

was about 109 per year compared with a yearly average of 113 in the late 1930's and 160 in the late 1920's.

The consumption of smoking tobacco, chewing tobacco, and snuff combined per person has been trending downward for many years and is estimated to be the lowest on record this year. The decline in chewing tobacco consumption has been almost uninterruptedly downward over the past 3 decades, while smoking tobacco began dropping sharply during the 1940's. The decline in snuff consumption per person has been fairly gradual.

## STATISTICAL SUMMARY

Item	Unit or base period	1952				1953				Last data available as percentage of a year earlier
		June	July	Aug.	Sept.	June	July	Aug.	Sept.	
Average prices at auctions										
Flue-cured	Cents per lb.	Closed	52.5	50.4	50.7	Closed	52.1	53.5	57.8	114
Burley	Cents per lb.		C - 1 - o - s - e - d				C - 1 - o - s - e - d			
Maryland	Cents per lb.	43.5	46.9	43.9	Closed	51.5	48.5	41.6	Closed	95
Fire-cured	Cents per lb.		C - 1 - o - s - e - d				C - 1 - o - s - e - d			
Dark air-cured (35-36)	Cents per lb.		C - 1 - o - s - e - d				C - 1 - o - s - e - d			
Virginia sun-cured (37)	Cents per lb.		C - 1 - o - s - e - d				C - 1 - o - s - e - d			
Parity prices										
Flue-cured	Cents per lb.	55.8	55.8	56.0	55.4	52.2	52.8	52.9	52.6	95
Burley	Cents per lb.	54.6	54.6	54.8	54.2	50.9	51.4	51.4	51.2	94
Maryland	Cents per lb.	58.9	58.9	59.1	58.5	55.0	55.6	55.6	55.4	95
Fire-cured	Cents per lb.	34.6	34.6	34.7	34.4	33.8	34.2	34.2	34.1	99
Dark air-cured (35-36)	Cents per lb.	30.3	30.3	30.4	30.1	29.7	30.0	30.0	29.9	99
Virginia sun-cured (37)	Cents per lb.	37.5	37.5	37.6	37.2	34.9	35.3	35.3	35.2	95
Parity index 1/										
	1910=100	287	286	287	285	276	278	278	277	98
Tax-paid withdrawals										
Cigarettes, small	Billion	36	34	36	35	33	30			88
Cigars, large	Million	496	504	485	527	510	490			97
Chewing and smoking	Mil. lb.	15	14	15	16	14	13			93
Snuff	Mil. lb.	3.1	2.1	3.5	3.1	3.3	2.7			129
Accumulated from Jan. 1										
Cigarettes, small	Billion	192	226	262	297	194	224			99
Cigars, large	Million	2,904	3,408	3,894	4,420	2,973	3,463			102
Chewing and smoking	Mil. lb.	89	103	118	134	85	98			95
Snuff	Mil. lb.	20	22	26	29	20	23			105
Tax-free removals										
Cigarettes, small	Billion	2	3	4	4	3	3			100
Cigars, large	Million	4	4	12	12	8	9			225
Chewing and smoking	Mil. lb.	.5	.3	.4	.5	.3	.3			100
Accumulated from Jan. 1										
Cigarettes, small	Billion	19	22	26	30	17	21			95
Cigars, large	Million	45	49	60	72	38	47			96
Chewing and smoking	Mil. lb.	3.1	3.4	3.8	4.4	1.7	2.0			59
Personal income 2/										
	Bil. dol.	267	264	267	274	286	288	287		107
Index of industrial production 3/										
	1935-39=100	204	193	215	228	240	232	236	234	103
Employment										
Labor force employed	Million	62.6	62.2	62.4	62.3	63.2	63.1	63.4	62.3	100
	Percent	97.2	97.0	97.5	97.7	97.6	97.6	98.1	98.0	100
Exports (farm-sales wt.)										
Flue-cured	Mil. lb.	25.4	22.7	32.2	47.7	27.7	21.5	38.6		120
Burley	Mil. lb.	1.5	3.6	3.8	4.3	5.7	3.2	2.4		63
Maryland	Mil. lb.	.3	.6	.2	1.0	.5	.9	1.4		700
Fire-cured	Mil. lb.	2.4	1.4	1.8	2.2	2.2	.8	1.6		89
Dark air-cured	Mil. lb.	.9	.2	.5	.3	.5	.4	.4		80
Cigar	Mil. lb.	.3	.5	.8	.9	.6	.7	.8		100
Accumulated from beginning of marketing yr. 4/										
Flue-cured	Mil. lb.	502.2	22.7	54.9	102.5	416.0	21.5	60.0		109
Burley	Mil. lb.	19.9	23.5	27.2	31.5	21.9	25.1	27.5		101
Maryland	Mil. lb.	4.7	5.3	5.5	6.6	4.7	5.6	7.0		127
Fire-cured	Mil. lb.	22.6	24.0	25.9	28.1	24.8	25.7	27.3		105
Dark air-cured	Mil. lb.	7.1	7.3	7.9	8.2	4.7	5.1	5.5		70
Cigar filler and binder	Mil. lb.	2.5	2.7	3.3	3.9	3.5	3.8	4.3		130
Cigar wrapper	Mil. lb.	3.6	.3	.6	.8	4.4	.4	.7		117
U.S. imports, all commodities										
Accumulated from Jan. 1	Mil. dol.	861	839	818	876	934	908	849		104
	Mil. dol.	5,408	6,248	7,066	7,942	5,631	6,539	7,388		105
Sterling area gold and dollar reserves 5/										
	Mil. dol.	1,685	1,716	1,672	1,685	2,367	2,456	2,469	2,486	148
Stocks of domestic types (farm-sales weight) 6/										
Flue-cured	Mil. lb.		1,731				1,852			107
Burley	Mil. lb.		1,205				1,302			108
Maryland	Mil. lb.		64				72			112
Fire-cured	Mil. lb.		160				160			100
Dark air-cured	Mil. lb.		80				83			104
Cigar, filler	Mil. lb.		218				214			98
Cigar, binder	Mil. lb.		147				134			91
Cigar, wrapper	Mil. lb.		21				19			90

1/ Prices paid, interest, taxes, and farm wage rates. 2/ Annual rate, seasonally adjusted. 3/ Adjusted for seasonal variation. 4/ July 1 for flue-cured and cigar wrapper and October 1 for other types. 5/ Held in London. 6/ Dealers' and manufacturers' holdings in United States and Puerto Rico on first day of quarter.

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 October 22, 1953

CONTENTS			
	Page		Page
Summary .....	3- 6	Imports and U. S. stocks ....	20-21
Tobacco products .....	6-13	Outlook & situation--leaf tob.	22-42
Cigarettes .....	6- 8	Flue-cured, types 11-14 ....	22-25
Cigars .....	8- 9	Burley, type 31 .....	25-27
Smoking tobacco .....	9-10	Maryland, type 32 .....	28-30
Chewing tobacco .....	10-13	Fire-cured, types 21-23 ....	30-33
Snuff .....	13	Dark air-cured, types 35-37	33-35
Exports of U. S. tobacco .	13-19	Cigar, types 41-62 .....	35-42
British tobacco situation	17-19	Tables--Acreage and yield ...	43-44

SUMMARY

The domestic demand for most kinds of tobacco is expected to continue firm in 1954. Exports of unmanufactured tobacco during the 1953-54 fiscal year are expected to be about as large as in 1952-53.

The large requirements for cigarette manufacture will maintain domestic demand for flue-cured, Burley, and Maryland tobacco. With some increase in the number of smokers and consumer income available for spending in 1954 expected to be about the same as this year, cigarette output is likely to remain high, close to the 1953 level. During the first 7 months of this year, cigarette consumption was almost the same as in the corresponding period of last year. Some increase in the average monthly rate may occur during August-December, and total output in 1953 seems likely to be around 438 billion. This would be only 0.6 percent above 1952 and the smallest gain in 4 years. About nine-tenths of total cigarette output is consumed in the United States and most of the remainder is shipped to overseas forces or exported.

Cigar consumption in the United States and by overseas forces in 1953 is estimated at about 6,150 million. This is nearly 2 percent above 1952 and above any year since in the decade ending with 1930 when consumption ranged between 6,200 and 7,400 million. Cigar consumption in 1954 seems likely to be maintained near the 1953 level.

The 1953 output of smoking tobacco, mainly for pipes and roll-your-own cigarettes, is estimated at around 92 million pounds--about 5 percent lower than in 1952 and the lowest this century. No appreciable pickup is expected in 1954.

The 1953 output of chewing tobacco, estimated at 84 million pounds, is about 1 percent below 1952. Although the rate of decline has slowed in the last 3 years, the gradual downtrend seems likely to continue in the years ahead.

The 1953 output of snuff is likely to be about 38 million pounds--slightly lower than last year's. Next year's output probably will be about as large as that estimated for this year.

The export prospects for 1953-54 appear at least as favorable as last year. The gold and dollar reserves of several important tobacco importing countries were notably higher by mid-1953 than a year earlier. There are other indications that economic conditions have improved in a number of countries in the past year or two. The trend towards greater cigarette consumption continues and stocks of United States tobacco are low relative to consumption in some countries. Offsetting factors are the high import duties and other restrictions on imports in several countries. Expanded tobacco production abroad is offering more competition to United States tobacco. In some countries, lack of dollar exchange will continue to limit tobacco imports from the United States.

The 1954 marketing quotas and acreage allotments for flue-cured, Burley, fire-cured, dark air-cured, and Virginia sun-cured tobacco will be announced by the Secretary of Agriculture by December 1. Growers of these tobaccos voted in favor of quotas on their 1954 crops in referenda held last year or previously.

Flue-cured tobacco production this year, according to the October estimate, is about 1,234 million pounds--one-tenth smaller than in 1952. Acreage for harvest was indicated to be about 7 percent less than in 1952. Hot, dry weather lowered yields particularly in the Old Belt area of North Carolina and Virginia. The increase in carryover largely offsets the decline in production and the total supply for 1953-54 is only slightly below the 1952-53 level. Domestic use of flue-cured in 1953-54 probably will exceed the record 1952-53 level. The trend towards more "king size" cigarettes is believed to be continuing. Flue-cured exports in 1953-54 are expected to be about as large as or possibly slightly above 1952-53, when they were 17 percent below 1951-52 but only 3 percent less than in 1950-51. In 1952-53, Britain, the leading foreign outlet, took only around one-half as much as in 1951-52, when her takings were around 40 percent above each of the 2 preceding years. Exports of flue-cured to Germany and Netherlands rose sharply from 1951-52 to 1952-53.

Marketings of 1953 crop flue-cured are well along and prices through October 16 averaged 55.4 cents per pound--about 9 percent more than in the comparable period of last season. The Government price support level is 47.9 cents per pound. Through October 9, growers placed about 4 percent of the deliveries under Government loan compared with 12 percent in the 1952 season.

Prices of the 1954 crops of flue-cured and Burley will be supported at 90 percent of parity. The fire-cured and dark air-cured price supports are calculated at 75 and 66 2/3 percent of the Burley support level. The September 1953 parities for flue-cured and Burley declined a little over 1 percent since last spring, when the minimum levels of support for the 1953 crop were announced.

According to the October estimate, Burley production is near 577 million pounds--11 percent below the record 1952 crop. The estimated increase in carryover more than offsets the decline in production and the 1953-54 total supply slightly exceeds the 1952-53 level. Domestic use of Burley, which accounts for around 94 percent of total disappearance, probably will be above that for 1952-53. Burley exports have held fairly stable for the past 3 years. Burley tobacco auctions usually begin around December 1. Demand for the cigarette grades is likely to be fairly strong. The Government price support level is 46.6 cents. Last year's crop averaged 50.3 cents per pound, only slightly below the record season average for a year earlier.

The total supply of fire-cured tobacco for 1953-54 is 4 or 5 percent below the level for each of the preceding 2 years. The October 1 estimate of this year's crop was one-tenth smaller than last year's harvestings and it may be the smallest on record. Yields per acre were reduced by drought conditions. The 1952-53 exports of these types were running ahead of the previous year. Auctions for the first marketings of fire-cured usually begin in late November in Virginia. The 1953 support level is 35.0 cents per pound. The 1952 season average for all fire-cured was 37.6 cents.

The total supply of dark air-cured tobacco for 1953-54 is estimated to be 1 to 2 percent below the 1952-53 level. Drought conditions substantially reduced the size of this year's harvestings and production may be the second or third smallest on record. However, the carryover was probably 5 percent above a year earlier. Marketings usually begin in the latter part of November. The Government price support level is 31.1 cents. The 1952 crop averaged 31.6 cents per pound.

In accordance with the law, the Secretary of Agriculture has proclaimed marketing quotas on the 1954 crops of Maryland tobacco, Pennsylvania filler tobacco, and other continental cigar filler and binder tobacco. Growers will vote on October 29 on whether they favor quotas for 1 year, 3 years, or are against quotas. The 1953 crops of Maryland and the cigar filler and binder types have been grown under quotas and acreage allotments. Pennsylvania growers voted against a quota on their 1953 crop. Under existing law, when quotas are in effect, price support is mandatory at 90 percent of parity but if disapproved, no price support can be made available. A two-thirds majority of the growers voting is necessary to place a quota in effect.

The total supply of Maryland tobacco for 1953-54 probably is 2 percent above 1952-53. The increase in carryover more than offsets the indicated 5 percent decrease in production. The 1953 crop will be marketed next spring and summer. The Government support level is 50.4 cents per pound. The 1952 crop averaged 49.7 cents per pound.

The 1953-54 supply of continental cigar filler is estimated at 9 percent lower than the 1952-53 level. The 1953 Pennsylvania crop is indicated to be even lower than last year's relatively small crop. The 1953-54 total supply of the combined binder types is approximately 7 percent below the 1952-53 level, due mostly to the drop in carryover. The 1953 production of the binder types is indicated at 2 percent below 1952 and the smallest since 1936. The average levels of 1953 price support for the 7 eligible cigar filler and binder types or groups of types range from 25.4 cents to 53.4 cents.

The 1953-54 supply of domestically grown cigar wrapper tobacco is 7 percent below 1952-53 and the lowest since 1948-49. Both carryover and production are lower than a year earlier. Exports of wrapper in 1952-53, accounting for one-fourth of total disappearance, were 22 percent above a year earlier.

## TOBACCO PRODUCTS

Cigarettes

Cigarette output in the United States is expected to total about 438 billion this year and continue at about this record or near record level in 1954. About nine-tenths of total output is consumed domestically. Although the number in the age brackets that compose the cigarette market is not growing as rapidly as total population, it is increasing at an average of about 1 percent per year. With a larger number of smokers in 1954 and consumer incomes expected to be only a little below this year's, cigarette consumption in this country will remain relatively high.

Consumption in this country, as indicated by tax-paid removals, ran higher than a year earlier during the first quarter but during April-July, was about 5 1/2 percent below that of the corresponding months in 1952. Some increase in the monthly rate during August-December seems likely, and domestic consumption for the year may reach 398 billion. This would be only about 1 percent above 1952, the smallest rate of gain since the war except from 1948 to 1949.

Table 1.- Cigarettes: Output, domestic consumption, and exports, for specified periods

Period	Total output	Domestic consumption: 1/	Tax-free removals 2/	
			Total Billion	Exports Billion
Average:	Billion	Billion	Billion	Billion
1925-29	3/107.5	98.2	3/9.3	9.0
1935-39	164.2	157.0	7.2	5.5
1940-44	256.9	223.5	33.3	5.8
1945	332.2	267.2	65.0	6.9
1946	350.0	321.7	30.7	24.1
1947	369.7	335.4	34.3	22.8
1948	386.8	348.5	38.7	25.2
1949	385.0	351.8	33.2	19.5
1950	392.0	360.2	31.8	14.3
1951	418.8	379.7	38.9	16.8
1952	435.5	394.1	40.9	16.4
1953 4/	438.0	398.0	40.0	17.5

1/ As indicated by tax-paid removals. 2/ In addition to exports, tax-free removals include principally shipments to forces overseas, to United States possessions, and ships' stores. 3/ Includes output in bonded factories. 4/ Estimated.

Bureau of Agricultural Economics. Basic data but not estimates compiled from reports of the United States Treasury and Commerce Departments.

Retail prices of cigarettes were increased about 5 percent in late February and early March, and are about one-sixth above the pre-Korean level. Extra length or "king size" cigarettes containing more tobacco per cigarette are obtaining an increasing share of the market according to private estimators. It is not known whether the average smoker preferring "king size" cigarettes tends to smoke fewer than the average smoker of regular size cigarettes. The greater proportion of the smokers now smoking "king size" are very probably those who formerly smoked regular size cigarettes.

A substantial proportion of the "king size" sell at retail for the same or practically the same price as the regular size. The "premium king size" cigarettes sell at about 5 1/2 percent more per package of 20.

Under existing legislation, the Federal excise tax of 8 cents per package of cigarettes will revert on April 1, 1954, to 7 cents--the rate in effect from November 1, 1942, to November 1, 1951. The President's budget message to the Congress on May 20, 1953, included the statement: "The reduction in excise taxes, which would take place next April 1 under present law, should be rescinded pending the development of a better system of excise taxation."

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

Country	Average 1934-38	1951	1952	1952 as per- centage of 1951	January-July		
					1952	1953	1953 as per- centage of 1952
	Million	Million	Million	Percent	Million	Million	Percent
Tangier & Fr. Morocco	12	1,850	2,271	123	1,166	1,178	101
Venezuela	39	1,700	1,570	92	958	795	83
France	307	739	852	115	430	544	127
Netherlands Antilles	1,221	769	846	110	494	485	98
Panama & Canal Zone	389	658	817	124	465	449	97
Belgium	63	878	814	93	322	565	175
Hong Kong	22	1,199	710	59	353	527	149
Switzerland	16	853	701	82	441	230	52
Philippines, Rep. of	2,544	1,214	693	57	569	284	50
Sweden	80	600	654	109	355	558	157
Other countries	77	6,348	6,424	101	3,549	4,105	116
Total all countries	4,770	16,808	16,352	97	9,102	9,720	107

1/ Preliminary.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

In addition to the Federal Government, 41 States, the District of Columbia, Alaska, and Hawaii tax cigarettes. Some States also tax other tobacco products. Rates of tax vary considerably and hence often account for differences in retail prices of cigarettes among States. Also a substantial number of cities (including New York since May 1952 and Chicago since October 1, 1953) collect a tax on cigarettes. In the 1952-53 fiscal year, the Federal Government collected \$1,587 million in cigarette taxes and 41 State Governments collected \$467 million in tobacco taxes (probably over nine-tenths of which was on cigarettes). The dealer discounts or "commissions" allowed for collection of the State taxes are excluded from this total.

The tax-free category of cigarettes in 1953 seems likely to be almost as large as the 41 billion total in 1952. Over half of the tax-free cigarettes go for overseas use, mostly by the armed forces, merchant marine, and others. The remainder are mostly exported to foreign countries. Exports of cigarettes in 1953 may exceed the 1952 figure. During the first 7 months of the year, they averaged nearly 7 percent above the comparable period of 1952. Annual cigarette exports represent an equivalent farm-sales weight of around 50 million pounds--roughly one-tenth of total United States exports of manufactured and unmanufactured tobacco.

### Cigars

Cigar consumption in the United States and by overseas forces in 1953 is expected to approach 6,150 million--nearly 2 percent above 1952 and 6 percent above 1951. The 1953 consumption will exceed any other year since 1930, although consumption was near 6 billion in 1941, 1942, and 1946. In the decade ending with 1930, cigar consumption ranged between 6.2 and 7.4 billion.

Cigar consumption in 1954 seems likely to be maintained near the 1953 level. Personal income is expected to decline by a relatively small amount from the peak level of 1953. Manufacturers' prices of cigars have continued relatively stable. The September index averaged 1.4 percent above a year ago and 3.5 percent above the 1947-49 average. Slight increases in manufacturers' prices occurred in the medium- and high-priced categories between June and July of this year.

During the first 7 months of 1953, the number of cigars selling at 4.1 to 6.0 cents averaged nearly 2 percent above the comparable period of 1952 and 11 percent above the same period of 1951. This price group includes the cigarillos. The number of cigars in the 8.1-to-15.0-cent price group was nearly 1 percent above the January-July total in 1952 and 4 1/2 percent above the comparable period of 1951. These two groups accounted for four-fifths of all cigars. The number of higher-priced cigars--over 15 cents--during January-July 1953 exceeded those in the comparable periods of 1952 and 1951 by 6 and 17 percent, respectively.

Domestic factories provide the great bulk of the cigars consumed in this country. Bonded manufacturing warehouses, which use only imported tobacco and imported ready-made cigars from Cuba, account for about two-fifths of the higher-priced cigars--over 15 cents.

Although still small in comparison with the total, cigars from Puerto Rico and also the Philippine Republic increased very sharply above the number shipped a year earlier.



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

Period	Domestic factories				Imports for consumption			From Puerto Rico: Tax-paid with-
	Total output	Tax-paid removals	Tax-free removals	Tax-paid removals	Total	From Philip-pines	From Cuba	drawals in United States
Average:	Million	Million	Million	Million	Million	Million	Million	Million
1925-29:	6,474	6,454	21	28	218.0	190.0	28.0	166.0
1935-39:	5,075	5,060	13	66	192.4	189.2	3.0	27.4
1940-44:	5,450	5,282	199	105	93.7	78.4	15.3	11.6
1945	5,275	4,774	469	82	60.0	.0	59.8	85.3
1946	5,618	5,621	26	125	22.2	2.0	20.1	77.8
1947	5,488	5,460	41	124	12.5	3.2	9.1	6.2
1948	5,645	5,588	38	140	11.8	1.4	10.3	5.0
1949	5,453	5,399	46	142	10.9	.6	10.2	4.6
1950	5,399	5,365	47	158	11.9	.7	11.1	.7
1951	5,594	5,518	85	171	14.3	1.3	13.0	.7
1952	5,825	5,752	101	180	14.6	1.9	12.5	1.9
1953 2/	5,950	5,850	95	185	16.5	3.5	13.0	4.0

<sup>1/</sup> Weighing over 3 pounds per 1,000 and including cigarillos. <sup>2/</sup> Estimated.

Bureau of Agricultural Economics. Basic data but not estimates compiled from reports of the Bureau of Internal Revenue and the United States Department of Commerce.

The number of tax-free cigars being sent to overseas forces remains well above the pre-Korean figure. During January-July 1953, commercial exports of cigars, constituting about 7 percent of the tax-free total, ran well ahead of the comparable months of a year earlier. For 1953 as a whole, cigar exports will be the largest since 1948, although probably amounting to only around 1 percent of total output in this country.

Smoking Tobacco

The output of smoking tobacco in 1953 is expected to be around 92 million pounds--5 percent less than in 1952, 9 percent less than in 1951 and the smallest this century. Major uses of smoking tobacco are for pipes and roll-your-own cigarettes. Smoking tobacco is generally a more economical form of tobacco consumption. With the relatively high consumer income of recent years, the annual use of smoking tobacco has been less than one-half that of the 1930's, when consumer incomes were substantially lower. The 1954 consumption of smoking tobacco seems likely to remain near the low level of recent years.

Consumption of roll-your-own cigarettes, as indicated by tax stamps for cigarette papers, was over 11 percent smaller in January-July 1953 than in the same period of 1952. Tax-paid cigarette papers probably

accounted for around two-fifths of total cigarette papers for roll-your-own cigarettes. Current monthly data on tax-free cigarette papers (those given away in books of less than 50) are not available.

Manufacturers' prices (excluding tax) of smoking tobacco increased 3.3 percent between February and March but since, have eased downward. In September, they were one-half of 1 percent above a year earlier and 15 percent above the pre-Korean level.

Exports of packaged smoking tobacco in January-July 1953 at 376,000 pounds was 8 percent ahead of the comparable figure for a year earlier. Exports of manufactured tobacco shipped in bulk at nearly 2 1/2 million pounds were far ahead of those in the first 7 months of 1952; for 1953 as a whole, they will exceed each of the previous 6 years by a substantial margin. Very sharp increases occurred in shipments of bulk smoking tobacco to the Philippine Republic, Spain, Mexico, and the Dominican Republic

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

Period	Chewing						Snuff
	Smoking	Plug	Twist	Fine-cut	Scrap	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average:							
1925-29:	161.1	104.5	8.8	6.2	77.4	196.9	39.6
1935-39:	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44:	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5
1952	96.8	39.1	4.8	2.8	38.3	85.0	38.7
1953 1/	92.0	38.7	4.8	2.8	37.7	84.0	38.0

1/ Estimated.

Bureau of Agricultural Economics. Basic data but not estimates compiled from reports of the Bureau of Internal Revenue.

#### Chewing Tobacco

The 1953 output of chewing tobacco is estimated at 84 million pounds--about 1 million pounds less than in 1952. The rate of decline in chewing tobacco has been slower in the last 3 years than in the 1947-50 period but a gradual downward trend seems likely to continue in the years ahead.

Table 5.- Tobacco products: Consumption per capita,  
15 years and over, 1920-53.

(Unstemmed-processing weight)

Year	Cigarettes		Cigars		Smoking, chewing, and snuff		Total tobacco products	
	In U. S. and by U. S. forces 1/		In U. S. and by U. S. forces 1/		In U. S. and by U. S. forces 1/		In U. S. and by U. S. forces 1/	
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1920	1.89		2.45		4.33		8.67	
1921	2.08		2.00		4.14		8.22	
1922	2.15		2.16		4.28		8.59	
1923	2.51		2.21		4.26		8.98	
1924	2.70		2.06		4.06		8.82	
1925	2.63		1.99		4.04		8.66	
1926	3.17		1.99		3.88		9.04	
1927	3.42		1.94		3.60		8.96	
1928	3.58		1.91		3.44		8.93	
1929	3.91		1.86		3.44		9.21	
1930	3.84		1.67		3.34		8.85	
1931	3.63		1.53		3.29		8.45	
1932	3.21		1.24		3.19		7.64	
1933	3.49		1.23		3.07		7.79	
1934	3.95		1.29		3.10		8.34	
1935	4.11		1.30		2.80		8.21	
1936	4.61		1.40		2.81		8.82	
1937	4.81		1.40		2.74		8.95	
1938	4.76		1.31		2.68		8.75	
1939	4.94		1.32		2.56		8.82	
1940	5.14	5.17	1.36	1.36	2.60	2.60	9.10	9.13
1941	5.92	5.98	1.43	1.43	2.42	2.42	9.77	9.83
1942	6.86	7.07	1.42	1.42	2.29	2.28	10.57	10.77
1943	7.52	8.08	1.29	1.30	2.22	2.21	11.03	11.59
1944	6.98	8.15	1.21	1.24	2.00	1.98	10.19	11.37
1945	7.89	9.28	1.25	1.28	2.13	2.07	11.27	12.63
1946	8.87	9.36	1.37	1.38	1.60	1.60	11.84	12.34
1947	9.06	9.26	1.30	1.30	1.52	1.52	11.88	12.08
1948	9.20	9.41	1.32	1.32	1.47	1.47	11.99	12.20
1949	9.17	9.36	1.17	1.17	1.45	1.44	11.79	11.97
1950	9.16	9.36	1.18	1.18	1.42	1.41	11.76	11.95
1951	9.64	9.98	1.18	1.19	1.31	1.31	12.13	12.48
1952	10.00	10.44	1.23	1.23	1.27	1.26	12.50	12.93
1953 <sup>2/</sup>	10.09	10.50	1.24	1.25	1.20	1.19	12.53	12.94

1/ Data are not available to adjust for quantities that were lost, destroyed, bartered, etc., under war and postwar conditions, but in relation to totals, such adjustments probably would be small. 2/ Preliminary estimate.

Table 6.- Index numbers of tobacco consumption per capita,  
15 years and over, by products, 1920-53<sup>1/</sup>

(1947-49 = 100)

Year	Cigarettes: 2/	Cigars: 2/	Smoking: 3/	Chewing: 3/	Snuff: 3/	Total: 2/
1920	20	194	200	358	133	72
1921	22	158	203	315	129	68
1922	23	172	227	326	136	71
1923	27	175	209	326	137	74
1924	29	163	219	302	133	73
1925	28	158	216	299	126	72
1926	34	158	209	293	125	75
1927	37	153	197	273	130	74
1928	38	151	188	260	129	74
1929	42	147	185	248	125	76
1930	41	132	192	221	123	73
1931	39	121	211	192	120	70
1932	34	98	219	154	109	63
1933	37	97	216	145	107	64
1934	42	102	213	144	109	69
1935	44	103	211	142	104	68
1936	49	111	210	141	108	73
1937	52	111	201	139	104	74
1938	51	104	211	127	103	72
1939	53	104	210	121	104	73
1940	55	108	210	117	102	76
1941	64	113	199	121	106	81
1942	76	112	173	129	109	89
1943	87	103	155	131	113	96
1944	87	98	141	139	109	94
1945	99	102	165	129	112	105
1946	100	110	103	121	101	102
1947	99	103	100	106	99	100
1948	101	104	101	101	101	101
1949	100	92	100	93	100	99
1950	100	93	97	90	97	99
1951	107	94	90	88	94	103
1952	112	97	85	86	92	107
1953 <sup>4/</sup>	112	99	79	82	89	107

1/ Including overseas forces beginning 1940. 2/ Based on unstemmed-processing weight equivalents. 3/ Based on manufactured weights.  
4/ Preliminary estimate.

Plug and scrap chewing account for over nine-tenths of the chewing tobacco. Both of these categories are expected to total a little lower than in 1952 while twist and fine-cut chewing seem likely to be approximately the same as last year.

About 97 percent of the chewing tobacco is tax-paid consumption and most of the remainder is tax-free use by overseas forces or exports. In January-July 1953, exports of chewing tobacco were less than three-quarters of a million pounds--the lowest for the 7-month period since 1945. The declared value per pound of exported chewing tobacco in January-July 1953 was 6½ percent higher than the 1952 average. Shipment for tax-free purposes other than export were much lower than in January-July 1952.

Manufacturers' prices (excluding tax) have increased only once (November 1951) in the past 6 ¾ years. In September, the Bureau of Labor Statistics index of plug chewing tobacco prices was one-eighth above the pre-Korean level.

#### Snuff

The 1953 output of snuff is expected to total about 38 million pounds--slightly lower than in 1952. Next year's output probably will be about as large as that estimated for this year. Practically the entire output is consumed in this country--mainly in the South and certain areas of the northwest. Total consumption in the past 30 years has varied within a comparatively narrow range--36 to 41 million pounds; except for the high war years, 1943-45, when it averaged 43 million. Consumption per capita, 15 years and over, is estimated in 1953 to be 11 percent below the 1947-49 average--14 percent below 1937-39 and 28 percent below 1927-29.

Manufacturers' prices (excluding tax) for snuff remained constant from November 1951 through September 1953 at 19 percent above its pre-Korean level.

#### EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Exports of unmanufactured tobacco in 1953 seem likely to be around 470 million pounds (declared weight)--around one-sixth larger than the postwar low of 1952. This estimated increase is largely because last fall the United Kingdom postponed the shipment of a substantial quantity of tobacco until the spring of this year. Normally, the major proportion of British tobacco purchases are shipped in the latter half of the calendar year. Assuming that occurs this year, the major proportion of the purchases from the 1952 and 1953 crops will be recorded in the exports of the 1953 calendar year.

---

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

Table 7.- Value of United States agricultural exports and unmanufactured tobacco exports with percentage distribution by principal commodities for specified periods

Agricultural commodities	Calendar year				Fiscal year		
	Average 1920-29	Average 1930-39	Average 1941-45	Average 1946-50	1950-51	1951-52 <sup>1/</sup>	1952-53 <sup>1/</sup>
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
Total	2,076	785	1,675	3,410	3,411	4,053	2,815
Unmfd. tobacco	164	117	138	268	274	327	285
Percentage distribution							
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Cotton and linters	40.9	45.0	9.4	19.3	27.6	29.7	20.5
Wheat and flour	16.5	7.6	5.7	28.1	22.0	26.5	24.3
Unmfd. tobacco	7.9	14.9	8.1	7.9	8.0	8.1	10.1
Other grains <sup>2/3/</sup>	7.3	4.3	5.0	11.2	14.4	12.5	17.2
Fruit <sup>2/</sup>	4.7	11.1	5.9	4.0	3.1	3.0	4.8
Pork	5.1	2.6	11.3	.8	.6	.6	.8
Lard	5.6	3.3	5.9	2.4	2.3	3.1	1.8
Dairy products	1.5	.9	11.2	6.1	3.1	2.4	2.6
Eggs and products	.4	.1	11.2	2.0	.8	.6	.8
Vegetables <sup>2/</sup>	1.1	1.7	4.9	3.7	2.0	2.6	3.5
Vegetable oils	.8	.6	2.6	2.0	3.4	2.9	1.3
Other	8.2	7.4	13.3	12.0	12.2	8.0	12.3

<sup>1/</sup> Preliminary

<sup>2/</sup> Including preparations.

<sup>3/</sup> Mainly corn, rice, barley, and grain sorghums.

On a fiscal or marketing year basis, the 1953-54 exports of unmanufactured tobacco are expected to be about as large as the 1952-53 estimate of 445 million pounds (roughly 500 million pounds farm-sales weight). A number of important foreign countries that import significant quantities of United States tobacco improved their economic position by mid-1953 over the previous year or two. Sterling area gold and dollar reserves, after declining from the mid-1951 high of 3.8 billion dollars to an average of 1.7 billion in mid-1952, rose gradually and averaged 2.5 billion during the

third quarter of 1953. Between June 30, 1952, and June 30, 1953, short-term liabilities to foreigners by banks in the United States (principally demand deposits and United States Government obligations) increased for such important tobacco importers as the United Kingdom, Germany, Netherlands, Switzerland, Sweden, Norway, Denmark, Portugal, Australia, Japan, Thailand, and France. They decreased moderately in the case of Belgium and the Philippine Republic but sharply for Indonesia and Egypt. Gold reserves were up substantially in Netherlands and moderately in Portugal. Small increases occurred in France, Switzerland, Norway, Sweden and Spain but declines occurred in Belgium and Indonesia. The countries of western Europe usually take around three-fourths of totaled United States tobacco exports. In 13 countries of western Europe, all of which import United States tobacco, population increased about 7 million and the labor force expanded by over 3½ million between 1943 and 1952. In some countries there is a continuation of the trend toward greater cigarette consumption. In Germany, the tax reductions this year on tobacco products were followed by a significant increase in cigarette consumption. In general, the stocks of United States tobacco held in foreign countries are low relative to consumption.

High import duties and restrictions on imports by a number of countries tend to offset the factors which favor sizable tobacco exports from this country. Also, other surplus producing areas are offering more competition and some importing countries meet more of their requirements by raising more of their own tobacco. Turkey and Greece have 1953 crops of oriental tobacco that are estimated to be substantially larger than in 1952. France and Algeria have indicated increases in 1953 in dark air-cured tobacco. In Italy, preliminary estimates for 1953 exceed 1952 in oriental, dark air-cured, and light air-cured but flue-cured and fire-cured appear to be slightly below a year earlier. Flue-cured production in Japan in 1953 is estimated to be substantially larger than in 1952. The major surplus producers of flue-cured that supply the United Kingdom are discussed under the British Tobacco Situation.

The principal means by which foreigners secure dollar exchange to buy United States products is through this country's imports. United States imports continued at a high level during the first two-thirds of 1953. The preliminary estimate for January-August 1953 was 7.4 billion dollars--5 percent above the corresponding period in 1952.

During January-July 1953, exports of unmanufactured tobacco from the United States were more than one-fourth larger than in the corresponding period of 1952. The substantial British takings were the major reason for the increase. If the United Kingdom is excluded, the figures for the first 7 months in both years are practically the same with increases by some countries just about offsetting decreases by others. (See table 3.) By types or groups of types, flue-cured, Burley, Maryland, cigar wrapper, and cigar binder showed increases in January-July 1953 over a year earlier. There was comparatively little change in Virginia fire-cured, Kentucky-Tennessee fire-cured, and Black Fat but sharp declines in exports of One Sucker, Green River, cigar filler, and Virginia sun-cured.

Table 8.- United States exports of unmanufactured tobacco, to principal importing countries, by types, for specified periods

(Declared weight)

Country and type	Average			1951 1/	1952 1/	January-July		1953 as percent- age of 1952
	1924-28	1934-38	1946-50			1952 1/	1953 1/	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	2/324.0	324.9	410.3	433.8	319.3	147.9	195.7	132
Burley	8.9	11.6	34.8	25.2	27.0	13.4	15.3	114
Maryland	14.3	5.5	7.0	8.0	5.8	3.5	4.2	120
Va. sun-cured					.3	.2	3/	
Va. fire-cured	22.6	9.7	6.7	4.5	4.9	1.8	1.8	100
Ky. & Tenn. "	2/126.6	53.7	24.9	29.2	21.8	12.1	11.5	95
One Sucker	3/	.7	3.1	3.6	1.5	.9	.6	67
Green River	15.8	3.0	1.8	1.9	2.3	2.0	1.3	65
Black Fat, etc.	2/2.0	9.0	4.8	4.9	3.2	1.9	1.9	100
Cigar wrapper	)	)	)	3.5	3.1	1.5	2.4	160
Cigar binder	) .8	) 1.3	) 9.4	2.9	2.8	1.0	1.9	190
Cigar filler	)	)	)	.5	.8	.4	.3	75
Perique	2/.1	.1	.1	.1	.1	3/	3/	
Stems, trimmings and scrap	12.0	17.8	11.7	4.0	3.6	1.9	1.4	74
<b>Total</b>	<b>527.1</b>	<b>437.3</b>	<b>514.6</b>	<b>522.1</b>	<b>396.5</b>	<b>188.5</b>	<b>238.3</b>	<b>126</b>
Country of destination:								
United Kingdom	164.8	213.9	205.9	223.4	54.7	18.3	69.4	379
France	34.6	21.0	12.6	10.0	6.7	2.4	2.5	104
Belgium	21.1	15.5	22.6	29.6	15.6	9.2	5.7	62
Netherlands	31.5	15.6	34.9	24.3	36.2	19.6	18.9	96
Germany	34.0	12.8	39.6	47.7	79.1	32.9	34.6	105
Portugal	4.4	4.8	9.5	6.0	5.0	3.5	5.7	163
Denmark	5.2	4.6	10.4	9.1	9.5	4.3	3.8	88
Ireland	3.8	7.4	17.2	17.6	16.4	7.7	2.6	34
Switzerland	2.8	3.8	13.4	12.4	10.7	5.2	6.2	119
Norway	4.1	4.7	8.8	6.6	7.8	3.8	4.0	105
Sweden	4.7	7.2	11.9	15.0	13.0	1.6	1.0	63
Italy	7.8	1.1	6.6	2.2	2.9	2.8	5.6	200
China	92.5	48.2	26.7	.0	.0	.0	.0	0
Australia	21.5	18.4	19.7	20.3	24.0	7.5	6.2	83
India-Pakistan	5.4	2.6	8.9	6.1	5.8	4.1	1.7	41
New Zealand	.6	2.5	5.7	7.1	5.4	3.4	4.3	126
Philippine Rep.	.5	1.2	5.7	9.5	29.7	19.0	15.7	83
Other countries	87.8	52.0	54.5	75.2	74.0	43.2	50.4	117
<b>Total</b>	<b>527.1</b>	<b>437.3</b>	<b>514.6</b>	<b>522.1</b>	<b>396.5</b>	<b>188.5</b>	<b>238.3</b>	<b>126</b>

1/ Preliminary. 2/ Partially estimated. 3/ Less than 50,000 pounds.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.



British Tobacco Situation

Consumer expenditure on tobacco in the United Kingdom accounts for a considerably larger proportion of total expenditure than in the United States. In 1952, tobacco expenditures accounted for 7.9 percent of the total expenditure on goods and services in the United Kingdom compared with 2.4 percent in the United States. A much larger proportion of government revenue is derived from tobacco in Britain than in the United States. The tobacco revenues are collected through duties levied on imports, which are about 6 and  $7\frac{1}{2}$  times the prewar rates on tobacco from the non-Commonwealth (includes United States) and Commonwealth countries, respectively. In the United States, the tax receipts per pound of tobacco are roughly double prewar. This is attributable partly to advances in tax rates and partly to the substantially larger than prewar proportion accounted for by cigarettes, which bear the highest tax of any tobacco products. In the United States, the Federal tax rate on cigarettes is one-third higher than prewar and the combined Federal and State rate is roughly 50 percent above prewar.

Cigarettes are the predominant tobacco product in both the United States and United Kingdom. In Britain, around 80 percent of the retail price of cigarettes reflects the import duties on tobacco and in the United States, around 50 percent of the retail price is accounted for by Federal and State taxes. In Britain, a typical package of 20 cigarettes costs around the equivalent of 50 cents and in the United States, the average price ranges around  $21\frac{1}{2}$  cents. Tobacco consumption in the United Kingdom in 1952 was about 27 percent above the prewar average while in the United States, the percentage increase for all tobacco products combined was about 81 percent--sharp advances in cigarettes by far offsetting declines in some other products.

Tobacco consumption (net clearances from bond) in the United Kingdom reached a peak of about 250 million pounds in 1946 but since then has fluctuated between 211 and 225 million pounds. It seems likely that the 1953 figure will be larger than the 218 million pounds in 1952. During the first 7 months of 1953, tobacco consumption was indicated at almost 4 percent above that in January-July of 1952. The proportion originating in Commonwealth areas continued to increase but at a slower rate. Commonwealth tobacco accounted for 46 percent of the total compared with  $44\frac{1}{2}$  percent in 1952 and 41 percent in 1951.

Britain exports manufactured tobacco products and also re-exports some unmanufactured tobacco. During January-August 1953, exports of manufactured tobacco products were 10 percent smaller than in the same period of a year earlier. About 94 percent of the manufactured tobacco exports was cigarettes. Smaller quantities went to Singapore, Malaya, Belgian Congo, West Germany, Gold Coast, Hong Kong, Anglo-Egyptian-Sudan, Egypt, and Aden--9 out of 10 leading foreign destinations. Australia took slightly more than in January-Aug. 1952 but still substantially less than in the comparable period 2 years earlier. The above 10 destinations accounted for over four-fifths of total cigarette exports from Britain during the first 8 months of 1953.

Table 9.- United Kingdom tobacco: Stocks, imports, consumption and exports, for specified periods

Period	Stocks	Imports <sup>1/</sup>		Retained for home consumption		Exports	Re-exports
	Dec. 31	Total	From United States	Non-preferential <sup>2/</sup>	Preferential <sup>2/</sup>	of manufactured tobacco	of unmanufactured tobacco
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average 1934-38	497	275	213	132	39	171	39
1939	514	212	128	151	48	199	40
1940	328	141	59	141	50	191	30
1941	259	214	129	153	69	222	27
1942	238	265	180	157	76	233	17
1943	310	354	291	165	56	221	18
1944	243	230	180	173	47	220	18
1945	278	369	310	183	48	231	37
1946	383	433	366	193	55	248	55
1947	384	296	202	173	51	224	52
1948	390	281	172	153	61	214	45
1949	419	302	154	139	72	211	47
1950	445	306	144	132	82	214	43
1951 <sup>3/</sup>	498	355	212	130	91	221	51
1952 <sup>3/</sup>	430	224	67	121	97	218	47
Jan.-Aug.							
1951	4/369	118	35	5/75	5/53	5/128	34
1952	4/444	137	35	5/69	5/56	5/125	33
1953	4/397	164	79	5/70	5/60	5/130	30

<sup>1/</sup> Unmanufactured tobacco: Imports of manufactured tobacco products have been generally small relative to imports of unmanufactured tobacco.

<sup>2/</sup> Tobacco imported from nonpreferential areas comes in at full duty rate while that imported from preferential areas (Commonwealth origin) comes in at a lower rate of duty. At present, the preferential rate is only about 3 per cent below the full duty rate, but from 1931 to 1939, it was over 20 per cent below the full duty rate. <sup>3/</sup> Subject to revision. <sup>4/</sup> July 31. <sup>5/</sup> January-July.

Bureau of Agricultural Economics. Compiled from the Annual Statement of Trade and Accounts Relating to Trade and Navigation of the United Kingdom.

Re-exports of unmanufactured tobacco during January-August 1953 were nearly 22 percent greater than in the same period of 1952. A substantial part of this was nonflue-cured shipped mostly to Netherlands but relatively small quantities of flue-cured were shipped to Australia, Nigeria, and the Channel Isles.

The United Kingdom imported 20 percent more tobacco during January-August 1953 than in the same period of 1952. The imports from the United States were over twice as large due to the shipment of tobacco that normally would have been shipped in the latter half of 1952. For 1953 as a whole, imports of tobacco from the United States will be considerably larger than the extremely small amount in 1952 since purchases from the current crop are expected to be shipped mostly in the latter half of this year. Imports of tobacco from Southern Rhodesia in January-August 1953 was  $7\frac{1}{2}$  percent ahead of those in the same period of 1952 but those from Canada and India were 38 and 30 percent smaller, respectively. Also, less was imported from Nyasaland, Greece, and Italy but more from Netherlands and Turkey. During the first 8 months of 1953, flue-cured accounted for nine-tenths of total tobacco imports.

Stocks of unmanufactured tobacco in the United Kingdom on July 31 were 11 percent smaller than on that date of a year earlier but  $7\frac{1}{2}$  percent above those of 2 years earlier. The mid-1953 stocks level was equal to about 1.4 times home consumption and export requirements during 1952-53. This ratio, though lower than a year earlier, was above the comparable figure for any other postwar year. The prewar ratio at about 2.0 was considerably higher.

Among the major tobacco suppliers to the United Kingdom other than the United States are Southern Rhodesia, India, Canada, and Nyasaland. In Southern Rhodesia, the flue-cured crop harvested and sold this year was about 103 million pounds--4 percent above a year earlier and the second largest on record. The price average for the crop was about the equivalent of 47 cents per pound--6 percent lower than the comparable figure in the 1952 season. Indications are that the proportion of lower grades was larger. The 1953 Canadian flue-cured tobacco crop is estimated at 116 million pounds--12 percent below last year, when the unusually high yield on reduced acreage boosted harvestings to the second highest on record. The 1952 flue-cured crop in Canada brought an average of 41.7 cents per pound--nearly 6 percent below the preceding year. In India, the 1952-53 crop of flue-cured tobacco was indicated at 81 million pounds--7 percent lower than a year earlier and the smallest in 5 years. Prices of redried strips of flue-cured at Guntur, India, during March-May 1953 were a little higher than in the same period of a year earlier. Nyasaland producers principally fire-cured and air-cured tobacco. The estimated production of fire-cured at 22 million pounds and air-cured at nearly 7 million pounds are both sharply higher than the unusually small crops of a year ago. Prices for most fire-cured (April through late September) were lower than last year but for sun-cured and Burley, were little changed.

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

Foreign grown tobacco is imported into the United States, principally for blending with domestic types in the manufacture of cigarettes and cigars. Approximately three-fourths of total imports are cigarette leaf and nearly all the rest for cigars. During the first 7 months, total tobacco imports were 3 percent ahead of those in the corresponding period of 1952. The 1953 imports of cigarette leaf are likely to be as large or larger than in 1952. Shipments of cigarette leaf from Turkey and Greece, the two major foreign suppliers, probably will be at least as much as or more than in 1952. In January-July 1953, the sharp relative increase in entries from Yugoslavia offset declines from other smaller suppliers such as Syria and Southern Rhodesia. Stocks of foreign grown cigarette and smoking tobacco in the United States on July 1 totaled 177 million pounds--1 percent below a year earlier. Mid-year stocks of imported cigarette tobacco in the past 3 years have been roughly one-fifth larger than in 1950 and 1949 and have exceeded the other postwar years by an even more substantial margin. Larger holdings of foreign cigarette tobacco have been necessary as cigarette consumption has increased.

The main source of imported cigar leaf is Cuba. Tobacco imports from Cuba include stemmed filler, unstemmed filler, scrap, and wrapper. During January-July 1953, the combined filler and scrap from Cuba was 4 percent larger than in the corresponding months of 1952. The quantities of scrap and unstemmed leaf increased but less stemmed leaf was imported. The January-July 1953 quantity of cigar leaf filler and scrap from the Philippine Republic was almost one-fourth larger than in the same period of 1952. Over 85 percent was reported as scrap in January-July 1953 while in 1952 as a whole, only about 35 percent was reported as scrap and the rest was largely stemmed filler.

Imports of cigar wrapper leaf from Cuba have held steady but that from Indonesia, declined from 1951 to 1952 and dropped again during the first 7 months of 1953.

On July 1, the stocks of Cuban tobacco in the United States totaled 15.6 million pounds, 10 percent lower than a year earlier and the lowest for July in many years. The July 1 stocks of Philippine tobacco were 2.1 million pounds--over 3 times as much as a year earlier and the largest for July since 1941. During and since World War II, Philippine tobacco stocks have been very low but are now back to the approximate level of 1938-39. The July 1 stocks of Sumatra and Java tobacco were only 327,000 pounds--less than one-half of those a year earlier and the lowest for July on record.

---

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

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

(Declared weight)

Classification and country of origin	Average			1951	1952	January-July		1953 as percentage of 1952
	1924-28	1934-38	1946-50			1952	1953	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent	
<b>Cigarette leaf</b>								
Stemmed								
Turkey	13.1	18.2	45.2	53.0	55.0	31.5	32.2	102
Greece	20.1	18.8	7.8	12.4	14.5	8.1	8.4	104
Syria	.2	.5	3.6	4.0	3.3	2.2	2.0	91
Bulgaria	.5	.6	1.8	3.0	3/	3/	.0	---
U.S.S.R.	.0	.1	1.8	6.1	3/	3/	.0	---
So. Rhodesia	.0	3/	1.2	.6	.6	.4	.1	25
Yugoslavia	.0	.0	.3	.3	.8	.3	.8	267
Total 4/	46.1	44.4	61.9	81.4	75.9	43.2	44.2	102
<b>Charger leaf (filler)</b>								
Cuba								
Stemmed	13.8	7.1	13.0	10.9	9.9	6.2	5.8	94
Unstemmed	7.8	4.1	4.4	4.1	4.0	2.3	2.6	113
Philippines, Rep.								
Stemmed	1.7	5/	.1	.1	1.9	1.1	.2	18
Unstemmed	1.7	5/	3/	.7	.2	.1	.0	---
Total 4/	22.4	11.3	17.5	15.8	16.0	9.7	8.6	89
Scrap								
Cuba								
Stemmed	1.8	2.9	5.2	6.0	8.1	4.6	5.2	113
Unstemmed	.0	5/3.2	.3	.0	1.2	.1	1.4	6/
Total 4/	1.9	6.1	5.6	6.1	9.4	4.8	6.7	140
Cigarette wrapper								
Indonesia								
Stemmed	7/6.1	7/1.9	.8	.9	.8	.5	.3	60
Unstemmed	.1	.2	.3	.3	.3	.2	.2	100
Total 4/	6.3	2.1	1.1	1.3	1.1	.7	.5	71
Total imports 8/	78.3	66.3	87.0	104.8	102.9	58.5	60.3	103

1/ General imports. 2/ Preliminary. 3/ Less than 50,000 pounds. 4/ Includes quantities from other countries not separately listed. 5/ Quantities reported as scrap in 1934-35 and as scrap in 1936-38 compose the 1934-38 average under the scrap classification in this table. 6/ Fourteen times as much. 7/ From Netherlands Indies or Netherlands. 8/ Includes tobacco stems, not cut, ground, or pulverized, shown separately.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

## OUTLOOK AND SITUATION FOR TOBACCO LEAF

## Flue-Cured, Types 11-14

Domestic Use and Exports

During July 1953-June 1954, total disappearance of flue-cured is expected to be around 2 percent larger than in 1952-53. Domestic use probably will increase to a new high and exports seem likely to be about as large as in 1952-53.

Domestic use of flue-cured in 1952-53 was a record 828 million pounds--over 50 million pounds higher than in 1951-52. The record output of cigarettes, with a larger proportion "king size," was responsible for the large domestic use of flue-cured, which makes up more than half of the average cigarette blend in this country.

Table 11.- Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

(Farm-sales weight)							
Year	Production	Stocks July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	741	845	1,586	704	338	366	22.9
1939	1,171	946	2,117	707	417	290	14.9
1940	760	1,410	2,170	577	421	156	16.4
1941	650	1,593	2,243	783	492	291	28.1
1942	812	1,460	2,272	893	604	289	38.4
1943	790	1,379	2,169	980	625	355	40.2
1944	1,087	1,189	2,276	1,150	696	454	42.4
1945	1,173	1,126	2,299	1,152	667	485	43.6
1946	1,352	1,147	2,499	1,212	659	553	48.3
1947	1,317	1,287	2,604	1,054	695	359	41.2
1948	1,090	1,550	2,640	1,102	720	382	49.6
1949	1,115	1,538	2,653	1,168	729	439	47.2
1950	1,257	1,485	2,742	1,185	757	428	54.7
1951	1,453	1,557	3,010	1,279	777	502	52.4
1952 2/	1,365	1,731	3,096	1,244	828	416	50.3
1953 2/	1,234	1,852	3,086				

1/ Year beginning July 1.

2/ Subject to revision.

Exports of flue-cured at 416 million pounds (farm-sales weight) in 1952-53 were 17 percent below 1951-52 but only 3 percent less than in 1950-51. In 1951-52, flue-cured exports were unusually large because the United Kingdom increased its takings by around 40 percent over each of the previous 2 years. Although more went to Britain than to any other country in 1952-53, the quantity was the lowest since the mid-1920's except for 2 early war years. In 1952-53, Germany, the second ranking foreign outlet for flue-cured, got more than in any previous year. This was 71 percent more than in 1951-52, when the quantity going to Germany was the lowest in 4 years. Compared with 2 years earlier, German takings in 1952-53 were up 17 percent. The third ranking outlet was the Netherlands and the increase was 65 percent above 1951-52 and 26 percent above 1950-51. The fourth ranking outlet was the Philippine Republic which took 5 percent more than in 1951-52. The Philippine Republic first began taking a substantial volume of flue-cured in 1949-50. Exports then dropped way down in 1950-51 but resumed a high level during the past 2 years. Exports of tobacco to the Philippines in the future will be lessened by existing legislative restrictions of that country. The fifth ranking outlet was Australia which increased her takings in 1952-53 by 15 percent over a year earlier and 20 percent over 2 years earlier. Of the next 5 ranking importers of United States flue-cured in 1952-53--Indonesia, Japan, Ireland, Belgium, and Thailand in that order--, Indonesia, Japan, and Thailand got more than in each of the previous 2 years, but Belgium and Ireland took around 40 to 55 percent less. Other important outlets in order of volume in 1952-53 were Denmark, Sweden, New Zealand, Norway, Egypt, Portugal, Hong Kong, France, Switzerland, Indochina, Finland, Austria, India, Pakistan, and Ceylon. Denmark took a little more flue-cured in 1952-53 than a year earlier but almost one-fifth less than in 1950-51. Less went to New Zealand, Hong Kong, and Ceylon but the quantities were larger than 2 years ago. Flue-cured going to Sweden, Finland, Austria, and India in 1952-53 was below that in each of the previous 2 years but Norway, Portugal, Indochina, Egypt, France, and Pakistan got more than in each of the previous 2 years.

### Supplies

Carryover of flue-cured on July 1, 1953, totaled 1,852 million pounds--7 percent more than a year earlier. The October 1 estimate of United States flue-cured production was 1,234 million pounds--10 percent smaller than last year's crop and the smallest since 1949. Hot, dry weather lowered yields of type 11 substantially in localized areas of Virginia and North Carolina. The carryover plus this year's crop adds to a total supply of 3,086 million pounds for 1953-54--slightly (three-tenths of 1 percent) less than the 1952-53 level. The 1953-54 total supply is about 2.4 times probable disappearance compared with the ratio of 2.5 at the outset of 1952-53.

The carryover of flue-cured on July 1, 1954, is expected to be a little over 1,800 million pounds. The 1954 marketing quota and acreage allotment will be announced by the Secretary of Agriculture by December 1. This year's total flue-cured allotment was about 1,048,000 acres and represented about an 8 percent reduction from 1952 for most farms. In last year's referendum, flue-cured growers voted approval of marketing quotas on their 1953, 1954, and 1955 crops.

Price Supports and Prices

The Government price support for the 1953 crop is 47.9 cents per pound--5 percent lower than for the 1952 crop. The 1953 prices will average well above the support level and also above the 50.3-cent average for last year's crop. Demand has been very strong for this year's smaller crop.

The support price on the 1954 crop of flue-cured will continue at 90 percent of the parity price.

The 1953 auction market prices for all types of flue-cured combined through October 16 averaged 55.4 cents per pound compared with 50.8 cents in the corresponding period of 1952. About 79 percent of the crop had been marketed by mid-October.

Auction market volumes and prices through approximately the same period in the 1952 and 1953 seasons in the five belts were as follows:

	Through Oct. 17 1952 Mil. lb.	Through Oct. 16 1953 Mil. lb.	Through Oct. 17 1952 Cts. per lb.	Through Oct. 16 1953 Cts. per lb.
Ga.-Fla., type 14	130	193	49.2	51.0
S. C. and Border N. C., type 13	328	343	52.0	56.9
Eastern N. C., type 12	373	419	51.3	57.7
Middle Belt, type 11(b)	101	72	50.4	51.8
Old Belt, type 11(a)	113	59	49.2	50.1

In the Georgia-Florida belt, marketings were completed by August 28 and the volume and average price were the highest on record. In this belt, most grade prices averaged below a year ago but a substantial number of medium-priced grades averaged higher. In general, there was a larger proportion of higher quality tobacco than in 1952. Growers placed 5.6 million pounds under Government loan--about 3 percent of total deliveries compared with 4 percent in the 1952 season.

Marketings in the Border belt are nearing completion. Many grade prices exceeded last year and weekly average prices for all grades advanced from around 53 cents per pound in early August to around 58 cents by late August and remained there during September and early October. Receipts under Government loan through October 16 amounted to a little over 3 percent of deliveries compared with nearly 3 percent in the 1952 season.

In the Eastern belt for the season through October 16, prices of many better grades ranged from a little higher to about the same as in 1952. However, a substantial number of medium and poorer grades were considerably above a year earlier. Weekly average prices rose from around 54 cents in late August to around 61 cents in late September and early October. Receipts under Government loan through October 16 amounted to about 3 percent of deliveries compared with 12½ percent in the 1952 season.



In the Middle belt through October 16, prices of several representative better grades were about the same as a year earlier but many medium and poorer grades averaged considerably above a year earlier. Weekly average prices stayed around 53 and 54 cents during most of September and then dropped off to less than 50 cents by mid-October. Through October 16, approximately 7 percent of deliveries were placed under Government loan compared with 12 percent in the 1952 season.

Auctions began on September 21 in the Old belt. Many grade prices have tended to be below those of last season. Early sales were of considerably better quality than a year ago, and the opening week average price was nearly 52 cents. A larger proportion of inferior leaf has been marketed in the weeks since and weekly average prices declined to 49 cents. Through October 16, farmers placed about 13 percent of deliveries under Government loan compared with over 20 percent in the 1952 season as a whole.

Table 12.- Flue-cured price support operations, 1946-53

(Farm-sales-weight equivalent)			
Marketing season	Flue-cured placed under Government loan:	Percentage of	Remaining in Govern-
	Quantity	total crop	ment loan stocks on
	: Million pounds	: Percent	: Sept. 30, 1953 1/
			: Million pounds
1946	66.5	4.9	0.0
1947	232.3	17.6	.0
1948	106.1	9.7	.0
1949	103.5	9.3	.0
1950	77.6	6.2	9.4
1951	142.2	9.8	61.7
1952	2/243.4	2/17.8	151.6
1953	3/	3/	3/

1/ Actual loan stocks in terms of packed weight are 11 or 12 percent less than their equivalent farm-sales weights shown in this column.

2/ Of the 243.4 million pounds pledged for CCC loans, 78.4 million pounds represented quantities for British manufacturers, which they have since purchased and shipped.

3/ During the 1953 marketing season through October 9, about 34 million pounds--approximately 4 percent of producers' sales--had been placed under loan.

Burley, Type 31

### Domestic Use and Exports

In the October 1953-September 1954 marketing year, total disappearance of Burley seems likely to be a little larger than in 1952-53, mainly because of increased use in cigarette manufacture. The other domestic uses, mainly in smoking and chewing, probably will be about the same or lower. The domestic use of Burley in the year ending with September of this year is estimated at a record 520 million pounds--nearly 3 percent above a year earlier. Domestic use accounts for about 94 percent of total disappearance and exports for the other 6 percent.

The 1952-53 exports of Burley seem likely to be almost the same as the 32 million pounds (farm-sales weight) of 1951-52. Burley exports in 1953-54 are expected to continue near the fairly stable level of the last 3 years. Germany continued to be the leading taker during the first 10 months of the 1952-53 marketing year but got one-third less than in the corresponding months of 1951-52. Portugal, Sweden, Belgium, and Mexico are usually among the leading foreign outlets for Burley. In the first 10 months of 1952-53, shipments to Portugal, Sweden, and Mexico were already above those in the entire marketing year 1951-52 while exports to Belgium were lagging behind a year earlier. During October 1952-July 1953, relatively sharp or moderate increases occurred in Burley exports to the Philippine Republic, Switzerland, Netherlands, Austria, Italy, Finland, and the United Kingdom. Denmark got about the same as a year ago but France, Egypt, and Norway took less. A sizable quantity of Burley was shipped to Yugoslavia in 1952-53 compared with none a year earlier.

### Supplies

The estimated carryover of Burley on October 1, 1953, is 1,159 million pounds--about 9 percent higher than a year ago. The October 1 estimate of the Burley crop is 577 million pounds--11 percent lower than last year's record. This adds to a total supply of 1,736 million pounds for the 1953-54 marketing year--about 1½ percent above the 1952-53 level. The 1953-54 estimated total supply is nearly 3.1 times prospective disappearance--practically the same as the ratio of a year ago.

Table 13.- Burley tobacco, type 31: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

Year	(Farm-sales weight)							Average price per pound
	Production	Stocks Oct. 1	Supply	Disappearance 1/			Average price per pound	
				Total	Domestic 2/	Exports 2/		
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents	
Av. 1934-38	287	701	988	314	302	12	22.2	
1939	395	684	1,079	317	305	12	17.3	
1940	377	762	1,139	341	335	6	16.2	
1941	337	798	1,135	380	374	6	29.2	
1942	344	755	1,099	413	407	6	41.8	
1943	392	686	1,078	427	418	9	45.6	
1944	591	651	1,242	483	474	9	44.0	
1945	577	759	1,336	483	448	35	39.4	
1946	614	853	1,467	526	476	50	39.7	
1947	485	941	1,426	524	496	28	48.5	
1948	603	902	1,505	531	489	42	46.0	
1949	561	974	1,535	535	494	41	45.2	
1950	499	1,000	1,499	518	488	30	49.0	
1951	618	981	1,599	538	506	32	51.2	
1952 2/	650	1,061	1,711	3/552	3/520	3/32	50.3	
1953 2/	577	3/1,159	3/1,736					

1/ Year beginning October 1. 2/ Subject to revision. 3/ Estimated.

It seems probable that the carryover on October 1, 1954, will approximate 1,175 million pounds--a little above the Burley stocks on October 1 of this year.

An announcement of the 1954 marketing quota and acreage allotment for Burley will be made by the Secretary of Agriculture by December 1. This year's acreage allotment for Burley totaled approximately 430,000 acres--about a 9 percent reduction from the 1952 allotment. In last year's referendum, Burley growers voted approval of marketing quotas on their 1953, 1954, and 1955 crops.

#### Price Supports and Prices

The Government price support for the 1953 Burley crop is 46.6 cents per pound--6 percent lower than the 1952 crop support. Ninety percent of the October 1 Burley parity was 46.1 cents per pound, so the 46.6 cents announced last March, being higher, became the actual support, as prescribed by law.

The large 1952 crop averaged 50.3 cents per pound--a little above the support level and only a little below the record price received for the 1951 crop. Over half the grades brought new high average prices, but there was a larger percentage of lower quality leaf than in the 1951 season. Demand for cigarette tobacco is expected to be fairly strong again this year when Burley auctions for the 1953 crop begin around December 1.

The price support for the 1954 crop of Burley will continue at 90 percent of the parity price.

Table 14.- Burley price support operations, 1946-52

(Farm-sales-weight equivalent)			
Marketing season	Burley placed under Government loan	: Remaining in Government loan stocks on	
	Quantity	Percentage of	: Sept. 30, 1953 1/
	: Million pounds	: total crop	: Million pounds
	:	Percent	:
1946	147.8	24.1	0.0
1947	37.7	7.8	.0
1948	96.7	16.0	.0
1949	39.1	7.0	.0
1950	44.2	8.9	11.5
1951	97.5	15.8	83.5
1952	103.6	15.9	103.3

1/ Actual loan stocks in terms of packed weight are 10 or 11 percent less than their equivalent farm-sales weights shown in this column.

## Maryland, Type 32 3/

Domestic Use and Exports

The total disappearance of Maryland tobacco in the October 1953-September 1954 marketing year seems likely to be a little larger than the 35 million pounds estimated for 1952-53. Domestic use for the year ending September 30, 1953, is believed to have been about 28 million pounds--around 5 percent more than a year earlier. Cigarettes are the principal outlet for Maryland tobacco and some is bought for use in some cigars.

Exports of Maryland tobacco account for around one-fifth of total disappearance. Exports of Maryland in the year ending September 30 were probably around 7 1/2 million pounds (farm-sales weight)--up some from 1951-52. During October 1952-July 1953, Maryland exports were 4 1/2 percent greater than in the comparable period of a year earlier. Switzerland, by far the leading foreign outlet, got 11 percent less but a substantial quantity went to Yugoslavia in contrast to none a year earlier. Also, more went to Netherlands, Germany, and Spain but less to Belgium and French Morocco. None was recorded during October 1952-July 1953 for Tunisia though a sizable amount went there a year earlier. In the 22 months ending with July 1953, France took only a negligible quantity of Maryland in contrast to over 1 million pounds in the 1950-51 marketing year.

Supplies

Manufacturers' and dealers' stocks of Maryland tobacco on October 1 are estimated at about 76 1/2 million pounds--6 percent larger than a year earlier. The October estimate for the 1953 crop is 37.6 million pounds--5 percent below 1952 and the smallest since 1948. This production plus the estimate of October 1 stocks adds to about 114 million pounds--2 percent above a year earlier.

The 1953-54 total supply, according to the legal definition applying to Maryland tobacco, is this year's production plus the January 1, 1954, carryover. The total supply estimated on this basis is expected to be nearly 106 million pounds compared with nearly 104 1/2 million as of a year earlier.

---

3/ In 1952, the Congress amended the Agricultural Adjustment Act of 1938 to provide that for the purposes of marketing quotas and, when in effect, the sliding scale price supports, the carryover and total supply of Maryland tobacco would be computed on the basis of January 1 following the beginning of the marketing year instead of on the basis of October 1, as heretofore. Inasmuch as the definition of the marketing year, itself, was not changed, the discussion and statistical table are in terms of the October-September period.

Table 15.- Maryland tobacco, type 32: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

Year	Production	Stocks Oct. 1	(Farm-sales weight)			Exports	Average price per pound	Stocks following Jan. 1 3/
			Production plus Oct. 1 stocks	Disappearance Total	Disappearance Domestic			
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents	Million pounds
average:								
1934-38:	27.5	41.3	68.8	26.5	21.1	5.4	19.7	38.4
1939	32.8	41.4	74.2	26.5	22.6	3.9	21.1	36.3
1940	32.6	47.7	80.3	28.5	25.9	2.6	33.0	43.2
1941	31.2	51.8	83.0	27.2	26.1	1.1	30.1	45.0
1942	28.1	55.8	83.9	34.4	32.2	2.2	56.5	47.7
1943	20.8	49.5	70.3	25.1	23.8	1.3	45.3	43.8
1944	38.2	45.2	83.4	31.2	28.8	2.4	55.5	37.6
1945	18.4	52.2	70.6	30.3	24.2	6.1	57.0	46.5
1946	46.2	40.3	86.5	34.0	28.3	5.7	44.5	32.4
1947	37.8	52.5	90.3	34.3	27.0	7.3	42.8	44.8
1948	35.0	56.0	91.0	37.0	27.7	9.3	54.4	46.9
1949	41.2	54.0	95.2	35.4	28.0	7.4	48.3	45.5
1950	40.0	59.8	99.8	35.5	27.1	8.4	48.2	53.4
1951	41.6	64.3	105.9	33.3	26.7	6.6	44.8	59.3
1952 2/	39.5	72.6	112.1	4/35.5	4/28.0	4/7.5	49.7	64.9
1953 2/	37.6	4/76.6	4/114.2					

1/ Year beginning October 1. 2/ Subject to revision. 3/ Public Law 464-82nd Congress (an amendment to previous Agricultural legislation) provides that for the purposes of marketing quotas and when in effect, the sliding-scale price support, the carryover and total supply of Maryland tobacco shall be computed as of January 1 following the beginning of the marketing year--defined as the October 1-September 30 period. 4/ Estimated.

Maryland tobacco was grown under a marketing quota and acreage allotments for the first time in 1953 following the growers' referendum last fall when approval was voted for the 1953 crop. On October 7 of this year, the Secretary of Agriculture proclaimed a marketing quota of 40.7 million pounds on next year's production of Maryland tobacco. Growers will vote on October 29 on whether to continue marketing quotas in effect. A two-thirds majority of the growers voting must favor them if they are to be in effect. Growers vote for quotas for 1 year, 3 years, or against quotas. The announced quota results in acreage allotments of about 51,700 acres for the 1954 crop. For most farms, the 1954 allotments will be about 6 percent less than for 1953. The July estimate of acreage for harvest was 47,000--over one-tenth below the acreage allotted for 1953.

Price Support and Prices

The Government price support for the 1953 crop of Maryland is 50.4 cents per pound--the level announced by the Department last March. Ninety percent of the October 1 parity for Maryland was 49.9 cents, so the earlier announced level, being higher, is the support, as prescribed by law. If growers approve a quota on their 1954 crop, price support will be mandatory at 90 percent of the applicable 1954 parity price for Maryland tobacco.

Maryland tobacco produced in a given year is largely marketed in the spring and summer of the following year. Auction markets for the 1952 crop ran from May 5 to August 7. Also operating was the Baltimore hogshead market which received about 6 percent of total marketings. The 1952 crop averaged 49.7 cents per pound--11 percent above the relatively low average for the 1951 crop. Since growers had disapproved marketing quotas on the 1951 and 1952 crops, price supports could not be made available for those crops.

Table 16.- Maryland tobacco price support operations, 1948-50 crops 1/

(Farm-sales-weight equivalent)			
Crop	Maryland tobacco placed under Government loan		Remaining in Government loan stocks on Sept. 30, 1953 2/
	Quantity	Percentage of total crop	
	Million pounds	Percent	Million pounds
1948	3.0	8.6	1.5
1949	2.6	6.3	1.0
1950	5.5	13.8	5.2

1/ Maryland tobacco grown in one year is auctioned in the spring and summer of the following year. 2/ Actual loan stocks in terms of packed weight are about 2 percent less than their equivalent farm-sales weight.

Fire-cured, Types 21-23

Domestic Use and Exports

In the October 1953-September 1954 marketing year, total disappearance of fire-cured tobacco seems likely to be about the same as the 60 million pounds estimated for 1952-53. The major domestic outlet for fire-cured is snuff. Snuff manufacture in the past 3 years has shown only a slight decline but domestic use of fire-cured appears to have shown a sharper drop. This suggests that some fire-cured may have been replaced by other tobacco to some extent in snuff manufacture. The 1952-53 estimate of domestic use is 30 million pounds--6 percent less than a year earlier and 16 percent below 2 years earlier.

Exports are estimated to have accounted for about one-half of total disappearance of fire-cured tobacco in 1952-53. Estimated exports at about 30 million pounds are 7 percent larger than the postwar low of 1951-52. About four-fifths of the fire-cured exports are Kentucky-Tennessee fire-cured. The first ranking foreign outlet for Kentucky-Tennessee fire-cured in October 1952-July 1953 was Netherlands which took about 18 percent less than in the same months of a year earlier, although more than 2 years earlier. Switzerland was next and got nearly 75 percent more than a year earlier. Next ranking were Spain and France which each got 1 3/4 to 2 million pounds in contrast to none in 1951-52, although both got substantial amounts in 1950-51. Sweden, the fifth ranking outlet, took much more in October 1952-July 1953 than in 1951-52 and about as much as in 1950-51. Belgium and the United Kingdom usually take sizable quantities of Kentucky-Tennessee fire-cured but in the first 10 months of the 1952-53 marketing year, both got much less than each of the preceding 2 years. Among the other important importing countries, Denmark, Norway, Indonesia, and Gold Coast all took considerably more than a year earlier but less went to Ireland, West Germany, French West Africa, and Belgian Congo. None was recorded for Italy and Tunisia through July although both countries got sizable amounts in each of the previous 2 years.

Exports of Virginia fire-cured in October 1952-July 1953 were one-fifth larger than in the comparable period of a year earlier. Substantially more went to Norway and Sweden, the two leading outlets and somewhat more to the United Kingdom but less went to Switzerland, Austria, Germany, Australia, and New Zealand.

### Supplies

The October 1, 1953, carryover is estimated at approximately 145 million pounds--or 2 percent less than a year earlier. The October 1 estimate of production is a little below 53 million pounds--one-tenth smaller than last year's crop and probably the smallest on record. The earlier forecasts were reduced because of the long period of dry weather in producing areas. In Kentucky-Tennessee, yields per acre are probably the second or third lowest in 8 years and in Virginia, they may turn out to be the lowest in 8 years. The 1953 crop plus the carryover provides a total supply for 1953-54 of nearly 198 million pounds--around 4 or 5 percent below the level for each of the preceding 2 years.

Carryover on October 1, 1954, seems likely to be 135 to 140 million pounds--moderately below the estimate for October 1, 1953.

The 1954 quota and acreage allotment for fire-cured will be announced by the Secretary of Agriculture by December 1. Marketing quotas applicable to the 1952, 1953, and 1954 crops were approved by growers voting in the referendum held in late 1951.

Table 17.- Fire-cured tobacco, types 21-24: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

Year	(Farm-sales weight)						
	Production	Stocks Oct. 1	Supply	Disappearance Total	1/ Domestic	2/ Exports	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Av. 1934-38	110.2	194.2	304.4	123.0	53.2	69.8	10.2
1939	99.4	136.2	235.6	94.0	55.1	38.9	10.6
1940	106.5	141.6	248.1	64.2	45.6	18.6	9.5
1941	69.7	183.9	253.6	69.0	51.5	17.5	14.1
1942	71.5	184.6	256.1	76.3	60.7	15.6	17.1
1943	64.9	179.8	244.7	71.2	54.5	16.7	23.4
1944	66.1	173.5	239.6	107.8	43.9	63.9	24.5
1945	58.3	131.8	190.1	85.2	37.6	47.6	31.5
1946	108.9	104.9	213.8	70.4	36.0	34.4	36.0
1947	86.4	143.4	229.8	67.2	36.9	30.3	29.5
1948	73.2	162.6	235.8	73.6	35.4	43.2	31.9
1949	72.2	157.2	229.4	64.7	35.4	29.3	29.8
1950	58.3	164.7	223.0	75.7	35.9	39.8	31.2
1951	59.5	147.3	206.3	59.9	31.8	25.1	40.0
1952 <sup>2/</sup>	58.2	146.9	205.1	<sup>3/</sup> 60.0	<sup>3/</sup> 30.0	<sup>3/</sup> 30.0	37.6
1953 <sup>2/</sup>	52.6	<sup>3/</sup> 145.1	<sup>3/</sup> 197.7				

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

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

<sup>3/</sup> Estimated.

### Price Supports and Prices

The Government price support level for fire-cured is computed at 75 percent of the Burley loan level, as specified by law. The support for the 1953 crop is 35.0 cents per pound--about 6 percent lower than for the 1952 crop.

Auctions for Virginia fire-cured usually begin in late November and for Kentucky-Tennessee fire-cured, in the first half of January. Virginia type 21 averaged 35½ cents per pound for the 1952 crop--9 percent below the record average of a year earlier. In Kentucky-Tennessee, type 22 averaged 39.1 cents per pound--down 7 percent from the record 1951 average--while type 23 averaged a record 35.2 cents in each of the last 2 seasons.



Table 18.- Fire-cured price support operations, 1946-52

(Farm-sales-weight equivalent)			
Marketing season	Fire-cured placed under Government loan		Remaining in Govern- ment loan stocks on Sept. 30, 1953 <sup>1/</sup>
	Quantity	Percentage of total crop	
	Million pounds	Percent	
1946	40.7	37.4	3.3
1947	31.3	36.2	7.9
1948	27.3	37.3	9.5
1949	18.7	25.9	7.1
1950	12.5	21.4	9.9
1951	7.5	12.7	5.7
1952	10.9	19.6	10.4

<sup>1/</sup> Actual loan stocks in terms of packed weight range from 5 to 11 per cent less than their farm-sales weights shown in this column.

#### Dark Air-Cured, Types 35-37

##### Domestic Use and Exports

In the October 1953-September 1954 marketing year, total disappearance of dark air-cured tobacco probably will not be much different from the 30 million pounds estimated for 1952-53. Indications are that some small increase in domestic use may have partially offset the decline in exports during 1952-53. Domestic use is estimated at 24 million pounds--about 1½ million more than in the preceding year. Total output of plug, twist, and fine-cut chewing appears to have been down slightly on a marketing year basis, but some dark air-cured probably was used for other purposes.

The 1952-53 exports of dark air-cured are estimated at 6 million pounds--almost one-fourth below 1951-52 and the smallest since the war. Dark air-cured tobacco is exported in the form of Black Fat--a semi-processed product--and as leaf. During October 1952-July 1953, exports of Black Fat dropped 27 percent, and Green River and One Sucker leaf each dropped 30 percent below those of the same months of a year earlier. Considerably less Black Fat went to the Gold Coast, French West and Equatorial Africa, and also Portuguese Africa, but a little more went to Nigeria. Shipments of Green River to the United Kingdom, the leading foreign outlet, were down one-fifth. None was recorded for Belgium and Indonesia, both of which got some a year earlier. Netherlands increased her takings of Green River quite sharply above a year earlier and Liberia got just about the same. Nigeria, the leading importer of One Sucker, got nearly one-fifth less in October 1952-July 1953 than in the same months of a year earlier. Belgium got much less but Netherlands raised her takings somewhat above the very small quantity she took in 1951-52. During October 1952-July 1953, exports of Virginia sun-cured tobacco

have amounted to about 71,000 pounds--nearly all of which went to Norway but a little went to Switzerland. Virginia sun-cured exports have been reported separately only since January 1952. In the 9 months ending September 30 of the 1951-52 marketing year, 214,000 pounds of Virginia sun-cured were shipped--nearly all of it to Norway.

### Supplies

The October 1, 1953, carryover is estimated at approximately 77 million pounds--5 percent above a year earlier. The October estimate of 1953 production is 28 1/2 million pounds--almost one-sixth below the 1952 crop and perhaps the second or third smallest crop on record. Yields per acre for all 3 types have been reduced considerably below normal by drought conditions. This year's crop plus the carryover will provide a total 1953-54 supply of around 105 1/2 million pounds--1 to 2 percent below the 1952-53 level.

Table 19.- Dark air-cured tobacco, types 35-37: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

Year	(Farm-sales weight)						
	: Production :	: Stocks :	: Supply :	: Disappearance 1/ :			: Average :
				Oct. 1	Total	Domestic	
Million	Million	Million	Million	Million	Million	Million	Cents
: pounds	: pounds	: pounds	: pounds	: pounds	: pounds	: pounds	
Av. 1934-38	: 35.5	: 62.8	: 98.3	: 39.0	: 27.0	: 12.0	: 9.4
1939	: 44.2	: 56.1	: 100.3	: 34.7	: 27.3	: 7.4	: 7.3
1940	: 42.5	: 65.6	: 108.1	: 33.7	: 29.0	: 4.7	: 7.7
1941	: 31.5	: 74.4	: 105.9	: 41.9	: 38.9	: 3.0	: 12.0
1942	: 35.2	: 64.0	: 99.2	: 33.9	: 29.8	: 4.1	: 15.0
1943	: 30.0	: 65.3	: 95.3	: 37.6	: 34.4	: 3.2	: 27.2
1944	: 44.9	: 57.7	: 102.6	: 42.2	: 35.9	: 6.3	: 23.3
1945	: 43.6	: 60.4	: 104.0	: 43.6	: 30.5	: 13.1	: 25.2
1946	: 49.6	: 60.4	: 110.0	: 37.3	: 29.7	: 7.6	: 22.5
1947	: 37.2	: 72.7	: 109.9	: 32.7	: 26.3	: 6.4	: 25.3
1948	: 34.8	: 77.2	: 112.0	: 37.9	: 23.1	: 14.8	: 28.7
1949	: 36.2	: 74.1	: 110.3	: 30.5	: 24.3	: 6.2	: 28.2
1950	: 28.6	: 79.8	: 108.4	: 36.6	: 26.3	: 10.3	: 24.6
1951	: 31.7	: 71.8	: 103.5	: 30.3	: 22.4	: 7.9	: 34.3
1952 2/	: 33.3	: 73.2	: 107.0	3/30.0	3/24.0	3/6.0	: 31.6
1953 2/	: 28.5	3/77.0	3/105.5				

1/ Year beginning, October 1.

2/ Subject to revision.

3/ Estimated.

It appears probable that carryover on October 1, 1954, will approximate 75 million pounds--not much less than the estimate for October 1 of this year.

The 1954 quotas and acreage allotments for dark air-cured and Virginia sun-cured tobacco will be announced by the Secretary of Agriculture by December 1. For types 35-36, marketing quotas applicable to the 1952, 1953, and 1954 crops were approved by the growers in late 1951. Growers of Virginia sun-cured (type 37) voted last fall to continue quotas on their 1953, 1954 and 1955 crops.

### Price Supports and Prices

The Government price support level for dark air-cured and Virginia sun-cured is computed at 66  $\frac{2}{3}$  percent of the Burley loan level. The support for the 1953 crop is 31.1 cents per pound--about 6 percent lower than for the 1952 crop.

Auctions for these types usually begin between late in November and mid-December. The 1952 crops of the Kentucky-Tennessee types 35 (One Sucker) and 36 (Green River) averaged 32.2 and 30.4 cents per pound--down 6 and 11 percent, respectively, from a year earlier, but still the second highest on record in each case. The 1952 crop of type 37 (Virginia sun-cured) averaged 31.6 cents--9 percent less than the record high of a year earlier and the lowest since the 1949 crop. The quality of all 3 types was lower than in the preceding year.

Table 20.- Dark air-cured price support operations, 1946-52

(Farm-sales-weight equivalent)			
Marketing season	Dark air-cured placed under Government loan		Remaining in Govern- ment loan stocks on Sept. 30, 1953 <sup>1/</sup>
	Quantity	Percentage of total crop	
	Million pounds	Percent	Million pounds
1946	15.7	31.7	1.4
1947	14.4	38.7	10.1
1948	8.9	25.6	5.1
1949	4.1	11.3	2.6
1950	4.1	14.3	3.8
1951	7.3	23.0	6.9
1952	<u>2/10.1</u>	<u>2/31.6</u>	9.4

<sup>1/</sup> Actual loan stocks in terms of packed weight are 11 or 12 percent less than their farm-sales-weight equivalent. <sup>2/</sup> Of the 10.1 million pounds pledged for CCC loans, 0.2 million pounds represented quantities for British manufacturers, which they have since purchased and shipped.

Cigar, Types 41-62

### Domestic Use and Exports

The total disappearance of continental cigar filler (types 41-44) in the October 1952-September 1953 marketing year is estimated at about 61 million pounds--3 percent above a year earlier and the largest in 6 years.

The great bulk of it went into cigars made in this country. Exports of these types have averaged around a million pounds in the past 5 marketing years. During October 1952-July 1953, exports of filler were over one-fourth less than in the same months of a year earlier. Algeria got much less than either of the 2 preceding years. Indochina got a sizable quantity in 1951-52 but less than one-half as much as was recorded for that destination in the first 10 months of 1952-53.

The total disappearance of the combined binder types 51-55 in the October 1952-September 1953 marketing year is expected to total 60 or 61 million pounds--up about 5 percent from 1951-52. Cigars absorb most of the binder types, but scrap chewing is a sizable outlet for lower grades. Both domestic usings and exports of binder types are estimated at above those in 1951-52. Exports may total about 4 million pounds (farm-sales-weight)--more than one-third above 1951-52 and the largest since 1948-49. However, practically all of the increase was in the Southern Wisconsin type 54. A relatively substantial quantity of this tobacco was shipped to East Germany in exchange for potash. Indications are that exports of Connecticut Valley Broadleaf (type 51) were moderately lower and Havana Seed (type 52) considerably lower in 1952-53 than in 1951-52. During October 1952-July 1953, West Germany and Belgium got more binder tobacco than in the comparable period of a year earlier. Denmark got more than the relatively small amount of a year earlier but still far less than in 1950-51. Less went to Netherlands and Canada but more went to Sweden. None was reported for Austria although a fairly sizable amount went there in 1951-52.

The total disappearance of domestic shade-grown wrapper (types 61-62) in the July 1952-June 1953 marketing year was 16.4 million pounds--nearly one-fifth larger than in 1951-52 and the largest on record. Increases occurred in both domestic use and exports. Domestic use of cigar wrapper grown in this country was larger than in several years of the 1920's, when cigar production was considerably higher than in recent years. But at that time, imports of wrapper were substantially greater.

Amounting to more than one-fourth of total disappearance, the 1952-53 exports of wrapper were nearly 4.4 million pounds--22 percent higher than in 1951-52. West Germany (accounting for three-fifths of the total 1952-53 wrapper exports) took 8 percent more than a year earlier. Quantities to Belgium, Netherlands, and Canada showed sharp relative increases and East Germany got around 300,000 pounds in contrast to probably none in 1951-52. Denmark and Brazil got less and none was recorded as going to Austria which took some in each of the previous 2 years.

In 1953-54, the disappearance of the various classes of cigar tobacco should total almost the same as in 1952-53 since cigar output, the major outlet, is expected to continue near the level of the past year. Exports of Wisconsin binder are likely to be smaller because the exceptional shipment to East Germany in 1952-53 is not expected to be repeated.

Table 21.- Cigar tobacco, types 41-55: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

Type and year	(Farm-sales weight)				Average price per pound
	Production	Stocks October 1	Supply	Disappearance year beginning October 1	
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Filler types 41-44 1/					
Average 1934-38	48.9	159.9	208.8	54.4	10.4
1939	63.1	141.9	205.0	54.0	11.7
1940	64.7	151.0	215.7	58.7	12.0
1941	71.2	157.0	228.2	61.4	12.5
1942	53.8	166.8	220.6	67.0	13.2
1943	47.0	153.6	200.6	55.2	18.6
1944	54.6	145.4	200.0	57.1	19.5
1945	45.4	142.9	188.3	59.5	34.0
1946	57.3	128.8	186.1	63.9	32.8
1947	60.6	122.2	182.8	59.1	30.6
1948	68.3	123.7	192.0	60.1	25.8
1949	65.4	131.9	197.3	53.5	26.2
1950	65.7	143.8	209.5	52.1	25.2
1951	63.0	157.4	220.4	59.4	19.6
1952 2/	44.8	161.0	205.8	3/61.1	25.2
1953 2/	42.0	3/144.7	3/186.7		
Binder types 51-55 4/					
Average 1934-38	41.8	165.1	206.9	60.5	12.5
1939	63.3	116.6	179.9	45.0	16.6
1940	67.9	134.9	202.8	66.1	14.5
1941	61.6	136.7	198.3	60.4	16.9
1942	55.2	137.9	193.1	66.4	20.4
1943	51.0	126.7	177.7	69.2	30.3
1944	57.7	108.5	166.2	63.9	30.9
1945	63.5	102.3	165.8	62.3	47.7
1946	74.1	103.5	177.6	53.9	52.7
1947	69.4	123.7	193.1	67.3	43.4
1948	60.5	125.8	186.3	63.1	41.2
1949	61.7	123.2	184.9	49.8	36.0
1950	65.0	135.1	200.1	57.6	35.8
1951	49.8	142.5	192.3	57.5	38.1
1952 2/	48.3	134.8	183.1	3/60.3	38.6
1953 2/	47.4	3/122.8	3/170.2		

1/ Includes small quantity of type 45 in 1934-38 average. 2/ Subject to revision. 3/ Estimated. 4/ Includes small quantity of type 56 through 1948.

Supplies.

Filler: The carryover of Pennsylvania and Ohio filler (types 41-44) on October 1 of this year is estimated at nearly 145 million pounds--one-tenth lower than a year earlier although above the carryover for 6 out of the previous 8 years. The October estimate of production is 42 million pounds--6 percent less than last year's small crop. The Pennsylvania crop may be the smallest in 16 years and the Ohio crop, the lowest in 7 years. The estimated total supply of these filler types for 1953-54 is about 187 million pounds--down 9 percent from the 1952-53 level. The 1953-54 estimate is 15 percent below 1951-52, when supplies were the largest since 1942-43.

Puerto Rico produces and ships significant quantities of filler tobacco to the United States. (See table 22.) In the first 5 months of 1953, tobacco shipments from Puerto Rico to the United States were sharply below those in the same months of 1952. On July 1, stocks of Puerto Rican tobacco in the United States totaled 17.7 million pounds--11 percent below a year earlier and the smallest for that date since 1926. July 1 stocks of this type on the Island totaled 36.7 million pounds--27 percent above the 9-year low of a year earlier. Total stocks of Puerto Rican tobacco, although 11 percent above a year earlier, are below any other year except 1943 as far back as records on Island stocks go--1936.

Table 22.- Shipments of tobacco from Puerto Rico to the United States for specified periods

Classification:	(Declared weight)						
	Average 1924-28	Average 1934-38	1950	1951	1952	January-May	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Stemmed	16.1	17.4	9.9	10.2	14.6	4.2	1.0
Unstemmed	5.1	.1	1/	3.5	.6	.1	1/
Scrap	5.8	5.0	9.3	3.1	6.5	1.7	1.3
Total	27.0	22.5	19.2	16.8	21.7	6.0	2.3

1/ Less than 50,000 pounds.

Bureau of Agricultural Economics. Compiled from publications and records of the United States Department of Commerce.

Binder: The estimated carryover on October 1 of combined binder types is about 123 million pounds--9 percent below a year earlier and 14 percent below 2 years earlier. The October estimate of production is 47.4 million pounds--2 percent less than harvestings in 1952 and the smallest since 1936. Broadleaf (type 51) is indicated at 4 percent below that harvested a year ago but above that in 3 of the previous 5 years. Havana Seed (type 52) is indicated as being over one-tenth larger than

the 1952 crop but still the second smallest since the war. Southern Wisconsin (type 54) harvestings are indicated at 14 percent below the 1952 crop and the second smallest on record. Northern Wisconsin (type 55) harvestings are indicated to be about equal to last year's crop, which was the second smallest since before the war.

The 1953 production of all binder types plus the estimated carry-over will provide a total supply of approximately 170 million pounds for 1953-54--7 percent below the 1952-53 level and the lowest since 1945-46.

Wrapper: The carryover of shade-grown wrapper on July 1, 1953, was 19.3 million pounds--9 percent lower than the record July figure of a year earlier. All the decline occurred in the Connecticut Valley (type 61) while the Georgia-Florida (type 62) held about the same. The October production estimate for shade-grown wrapper was 13.9 million pounds--4 percent below the 1952 harvestings. The Georgia-Florida crop was indicated to be around 10 percent less while the Connecticut Valley crop may nearly equal the 1952 outturn. The 1953-54 total supply of domestically grown cigar wrapper is about 33 million pounds--7 percent below 1952-53 and the lowest since 1948-49.

Table 23.- Cigar tobacco, types 61-62: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-53

(Farm-sales weight)

Type and year	Production	Stocks July 1	Supply	Disappearance year beginning July 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Wrapper types 61-62:					
Average 1934-38	8.4	11.8	20.2	9.3	78.3
1939	11.4	10.1	21.5	7.9	67.7
1940	9.5	13.6	23.1	10.4	77.6
1941	10.1	12.7	22.8	9.6	98.4
1942	9.2	13.2	22.4	9.4	132.1
1943	10.0	13.0	23.0	8.7	167.7
1944	11.3	14.3	25.6	10.9	196.1
1945	11.2	14.7	25.9	12.3	197.3
1946	12.5	13.6	26.1	12.7	234.0
1947	13.5	13.4	26.9	12.4	296.0
1948	15.1	14.5	29.6	13.0	274.0
1949	17.3	16.6	33.9	14.5	201.0
1950	15.5	19.4	34.9	14.9	203.0
1951	14.9	20.0	34.9	13.7	194.0
1952 1/	14.5	21.2	35.7	16.4	237.0
1953 1/	13.9	19.3	33.2		

1/ Subject to revision

Since June 30, 1952, a marketing agreement and order has been in effect on Georgia-Florida shade-grown wrapper which restricts marketings to the better quality leaves.

### Marketing Quotas and Acreage Allotments

The 1953 crop of continental cigar filler and binder except for Pennsylvania filler (type 41) is being grown under a marketing quota and acreage allotments. On October 29, growers of Pennsylvania filler (type 41) and of the cigar filler and binder types (42-44 and 51-55) will vote (1) for marketing quotas on their 1954 crop, (2) for marketing quotas on the next 3 crops, or (3) against quotas. A two-thirds majority of those voting is required to place the quotas in effect. The Secretary of Agriculture on October 8 proclaimed separate quotas for type 41 and for types 42-44 and 51-55 combined. Under the Pennsylvania type 41 quota, 1954 acreage allotments would approximate 30,250. Last year, Pennsylvania growers disapproved a quota involving about 31,700 acres. Actual acreage for harvest in Pennsylvania this year is estimated at about 24,400 acres. Under the other quota, types 42-44 and 51-55, the 1954 acreage allotments approximate 48,450 acres compared with 49,400 acres allotted in 1953. The 1953 planted acreage of these types is indicated at only around 36,000 acres.

Notices of individual farm allotments are sent to growers prior to the referendum, and where warranted, adjustments are made in the size of allotments after consideration by county and community committeemen.

### Price Supports and Prices

Growers of the filler and binder types of cigar tobacco will receive price supports for their 1953 crops except Pennsylvania filler for which a marketing quota was disapproved last fall. The price support levels are the same as those announced last March and are shown together with comparative data in table 24. The supports announced in March are higher than if based on 90 percent of the October 1 parity and as specified by law, become the effective levels.

The Puerto Rican support level for the crop planted this fall and harvested during the early months of 1954 was announced on October 5 at 32.4 cents per pound. A Federal marketing quota is not in effect on this type.

Growers of cigar tobacco type 41, and types 42-44 & 51-55 will receive price support for their 1954 crop at the mandatory level of 90 percent of parity if quotas are approved in the October 29 referenda. If quotas are disapproved, no price support can be made available under existing legislation. The quota and price support legislation does not cover the two shade-grown wrapper types of cigar tobacco.



Table 24.- Cigar tobacco types, Government loan levels--1950-53, and season average prices--1950-52

Type	1950 loan level	1950 season average	1951 loan level	1951 season average	1952 season average <u>1/</u>	1953 loan level
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
Pennsylvania filler, type 41	25.2	26.4	<u>1/</u>	19.0	25.2	<u>1/</u>
Ohio cigar filler, types 42-44	23.6	18.6	26.1	24.4	25.0	25.4
Puerto Rican filler, type 46	29.0	24.9	32.6	30.0	<u>2/</u>	32.4
Conn. Valley Broadleaf binder, type 51	49.0	52.0	55.2	51.0	50.0	53.4
Conn. Valley Havana Seed binder, type 52	49.5	39.8	54.2	42.6	48.9	51.2
N. Y. and Pa. Havana Seed binder, type 53	25.5	21.7	28.0	22.3	20.9	26.1
Southern Wis. binder, type 54	24.1	23.5	27.3	25.3	19.5	25.4
Northern Wis. binder, type 55	30.0	28.1	33.5	31.3	31.4	32.0
Conn. Valley shade-grown wrapper, type 61	<u>3/</u>	205.0	<u>3/</u>	205.0	275.0	<u>3/</u>
Pa.-Fla. shade-grown wrapper, type 62	<u>3/</u>	200.0	<u>3/</u>	180.0	180.0	<u>3/</u>

1/ Government price support not in effect on type 41 in 1951, 1952, and 1953 or on types 42-44 and 51-55 in 1952.

2/ 1952 loan level--33.1 cents--season average not available.

3/ Mandatory loans not applicable.

It is reported that virtually all of the 1953 crop of Connecticut Valley Broadleaf (type 51) has been sold at prices a little above last season. Also reported is that a large proportion (probably over 80 per cent) of the Connecticut Valley Havana Seed (type 52) has been sold at prices averaging higher than last season.

Table 25.- Cigar tobacco price support operations, 1946-52

Type	Quantity (farm-sales weight) placed under loan :							Quantity (packed weight) remaining under loan Sept. 30, 1953
	from crop produced in:							
	1946	1947	1948	1949	1950	1951	1952	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Type 41 (Pa. Seed.)	0	0	0	0	2,839	<u>1/</u>	<u>1/</u>	0
Type 42-44 (Ohio)	0	0	0	0	2,575	571	<u>1/</u>	<u>2/2,052</u>
Type 46 (P. R.) <u>3/</u>	10,575	10,257	12,252	9,263	273	1,062	1,417	0
Type 51 (Conn. V.)	0	0	0	113	51	1,708	<u>1/</u>	895
Type 52 (Conn. V.)	0	0	0	3,189	3,724	2,668	<u>1/</u>	1,792
Type 53 (N. Y. and Pa.)	0	0	0	0	4	32	<u>1/</u>	32
Type 54 (So. Wisc.)	2,244	830	2,038	228	1,433	4,804	<u>1/</u>	<u>2/6,180</u>
Type 55 (No. Wisc.)	0	0	3,043	508	599	73	<u>1/</u>	0

1/ Price support not in effect because marketing quota was disapproved by growers of this type.

2/ All of the specified quantity of types 42-44 and 34 percent of the specified quantity of type 54 are in CCC inventories.

3/ Crop harvested in early months of following year in Puerto Rico.

Table 26. Tobacco: Acreage in the United States, by types, for specified periods with percentages.

Period	Cigar								
	Flue-cured 11-14	Fire-cured 21-24	Burley 31	Maryland 32	Dark air-cured 35-37	Filler 41-45 1/	Binder 51-56 1/	Wrapper 61-62	United States
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Average:									
1924-28	893.7	224.4	322.2	31.2	85.9	68.1	64.0	9.6	1,700.3
1929-33	949.5	204.3	460.9	36.1	64.5	65.3	56.3	9.0	1,847.3
1934-38	863.2	135.2	347.2	36.7	42.0	38.7	29.2	8.9	1,501.3
1939	1,269.9	114.5	424.7	40.0	48.7	48.8	41.2	10.9	1,999.7
1940	741.0	119.9	360.3	38.4	47.0	48.4	44.4	10.3	1,410.2
1941	717.6	74.5	341.9	40.3	32.6	47.6	41.0	10.8	1,306.5
1942	792.7	72.8	350.6	38.0	34.0	43.1	36.3	9.6	1,377.3
1943	842.8	68.8	399.3	35.3	30.9	37.9	33.1	9.6	1,458.0
1944	1,017.3	64.7	496.6	45.0	40.2	37.9	37.3	10.5	1,749.9
1945	1,078.7	61.3	512.3	35.0	44.1	36.0	41.8	11.2	1,820.7
1946	1,188.8	91.6	489.0	50.0	40.8	39.0	48.8	12.5	1,960.8
1947	1,161.2	83.8	420.5	47.5	35.3	42.7	46.4	13.6	1,851.6
1948	883.8	62.6	432.0	46.6	29.9	43.6	39.7	15.1	1,553.6
1949	935.4	60.7	447.4	50.0	31.9	42.4	39.5	15.6	1,623.2
1950	958.4	52.9	408.3	50.0	28.7	44.6	42.0	13.7	1,599.0
1951	1,110.1	49.0	456.1	53.0	26.5	39.5	31.7	13.6	1,779.9
1952 2/	1,111.3	47.4	463.5	51.0	26.3	28.9	31.4	12.9	1,773.0
1953 2/	1,030.9	48.6	428.7	47.0	27.8	29.9	30.5	12.0	1,655.6
	Percentage change								
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Av. 1947-49 to 1953	+3.8	-29.6	-1.1	-2.1	-14.2	-30.3	-27.2	-18.9	-1.2
1952 to 1953	-7.2	+2.5	-7.5	-7.8	+5.7	+3.5	-2.9	-7.0	-6.6

1/ Type 45 ended in 1939 and type 56 ended in 1948.

2/ Subject to revision.

Table 27.- Tobacco: Yield per acre in the United States, by types, for specified periods with percentages

Period	Cigar								
	Flue-cured 11-14	Fire-cured 21-24	Burley 31	Maryland 32	Dark air-cured 35-37	Filler 41-45 1/	Binder 51-56 1/	Wrapper 61-62	United States
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Average:									
1924-28:	676	767	807	781	784	1,340	1,256	1,041	765
1929-33:	707	777	777	683	803	1,035	1,350	1,039	770
1934-38:	856	811	819	749	837	1,266	1,465	954	865
1939	922	868	931	820	908	1,292	1,536	1,044	940
1940	1,025	888	1,045	850	905	1,337	1,530	922	1,036
1941	905	935	985	775	967	1,497	1,503	939	966
1942	1,024	982	980	740	1,037	1,249	1,520	963	1,023
1943	938	943	982	590	972	1,241	1,540	1,044	964
1944	1,069	1,022	1,189	850	1,116	1,440	1,548	1,075	1,115
1945	1,088	951	1,127	525	988	1,261	1,518	1,001	1,094
1946	1,137	1,189	1,256	925	1,215	1,469	1,519	1,000	1,181
1947	1,135	1,031	1,153	795	1,054	1,419	1,495	992	1,138
1948	1,233	1,170	1,396	750	1,165	1,566	1,524	998	1,274
1949	1,191	1,189	1,253	825	1,133	1,542	1,561	1,108	1,213
1950	1,312	1,102	1,222	800	998	1,474	1,547	1,130	1,269
1951	1,309	1,215	1,355	785	1,197	1,594	1,572	1,098	1,310
1952 <sup>2/</sup>	1,229	1,228	1,403	775	1,286	1,550	1,539	1,125	1,272
1953 <sup>3/</sup>	1,197	1,082	1,345	800	1,024	1,406	1,555	1,158	1,228
	Percentage change								
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Av. 1947-49: to 1953 :	+0.9	-4.2	+6.2	+1.3	-8.3	-6.8	+1.8	+12.1	+1.7
1952 to 1953:	-2.6	-11.9	-4.1	+3.2	-20.4	-9.3	+1.0	+2.9	-3.5

1/ Type 45 ended in 1939 and type 56 ended in 1948.

2/ Subject to revision.

3/ Indicated as of October 1.