

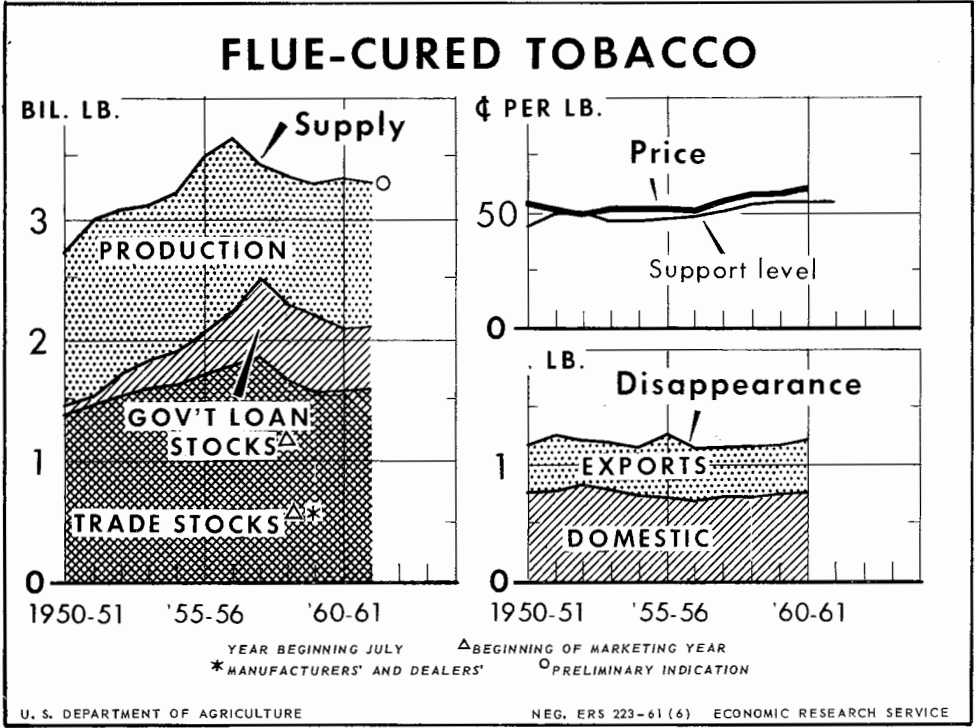
JUNE 1961
FOR RELEASE
JUNE 30, P. M.

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The TOBACCO SITUATION



total supply of flue-cured tobacco in 1961-62 at about 3.3 billion pounds is down a little from 1960-61 and a tenth below the 1956-57 peak. The 1961 crop is not expected to be as large as last year's when yields per acre were record high. Total stocks July 1, 1961, are estimated to be up slightly from a year ago, though Government loan stocks decreased a little. Total disappearance in 1960-61 increased about 4-1/2 percent mainly due to the rise in exports from their 7-year low in 1959-60.

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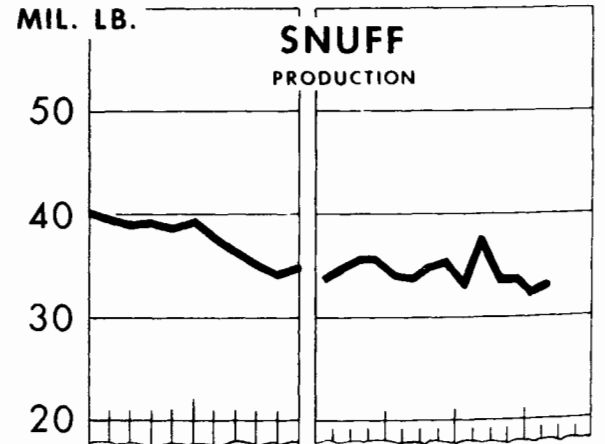
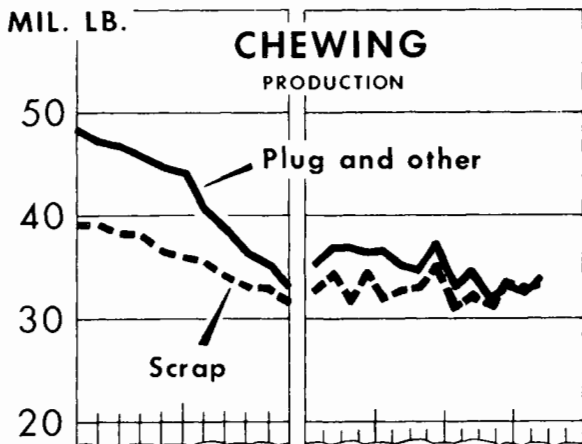
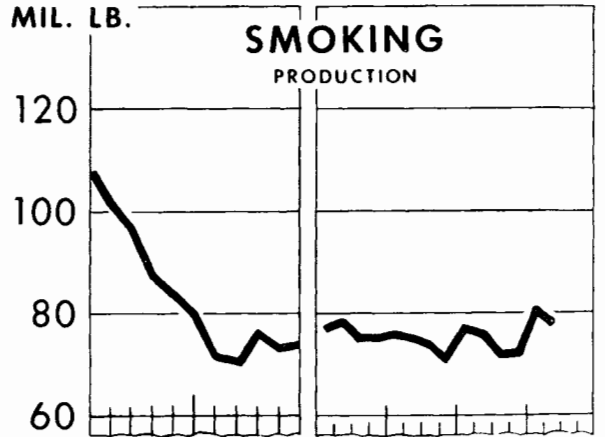
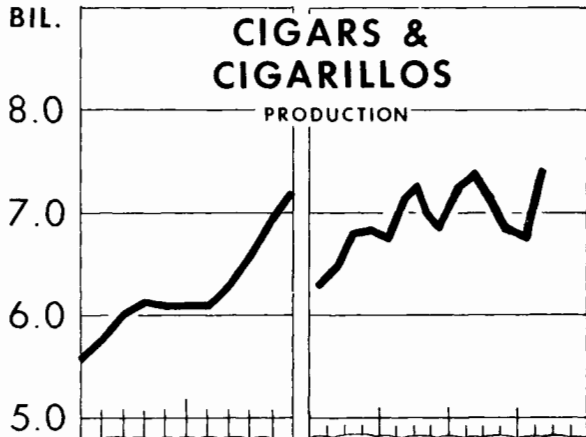
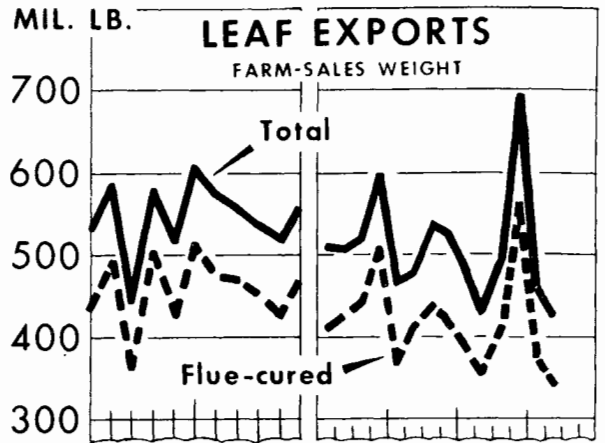
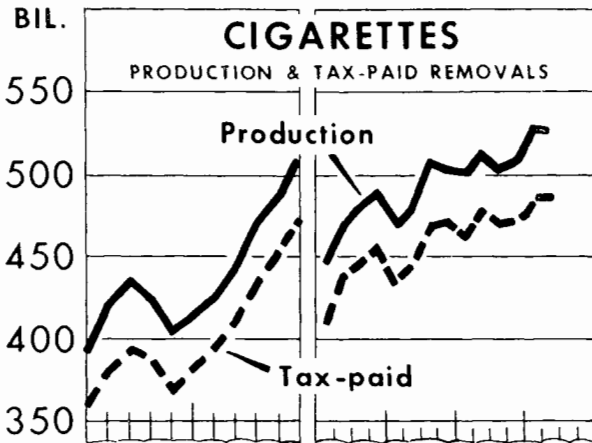
- Tobacco Products
- Tobacco Leaf
- MH-30 Report
- Tied and Untied Flue-cured

Published quarterly by
ECONOMIC RESEARCH SERVICE

U. S. DEPARTMENT OF AGRICULTURE

TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



1950 '55 '60 1958 '59 '60 '61
ANNUAL QUARTERLY, SEASONALLY ADJUSTED, AT ANNUAL RATES

1950 '55 '60 1958 '59 '60 '61
ANNUAL QUARTERLY, SEASONALLY ADJUSTED, AT ANNUAL RATES

LAST QUARTER SHOWN, PARTLY ESTIMATED

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 T H E T O B A C C O S I T U A T I O N
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Approved by the Outlook and Situation Board, June 23, 1961

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SUMMARY

A firm demand is expected for cigarette tobacco in the coming season. Cigarette output and consumption are likely to reach new highs in calendar year 1961. Total supplies of the cigarette tobaccos--carryover plus this year's production--probably will be a little lower for 1961-62 than 1960-61.

Cigarette output during July 1960-June 1961 is estimated at 517 billion--2 percent above 1959-60 and surpassing any previous fiscal or calendar year. Factors favoring continuing increases in cigarette consumption are the increases in the population reaching smoking age and improvements in personal incomes.

Cigar and cigarillo consumption in calendar 1961 is also expected to top 1960. In the year ending June 30, 1961, the indicated consumption of cigars and cigarillos is nearly 7 billion--almost the same as in 1959-60. However, statistical series indicating cigar consumption in 1960-61 are probably being affected to some extent by the elimination on July 1 of cigar taxes in New York and Michigan. Cigar shipments for these States in the second quarter have been to cover immediate needs but will rise significantly in the third quarter following elimination of the tax.

During calendar year 1960, sales of cigarillo-size cigars totaled 948 million--13.6 percent of all cigars sold, according to a survey of the Cigar Manufacturers Association of America. Cigarillo sales were up 1.6 percent from 1959.

Production of smoking tobacco in the year ending June 30 is estimated at near 75-1/3 million pounds-- 2 percent above 1959-60 and the largest fiscal year total since 1954-55. Recessionary influences, especially increased unemployment earlier this year, probably contributed to the gain in consumption of smoking tobacco. However, sizable gains continue to be made by the generally higher-priced imported smoking tobaccos, mostly from the Netherlands and United Kingdom

Output of chewing tobacco in the year ending June 30 is estimated at near 65 million pounds--3 percent below 1959-60 and a new long-time low. Output of snuff is estimated at 33 million pounds, 6 percent lower than 1959-60 and the smallest for many years.

U. S. exports of unmanufactured tobacco for July 1960-June 1961 are estimated at about 495 million pounds (declared weight), 8 percent above 1959-60 when they were lowest in 7 years. While general economic factors such as high industrial activity and gold and dollar reserves abroad are favorable to U. S. tobacco exports, there are offsetting factors for the period ahead. The stocks position of some major importing countries has improved and production in competitive foreign areas is large. Final decisions yet to be reached concerning duties on tobacco imported into the European Common Market will affect the competitive position of U. S. tobacco in the member countries. Greece has recently associated itself with the Common Market subject to ratification by member countries, and negotiations are in progress concerning the association of Turkey. Greece and Turkey rank third and fourth among the tobacco exporting countries of the world.

Another factor that may affect U. S. exports is the use of maleic hydrazide (MH-30) on tobacco. (Maleic hydrazide is a chemical used to control the growth of sucker sprouts on tobacco plants.) A USDA research report on the effects of the use of maleic hydrazide was sent to the House Agriculture Committee and has been made public. In most foreign tobacco exporting countries, tobacco is not treated with MH-30, and this is strengthening their competitive position.

Price supports for the 1961 crops of the eligible kinds of tobacco are the same as for 1960. Under existing legislation, price supports for tobacco are adjusted from their 1959 levels according to the percentage change between (1) the 1959 parity index and (2) the average of the parity indexes for the three calendar years just preceding the year for which supports are being set. The parity index is the index of prices paid by farmers, including interest, taxes and farm wage rates.

Flue-cured tobacco acreage is close to last year's but it seems unlikely the yield per acre will average as high as the record obtained last year. This year's crop plus the carryover will probably provide a total supply of flue-cured for 1961-62 a little lower than for 1960-61. Domestic use of flue-cured in the year ending June 30, 1961 is estimated to be up about 2 percent and exports rose by close to a tenth.

The 1961 crop of burley will be up about 6 percent from last year if yields equal the recent 3-year average. Carryover will be down perhaps 5 percent and total supply for 1961-62 probably will be a little lower than for 1960-61. According to early indications, both domestic use and exports of burley will be larger in the current marketing year than last year.

The 1961 crop of Maryland may be a little larger than last year's if yields per acre are average but carryover seems likely to be down some. Total supply for 1961-62 is expected to be a little lower than for 1960-61. Auction markets for the 1960 crop of Maryland tobacco began April 25. For sales through June 23, the average price received was 63.7 cents per pound--2.2 cents higher than in the comparable period last year. About $5\frac{1}{2}$ percent of that auctioned has gone under Government loan.

If yields are near the averages of recent years, 1961 production of the fire-cured types and dark air-cured types will be larger than in 1960. However, carryovers of both of these kinds of tobacco are expected to show a decline this year, so that total 1961-62 supplies of these types are likely to be lower than for the current year.

The total 1961-62 supply of Pennsylvania cigar filler seems likely to be lower than 1960-61, but that of Ohio filler, may be up a little. A smaller crop than last year appears likely in Pennsylvania. Stocks of foreign cigar tobaccos have been built up appreciably in the past 2 or 3 years. Stocks of Cuban tobacco have been increased due to the uncertainties with respect to this source in the future, but considerably greater quantities from other foreign sources have also been arriving.

The total supply of Connecticut Valley binder types for 1961-62 will be down to a record low, but supplies of the Wisconsin binder types appear likely to be moderately larger than for the past 2 or 3 years.

The total 1961-62 supply of shade-grown wrapper may be up 2 percent from the 1960-61 level and probably be the highest on record. A drop in production seems likely this year but this will be more than offset by a rise in carryover compared with a year ago.

TOBACCO PRODUCTS

Cigarettes

For the year ending June 30, 1961, the number of cigarettes manufactured is estimated at a record 517 billion--11 billion or 2 percent above the preceding year. Both total output and consumption surpassed levels for any previous fiscal or calendar year. In fiscal year 1960-61, about 492 billion cigarettes were consumed by U. S. smokers (including those overseas) and most of the remaining 25 billion were shipped to foreign countries and U. S. island possessions.

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

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other 1/	Puerto Rico and U. S. islands 2/	
	Billions	Billions	Billions	Billions	Billions
Average:					
1935-39	164.2	157.0	0.9	0.8	5.5
1940-44	256.9	223.5	26.5	1.0	5.8
1945	332.2	267.2	56.9	1.2	6.9
1946	350.0	321.7	5.0	1.6	24.1
1947	369.7	335.4	10.4	1.1	22.8
1948	386.8	348.5	12.8	1.7	25.2
1949	385.0	351.8	12.0	1.7	19.5
1950	392.0	360.2	15.6	1.9	14.3
1951	418.8	379.7	20.1	2.0	16.8
1952	435.5	394.1	21.7	1.9	16.4
1953	423.1	386.8	18.8	2.0	16.2
1954	401.8	368.7	15.9	1.8	15.4
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960 <u>3/</u>	506.9	470.1	14.3	2.5	20.2
Fiscal year					
Year ending June					
1957	433.9	401.7	14.0	2.0	16.1
1958	449.1	416.3	13.3	2.1	17.7
1959	479.5	444.3	14.3	2.3	18.4
1960	506.1	468.6	14.2	2.5	20.1
1961 <u>4/</u>	517.0	478.0	14.0	2.5	21.5

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

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

3/ Subject to revision

4/ Estimated.

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

Cigarette output during January-April 1961 was 4 percent ahead of the comparable period of 1960. Output and consumption for the calendar year as a whole are likely to set new highs. Favorable factors are the increases occurring in the population reaching smoking age and the continuing improvement in personal income as the year advances.

Although manufacturers have not raised prices of cigarettes since mid-1957, the average expenditure per package by consumers has risen due to two principal factors: (1) The numerous advances in State tax rates on cigarettes, and (2) the increased proportion of filter tip and king size nonfilter cigarettes, which are higher-priced than regular size nonfilter cigarettes. Statistical Research Service data on average prices paid in farm areas for cigarettes in independent and chain stores indicated an average of 26 cents per pack of 20 in March 1961. This was 1.6 percent higher than a year earlier and 5.7 percent higher than 2 years earlier.

The Bureau of Labor Statistics, U. S. Department of Labor, maintains indexes of consumer prices for plain tip (nonfilter) and filter tip cigarettes. These indexes represent the movements of cigarette prices at retail in selected large, medium-size and small cities. According to these data, prices of plain tip cigarettes in March 1961 were up a half of 1 percent from a year earlier and 8 percent higher than 2 years earlier. Prices of filter tip cigarettes were up a half of 1 percent compared with March 1960 and were 7.2 percent higher than March 1959. To a large extent, the price increases of 8 percent for plain tips and 7 percent for filter tips in the past 2 years reflect the average impact of new or higher State and city cigarette taxes in the cities composing the BLS sample. Further increases in cigarette tax rates are being levied in 1961 in some States.

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

Country	January-April						
	Average	1958	1959	1960 ^{1/}	1960	1961	1961 as a
	1953-57				^{1/}	^{1/}	percentage
	Millions	Millions	Millions	Millions	Millions	Millions	Percent
Gibraltar (Br.)	75	---	117	1,975	417	576	138
Hong Kong	920	1,128	1,365	1,590	593	512	86
France	888	1,305	1,202	1,370	392	581	148
Singapore ^{2/}	614	905	933	1,251	406	413	102
Neth. Antilles	487	736	838	986	296	288	97
Belgium	690	1,030	890	933	277	346	125
Kuwait	310	514	628	820	274	323	118
Sweden	721	581	535	609	178	193	108
Netherlands	387	450	537	599	174	191	110
Italy	368	470	479	594	137	225	164
Morocco	1,678	2,107	2,392	415	218	111	51
Venezuela	1,800	2,507	2,260	116	113	Neg.	---
Other countries ^{3/}	6,963	6,334	7,400	8,972	2,465	3,387	137
Total all countries	15,901	18,067	19,576	20,230	5,940	7,146	120

^{1/} Preliminary. ^{2/} Includes Federation of Malaya. ^{3/} Includes about 95 to 110 foreign destinations in recent years. Compiled from publications and records of the Bureau of the Census.

During January-April 1961 exports of cigarettes were a fifth larger than in the same period of 1960. There were substantial increases to Gibraltar, France, Belgium, Kuwait and Italy. Exports to Venezuela, formerly a top ranking foreign outlet for U. S. cigarettes, have virtually ceased and the quantity going to Morocco, also formerly a top ranking outlet, has greatly diminished.

Cigars and Cigarillos

In the year ending June 30, 1961, the indicated consumption of cigars and cigarillos is nearly 7 billion--almost the same as in 1959-60. However, comparisons between 1960-61 and 1959-60 figures should be viewed with caution inasmuch as shipments for consumption in recent weeks have been affected by the prospective elimination of State taxes on cigars in New York and Michigan. As far as possible, new shipments in these areas have been to cover immediate needs and cigar stocks have been held to a minimum. Rebuilding cigar inventories will proceed after July 1, when cigars sold in these two States will no longer be subjected to State tax.

Statistical series indicating cigar consumption are expected to show significant increases in the third quarter of 1961 and actual consumption for calendar year 1961 as a whole is likely to top the nearly 7.1 billion of 1960. The continuing improvement in personal income associated with economic recovery should help to increase cigar consumption.

Cigars from domestic factories supplied about 6.5 billion of the total cigars consumed in fiscal year 1960-61. It is estimated that 240 million cigars came from Puerto Rico--a significant increase over the 153 million in 1959-60. In 1960-61, an estimated 190 million cigars came from bonded manufacturing warehouses, which make cigars exclusively of Cuban tobacco. This is roughly 50 million less than in 1959-60 but the decline is due to a shift in operations by one firm to the domestic factory category. Some domestic factories, as well as those in the bonded manufacturing warehouse group, make cigars exclusively of Cuban tobacco.

Cigars imported for consumption in 1960-61 are estimated at 26 million, down a little from 1959-60. Cigars imported from Cuba, the leading source of imported cigars, have fallen sharply since the comparatively large receipts last November and December; in January-April 1961, imports of Cuban cigars were down more than 60 percent from the comparable period of 1960. Cigars imported from the Philippine Republic have increased and will reach a postwar high, though they are still far below our prewar imports from that country.

According to the Bureau of Labor Statistics indexes, manufacturers' prices for medium- and higher-priced cigars have been virtually unchanged in the past 8 years and are less than 5 percent above the 1947-49 average. The BLS price index for "popular-priced" cigars has advanced less than 2 percent in over 5 years and is about 9 percent above the 1947-49 average. BLS indexes represent prices collected according to specifications of the item priced; these specifications usually continue unchanged for a considerable time. Actually,

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

Period	Domestic factories			Bonded	Shipments	Imports for			Total consumption
	Manufac- tured	Removals	Tax- able	manufac- turing warehouse	from Puerto Rico to the United States	Total 1/	From Cuba	Exports	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average:									
1935-39	5,075	5,060	13	66	29	192	3	8	5,352
1940-44	5,450	5,282	199	105	11	94	15	9	5,682
1945	5,275	4,774	469	82	97	60	60	2	5,480
1946	5,618	5,621	26	125	69	22	20	3	5,860
1947	5,488	5,460	41	124	8	12	9	19	5,626
1948	5,645	5,588	38	140	4	12	10	13	5,769
1949	5,453	5,399	46	142	4	11	10	3	5,599
1950	5,399	5,365	47	160	3/	12	11	2	5,582
1951	5,594	5,518	85	177	3/	14	13	3	5,791
1952	5,825	5,755	102	196	1	15	12	3	6,066
1953	5,915	5,820	90	205	9	17	13	6	6,135
1954	5,820	5,690	89	206	47	16	12	8	6,040
1955	5,776	5,688	82	227	83	20	15	6	6,094
1956	5,767	5,633	72	230	94	23	18	9	6,043
1957	5,903	5,757	79	238	122	26	20	9	6,213
1958	6,225	6,020	87	240	139	28	22	9	6,505
1959	6,608	6,470	103	247	144	31	24	5/10	6,985
1960 4/	6,768	6,511	105	217	198	32	23	5/11	7,052
Fiscal year									
Year end- ing June									
1957	5,780	5,652	74	234	100	24	18	8	6,076
1958	5,952	5,838	80	238	131	26	21	10	6,303
1959	6,507	6,408	101	254	142	34	27	10	6,929
1960	6,786	6,456	100	241	153	27	20	5/11	6,966
1961 5/	6,675	6,400	110	190	240	26	17	12	6,954

1/ Predominant share of imports prior to 1942 came from Philippine Islands.

2/ Total removals from domestic factories plus cigars from bonded manufacturing warehouses, from Puerto Rico and imports minus exports.

3/ Less than a half million.

4/ Subject to revision.

5/ Estimated.

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

Table 4.--Cigars weighing not more than 3 pounds per thousand (approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Average:				
1935-39	173.3	174.4	174.4	Neg.
1940-44	132.7	134.9	134.4	0.5
1945-49	88.6	89.0	89.0	Neg.
1950	68.9	69.2	69.1	.1
1951	69.2	68.6	68.2	.4
1952	67.1	67.4	66.9	.5
1953	58.3	56.9	56.7	.2
1954	61.2	62.9	60.3	2.6
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1960 Jan.-Apr.	46.4	41.4	36.4	5.0
1961 Jan.-Apr.	50.6	47.1	44.0	3.1

Compiled from reports of Internal Revenue Service.

cigar manufacturers have introduced new lines within brands or new brands of cigars that are smaller than the traditional full size cigars and which sell at lower prices. The cigarillos and smaller size cigars account for a sizable share of the total market and the overall average retail price per unit has declined in the past decade.

The Cigar Manufacturers Association of America has sponsored surveys which furnish data on cigarillos--defined as weighing over 3 but not more than 10 pounds per 1,000. These surveys indicate that cigarillos sold in 1960 totaled about 948 million, 1.6 percent above the 933 million sold in 1959. The increase from 1959 to 1960 was much less than in the preceding 2 years.

The larger proportion of smaller-sized cigars, the development of reconstituted tobacco for binders and the increased use of foreign tobaccos have reduced the quantity of domestic cigar tobacco utilized in cigars in the past few years despite a significant increase in the number of units manufactured.

Market testing of cigars using reconstituted tobacco for the wrapper has been proceeding during the past year and trade reports indicate that at least one brand using such a wrapper is to be given broader distribution.

Smoking Tobacco

Production of smoking tobacco in the year ending June 30 is estimated at near 75-1/3 million pounds, about 1 1/2 million above 1959-60. Output at this level would be the largest fiscal year total since 1954-55. Manufacture of smoking tobacco, which in the July-September quarter of 1960 lagged behind year-earlier levels, picked up in October-December. It rose further in the first third of 1961, exceeding January-April 1960 output by 3 percent. Recessionary influences, especially increased unemployment earlier this year, probably contributed to a gain in consumption of smoking tobacco. In the 10-month period, July 1960-April 1961, taxable removals of smoking tobacco--the principal measure of domestic consumption--were 1 1/2 percent higher than a year earlier, with the increase occurring chiefly in the first 3 months of 1961. Indications are that the gain was primarily due to an increase in tobacco for "roll-your-own" cigarettes. In the first 10 months of fiscal 1960-61, taxable cigarette papers--estimated to comprise almost half of all cigarette papers--were running 10 percent higher than a year ago.

Imports for consumption of manufactured tobacco (presumably almost entirely smoking tobacco) have continued the striking increase evidenced since 1957. January-April 1961 receipts at 344,000 pounds were 37 percent larger than in the same months of last year. The Netherlands and United Kingdom continued as the principal suppliers.

According to Bureau of Labor Statistics data, wholesale prices of smoking tobacco through April of this year have remained unchanged since January 1960, when they were advanced 3 percent.

Most of the smoking tobacco output is consumed in this country; exports of packaged smoking tobacco usually amount to about 1 percent of production. Last year's exports of packaged smoking tobacco at 908,000 pounds were the largest since 1947. In January-April 1961, these exports were running 5 percent above those a year ago. Consignments to Canada, single largest outlet,

rose 5 percent. Among the **numerous** other destinations, France, Belgium and Italy took more than a year earlier but less went to Denmark and Australia. A significant quantity was exported to Liberia, in contrast with none a year earlier.

Exports of smoking tobacco in bulk form are much larger than exports of packaged tobacco. This classification includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed blended tobacco and shredded tobacco, much of which is not included in smoking tobacco output as reported by the Internal Revenue Service. In January-April 1961, exports of smoking tobacco in bulk were about a fourth smaller than in the corresponding period of 1960. Venezuela, the leading outlet, reduced takings 25 percent. Less than a year ago also went to Panama, Bolivia, Switzerland, Dominican Republic, Australia and Mexico. Ecuador increased takings by 28 percent, while those by Haiti held even. None was yet reported as going to Spain, which in 1959 was the ranking market for smoking tobacco in bulk form; these exports were made under the foreign currency sales program of P. L. 480.

Chewing Tobacco

Output of chewing tobacco in the year ending June 30 is estimated at near 65 million pounds--about 2 million less than a year earlier. This is a new longtime low. Most of the drop was in plug chewing; comparatively little change is estimated to have occurred in scrap chewing. Of the two smaller categories, twist decreased moderately, but fine-cut gained a little.

Compared with 5 years ago, plug chewing output has dropped nearly a fourth, and that of scrap chewing, about a tenth. The downtrend is expected to continue in the years ahead. Plug chewing utilizes mainly burley and the dark air-cured types, and scrap chewing takes significant quantities of cigar binder tobacco.

The Bureau of Labor Statistics index of wholesale prices of plug chewing through April 1961 has remained steady since increases were made in February and March of 1959.

Only a small fraction of chewing tobacco output is exported--mainly twist and plug. These exports have declined steadily in recent years, and at 783,000 pounds in 1960 were less than half of what they were 4 years earlier. During the first third of 1961, exports of chewing tobacco were 7 percent below those in the same months of 1960. Australia, accounting for over three-fourths of the total, reduced takings 9 percent. Shipments to Panama declined over a fourth.

Snuff

Output of snuff in the year ending June 30 is estimated at 33-1/4 million pounds--about 2 million below the preceding year. Virtually all output is consumed domestically. In fiscal 1959-60, production exceeded taxable removals--the generally accepted measure of domestic consumption--by more than 1 million pounds. In the first 10 months of 1960-61, however,

Table 5.--Output of manufactured tobacco in the United States for specified periods

Period	Smoking	Chewing					Total	Snuff
		Plug	Twist	Fine-cut	Scrap			
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
Average								
1935-39	195.3	56.8	6.0	4.8	43.8	111.4	37.3	
1940-44	176.2	54.8	6.0	4.6	47.9	113.3	40.7	
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8	
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4	
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2	
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8	
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9	
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0	
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5	
1952	96.8	39.1	4.8	2.8	38.2	84.9	38.8	
1953	86.6	38.1	4.7	2.9	38.1	83.8	39.1	
1954	83.7	36.9	4.9	2.9	36.6	81.3	38.5	
1955	80.0	36.5	4.5	3.0	36.0	80.0	39.2	
1956	71.5	33.0	4.3	2.9	35.5	75.7	37.7	
1957	70.5	31.6	4.0	2.8	34.0	72.4	36.1	
1958	76.0	29.6	3.8	2.9	33.0	69.3	34.8	
1959	73.2	28.6	3.6	3.0	33.0	68.2	34.3	
1960 <u>1/</u>	73.8	26.4	3.4	3.1	32.0	64.9	34.6	
Fiscal year								
Year ending June								
1957	68.9	32.3	4.1	2.8	34.3	73.5	36.5	
1958	75.0	30.2	3.9	2.8	33.3	70.2	34.8	
1959	74.8	29.5	3.6	3.0	32.5	68.6	34.6	
1960	73.8	27.5	3.6	3.1	32.7	66.9	35.3	
1961 <u>2/</u>	75.3	26.0	3.4	3.1	32.5	65.0	33.2	

1/ Subject to revision. 2/ Estimated.

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

production has been about 900,000 pounds less than a year ago and has been closer to taxable removals, which have held about even compared with year-earlier levels. It is not likely that the unusually high production attained in May and June 1960 will be repeated this year.

Throughout most of the postwar period, fiscal year production of snuff remained relatively stable, ranging between 39 and 41 million pounds. Between 1954-55 and 1958-59, production declined nearly $4\frac{1}{2}$ million pounds, or about an eighth. Although output in 1959-60 increased 2 percent, consumption continued to fall off. However, the rate of decline in consumption has slowed appreciably in the past 2 years, and not much change is expected in the year ending June 30, 1961.

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices of snuff through April have remained steady since they were advanced a tenth in mid-1957.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

U. S. exports of unmanufactured tobacco in the year ending June, 30, 1961, are estimated at about 495 million pounds, 8 percent above 1959-60, when they were the lowest in 7 years. In the 1949-58 period, exports averaged 487 million pounds. The increase in 1960-61 over 1959-60 is mainly attributable to a gain of about one-tenth in shipments of flue-cured, the principal export class.

In general, overall economic factors continue to favor U. S. tobacco exports. These factors include relatively high industrial activity abroad, rising cigarette consumption in many countries, and large gold and dollar holdings in several major tobacco importing countries. Although centrally held gold and dollar reserves in the United Kingdom--single largest market for U. S. tobacco--have declined steadily since the end of January, they were still relatively high as of May 31, exceeding those a year earlier by 2 percent. In the first third of 1961, U. S. general imports--largest source of dollars to foreigners who wish to buy from this country--were running below each of the previous 2 years, but were higher than in the same months of other recent years. Also favoring our exports are the removal by the United Kingdom of financial restrictions on purchase of dollar tobacco, and last year's change in the method of determining support levels for U. S. tobacco, which should help to maintain stable prices.

Offsetting factors, however, are the improved stocks position of some major importing countries, increased production in competitive foreign areas, and various barriers against tobacco imports from the United States, which exist in many foreign markets. Final decisions yet to be reached concerning external duties on tobacco imported into the European Common Market will affect the

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

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

Country and type	(Declared weight)						
	Average 1953-57	1958	1959	1960 1/	January-April		
					1960	1961	1961 as a percentage of 1960
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	422.7	398.0	373.7	407.8	66.7	72.6	109
Burley	27.2	28.8	31.9	33.6	8.5	8.4	99
Maryland	10.2	12.1	14.4	11.4	2.8	3.8	136
Va. fire-cured and sun-cured	4.4	4.6	4.9	5.1	1.6	2.0	125
Ky. and Tenn. fire-cured	21.6	19.7	17.8	18.8	6.3	3.0	127
Green River	1.7	1.2	.8	.8	.6	.3	50
One Sucker	1.7	.9	2.4	.3	.2	.1	50
Black Fat, etc.	4.6	4.9	4.9	4.5	1.5	1.7	113
Cigar wrapper	4.0	4.7	4.0	3.3	1.3	1.0	77
Cigar binder	2.7	2.0	3.2	1.9	.3	1.5	500
Cigar filler	.4	.6	1.0	.5	2/	2/	-
Perique	.1	.1	.1	.1	.1	.1	100
Stems, trimmings, and scrap	3.5	4.2	6.5	7.1	.7	1.4	200
Total	504.8	481.8	465.6	495.2	90.6	100.9	111
Country of destination							
United Kingdom	167.3	160.5	139.7	176.0	14.7	7.7	52
France	7.8	8.2	5.8	5.2	3.0	3.7	123
Belgium	17.8	14.4	20.1	18.6	5.0	5.1	102
Netherlands	34.4	22.9	24.9	40.0	7.8	4.5	58
Germany, W. and E.	62.7	81.7	63.6	67.5	20.6	23.9	116
Portugal	7.0	7.1	6.4	8.7	3.5	2.8	80
Denmark	11.9	12.1	15.0	12.4	1.8	4.5	250
Ireland	12.6	13.5	10.0	13.2	1.2	2.1	175
Switzerland	12.5	10.4	11.2	11.1	3.3	3.9	118
Norway	7.7	7.5	6.9	8.0	2.3	1.6	70
Sweden	12.1	11.6	10.3	17.4	1.5	3.7	247
Italy	5.2	7.2	10.4	5.4	0	.6	-
Thailand	8.4	9.2	11.8	4.6	2.5	3.3	132
Australia	29.6	26.3	20.4	20.0	4.4	5.0	114
India	1.9	3.0	2.0	.6	2/	1.7	-
Pakistan	2.4	.3	.8	1.6	.5	2/	-
New Zealand	6.7	6.3	7.3	4.8	1.5	2.9	193
Philippine Rep.	12.9	5.0	4.1	1.2	.2	.5	250
Indonesia	12.5	1.7	2.4	.2	.1	2.3	-
Egypt	6.9	8.4	16.2	12.8	1.3	1.4	108
Japan	8.6	11.2	11.6	18.2	2.7	2.8	104
Other countries	55.9	53.3	64.7	48.1	12.7	16.9	133
Total	504.8	481.8	465.6	495.2	90.6	100.9	111

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

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

competitive position of U. S. tobacco in the 6 member countries--West Germany, Netherlands, Belgium, Luxembourg, France, and Italy. (See March 1961 Tobacco Situation, pages 24-26.) Greece has recently associated itself with the Common Market, subject to ratification by the member states, and negotiations are in progress concerning the association of Turkey. The two countries are the world's third and fourth ranking exporters of tobacco. Also bearing on the future of U. S. exports is the effect of use of maleic hydrazide (MH-30) on foreign buyers' opinion as to suitability of U. S. leaf. (See pages 26-28.)

In early May, legislation was enacted providing an additional authorization of \$2 billion during 1961 for P. L. 480, Title I sales of surplus agricultural commodities for foreign currencies. The total authorization for this year was thus raised from \$1½ billion to \$3½ billion. The new authorization is expected to be used largely for sales to Pakistan, Brazil, and some other countries; as far as tobacco authorizations are concerned, it is expected that programming will continue at general levels of recent years. However, there has been a step-up in the P. L. 480, Title III program, under which tobacco is bartered for strategic and other materials for stockpiling. Since January 1, 1961, a little over \$20 million worth of tobacco has been contracted for barter, compared with shipments worth \$21 million in all of calendar 1960. In the first quarter of 1961, nearly 15 million pounds of tobacco, worth over \$8 million, were exported under the barter program. Exported under Title I, P. L. 480 during the same period were 9 million pounds, worth close to \$7 million.

From a dollar value standpoint, tobacco was the third most important U. S. agricultural export in 1960, ranking after cotton and wheat. The United States is the world's leading producer and exporter of tobacco, furnishing almost a third of the 1½ billion pounds moving in free-world trade in 1960. Other exporters of tobacco and the quantities they shipped in 1960 are as follows:

	<u>Million pounds</u>
Rhodesia-Nyasaland	192
Greece	133
Turkey	128
India	90
Brazil	68
Cuba	61
Indonesia	53
Yugoslavia	40
Canada	37
Italy	30
Dominican Republic	28
Philippine Republic	28
Algeria	24

Lesser quantities, varying between 13 and 14 million pounds, were exported by Colombia, Paraguay, and Japan.

Table 7. --Flue-cured tobacco, types 11-14: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning July 1	United Kingdom	Germany ^{1/}	Belgium	Netherlands	Ireland	Denmark	Australia	Indonesia ^{2/}	Japan	Other countries	All countries
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average: 1924-28	47.8	17.9	21.7	18.3	---	18.4	37.7	---	39.2	25.5	35.6
1934-38	46.4	17.8	14.6	13.5	37.2	16.0	36.3	20.2	27.5	22.3	38.4
1945	55.6	---	36.1	40.5	56.1	50.0	54.6	---	---	58.7	55.4
1946	63.3	---	31.8	39.5	56.6	33.3	64.4	41.1	---	58.3	58.2
1947	57.2	20.7	28.0	33.9	55.3	35.7	58.4	39.9	---	52.4	51.4
1948	53.8	29.3	32.3	33.8	59.9	53.7	69.2	50.9	---	56.6	50.6
1949	55.3	32.2	30.0	27.2	56.3	42.9	68.2	54.9	---	52.7	48.7
1950	64.0	43.5	36.9	42.9	62.0	54.2	69.3	60.7	78.4	72.2	59.7
1951	66.3	54.5	44.9	44.8	68.0	57.9	74.9	64.2	84.3	69.7	64.6
1952	69.6	57.4	40.9	43.6	70.1	58.7	76.6	66.0	86.7	66.8	64.6
1953	71.1	61.3	40.7	43.1	69.6	66.3	79.5	67.9	90.5	68.8	66.9
1954	73.2	61.9	37.4	43.2	72.3	63.2	79.8	67.7	84.3	71.0	68.5
1955	71.1	63.1	36.5	43.0	71.6	66.0	76.7	54.1	80.5	67.7	66.6
1956	72.1	63.3	45.1	46.7	72.1	67.6	78.7	56.1	88.1	73.4	68.9
1957	78.3	68.6	47.1	51.0	79.4	69.7	79.8	67.5	93.5	73.0	73.5
1958	78.8	70.4	46.3	48.5	78.7	69.8	82.3	71.0	94.1	72.4	74.3
1959 ^{3/}	81.7	70.7	48.6	48.6	84.7	68.7	82.2	68.6	96.1	72.8	75.2
1960 ^{4/}	84.1	72.4	48.4	52.8	81.3	75.1	83.4	73.7	94.6	76.1	77.9

^{1/} West Germany after World War II. ^{2/} Netherlands Indies prior to World War II. ^{3/} Preliminary.
^{4/} July 1960-April 1961.

Computed from the declared values and export weights as reported in publications of the United States Department of Commerce.

Table ---Burley and Maryland tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Burley, type 31						Maryland, type 32 ^{2/}				
	Germany ^{1/}	Belgium	Portugal	Sweden	Denmark	Netherlands	All countries	Switzerland	Netherlands	France	All countries
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average: 1934-38	24.4	11.7	18.6	36.8	17.4	16.0	20.5	39.6	9.5	35.6	23.5
1945	---	32.0	37.4	73.9	35.7	36.9	40.2	63.2	55.8	38.6	62.3
1946	---	30.4	32.4	61.3	35.9	32.8	47.4	73.0	26.3	16.2	56.9
1947	26.2	30.7	34.7	59.7	34.4	24.7	46.7	66.2	27.0	18.9	49.5
1948	34.9	32.5	33.7	54.2	45.6	36.1	43.0	71.4	26.2	---	59.8
1949	36.4	30.0	33.3	60.9	38.5	31.3	38.8	74.8	30.7	70.0	63.8
1950	41.6	32.2	35.6	58.6	39.0	35.0	46.1	79.3	33.7	76.7	64.9
1951	50.3	32.6	31.8	71.5	51.0	43.9	52.0	83.7	29.2	^{3/}	72.3
1952	56.1	33.0	33.3	74.9	48.4	42.8	53.2	82.7	34.0	---	66.5
1953	53.9	33.1	32.9	77.4	45.2	42.5	51.9	80.0	30.7	---	61.4
1954	59.5	34.3	29.6	76.5	48.1	38.8	54.3	84.0	37.2	79.2	70.1
1955	60.6	42.7	34.6	73.1	52.5	43.2	57.0	80.0	37.9	79.1	62.8
1956	66.7	50.3	63.8	79.5	66.3	52.5	73.7	81.2	36.1	80.1	62.2
1957	76.8	56.9	62.6	85.0	79.6	65.1	78.5	81.2	41.7	87.2	66.2
1958	84.6	59.8	67.0	87.7	92.2	64.3	83.8	81.4	54.9	90.2	64.2
1959 ^{4/}	80.3	52.8	57.0	89.0	94.0	70.5	82.6	87.6	49.9	75.0	74.8
1960 ^{5/}	81.0	69.7	58.6	87.4	6/115.2	76.1	84.7	88.7	73.1	91.8	80.6

^{1/} West Germany after World War II. ^{2/} Prior to 1949, export class called "Maryland and Ohio Export."
^{3/} Quantity negligible. ^{4/} Preliminary. ^{5/} October 1960-April 1961. ^{6/} Reflects increase in stemmed.

Computed from the declared values and export weights as reported in the publications of the United States Department of Commerce.

Table 9.--Fire-cured tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Kentucky and Tennessee fire-cured, types 22-23 1/							Virginia fire-cured type 21				
	France	Nether-lands	Switzer-land	Belgium	United Kingdom	Sweden	All countries	Norway	Sweden	United Kingdom	Germany 2/	All countries
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1924-28	9.3	25.3	17.2	10.6	23.5	17.6	16.6	31.3	26.9	38.4	32.2	26.7
1934-38	10.7	15.3	15.7	10.4	19.3	17.9	12.9	23.4	23.2	28.2	24.8	23.0
1945	32.8	46.0	28.0	32.2	46.2	33.3	34.4	50.3	41.2	48.0	---	45.4
1946	---	39.9	35.3	32.0	46.8	42.9	42.0	55.3	53.3	48.0	---	49.1
1947	24.0	32.7	41.2	31.1	---	39.8	40.6	51.4	46.0	59.0	62.2	47.4
1948	31.4	38.2	42.3	34.8	50.0	40.2	37.6	54.1	47.1	58.8	41.3	50.3
1949	34.9	43.1	47.1	31.5	40.0	42.6	40.4	50.4	50.1	53.1	49.0	52.2
1950	36.7	40.5	44.6	32.6	44.9	43.7	39.6	54.7	49.5	48.6	65.9	56.3
1951	---	43.1	42.1	39.2	44.2	49.5	45.1	59.2	55.9	68.8	66.1	66.3
1952	58.5	48.3	55.1	33.7	58.1	51.5	49.3	58.5	61.0	75.3	68.7	63.5
1953	49.7	48.5	57.6	34.2	68.4	55.0	51.6	62.6	59.1	65.9	73.2	63.2
1954	46.6	44.5	60.1	36.3	40.1	50.6	51.5	62.1	61.7	74.6	67.8	62.1
1955	46.6	47.5	59.4	36.2	58.8	52.2	52.5	59.6	54.5	64.8	64.4	61.4
1956	46.6	49.3	53.2	37.5	60.4	57.8	48.3	58.2	61.1	72.1	75.5	66.1
1957	51.3	48.5	52.7	34.2	64.5	54.4	46.3	63.8	40.7	68.8	73.9	66.5
1958	56.0	45.6	50.3	40.3	62.0	56.4	45.0	59.4	57.7	69.9	75.6	65.5
1959 3/	55.0	44.3	50.7	43.5	58.3	56.0	46.8	59.5	58.0	71.2	68.3	66.3
1960 4/	53.5	45.4	49.4	43.6	59.3	55.2	48.4	59.0	56.7	67.3	73.0	64.8

1/ Prior to World War II, includes some type 24 which became negligible thereafter. 2/ West Germany after World War II. 3/ Preliminary. 4/ October 1960-April 1961.

Computed from the declared values and export weights as reported in the publications of the United States Department of Commerce.

Table 10.--Black Fat and dark air-cured tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Black Fat 1/				Green River, type 36		One Sucker, type 35
	Ghana	Nigeria	French Africa	All countries	United Kingdom	All countries	All countries
Average:	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1934-38	21.3	22.9	15.5	18.3	25.6	20.8	9.3
1945	55.4	56.8	42.2	49.1	39.3	33.1	29.2
1946	53.9	56.6	43.9	50.8	37.7	38.6	32.0
1947	57.3	59.3	42.5	54.7	41.0	36.8	31.2
1948	62.4	62.1	40.4	54.9	36.8	32.1	37.6
1949	63.6	66.2	47.4	60.9	41.6	40.0	54.0
1950	67.0	67.6	42.2	58.9	40.9	30.4	46.3
1951	77.2	74.9	44.3	66.2	46.0	49.2	68.6
1952	84.8	81.4	51.8	76.9	37.5	37.7	69.6
1953	84.6	80.3	53.2	77.0	51.1	44.1	46.4
1954	85.7	81.7	54.4	74.8	45.5	36.0	24.4
1955	86.2	84.1	56.6	79.6	46.8	39.9	42.4
1956	87.1	86.8	56.9	79.9	59.2	35.3	30.4
1957	87.6	89.4	57.2	80.5	56.9	41.1	43.2
1958	91.8	90.2	60.0	82.8	66.6	55.5	35.4
1959 2/	93.6	93.8	60.9	86.4	53.0	51.9	43.9
1960 3/	93.5	94.4	60.2	83.3	60.3	55.6	45.9

1/ Also Dark African and Water Baler. 2/ Preliminary. 3/ October 1960-April 1961.

Computed from the declared values and export weights as reported in the publications of the United States Department of Commerce.

The United States is also a major importer of tobacco, ranking after the United Kingdom and West Germany. Our imports are used mainly for blending with domestic types, mostly in the manufacture of cigarettes and cigars. Table 11 shows the quantities of tobacco received in 1960 and other recent years by 11 principal importers of the world (other than the United States) and the percentage supplied by this country. The listed countries accounted for 71 percent of total free-world tobacco imports in 1960. If imports by the United States are added, the figure is raised to 83 percent.

Major Foreign Countries Exporting Tobacco

U. S. flue-cured meets competition in world markets mainly from that grown in the Federation of Rhodesia and Nyasaland, India and Canada. Turkey and Greece are the principal producers and exporters of oriental tobacco, also an important cigarette tobacco.

In the Federation of Rhodesia and Nyasaland, the flue-cured crop harvested early in 1961 is now estimated at 249 million pounds--27 million more than last year and the largest on record. In the main producing area of Rhodesia, acreage was up about $5\frac{1}{2}$ percent, and the average yield per acre at around 1,100 pounds was the highest ever obtained. Auction sales of Rhodesian tobacco, which began March 14, totaled about 84 million pounds through June 1. Prices have averaged the equivalent of 41 cents per pound, 1 percent higher than by the corresponding week of sale last year. The target for United Kingdom purchases of 1961 Rhodesian flue-cured tobacco is 95 to 100 million pounds.

Exports of tobacco from Rhodesia-Nyasaland in January-March 1961 amounted to about 20 million pounds (15 million flue-cured), almost a third higher than in the comparable months of last year. Nearly 60 percent of the recent period's total went to the United Kingdom and other Commonwealth destinations. Exports to West European countries accounted for over a fifth of the total, and were mainly to Belgium and Netherlands. The establishment on January 1 of the Tobacco Export Promotion Council for Rhodesia and Nyasaland is indicative of the unified efforts being made by Federation growers to increase tobacco exports. Under legislation passed late in 1960, provision is made for the first time for uniform coordination and regulation of tobacco marketing, quality control, and export promotion at the federal level. Previously, each of the three territories --Southern Rhodesia, Northern Rhodesia, and Nyasaland--had separate tobacco programs.

The 1960 flue-cured crop in Canada, a record 204 million pounds, was about a third larger than in the previous year. All but a small fraction of Canada's flue-cured crop is produced in Ontario. The 1961 acreage quota for Ontario flue-cured has been set at about 126,000 acres--a reduction of about 5,000 from last year, when actual plantings were 6 percent short of the quota.

Sales of Ontario flue-cured in the 1960-61 season, which extended from mid-November to the end of March, totaled 199 million pounds, averaging 55.1

Table 11.--Tobacco imports of ranking foreign markets and percentage supplied by the United States, 1957-60

Country	Total tobacco imports ^{1/}				Percentage supplied by the United States			
	1957	1958	1959	1960	1957	1958	1959	1960
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	Pct.	Pct.	Pct.
United King.	319	316	301	362	53	52	47	49
West Germany	169	171	178	193	38	36	33	32
Netherlands	72	77	75	105	35	32	30	37
Belgium-Lux.	56	58	59	65	34	30	28	27
France	67	69	67	59	13	10	8	7
Spain	40	56	44	43	17	14	21	---
Australia	45	43	37	31	75	73	68	59
Switzerland	27	28	28	30	45	45	43	44
Denmark	25	25	28	27	52	48	47	45
Sweden	22	14	16	26	74	81	71	68
Egypt	25	26	26	25	36	28	25	33

^{1/} Unmanufactured tobacco.

Compiled from reports of Foreign Agricultural Service.

Canadian cents per pound. In the previous season, 145 million pounds were sold at an average price of 56.1 cents. Last season's sales included practically no leaf treated with maleic hydrazide or similar chemical. Canada's exports of flue-cured in 1960 at 34½ million pounds were 9 percent smaller than in the preceding year. Consignments to the United Kingdom accounted for over four-fifths of the total. Exports this year will probably be larger than in 1960, in view of the record flue-cured crop.

India's 1961 flue-cured production is placed at 133 million pounds--4 percent below 1960. Leading outlets for the 62 million pounds of Indian flue-cured exported last year were the United Kingdom, which received almost half; Soviet Union, which took over an eighth; and the following, each of which received from 1 to 3 million pounds: Belgium, French West African Republics, Netherlands, Egypt, Singapore, Austria, France, and Hong Kong.

The 1960 oriental tobacco crop in Turkey is estimated at 301 million pounds--14 percent above 1959 and the largest on record. Tobacco exports in the first quarter of 1961 at 59 million pounds were 35 percent more than a year earlier. The United States accounted for about 70 percent of the total, boosting takings by 75 percent. Other outlets were Czechoslovakia and West Germany, which reduced takings, and Hungary, East Germany, and Poland, all of which took much more than a year earlier.

Table 12--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports ^{1/}			Stocks Dec.31	Gross clearances from bond ^{3/}			Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco
	From U. S. ^{2/}	From Common- wealth coun- tries ^{2/}	Total		Non- prefer- ential ^{2/}	Prefer- ential ^{2/}	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:									
1934-38	213	57	275	497	185	47	232	39	12
1939-45	182	63	255	310	215	62	277	27	5
1946	366	62	433	383	261	61	322	55	7
1947	201	82	296	384	235	57	292	52	1
1948	172	97	281	390	204	67	271	45	1
1949	154	119	302	419	190	81	271	47	2
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	149	344	507	173	125	298	44	4
1956	160	146	318	523	173	127	300	45	3
1957	168	141	319	532	169	135	304	41	3
1958	164	145	316	534	172	138	310	41	2
1959	140	157	301	515	171	144	315	34	2
1960 ^{4/}	177	180	362	548	167	152	319	31	5
July-April									
1956-57	142	132	281	5/493	6/131	6/98	6/229	37	2
1957-58	160	114	280	5/494	6/128	6/101	6/229	35	2
1958-59	155	114	275	5/491	6/126	6/101	6/227	32	1
1959-60	143	134	278	5/483	6/129	6/113	6/242	27	4
1960-61	166	154	324	5/515	6/124	6/114	6/238	26	2

^{1/}Unmanufactured tobacco.

^{2/}Since 1946 the full duty rate on tobacco from the United States and other nonpreferential areas has been 2.4 to 2.9 percent above the preferential rate on tobacco from Commonwealth areas. In the prewar period, the full duty rate was over 25 percent above the preferential rate.

^{3/}Largely withdrawals for manufactures for home use and export.

^{4/} Subject to revision.

^{5/} March 31.

^{6/} July-March.

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

In Greece, the 1960 tobacco crop is currently estimated at 142 million pounds--about a fifth below 1959. The acreage planted to tobacco last year was the smallest since 1955. The 1961 crop is expected to be appreciably larger than that of 1960, because of a sizable increase in acreage and more favorable weather. The 1960 crop, which will begin moving into export channels in late 1961, is reportedly of excellent quality. Exportable supplies from last year's crop are estimated at 117 million pounds. In addition, stocks from the 1959 and earlier crops amounted to 56 million pounds, almost half of which were held by the Government. Exports in January-March, about 33 million pounds, were about a tenth above those in the comparable period of 1960. The United States, chief outlet, took 6 percent less than a year ago. There was an increase in exports to Hungary, Poland, Belgium, and East Germany but a decline in those to West Germany, Soviet Union, and Austria.

Developments in United Kingdom

Tobacco stocks: Stocks of unmanufactured tobacco in the United Kingdom on March 31, 1961 totaled 515 million pounds, 32 million more than a year earlier and highest for that date since the immediate prewar years. Stocks of U. S. flue-cured at 272 million pounds were 4 percent above a year ago. Those of Rhodesian tobacco at 96 million pounds were 9 percent larger. Stocks of Indian flue-cured, 52 million pounds, and Canadian flue-cured, 50 million, were up 6 percent and 19 percent, respectively. British stocks of Nyasaland fire-cured were a little less than a year earlier; those of air- and sun-cured from India and Nyasaland were also down a little. Stocks of oriental tobacco were negligible.

Import duties: The main duty on tobacco imported into the United Kingdom since April 1960 has been the equivalent of \$9.03 a pound on tobacco imported from non-Commonwealth sources, and about \$8.81 $\frac{1}{2}$ on tobacco imported from Commonwealth sources, which receive the preferential rate. In the Government's budget proposal for 1961-62, authority was requested to impose a special surcharge or grant a special rebate of up to 10 percent at any time through August 1962. Thus, under this authority the nonpreferential duty could be raised or lowered up to the equivalent of about 90 cents a pound, and the preferential duty, by about 88 cents. This could mean a maximum change in the price of popular brands of cigarettes, now costing the equivalent of 57 cents a pack of 20, of around 4 $\frac{1}{2}$ cents. The authority to adjust existing rates would apply to revenue duties and purchase taxes and would be an "economic regulator"--aimed at stimulating or restraining spending by the British public.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN GROWN TOBACCO ^{2/}

Imports of foreign grown tobacco into the United States in January-April 1961 were 6 percent larger than in the corresponding period of last year. Cigarette leaf comprised over 70 percent of the total, and cigar tobacco, virtually all the rest.

Cigarette leaf imports were up 7 percent, with Turkey and Greece providing 8 percent and 6 percent more, respectively. Receipts from Yugoslavia increased nearly a fourth. Stocks of foreign grown cigarette and smoking tobacco in this country on April 1, 1961 totaled 255 million pounds--22 million more than a year earlier and the highest on record.

Imports for consumption of cigar leaf (filler) in January-April 1961 were a little below those a year ago. Nearly all came from Cuba, which provided as much stemmed filler, but a fourth more unstemmed filler, than a year earlier. But no filler was imported from the Philippine Republic in contrast with about a half-million pounds a year earlier. Imports of scrap--also largely used in cigars--from Cuba declined 4 percent, but from the Philippines, rose about a sixth. Lesser quantities of scrap were furnished by Peru, Colombia, and Dominican Republic. Imports for consumption from Peru dropped off, but from Colombia were appreciably higher than a year earlier; those from the Dominican Republic held roughly even. Substantial quantities of unstemmed cigar filler were reported in the January-April 1961 statistics on total arrivals (general imports) from countries other than Cuba and the Philippines--our traditional sources. General imports from Colombia amounted to nearly 2½ million pounds; from Paraguay, over 1 million; and from Brazil, over 900,000. (See table 22, page 45.)

Stocks of Cuban tobacco in the United States on April 1 amounted to 42 million pounds (unstemmed basis)--about 7 million more than a year earlier and the most for that date on record. Stocks of Philippine tobacco at 14½ million pounds were 2 million above last year's holdings and were a record high. Holdings of Indonesian tobacco, which have been building up over the past year, amounted to 1 million pounds on April 1, 1961, in contrast to only minor quantities on the same date one and two years earlier. The stocks of Sumatra and Java tobacco consisted mostly of fillers, with a small quantity of scrap.

Certification of Philippine
Tobacco Duty-free Quota

Under Public Law 87-47, approved June 16 and effective 30 days after enactment, only tobacco licensed by the Philippine Government for export to the United States free of duty is eligible for admission under the duty-free quota applicable to Philippine tobacco. The measure is designed to prevent duty-free entry of Philippine tobacco not licensed by the Philippine Government for export to the United States, and is based on the assumption that

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

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

Classification and country of origin	(Declared weight)						
					January-April		
	Average 1953-57	1958	1959	1960 1/	1960	1961	1961 as a percentage of 1960
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf							
Unstemmed:							
Turkey	56.4	65.1	69.6	74.3	23.9	25.7	108
Greece	18.0	28.5	31.6	32.3	10.6	11.2	106
Syria	2.4	1.1	.9	.7	.2	.2	100
Italy	1.6	1.7	1.8	1.9	.6	.6	100
Cyprus	.4	1.3	1.0	1.1	.4	.4	100
Yugoslavia	2.7	4.0	4.6	5.5	1.7	2.1	124
Total 2/	84.0	104.6	111.9	118.7	38.2	40.8	107
Cigar leaf (filler)							
Cuba:							
Stemmed	9.1	9.0	9.1	7.0	2.4	2.4	100
Unstemmed	4.2	3.1	3.7	4.0	1.2	1.5	125
Philippines, Rep.:							
Stemmed	.2	.3	.2	.5	.5	0	---
Unstemmed	.1	.1	3/	.1	0	0	---
Total 2/	13.7	12.7	13.1	12.3	4.2	4.1	98
Scrap:							
Cuba	10.3	13.8	16.1	13.8	4.8	4.6	96
Philippines, Rep.	3.6	5.5	7.4	9.9	4.5	5.2	116
Peru	0	0	.1	1.7	.6	.2	33
Colombia	0	0	0	.2	3/	.2	---
Dominican, Rep.	0	3/	.1	.3	.1	.1	100
Total 2/	13.9	19.5	24.7	26.9	10.4	11.2	108
Cigar wrapper (unst.)							
Indonesia	.3	.1	3/	3/	3/	3/	---
Cuba	.5	.5	.5	.6	.2	.2	100
Total 2/	.8	.6	.6	.6	.2	.2	100
Total imports 4/	113.6	138.5	151.7	159.1	53.3	56.5	106

1/ Preliminary.

2/ Includes relatively small quantities from other countries not separately listed.

3/ Less than 50,000 pounds.

4/ Includes stems not cut, ground, or pulverized.

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

the Philippine Government will license only cigar filler and scrap, traditionally shipped to the United States. Prior to passage of the law, U. S. customs authorities were obliged to admit under the duty-free quota, Philippine tobacco declared as cigar filler and scrap, although the scrap category could have included non-cigar tobacco. In this manner, a considerable quantity of low-quality flue-cured tobacco grown in the Philippines was exported to the United States and entered duty-free.

The Philippine Trade Agreement Revision Act, effective January 1, 1956, established a duty-free quota of 6 1/2 million pounds of Philippine cigar filler and scrap, the duty-free quota to decline in accordance with a specified schedule until it reached zero by January 1, 1974. For the years 1959-61, the duty-free quota is 5,850,000 pounds; for 1962-64 it will be 5,200,000 pounds. Imports in excess of the duty-free quota are dutiable at the rates applicable to Cuba.



Growth Through Agricultural Progress

USDA REPORTS ON MALEIC HYDRAZIDE (MH-30)

In May 1960 the Tobacco Subcommittee of the Committee on Agriculture of the House of Representatives requested that the U. S. Department of Agriculture undertake a research program on the effects of maleic hydrazide (MH-30) on cigarette tobacco. A report entitled "Research Findings on the Effects of Maleic Hydrazide on the Suitability of Tobacco for Cigarette Manufacture" was submitted to the House Agriculture Committee on April 14, 1961. The findings as summarized in the report itself follow:

The information on the effects of maleic hydrazide available prior to this study indicated that treatment with this chemical normally controlled suckers, increased yields, increased returns per acre, and caused differences in the physical and chemical composition of the leaf. No research data were publicly available on the physical properties or smoking properties of cigarettes made from treated leaf.

Experiments covering the entire cigarette tobacco-growing area were conducted on the 1960 crop. Tobacco was grown in Florida, Georgia, North and South Carolina, Virginia, Tennessee, Kentucky, West Virginia, and Maryland and was hand-suckered or treated with maleic hydrazide at each of three stages of plant maturity.

The results were as follows:

(1) In judging coded, cured-leaf samples when displayed on the warehouse floor, leaf experts indicated a significant preference for hand suckered, flue-cured tobacco compared to chemically suckered samples. However, the results indicate it is not always possible for the leaf expert to differentiate individual treated and untreated lots on the warehouse floor. No significant preferences were demonstrated in the air-cured samples, represented by burley and Maryland tobaccos.

(2) Certain of the physical and chemical analyses gave differences, reliable by statistical test, between the hand-suckered samples and those chemically suckered at all stages of maturity. Among the most consistent differences in flue-cured tobacco were decreases in specific volume (filling power), total ash, alkalinity of the water soluble ash, and alpha amino nitrogen and increases in reducing sugars and moisture content on equilibration at 60 percent relative humidity. In air-cured tobacco, decreases in total ash and alkalinity of the water soluble ash were observed, along with increases in alpha amino nitrogen and in moisture content on equilibration at 60 percent relative humidity. Other trends were observed, such as that toward a decrease in alkaloids, which were not consistent enough to be statistically significant in the samples here described.

(3) After the tobacco had been blended, aged and shredded, that from the chemically suckered plots caused more difficulty in cigarette manufacture than the hand-suckered tobacco.

(4) The relative filling power of treated tobacco based on three separate kinds of determinations was as follows:

Basis of determination of filling power	:	Hand suckered	Time of Maleic Hydrazide treatment		
			One week earlier	At full flower	One week later
	:	Pct.	Pct.	Pct.	Pct.
Specific volume of leaf	:	100	93.8	95.4	94.9
"Draw" of cigarettes	:	100	89.0	94.4	96.3
Firmness of cigarettes	:	100	94.9	96.5	101.9
Average	:	100	92.6	95.4	97.7

(5) Coded cigarettes made from hand-suckered tobacco were evaluated in three different ways by the members of expert smoking panels in comparison with coded cigarettes made from tobacco treated at each of three stages of growth with the following results:

(a) The triangular test, which measures primarily differences in the taste of the smoke, gave a 9 to 1 probability that the observed difference between hand-suckered and the earlier maleic hydrazide-treated samples was not due to chance, but there was no significant evidence of difference between hand-suckered samples and those chemically treated at full flower or later.

(b) The binominal preference test, in which residual impressions from smoking a given cigarette are more readily discernible, gave an approximately 80 to 1 probability that the observed preference for the hand-suckered over the earlier treated sample was not due to chance. No significant differences were found between the hand suckered and either of the later treated samples.

(c) When panelists were asked to state their objections to the cigarette which they had not preferred of each of the pairs involved in the binominal test, critical adjectives were applied more frequently to samples chemically treated at the earlier and later stages of growth compared to the hand-suckered samples. No appreciable difference was noted between the hand-suckered sample and that treated at the full flowered stage.

(6) Though the cost and labor of treating tobacco with maleic hydrazide are less than hand suckering, the principal financial incentive to the individual grower to use this chemical is the considerably greater yield per acre, especially if the chemical is used fairly early. Thus under existing acreage control laws, the individual grower has an economic incentive to use this product at the time when it is most likely to affect the suitability of his tobacco for making cigarettes.

(7) Because of smokers' preferences for cigarettes made from hand-suckered tobacco over those made from tobacco treated before full flower, and other unfavorable characteristics, the evidence collected in this study indicates that the application of maleic hydrazide at an early stage of growth results in the production of tobacco less suitable for cigarette manufacture. Statistically significant discrimination by smokers was not found at later times of treatment, but significant physical and chemical differences occur which are similar but generally not as pronounced as those found in the earlier treated tobacco. Since seasonal effects differ, the effect of later treatment in another season cannot be predicted on the basis of this research.

(Pointed out in the report were that in addition to suckering methods, other farm practices such as kind and amount of fertilization, irrigation, and curing affect tobacco quality, and that the results shown by the study were as conclusive as could be obtained in one season.)

Accompanying the research report was a separate statement entitled "Economic Implications of Findings of Research Study on Use of Maleic Hydrazide on Tobacco." The text of this statement follows:

The research study, made by the Department of Agriculture to determine the effects that utilization of maleic hydrazide on tobacco for sucker control has upon the leaf produced for cigarette manufacture, shows that this chemical changes the chemical and physical properties of the leaf.

The changes as to the physical effects on U. S. cigarette leaf suggest severe economic repercussions. The loss of filling capacity alone threatens to substantially reduce the sale of U. S. leaf for economic reasons in such very high duty countries as Great Britain and Ireland, which together took 43 percent of U. S. flue-cured leaf exports in 1960. It would also reduce the competitiveness of U. S. leaf in other countries. A decrease in consumer smoking preferences

because of the effects of maleic hydrazide in association with other questionable changes in tobacco, would decrease export demand for U. S. leaf as soon as competitive foreign production can furnish the necessary volume.

The psychological aspects of leaf buyer opinion are a very important influence on U. S. exports. Many foreign leaf experts have expressed the opinion that maleic hydrazide adversely affects the manufacturing capacity and smoking quality of leaf tobacco. Any reduction in the suitability of U. S. leaf makes for increased possibility of the greater use of foreign leaf and/or leaf tobacco substitutes in the domestic market. The inability of the leaf buyer to recognize tobacco treated with maleic hydrazide when making his purchases is a deterrent to buying U. S. leaf.

Sales abroad are very important to the United States tobacco economy. Normally over 40 percent of the U. S. flue-cured crop goes overseas and the United States is having great difficulty competing in the foreign field.

The problem brought about by the use of maleic hydrazide on tobacco is a very serious one. However, it should be noted that there are other practices that growers use, such as over-fertilization, that tend to compound the quality problem. Such questionable practices contribute to the serious deterioration of the quality position of U. S. leaf tobacco.

Superior suitability for the making of a consumer preferred cigarette is a primary reason for continued large exports of U. S. leaf. It is a reason why cheaper leaf from foreign sources is not imported into the United States in greater quantities; it is a reason why there is not a stronger push on the part of product manufacturers to perfect artificial substitutes for tobacco. Therefore, it is imperative that the quality of U. S. leaf be maintained and, better still, improved.

The suitability of competitive foreign-grown leaf tobacco steadily improves while U. S. leaf continues to deteriorate. The quality margin held by U. S. leaf grows dangerously small. With no Government controls other than acreage allocation and minimum price, there has developed in the United States a grower concern for high yield to the extent that quality considerations have taken a minor role. A number of developments which adversely affect leaf suitability have occurred. They have been difficult to cope with because of limited authority and because the acreage control program gives an economic incentive toward the development of similar problems.

The Department of Agriculture moved as quickly as it could to handle the undesirable flue-cured variety problem of a few years ago in the only way it had authority to act - by discounting the support price on certain varieties. However, before the discount program went into effect, the undesirable varieties had already been in production for two years. About one-third of the tobacco received by the Flue-Cured Stabilization Corporation during those two years was tobacco having undesirable characteristics associated with the discount varieties. This has necessitated price reductions and, at the present prices, a \$50 million loss will be realized on loan stock tobacco for those two crops.

Forseeable possible financial losses from reduced demand for loan holdings of leaf because of these problems may jeopardize continuation of a tobacco support program. A successful tobacco support program rests upon human ability to readily identify and classify leaf suitability for the making of a consumer preferred product. This is becoming exceedingly difficult to do in an adequate fashion. Unknown factors caused by genetic crossbreeding and chemical additives, including the use of maleic hydrazide, are making all known classification systems of little value as leaf suitability measurements.

Single copies of the full report on maleic hydrazide made to the House Committee on Agriculture may be had by writing:

Division of Information
Management Operations Staff
Agricultural Economics
U. S. Department of Agriculture
Washington 25, D. C.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-cured, Types 11-14

1961-62 Supplies

This year's flue-cured acreage is close to that harvested in each of the recent 2 years. Farm acreage allotments were set at the same level as in 1960 and in general, have remained unchanged for 5 years. The 1960 yield per acre reached a new high of 1,808 pounds per acre--117 pounds above the previous high obtained in 1958. If yields per acre this year are more in line with the average upward trend, this year's crop may approximate 1,200 million pounds--about 50 million smaller than the comparatively large harvestings of last year.

Carryover of flue-cured on July 1, 1961 is expected to be near 2,117 million pounds, about 11 million larger than a year ago but 394 million pounds lower than the record high of 4 years ago. The carryover plus a crop of 1,200 million pounds will provide about 3,317 million pounds total supply for 1961-62--roughly 40 million pounds less than for the year just ending. The prospective 1961-62 supply is about 2.7 times total disappearance during 1960-61; four years ago supplies were 3.0 times total disappearance.

Domestic Use and Exports

For the marketing year just ending (July 1960-June 1961) total disappearance was divided about 63 percent domestic use and 37 percent exports. Domestic use is tentatively estimated at 780 million pounds--roughly 2 percent above 1959-60. If this increase is borne out, it would be nearly in line with the percentage increase in the output of cigarettes, the predominant outlet for flue-cured tobacco.

Exports of flue-cured in 1960-61 seem likely to total 460 million pounds (farm-sales weight)--a tenth larger than the 7-year low of 1959-60 and fourth largest in 10 years. Approximately 14 percent of total flue-cured exports in 1960-61 were under P.L. 480 programs providing for foreign currency and barter sales. The proportion of flue-cured tobacco exports shipped in stemmed form is increasing. In July 1960-April 1961, about 10 percent went out in stemmed form compared with 7 percent in 1959-60 and 2½ percent 5 years ago.

During July 1960-April 1961, exports to the United Kingdom accounted for over two-fifths of our total flue-cured exports and were 22 percent above the volume shipped there in the comparable period of 1959-60. Exports to West Germany accounted for nearly an eighth of the total and were 5 percent ahead the same period a year earlier. Flue-cured exports to Netherlands (the third ranking outlet) were up 52 percent, and to Australia (the fourth ranking outlet) were about the same as in the comparable period a year earlier. Next ranking outlets were Japan, Belgium, Ireland, Sweden, Egypt and Denmark; flue-cured exports to Japan, Ireland, Sweden and Denmark increased significantly and those

to Belgium were virtually unchanged, but exports to Egypt fell below the unusual high of a year earlier. Other countries that took more flue-cured in July 1960-April 1961 than in those months a year previous, were New Zealand, Viet Nam, Indonesia, Switzerland, France, Austria, and India. Among the countries getting less were Thailand, Norway, Portugal, Hong Kong, Spain, Italy, Mexico, Taiwan, Pakistan, and Philippine Republic.

Prices and Price Supports

The overall season average price received by growers for their 1960 crop was 60.4 cents per pound--about $3\frac{1}{2}$ percent above the 1959 crop average and above any previous year. The 1960 price support level was 55.5 cents per pound; about 4 percent of the crop was placed under Government loan, far less than in the years 1951-58 when from 10 to 23 percent went under Government loan.

The 1961 crop support level is 55.5 cents--the same as in each of the previous 2 seasons. Loan rates for individual grades are to be announced in the near future. The support level was set by applying to the 1959 support level the percentage comparison between (1) the 1959 parity index and (2) the 1958-60 average of the parity index. It happens that the 1958-60 average parity index equals 100 percent of the 1959 parity index. According to existing law, beginning this year price support levels are calculated by adjusting the 1959 support level according to the percentage change from the 1959 parity index to the average of the parity indexes for the three calendar years just preceding the particular year for which the support level is being determined. Thus, the 1961 support level reflects the relationship between the 1959 parity index and the 1958-60 average of the parity indexes; in accordance with this method, the 1962 support level will reflect the relationship between the 1959 parity index and the 1959-61 average of the parity indexes.

Flue-cured tobacco remaining in Government loan stocks at the end of May totaled about 497 million pounds (farm-sales weight). A little over half of this was from crops grown in 1955 and 1956 and which are now priced below costs.

By around mid-December, growers of flue-cured will vote in a referendum on continuation of marketing quotas for the 1962-64 crops.

In 1961 tied tobacco will be supported at 6 cents per pound higher than untied tobacco. Last year and in other recent years, the differential was 5 cents per pound. Price support on flue-cured sold untied is limited to the Georgia-Florida markets where it is customarily marketed that way. The removal of the geographical limitation on price support for untied tobacco will be given consideration in setting 1962 price supports.

Burley, Type 31

1961-62 Supplies

The burley acreage for 1961 is indicated to be about 20,000 larger than last year, due largely to a 6 percent increase in allotments. If yields per acre should equal the 1958-60 average, this year's crop would be around 515 million pounds--6 percent larger than the 1960 outturn.

Carryover on October 1, 1961, the beginning of the 1961-62 marketing year, is expected to be near 1,128 million pounds -- 63 million less than last October and nearly 220 million less than the October 1, 1955 peak. If this year's crop should turn out to be 515 million pounds, the 1961-62 total supply --production plus carryover--will approximate 1,643 million pounds, 2 percent less than for the current year.

Domestic Use and Exports

In the year ending September 30, 1961, domestic use of burley may be around 510 million pounds -- 11 million more than in 1959-60 and the largest in 8 years. Manufacture of cigarettes -- main outlet for burley -- rose 2.8 percent in the first 7 months of the current marketing year compared with the same period of 1959-60, and it is expected that output in the months ahead will continue to gain. Production of smoking tobacco, which absorbs a significant quantity of burley, increased $2\frac{1}{2}$ percent in October 1960-April 1961, but output of plug chewing, also an outlet for burley, declined about 5 percent from the comparable period a year earlier.

Exports of burley in 1960-61 may total near 38 million pounds (farm-sales weight), about 2 million more than in 1959-60. Exports at this level would be the largest since 1949-50. In the first 7 months of the current marketing year, burley exports were 10 percent above those in the comparable period a year earlier. Principal destinations for U. S. burley in October 1960-April 1961 were Sweden, West Germany, Egypt, Portugal, Mexico, and Finland; these countries together accounted for over 70 percent of the total. Sweden boosted takings by about a third, and Egypt, by about a fourth. Exports to Portugal jumped 55 percent, while those to Germany increased a little. Finland took four times as much as a year earlier. On the other hand, shipments to Mexico dropped 40 percent, and only minor quantities went to Australia in contrast to around $1\frac{3}{4}$ million pounds (farm-sales weight) in October 1959-April 1960. Among other countries of destination, Netherlands and Denmark reduced takings by about a fifth and an eighth, respectively, and France took 29 percent less than a year earlier. Norway and Belgium increased takings appreciably.

Prices and Price Supports

The 1960 burley crop averaged 64.2 cents a pound, 6 percent more than for the previous year's crop and second highest on record. Last season, growers placed 8.4 million pounds under loan, equal to about $1\frac{3}{4}$ percent of the crop. As of May 31, Government loan stocks of burley amounted to approximately 93 million pounds (farm-sales weight equivalent). This is 13 million pounds less than held a year earlier, and 186 million less than held 2 years earlier.

The price support level for 1961-crop burley is 57.2 cents per pound--the same as in 1960 and 1959. The method for determining the burley support level is the same as that for flue-cured. (See page 31.)

Before the 1962 crop is planted, growers of burley will vote in a referendum on continuation of marketing quotas for the 1962-64 crops.

Maryland, Type 32 3/

1961-62 Supplies

According to growers' intentions, the Maryland acreage for this year will be 4 percent above 1960. As acreage allotments for most farms are unchanged from last year, it appears that allotments will be more fully planted. If yields per acre should be near the average of the recent 3 years, this year's crop would be around $33\frac{1}{2}$ million pounds -- 2 percent larger than in 1960.

Carryover stocks next January 1 may be around 59 million pounds--about 3 million less than stocks held a year earlier and lowest since 1951. Such carryover plus the indicated crop would provide a total supply of $92\frac{1}{2}$ million pounds -- 2 million less than for this year.

Domestic Use and Exports

Domestic use of Maryland tobacco during October 1960-September 1961 may be near 22 million pounds, up about $1\frac{1}{2}$ million from 1959-60, when it was the lowest in many years. The principal domestic outlet for Maryland tobacco is in cigarette manufacture, but such use has failed to keep pace with expanding cigarette output. Some Maryland tobacco is also used in cigars, the quantity depending upon the availability and prices of certain grades.

In recent years, over a third of total disappearance of Maryland has been accounted for by exports. In the current marketing year, Maryland exports may be around $13\frac{1}{2}$ million pounds -- about $1\frac{1}{2}$ million above those a year earlier but close to 2 million below the postwar peak of 2 years earlier. During the first 7 months of the current marketing year, exports of Maryland exceeded the October 1959-April 1960 total by 14 percent. Switzerland, our chief market for Maryland tobacco, increased takings about a tenth. The Netherlands, ranking second, took about $2\frac{1}{2}$ times as much as a year earlier and more than in any full marketing year in the postwar period. Other countries taking more than in October 1959-April 1960 were West Germany and France, while Spain and Viet Nam received significant quantities in contrast to none in the comparable period a year ago. On the other hand, Belgium, a leading market for Maryland tobacco in 1959-60, cut takings by about two-thirds. As yet, only relatively minor quantities were reported as going to Portugal, third ranking market for Maryland last year.

Prices and Price Supports

Auctions for the 1960 Maryland crop began on April 25 and are scheduled to continue through July 14. Sales on the 4 auction markets through June 23 totaled $22\frac{1}{2}$ million pounds, and averaged 63.7 cents per pound, compared with 61.5 cents in the corresponding period of last year. Compared with a year

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

Table 16.—Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods

Year	(Farm-sales weight)			Disappearance ^{2/}			Average price per pound
	Production	Stocks following Jan. 1 ^{1/}	Supply	Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	27.5	38.4	65.9	26.5	21.1	5.4	19.7
1941-45	29.4	44.1	71.5	29.7	27.1	2.6	48.9
1947-49	38.0	45.8	83.8	35.6	27.6	8.0	48.5
1950	40.0	53.4	93.4	35.5	27.1	8.4	48.2
1951	41.6	59.3	100.9	33.3	26.7	6.6	44.8
1952	40.2	64.9	105.1	40.3	32.5	7.8	48.8
1953	40.5	65.4	105.9	36.4	28.4	8.0	54.5
1954	43.8	68.6	112.4	36.1	27.9	8.2	40.3
1955	31.5	77.5	109.0	38.6	25.7	12.9	50.8
1956	36.5	69.7	106.2	34.9	21.4	13.5	51.7
1957	38.5	69.4	107.9	37.0	25.0	12.0	44.9
1958	31.1	70.9	102.0	39.4	24.1	15.3	62.5
1959	31.2	64.2	95.4	32.3	20.4	11.9	61.6
1960 ^{3/}	32.8	61.7	94.5	*35.5	*22.0	*13.5	*63.7
	Parity price ^{4/}	Price support level	Placed under Government loan	Quantity	Percentage of crop	Remaining in Government loan stocks on May 31, 1961 ^{5/}	
	Ct.	Ct.	Mil. lb.		Pct.	Mil. lb.	
1950	56.5	48.6	5.5		13.8	0	
1951	60.6	No price support ^{6/}					
1952	58.5	No price support ^{6/}					
1953	56.0	50.4	6.7		16.5	0	
1954	53.5	No price support ^{6/}					
1955	53.1	No price support ^{6/}					
1956	52.2	47.0	3.3		9.0	0	
1957	53.3	48.0	5.9		15.3	2.7	
1958	56.4	50.8	1.1		3.6	.6	
1959	56.4	No price support ^{6/}					
1960	57.8	50.8				.8	
1961	60.4	50.8	^{7/}		^{7/}		
Total			22.5			4.1	

^{1/} For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30.

^{2/} Year beginning October 1. ^{3/} Subject to revision. ^{4/} Through 1959, as of date determining support level or when no support, October 1; but from 1960 on, supports are not set at 90 percent of parity. The parity shown for 1960 is as of September and for 1961, as of May.

^{5/} Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. ^{6/} Marketing quota not in effect since less than two-thirds of growers voting approved.

^{7/} Through June 23 about 1.2 million pounds, ⁵/₂ percent of auction deliveries.

* Preliminary estimate.

earlier, prices of most thin-crop (C's) and seconds (X's) and some heavy-crop (B's) were higher, generally by 1 to 2 cents. Tips (T's), lower-quality heavy-crop and the majority of nondescript were lower, mostly by 2 to 3 cents.

In addition to the auction market volume, about 3.4 million pounds have been received at the Baltimore hogshead market, which opened for competitive bidding on April 27. Combined market receipts through June 23 thus totaled 25.9 million pounds--79 percent of the estimated 1960 crop.

The 1960 crop is being supported at an average level of 50.8 cents a pound. Through June 23, about $5\frac{1}{2}$ percent of market deliveries were placed under Government loan. The support level for 1961-crop Maryland--to be marketed mostly next spring and summer--is 50.8 cents, the same as for the crop now being marketed. The method for determining the Maryland support level is similar to that for flue-cured except that the adjustment is made to what would have been the 1959 crop price support if that year's crop had been produced under a marketing quota. (See page 31.)

Fire-cured, Types 21-23

1961-62 Supplies

This year's acreage of Virginia and Kentucky-Tennessee fire-cured is indicated to be 5 percent above 1960. Acreage allotments are mostly the same as last year's. If yields per acre are near the averages of recent years, this year's crop may be close to 50 million pounds--about a tenth more than in 1960.

Carryover of fire-cured next October 1 is estimated at 115 million pounds--about 8 million less than last October 1 and lowest since 1946. This carryover, together with the new crop, will provide a total supply approximating 165 million pounds--2 percent less than for the current year.

Domestic Use and Exports

Early indications are that in the October 1960-September 1961 marketing year domestic use of fire-cured may fall about 2 million pounds below the $27\frac{1}{2}$ million consumed in 1959-60, but the decline may be more than offset by higher exports. In the first 7 months of the current marketing year, output of snuff--principal domestic outlet for the fire-cured types--was $3\frac{1}{2}$ percent less than in the corresponding period of 1959-60.

Exports of fire-cured in the 1960-61 marketing year may approximate $28\frac{1}{2}$ million pounds, about $4\frac{1}{2}$ million above those of 1959-60--lowest peacetime exports on record. In the first 7 months of the current marketing year (October 1960-April 1961), exports of Kentucky-Tennessee fire-cured were more than a third larger than a year earlier. The Netherlands, accounting for over two-fifths of the total, took 80 percent more than in the same period of 1959-60. Exports to France, ranking second, rose almost a fifth, and slightly more than a year earlier went to Switzerland, third ranking outlet. Swedish takings almost doubled to the

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

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
				Mil. lb.	Mil. lb.	Mil. lb.	
Average:							
1934-38	18.2	30.6	48.8	20.1	8.6	11.5	10.2
1941-45	12.1	31.3	43.4	15.5	8.6	6.9	22.1
1947-49	12.9	22.5	35.4	12.8	5.3	7.5	30.4
1950	12.8	23.1	35.9	11.3	5.9	5.4	36.3
1951	13.4	24.6	38.0	11.0	6.3	4.7	39.2
1952	12.2	27.0	39.2	10.5	5.5	5.0	35.5
1953	9.2	28.7	37.9	11.7	6.9	4.8	35.6
1954	10.6	26.2	36.8	10.2	6.0	4.2	34.4
1955	10.5	26.6	37.1	12.7	6.7	6.0	31.3
1956	10.7	24.4	35.1	10.3	4.8	5.5	39.5
1957	8.6	24.8	33.4	9.6	4.2	5.4	38.7
1958	9.4	23.8	33.2	10.7	5.3	5.4	36.9
1959	10.0	22.5	32.5	10.3	4.9	5.4	37.6
1960 2/	8.9	22.2	31.1	*10.5	*4.5	*6.0	39.4
	Parity price 3/ 4/	Price support level 5/	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on May 31, 1961 6/		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1950	30.3	34.3	2.4	18.8	0		
1951	33.6	37.4	2.6	19.4	0		
1952	34.8	37.1	2.4	19.7	0		
1953	34.4	35.0	.7	7.6	0		
1954	34.8	34.8	2.1	19.8	.5		
1955	35.8	34.6	1.8	17.1	.2		
1956	36.2	36.1	1.7	15.9	1.7		
1957	38.8	38.8	1.0	11.6	.8		
1958	41.8	38.8	2.2	23.4	1.7		
1959	41.9	38.8	.8	8.1	.6		
1960	42.5	38.8	.3	3.3			
1961	43.8	38.8					
Total	---	---	18.0	---	5.8		

1/ Year beginning October 1. 2/ Subject to revision. 3/ Through 1959, as of date determining the burley support level; for 1960, as of September; for 1961, as of May. 4/ Data for 1950-57 are parity prices for all fire-cured tobacco--starting with 1958, type 21 parity computed separately. 5/ Set at 75 percent of burley support through 1957, but since has stayed at 1957 level in accordance with changes in legislation. 6/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. *Preliminary estimate.

Table 18 --Fire-cured tobacco, types 22-23^{1/}: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)							
Year	Production	Stocks, Oct. 1	Supply	Disappearance ^{2/}			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	90.8	163.6	254.4	101.6	43.4	58.2	10.0
1941-45	54.0	139.4	193.4	66.4	41.0	25.4	21.0
1947-49	64.4	132.1	196.5	57.3	30.7	26.6	30.1
1950	45.4	141.8	187.2	64.6	30.7	33.9	29.7
1951	46.1	122.6	168.7	48.8	25.8	23.0	40.3
1952	46.0	119.9	165.9	48.3	24.2	24.1	38.1
1953	39.7	117.6	157.3	49.5	26.0	23.5	33.3
1954	51.6	107.8	159.4	48.9	23.9	25.0	38.5
1955	54.7	110.5	165.2	52.0	24.6	27.4	38.4
1956	59.9	113.2	173.1	52.3	27.5	24.8	36.1
1957	41.9	120.8	162.7	53.3	29.5	23.8	36.4
1958	33.9	109.4	143.3	44.1	24.6	19.5	38.1
1959	43.1	99.2	142.3	41.1	22.5	18.6	38.3
1960 ^{3/}	36.5	101.2	137.7	*43.5	*21.0	*22.5	*43.3
	Parity price ^{4/} ^{5/}	Price support level ^{6/}	Placed under Government loan		Remaining in Government loan		
			Quantity	Percentage of crop	stocks on May 31, 1961 ^{7/}		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.		
1950	30.3	34.3	9.8	21.6	0		
1951	33.6	37.4	4.9	10.6	0		
1952	34.8	37.1	8.5	18.4	0		
1953	34.4	35.0	7.5	18.9	0		
1954	34.8	34.8	4.8	9.3	.6		
1955	35.8	34.6	7.9	14.4	1.2		
1956	36.2	36.1	18.6	31.1	12.2		
1957	38.8	38.8	13.9	33.1	8.2		
1958	41.2	38.8	4.4	12.0	2.9		
1959	41.6	38.8	5.3	12.3	4.3		
1960	42.9	38.8	3.2	8.7	3.2		
1961	45.6	38.8					
Total			88.8		32.6		

^{1/} Type 24 included until early 1950's when it became practically nonexistent. ^{2/} Year beginning October 1. ^{3/} Subject to revision. ^{4/} Through 1959, as of date determining burley support level; for 1960, as of September. ^{5/} Data for 1950-57 are parity prices for all fire-cured tobacco--starting with 1958, types 22-23 parity computed separately. ^{6/} Set at 75 percent of burley support through 1957, but since has stayed at 1957 level in accordance with changes in legislation. ^{7/} Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. *Preliminary estimate.

largest in 5 years, while exports to Belgium were more than twice those in October 1959-April 1960. Other countries taking more Kentucky-Tennessee fire-cured than a year ago were Denmark and Italy. On the other hand, moderately less went to Germany, and substantially less, to Egypt and Norway.

Exports of Virginia fire-cured in October 1960-April 1961 were about a third above those a year earlier. The United Kingdom, leading country of destination, took a little less than in the corresponding **period** of 1959-60. But Norway, ranking second, more than doubled her relatively small takings of a year earlier. There were also substantial percentage increases in exports to Sweden, West Germany and Switzerland, but Netherlands and Australia each took moderately less than a year earlier. No Virginia fire-cured as yet was reported as going to Austria.

Prices and Price Supports

The 1960 season average price for the combined fire-cured types was a record $42\frac{1}{2}$ cents a pound -- over a tenth more than received for the 1959 crop. Virginia fire-cured, type 21, averaged 39.4 cents a pound -- 5 percent more than in the previous year and barely below the 1956 record average. The season average for Kentucky-Tennessee type 22 was 43.9 cents -- an eighth above 1959 and an all-time high. For Kentucky-Tennessee type 23, the 1960 season average was 41.4 cents -- 14 percent above the previous season and also record high.

The Government price support level for 1960 fire-cured was 38.8 cents per pound. About $3\frac{1}{2}$ million pounds were placed under Government loan, equal to about 8 percent of the crop. Marketing quotas will apply to the 1961 and the following two fire-cured crops. The price support level for 1961 Virginia and Kentucky-Tennessee fire-cured is 38.8 cents per pound -- the same as for the 1960 crop. The method for determining the support level for fire-cured tobacco is the same as for flue-cured. (See page 31.)

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

1961-62 Supplies

The 1961 indicated acreage of dark air-cured tobacco is 3 percent larger, and of sun-cured, $5\frac{1}{2}$ percent larger, than last year. Allotments for most farms are the same as in 1960. If yields per acre are near the average of the recent 3 years, this year's production of dark air- and sun-cured tobacco would approximate $20\frac{1}{2}$ million pounds -- 2 percent more than the 1960 crop.

Carryover of types 35-37 on October 1 (beginning of the 1961-62 marketing year) is estimated at near 61 million pounds -- about 5 million less than last October and lowest since 1946. This carryover, together with the new crop, would provide a total supply for 1961-62 of about 82 million pounds -- 5 percent less than for the current year.

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

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Average:							
1934-38	2.7	2.7	5.4	2.6			11.5
1941-45	2.4	3.2	5.6	2.6			28.1
1947-49	3.0	3.6	6.6	3.0			30.7
1950	3.6	4.0	7.6	3.5	3.0	0.5	33.9
1951	4.0	4.1	8.1	3.8	3.1	.7	34.6
1952	3.7	4.3	8.0	4.0	3.4	.6	31.6
1953	2.9	4.0	6.9	3.2	2.7	.5	31.8
1954	3.7	3.7	7.4	3.2	2.7	.5	32.2
1955	3.3	4.2	7.5	2.9	2.1	.8	25.3
1956	3.2	4.6	7.8	2.5	1.9	.6	35.7
1957	2.7	5.3	8.0	2.5	1.9	.6	34.0
1958	1.9	5.5	7.4	2.5	2.2	.3	36.8
1959	2.2	4.9	7.1	1.9	1.6	.3	34.4
1960 ^{2/}	1.8	5.2	7.0	*2.1	*1.8	*.3	37.9
	Parity price ^{3/}	Price support level ^{4/}		Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on May 31, 1961	
	Ct.	Ct.		1,000 lb.	Pct.	1,000 lb.	
1950	34.2	30.5		34	0.9	0	
1951	37.5	33.2		59	1.5	0	
1952	37.7	33.0		84	2.3	0	
1953	35.6	31.1		24	.8	0	
1954	34.5	30.9		123	3.3	0	
1955	34.1	30.8		72	2.2	0	
1956	33.0	32.1		103	3.2	0	
1957	35.5	34.5		11	.4	0	
1958	37.5	34.5		29	1.5	0	
1959	38.0	34.5		24	1.1	0	
1960	38.4	34.5		4	.2	0	
1961	39.9	34.5					
Total	---	---		567	---	0	

^{1/} Year beginning October 1. ^{2/} Subject to revision. ^{3/} Through 1959, as of date determining burley support level; for 1960, as of September; for 1961, as of May. ^{4/} Set at 66-2/3 percent of burley support through 1957, but since has stayed at 1957 level in accordance with changes in legislation. *Preliminary estimate.

Domestic Use and Exports

In the year ending September 30, domestic use of dark air- and sun-cured may be moderately above the 18 million pounds consumed in 1959-60. As combined manufacture of plug, twist and fine-cut chewing tobacco--major outlet for these types--in October 1960-April 1961 was running 5 percent below a year ago, indications are that use in nonchewing uses may have increased.

Exports of dark air-cured tobacco in 1960-61 may be around 5 million pounds (farm-sales weight)--about an eighth less than in 1959-60. In the first 7 months of the current marketing year, exports of One Sucker (type 35) were not much more than a fourth of those a year earlier. Belgium, by far the principal outlet, cut takings nearly 75 percent. More One Sucker than a year ago went to Congo Republic and Trinidad, but less was exported to Denmark. None was reported as going to Finland, which received a significant quantity in the comparable period of 1959-60.

During October 1960-April 1961, exports of Green River (type 36) dropped 43 percent below those of a year ago. Exports to the United Kingdom, accounting for nearly three-fourths of the total, fell by about 30 percent. Only minor quantities went to Belgium, which was the second ranking market in 1959-60. The Congo Republic took more than a year ago, but there was a reduction in exports to Australia.

In the past 5 years, well over half of all exports of dark air-cured tobacco went out in the form of Black Fat, a semi-processed product. Exports of Black Fat in the first 7 months of the current marketing year were 2 percent larger than in the comparable period of 1959-60. There was a decline of 9 percent and 7 percent, respectively, in shipments to Nigeria and Ghana--the top two markets. But exports to French West Africa jumped 65 percent, while there were large percentage gains in those to Spanish Africa and Bahamas. Shipments to Cameroun fell off appreciably, and none was reported as going to Canary Islands.

Prices and Price Supports

The 1960 season price for the combined dark air- and sun-cured tobacco crop was $37\frac{1}{2}$ cents per pound--about 9 percent above 1959 but 2 percent below the 1958 peak. One Sucker (type 35) averaged 38.4 cents--about a tenth more than in the previous year and second highest on record. The 1960 crop of Green River (type 36) brought an average of 35.4 cents--up 4 percent from 1959 and also the second highest on record. The price average for 1960 Virginia fire-cured at a record 37.9 cents was a tenth above 1959.

The level of price support for 1960 dark air-cured and sun-cured was $34\frac{1}{2}$ cents per pound--the same as for the preceding 3 crops. In the recent season, loan placements (virtually all consisting of types 35-36) were substantially lower than in the preceding year, owing to a sharp reduction in type 35. Total deliveries for loans comprised 11 percent of the combined crop, compared with 17 percent in the 1959 season.

Marketing quotas will be applicable to the 1961-63 crops of dark air-cured, types 35-36, and to the 1961 crop of Virginia sun-cured, type 37. The Government support level for 1961 dark air- and sun-cured is 34.5 cents per pound--the same as for the 1960 and 3 prior crops. The method for determining the support level for these kinds of tobacco is the same as for flue-cured. (See page 31.)

Before planting the 1962 crop, growers of Virginia sun-cured, type 37, will vote in a referendum on continuation of marketing quotas for their 1962-64 crops.

Cigar Tobacco, Types 41-62

1961-62 Supplies

Filler: Pennsylvania filler (type 41) acreage is indicated at 3 percent less than in each of the past 2 years. If yields per acre equal the 1958-60 average, 1961 production may total 51 million pounds--2 to 3 million less than last year and the year before. The carryover next October 1 seems likely to be about 110 million pounds, not greatly different than last October 1; total supply for 1961-62 at around 161 million pounds would be a little lower than for the current year.

Ohio filler (types 42-44) acreage is indicated to be up about 7 percent. If yields per acre equal the 1959-60 average, 1961 production would be $7\frac{1}{2}$ million pounds--roughly one-eighth larger than in 1960 and largest in 6 years. Carryover next October 1 may total 18 million pounds--up a little compared with that date in 1960 and 1959. Total supply for 1961-62 seems likely to be around $25\frac{1}{2}$ million pounds--about $1\frac{1}{2}$ million more than in 1960-61 and 1959-60.

The Puerto Rico filler (type 46) will be planted late this year and harvested in the early months of 1962. The total supply (last October 1 stocks plus the crop harvested this year) is about 72 million pounds--a little above the previous year, but otherwise the lowest for many years.

Foreign Cigar Tobacco Types: Total arrivals of foreign grown cigar tobaccos have increased substantially in the past 2 or 3 years. (See table 22). Stocks of Cuban tobacco held in this country have been increased due to the uncertainties with respect to this source in the future. Arrivals from the Philippine Republic in each of the last three calendar years have been considerably larger than in prior years. In 1960 and January-April 1961, there were substantial tobacco arrivals from Dominican Republic, Colombia, Netherlands, Paraguay, Indonesia and Brazil; indications are that through April 30 the tobaccos from those countries were still largely held in stocks. Only moderate-size quantities had yet been used, but use of Philippine tobacco has increased considerably in the last year or two and a significant quantity of the tobacco brought in from Peru in 1959 entered channels of consumption in 1960.

Table 21.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
Average:							
1947-49	54.6	101.4	156.0	48.8	47.8	1.0	27.7
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960 ^{2/}	52.7	109.7	162.4	* 52.0			28.5
Ohio, Miami Valley (types 42-44)							
Average:							
1947-49	10.2	24.5	34.7	8.7	8.7		26.3
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960 ^{2/}	6.6	17.5	24.1	*6.0			28.1
Puerto Rico (type 46)							
Average:							
1947-49	26.4	65.0	91.4	34.0	29.8	4.2	24.8
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	27.6	42.4	70.0	26.2	25.8	.4	32.2
1960 ^{2/}	28.0	43.8	71.8	*29.0			32.0

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

* Preliminary estimates.

Table 22.--United States general imports of cigar tobacco, 1957-60 and January-April 1961

Classification and country	(Declared weight)				
	1957	1958	1959	1960	Jan.-Apr. 1961
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Cigar wrapper (unstemmed):					
Cuba	442	352	748	830	77
Indonesia	120	146	7	2	3
Total	562	498	755	832	80
Cigar filler (stemmed):					
Cuba	8,896	8,797	10,155	7,580	1,274
Philippine Republic	235	327	193	512	0
West Germany	121	66	0	0	0
Total	9,252	9,190	10,348	8,092	1,274
Cigar filler (unstemmed):					
Cuba	14,830	16,171	24,263	26,084	3,823
Dominican Republic	0	24	636	3,357	237
Colombia	0	0	2	1,423	2,435
Netherlands	2	0	4	1,338	0
Paraguay	0	0	6	372	1,060
Indonesia	0	0	4	259	561
Brazil	0	0	2	185	931
Philippine Republic	0	4,264	2,801	150	0
Peru	0	0	5,863	0	0
Other	13	11	30	24	68
Total	14,845	20,470	33,611	33,192	9,115
Scrap:					
Cuba	5,457	6,977	7,529	11,860	1,586
Philippine Republic	6,560	5,479	6,416	9,727	4,795
Spain	0	66	1,224	0	0
Netherlands	0	0	0	4	199
Paraguay	0	0	0	1	252
Other <u>1/</u>	47	119	479	371	321
Total <u>1/</u>	12,064	12,641	15,648	21,963	7,153
All classifications:					
Cuba	29,625	32,297	42,695	46,354	6,760
Philippine Republic	6,795	10,070	9,410	10,389	4,795
Other countries	303	432	8,257	7,336	6,067
Grand total	36,723	42,799	60,362	64,079	17,622

1/ Does not include entries under this classification that probably were not for eventual use in cigars. From Turkey, 1,265,000 of scrap arrived in 1959, 1,123,000 pounds in 1960, and 655,000 pounds in January-April 1961. From Greece, 324,000 pounds of scrap arrived in 1960 and 252,000 pounds, in January-April 1961.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption" which represent merchandise entering into domestic consumption channels.

Table 23. —Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Broadleaf (type 51)							
Average: 1947-49	14.4	28.5	42.8	14.7	12.4	2.3	54.7
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.9	4.7	.2	45.0
1960 ^{2/}	3.6	19.6	23.2	*4.8	*4.5	*.3	44.0
Connecticut Valley Havana Seed (type 52)							
Average: 1947-49	14.8	18.5	33.3	11.9	9.1	2.8	59.2
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.0	3.3	.7	41.2
1960 ^{2/}	3.2	13.7	17.0	*5.4	*3.7	*1.7	42.8
Total Connecticut Valley (types)							
Average: 1947-49	29.2	47.0	76.2	26.6	21.5	5.1	56.9
1950	31.6	52.7	84.3	27.2	24.5	2.7	46.1
1951	25.7	57.1	82.8	25.1	22.3	2.8	47.3
1952	24.4	57.7	82.1	27.4	25.3	2.1	49.6
1953	26.7	54.7	81.4	25.3	23.5	1.8	56.8
1954	25.2	56.1	81.3	24.6	23.7	.9	50.6
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	8.9	8.0	.9	42.6
1960 ^{2/}	6.8	33.3	40.1	*10.2	*8.2	*2.0	43.4

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

* Preliminary estimates.

Table 24.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Southern Wisconsin (type 54)							
Average:							
1947-49	13.4	38.3	51.7	12.7	12.5	0.2	22.5
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0	10.0		24.3
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.3	9.9	.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	7.9	7.5	.4	34.6
1959	9.2	20.9	30.1	7.9	7.6	.3	29.3
1960 ^{2/}	9.1	22.2	31.3	*8.5			28.0
Northern Wisconsin (type 55)							
Average:							
1947-49	19.6	36.3	55.9	18.5	17.5	1.0	28.8
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.3	12.0	2.3	35.2
1959	11.6	25.3	36.9	12.5	11.6	.9	37.1
1960 ^{2/}	13.5	24.4	37.9	*13.0			30.6
Total Wisconsin types (54-55)							
Average:							
1947-49	33.0	74.6	107.6	31.2	30.0	1.2	26.2
1950	31.9	80.9	112.8	29.4	29.3	.1	26.2
1951	23.3	83.4	106.7	31.6	31.5	.1	28.6
1952	21.9	75.1	97.0	28.3	26.5	1.8	26.9
1953	20.0	68.7	88.7	26.4	26.1	.3	25.8
1954	22.9	62.3	85.2	25.3	24.6	.7	30.0
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.2	19.5	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960 ^{2/}	22.6	46.6	69.2	*21.5	*20.5	*1.0	29.6

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

* Preliminary estimates.

Table 25.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks July 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Shade-grown (type 61)							
Average:							
1947-49	10.2	11.0	21.0	8.9			268.3
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960 ^{2/}	12.0	15.1	27.1	*11.1	*8.5	*2.6	225.0
Georgia-Florida Shade-grown (type 62)							
Average:							
1947-49	5.2	3.8	9.1	4.3			235.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.2	1.3	195.0
1960 ^{2/}	9.0	7.6	16.6	*6.4	*5.4	*1.0	200.0
Total Shade-grown (types 61-62)							
Average:							
1947-49	15.3	14.8	30.1	13.3	11.2	2.1	257.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.3	3.8	204.0
1960 ^{2/}	21.0	22.7	43.7	*17.5	*13.9	*3.6	214.0

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

* Preliminary estimates.

Binder: Acreage of the cigar binder types in the Connecticut Valley (types 51-52) may be down more than a fifth from last year. Allotments were cut 10 percent. If yields per acre equal the 1958-60 average, this year's production would be about $5\frac{1}{2}$ million pounds -- $1\frac{1}{3}$ million below last year and a near-record low. Carryover of these types next October 1 seem likely to total around 30 million pounds--almost a tenth below last October 1 and a record low. The total supply for 1961-62 at probably 35 or 36 million pounds may be 5 or 6 million less than for the current year and smallest on record.

As of March 1, farmers' intentions in Wisconsin were to increase the acreage of types 54 and 55, mostly in the Northern Wisconsin type 55. If the increases are borne out and yields equal the 1958-60 average, this year's production of these types would total about 24 million pounds, nearly 7 percent above last year's outturn and the most since 1950. Carryover next October 1 seems likely to be near 48 million pounds -- the largest for that date in 4 years--and total supply for 1961-62 at around 72 million pounds would exceed those in each of the previous 3 years by roughly 2 to 5 million pounds.

Wrapper: Acreage of shade-grown cigar wrapper in the Connecticut Valley (type 61) and in Georgia-Florida (type 62) may be down about 4 and 7 percent, respectively, from last year. If yields per acre equal the 1958-60 average, 1961 production of shade-grown wrapper will be about $18\frac{1}{2}$ million pounds--roughly one-eighth lower than the record outturn of last year. Carryover on July 1 is estimated at about 26 million pounds--a seventh larger than a year ago and a record high. The total supply of shade-grown wrapper types for 1961-62--the carryover plus this year's crop--may approximate 45 million pounds, up about 1 million from the 1960-61 level and the largest on record.

Disappearance and Exports

Filler: According to preliminary indications, disappearance of Pennsylvania filler in the year ending September 30 may be about 52 million pounds (farm-sales weight)--8 percent more than in 1959-60 and largest since 1955-56. Disappearance of Ohio filler may total about 6 million pounds--possibly a little less than in 1959-60. Disappearance of Puerto Rican filler seems likely to be up moderately from the 5-year low of last year and might be 28 or 29 million pounds; this would be 2 or 3 million pounds above 1959-60. Exports of cigar filler types thus far in 1960-61 have been less than 100,000 pounds and domestic use accounts for nearly all the disappearance.

Imported cigar tobaccos entering channels of consumption during the first 7 months of the 1960-61 marketing year have been a little larger than in the comparable period of 1959-60. Less Cuban tobacco was used but this was more than offset by increases in the use of Philippine and other foreign tobaccos. During October 1960-April 1961, about $16\frac{1}{2}$ million pounds (unstemmed weight equivalent) of Cuban tobacco entered channels of consumption--13 percent less than in the comparable period of 1959-60. However, the Philippine tobacco imported for consumption rose to about 9 million pounds (unstemmed weight) -- 35 percent more than in the same period a year earlier. The October 1960-April 1961 imports for consumption of cigar tobaccos from Dominican Republic, Peru, Netherlands, Colombia, Paraguay and Indonesia totaled

2.2 million pounds (unstemmed weight), over twice as much as in those months during 1959-60. Prior to 1959 imports of cigar filler from these countries, if any, were negligible.

Binder: Preliminary indications are that disappearance of the Connecticut Valley types in the year ending September 30 may range around 10 million pounds. Domestic use may be up a little from the record low of 1959-60, and exports will exceed last year's due mainly to a substantial purchase by Spain of type 52 Havana Seed tobacco from Government loan stocks. During October 1960-April 1961, exports of type 52 to West Germany about equalled those in the same months a year earlier. Denmark doubled her takings of Broadleaf type 51 compared with a year earlier.

The disappearance of the Wisconsin binder types in the year ending September 30 might be 21 or 22 million pounds--a little above the low 1959-60 total of 20.4 million pounds. Scrap chewing tobacco is the major outlet for Wisconsin tobacco. Production of scrap chewing has been fairly stable thus far this marketing year. Less than the usual quantity of Wisconsin tobacco appears to have been used in scrap chewing manufacture in the last year or two. The October 1960-April 1961 exports of Wisconsin tobacco were a little less than in the same period of 1959-60. Less went to West Germany but East Germany and Belgium each took some in contrast with none in the same period a year earlier.

Wrapper: Total disappearance of shade grown wrapper types 61-62 in the year ending June 30 is estimated at about $17\frac{1}{2}$ million pounds--roughly $1\frac{1}{2}$ million more than in 1959-60 and a record high. Most of the increase appears to be in the domestic use of Connecticut Valley wrapper type 61, which was unusually low in 1959-60; the domestic use of Georgia-Florida may be down some from its relatively high 1959-60 figure.

During July 1960-April 1961, exports of Connecticut Valley shade tobacco at about 2 million pounds (farm-sales weight) slightly exceeded the lower-than-usual shipments in those months of 1959-60. Less went to West Germany, the leading outlet, but increased quantities went to Canada, United Kingdom, Canary Islands, and East Germany. The July 1960-April 1961 exports of Georgia-Florida wrapper at about 800,000 pounds were more than a third below those during the same period of 1959-60. There were substantial decreases in shipments to West Germany and East Germany. None was reported going to the United Kingdom in contrast with a significant quantity a year earlier. However, these declines were partly offset by a fairly sizable shipment to the Netherlands.

Prices and Price Supports

Prices for the 1960 crop of Pennsylvania filler averaged $28\frac{1}{2}$ cents per pound--3 cents lower than for the 1959 crop but above most other recent years. The 1960 average price of Ohio filler types was 28.1 cents per pound--eight-tenths of a cent above 1959 and highest on record except for 1945-47.

Table 26.--Cigar tobacco types: Government price support levels 1959-61, and season average prices, 1959-60

Type	1959		1960		1961
	Price support level ^{1/}	Season average price	Price support level ^{1/}	Season average price	Price support level ^{1/}
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
Ohio cigar filler, types 42-44	23.4	27.3	23.4	28.1	23.4
Puerto Rican filler, type 46	29.7	32.2	29.7	32.0	29.7
Connecticut Valley Broadleaf binder, type 51	39.6	45.0	39.6	44.0	39.6
Connecticut Valley Havana Seed binder, type 52	39.6	41.2	39.6	42.8	39.6
Southern Wisconsin binder, type 54	26.5	29.3	26.5	28.0	26.5
Northern Wisconsin binder, type 55	32.0	37.1	32.0	30.6	32.0

^{1/} For Pennsylvania Havana Seed, type 53: 1959, 1960 and 1961, 26.5 cents.

Table 27.--Cigar tobacco price support operations, quantities placed under loan, 1950-60, and remaining under loan May 31, 1961

Crop year	Puerto Rican, type 46	Ohio types 42-44	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1950	0.3	2.6	0.1	3.7	1.4	0.6	^{1/} 11.5
1951	1.1	.6	1.7	2.7	4.8	.1	^{1/} 11.0
1952	1.4	No Price Support ^{2/}					1.4
1953	1.4	2.7	^{3/}	1.8	2.4	1.9	^{1/} 10.3
1954	5.1	1.2	.8	3.4	1.3	.9	12.7
1955	2.8	.8	7.8	5.2	.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	---	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	^{3/}	4.4
1960	.7	0	1.6	2.5	3.2	3.2	11.2
Total	20.1	8.4	18.0	21.6	14.5	11.1	^{1/} 96.6
Remaining as of May 31, 1961	.7	0	8.9	4.9	4.1	3.7	22.3

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

Prices for the 1960 Connecticut Broadleaf (type 51) crop averaged 44.0 cents per pound, and for the Connecticut Valley Havana Seed (type 52) crop, 42.8 cents per pound. The type 51 price was a little lower than a year earlier and the type 52 price averaged a little higher than in 1959. The Government price support level for the 1960 crops of the Connecticut types was 39.6 cents per pound. Over two-fifths of the type 51 crop and over three-fourths of the type 52 crop were placed under Government loan.

The 1960 crops of Northern Wisconsin (type 55) and Southern Wisconsin (type 54) brought prices which averaged 30.6 and 28.0 cents per pound, respectively. The type 55 average price was down about 18 percent from a year earlier when it was highest since 1946. The type 54 average price was about $4\frac{1}{2}$ percent below 1959 and 19 percent below 1958, when it was second highest on record. The Government price support levels for 1960 crops were 32.0 cents per pound for type 55 and 26.5 cents for type 54. Almost a fourth of the type 55 crop and over a third of the type 54 crop were placed under Government loan. Deliveries of Wisconsin tobacco for Government loans far exceeded most other recent years when either comparatively little or moderate quantities went under loan.

The 1961 crops of Ohio filler (types 42-44), Puerto Rico filler (type 46), Connecticut Valley binder (types 51-52) and Wisconsin binder (types 54-55) will receive Government price support at the same levels as in 1960. (See table 26). The same general method is used to set support levels for cigar types as for flue-cured. (See page 31). Government price support for Pennsylvania filler (type 41) is not available since growers have consistently voted against placing a marketing quota in effect for this type.

The 1960 season average price of Connecticut Valley shade-grown tobacco (type 61) was \$2.25 per pound--15 cents higher than a year earlier. For Georgia-Florida shade-grown tobacco (type 62), it was \$2.00 per pound--5 cents above a year earlier. Legislation does not provide for Government price supports or marketing quotas for these two types.

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: The next issue of The Tobacco Situation is :
: scheduled for release September 29, AM. :
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Table 28.--Tobacco leaf represented in stocks of tobacco sheet on specified dates 1/

Types	(Reported weight)				
	1960			1961	
	April 1	July 1	October 1	January 1	April 1
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Flue-cured (types 11-14)					
Unstemmed	75	88	90	116	124
Stemmed	2,442	2,938	2,402	2,298	2,809
Subtotal	2,517	3,026	2,492	2,414	2,933
Burley (type 31)					
Unstemmed	0	0	0	0	0
Stemmed	1,572	1,500	1,447	1,064	1,397
Subtotal	1,572	1,500	1,447	1,064	1,397
Foreign grown (type 90)					
Unstemmed	51	60	53	84	86
Stemmed	127	181	218	242	283
Subtotal	178	241	271	326	369
Total for cigarettes (including smoking tobacco)					
Unstemmed		148	143	200	210
Stemmed <u>2/</u>	4,158	4,642	4,094	3,630	4,515
Subtotal <u>2/</u>	4,284	4,790	4,237	3,830	4,725
Pennsylvania (type 41)					
Unstemmed	118	68	44	80	49
Stemmed	189	251	235	243	312
Subtotal	307	319	279	323	361
Connecticut Valley (type 51)					
Unstemmed	347	310	305	329	355
Stemmed	237	229	206	210	292
Subtotal	584	539	511	539	647
Connecticut Valley (type 52)					
Unstemmed	369	191	190	171	236
Stemmed	0	0	0	0	130
Subtotal	369	191	190	171	366
Northern Wisconsin (type 55)					
Unstemmed	121	182	214	199	185
Stemmed	8	7	8	32	3
Subtotal	129	189	222	231	188
Connecticut Valley (type 61)					
Unstemmed	46	45	64	40	68
Stemmed	419	335	384	360	430
Subtotal	465	380	448	400	498
Cuba-Havana (type 81)					
Unstemmed	11	18	23	78	90
Stemmed	0	0	0	6	9
Subtotal	11	18	23	84	99
Total for cigars <u>3/</u>					
Unstemmed	1,018	816	845	900	985
Stemmed	900	874	893	893	1,222
Subtotal	1,918	1,690	1,738	1,793	2,207
Grand total for all types	6,202	6,480	5,975	5,623	6,932

1/ Does not include tobacco stems added in manufacturing process. 2/ Includes very small quantity of Maryland (type 32). 3/ Includes small quantities of mostly other cigar types not separately listed.

Table 29.--Tobacco: Acreage and yield per acre in the United States, by types, for specified periods, with percentages

Period	Flue-cured 11-14	Bur-ley 31	Mary-land 32	Fire-cured		Dark air-cured 35-36	Va. sun-cured 37	Cigar						Total 1/
				Va. 21	Ky-Tenn 22-23			Filler			Binder		Wrapper 61-62	
								41	42-44	46	51-52	54-55		
	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	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Averages														
1934-38	863.2	347.2	36.7	23.1	109.1	38.7	3.3	23.4	14.6	42.7	12.6	15.6	8.9	1,544.0
1941-45	889.8	420.1	38.7	13.6	54.7	33.6	2.7	32.9	7.6	35.1	14.7	21.4	10.3	1,577.6
1947-49	993.5	433.3	48.0	12.0	56.9	29.2	3.2	36.1	6.8	33.5	18.2	22.5	14.8	1,709.6
1950	958.4	408.3	50.0	9.8	43.1	25.5	3.2	37.3	7.8	34.0	18.9	22.1	13.7	1,633.0
1951	1,110.1	456.1	53.0	10.0	39.0	23.0	3.5	34.9	4.9	33.8	15.3	15.8	13.6	1,813.7
1952	1,111.3	463.5	50.0	9.8	37.6	22.9	3.4	23.7	5.7	35.6	15.1	15.1	13.1	1,807.4
1953	1,021.8	419.7	45.0	9.9	38.4	22.3	3.7	25.8	4.7	40.5	14.6	14.3	12.3	1,673.4
1954	1,042.2	420.9	50.0	10.0	42.0	21.8	4.1	29.2	4.6	36.9	14.4	15.0	13.0	1,704.4
1955	990.7	310.6	47.0	9.1	39.1	20.0	4.2	29.5	4.4	35.1	13.4	14.3	12.9	1,530.5
1956	875.3	309.8	43.7	8.5	38.5	19.3	3.1	29.0	3.9	25.5	7.2	11.8	13.3	1,389.0
1957	662.7	306.6	37.0	6.9	24.7	14.5	2.6	29.0	3.6	25.8	4.3	11.6	13.1	1,148.2
1958	639.4	297.1	34.0	6.8	24.3	12.7	1.6	30.0	3.0	23.5	2.9	13.0	12.9	1,101.4
1959	693.3	301.0	40.0	7.6	27.6	13.2	2.1	31.0	3.9	25.6	4.5	13.9	14.0	1,177.6
1960	691.8	295.7	37.5	7.3	25.9	13.0	1.8	31.0	4.3	27.5	3.8	14.4	14.4	1,168.7
1961 2/	694.3	315.9	39.0	7.4	27.4	13.4	1.9	30.0	4.6	---	3.0	15.2	13.7	3/1,193.6
Averages:	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>
1934-38	856	819	749	792	806	839	809	1,413	1,028	663	1,553	1,383	954	865
1941-45	1,005	1,053	696	892	986	1,027	878	1,382	1,151	812	1,646	1,468	1,004	1,027
1947-49	1,186	1,267	790	1,088	1,128	1,133	942	1,510	1,504	790	1,607	1,467	1,033	1,196
1950	1,312	1,222	800	1,310	1,054	983	1,120	1,500	1,350	750	1,670	1,446	1,130	1,259
1951	1,309	1,355	785	1,340	1,183	1,204	1,145	1,610	1,480	831	1,676	1,473	1,098	1,301
1952	1,229	1,403	805	1,250	1,223	1,314	1,100	1,600	1,550	963	1,620	1,447	1,124	1,267
1953	1,245	1,345	900	930	1,034	1,060	790	1,480	1,400	842	1,833	1,400	1,203	1,251
1954	1,261	1,586	875	1,060	1,229	1,395	900	1,670	1,750	921	1,754	1,530	1,264	1,336
1955	1,497	1,513	670	1,155	1,399	1,391	775	1,550	1,700	855	1,643	1,475	1,213	1,453
1956	1,625	1,635	840	1,260	1,555	1,592	1,030	1,670	1,625	941	1,849	1,716	1,290	1,583
1957	1,471	1,592	1,040	1,245	1,411	1,367	1,030	1,420	1,270	1,035	1,940	1,709	1,442	1,476
1958	1,691	1,567	915	1,385	1,393	1,269	1,170	1,700	835	1,089	1,867	1,682	1,286	1,600
1959	1,559	1,669	780	1,320	1,560	1,465	1,040	1,725	1,770	1,062	1,681	1,502	1,325	1,533
1960	1,808	1,639	875	1,220	1,411	1,403	995	1,700	1,525	1,120	1,792	1,570	1,458	1,686

1/ Total includes types 45, 56, 24, and 53 in various years prior to 1953.

2/ Farmers intentions as of March 1. 3/ Assumes type 46 acreage the same as for 1960.

Table 30. --Cash receipts from tobacco compared with total cash receipts from all farm commodities, selected States and United States, average 1954-58, annual 1959-60

State	Average 1954-58			1959			1960 ^{1/}		
	Cash receipts		Tobacco as percentage of total receipts	Cash receipts		Tobacco as percentage of total receipts	Cash receipts		Tobacco as percentage of total receipts
	Total	Tobacco		Total	Tobacco		Total	Tobacco	
	Mil. dol.	Mil. dol.	Pct.	Mil. dol.	Mil. dol.	Pct.	Mil. dol.	Mil. dol.	Pct.
N. C.	959	469	48.9	968	420	43.4	1,076	519	48.2
Ky.	554	229	41.3	571	220	38.5	556	200	36.0
S. C.	343	85	24.8	355	90	25.4	353	88	24.9
Va.	455	81	17.8	444	79	17.8	458	85	18.6
Tenn.	475	74	15.6	520	72	13.8	501	62	12.4
Ga.	659	60	9.1	718	64	8.9	782	77	9.8
Conn.	165	22	13.3	155	19	12.3	158	17	10.8
Md.	246	18	7.3	262	18	6.9	280	20	7.1
Fla.	644	21	3.3	806	23	2.9	764	26	3.4
Pa.	751	11	1.5	774	14	1.8	788	17	2.2
Mass.	169	8	4.7	157	6	3.8	168	6	3.6
Wis.	1,041	6	.6	1,072	8	.7	1,115	7	.6
Ohio	1,000	11	1.1	940	10	1.1	1,004	11	1.1
Ind.	1,070	7	.7	1,039	8	.8	1,099	7	.6
Ala.	447	^{2/}	.1	512	^{2/}	.1	529	^{2/}	.1
Mo.	1,015	2	.2	1,140	2	.2	1,136	4	.4
W. Va.	112	2	1.8	109	2	1.8	106	2	1.9
Subtotal	10,105	1,106	10.9	10,542	1,055	10.0	10,873	1,148	10.6
U. S. ^{3/}	30,677	1,108	3.6	33,146	1,056	3.2	33,746	1,148	3.4

^{1/} Subject to revision.

^{2/} Average for 1954-58, \$270,000; 1959, \$314,000; 1960, \$379,000.

^{3/} Includes relatively small receipts from tobacco for States not separately listed.

Table 31.--Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-60, by quarters 1959-61

Period	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,959	413	197	10.4	5.0	24.6	11.7
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
Quarterly 1959							
1	1,114	121	58	10.9	5.2	25.1	12.0
2	1,264	145	70	11.5	5.5	29.5	14.2
3	1,277	151	72	11.8	5.6	30.3	14.4
4	1,253	134	65	10.7	5.2	26.5	12.8
1960							
1	1,172	128	61	10.9	5.2	25.2	12.0
2	1,320	149	71	11.3	5.4	28.5	13.6
3	1,333	153	73	11.5	5.5	28.8	13.7
4	1,314	147	76	11.2	5.8	27.4	14.2
1961							
1	1,231	138	65	11.2	5.3	25.5	12.0

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

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

PRICES OF FLUE-CURED TOBACCO MARKETED TIED AND UNTIED

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Most tobacco sold at auctions is tied in bundles or hands of 15 to 20 leaves. However, many growers and warehousemen are interested in selling tobacco untied, mainly because the cost of preparing tobacco for market untied is less than for tobacco marketed tied. There is also less loss in weight because of less handling than when tied.

In Georgia-Florida, tobacco is sold at auctions untied. Growers in other areas also take advantage of this. From 7 to 10 percent of the tobacco grown in South Carolina is marketed in Georgia and also considerable quantities from North Carolina and Virginia. The Georgia markets open a week or two before those in South Carolina. Tobacco growers are anxious to turn their crop into cash and some take it to Georgia for this reason.

During 1951-60, the season average price at South Carolina markets has ranged from \$2.43 to \$7.38 per hundred pounds higher than at Georgia markets. (See table 1.) The yield and the quality of tobacco varies from year to year and from area to area depending on the weather during the growing and curing season.

Table 1.--Flue-cured tobacco: Producers' average price per hundred pounds at South Carolina and Georgia markets, 1951-60

Year	South Carolina markets, tied tobacco	Georgia markets, untied tobacco	Difference between tied and untied tobacco
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
1960	61.98	56.87	5.11
1959	63.15	58.28	4.87
1958	59.98	57.55	2.43
1957	59.73	56.23	3.55
1956	52.36	48.46	3.90
1955	54.34	46.96	7.38
1954	51.78	46.79	4.99
1953	57.41	51.53	5.88
1952	52.42	49.40	3.02
1951	52.39	46.46	5.93
Average 1951-60	56.56	51.85	4.71

The overall season average prices conceal marked differences between prices of various grades. Generally the grades of highest quality, those bringing the highest price, sell at the largest discount when sold untied at Georgia markets. The qualities in between vary from no discount to over \$5.00 per hundred pounds. Table 2 shows for selected groups of grades how the discount varies by quality of tobacco. The grades were selected according to stalk position, grouping in the Federal Standards, and by price level.

Table 2.--Flue-cured tobacco: Average price per hundred pounds of selected groups of grades tied and untied 1/, and the average discount when sold untied

Grade group	1960			1959			1958		
	Tied	Untied	Average: dis- count	Tied	Untied	Average: dis- count	Tied	Untied	Average dis- count
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
5	70	64	6	69	65	4	67	64	3
7	65	61	4	65	62	3	61	60	1
9	59	57	2	60	58	2	55	55	0
14	51	50	1	50	53	<u>2/</u> +2	50	49	1
17	38	37	1	35	41	<u>2/</u> +6	37	35	2
18	22	25	<u>2/</u> +3	21	24	<u>2/</u> +3	21	24	<u>2/</u> +3

1/ Tied tobacco sold at markets selling type 13 tobacco in North and South Carolina, untied markets selling type 14 in Georgia and Florida.

2/ + denotes untied tobacco sold for more than tied.

The quality of tobacco sold on any market even by an individual grower varies widely. This difference in quality should be taken into account when comparing prices for tied and untied tobacco. The prices used in this study are the average prices of tobacco for the principal grades sold on these markets.

The tobacco sold at a market is drawn to a large extent from the area surrounding it. The soil and climatic conditions change from area to area, the differences often becoming greater as the distances increase. It is well known that soil and climatic differences affect the characteristics of tobacco. Such characteristics are not readily identified by sight or touch as are the characteristics forming the basis for Federal grade standards. The research divisions of the tobacco buying companies each year secure samples of tobacco from the areas where the companies buy tobacco. These samples are analyzed and tested for smoking qualities. On the basis of these analyses the buyers are advised of the quality of tobacco in the different areas and told how to recognize the differences if they are correlated with recognizable characteristics. If differences cannot be recognized, the buyers are advised to buy as much as possible of the requirements from areas where the quality is high and as little as possible from the areas where the quality is low. The result is that prices for tobacco of the same Federal grade will bring quite different prices at

different markets. To eliminate the effects of such differences to some extent, prices of tied tobacco sold at the South Carolina auctions were compared with prices of untied tobacco from South Carolina and Georgia sold at the Georgia auctions. In general, these data bear out that the largest discounts for untied tobacco apply to qualities bringing the highest prices. Also indicated by these data is the effect on quality and price of weather differences between areas from one year to another.

As indicated in table 1 the average difference in 1958 for all tobacco sold in Georgia from the price for all tobacco sold in South Carolina was only \$2.43. But the sample data summarized in table 3 show that for South Carolina tobacco sold in Georgia in that year, the average discount from that sold in South Carolina equaled \$4.88 per 100 pounds, about the usual amount. The 1958 South Carolina tobacco was actually selling at relatively lower prices than Georgia tobacco once allowance is made for the tying differential, and as shown in table 4, the South Carolina tobacco marketed untied in Georgia sold cheaper than the Georgia tobacco. This appreciably narrowed the overall average price differential between South Carolina tied markets and Georgia untied markets.

The relative quality of South Carolina tobacco compared to Georgia tobacco was considerably different in 1959 than in 1958 and this is reflected in the 1959 prices shown in table 4. In 1959 the prices for most grades were not much different but for the lower grades particularly, the South Carolina tobacco sold in Georgia averaged above the Georgia tobacco.

An increasing number of growers have been seeking to sell their tobacco untied to save the additional labor cost of tying. If costs of preparing tied tobacco for market (also taking into account any loss of weight) exceed the price premium that can be realized in tied markets, naturally growers will gain by selling tobacco untied. Buyers expect to pay lower prices for untied tobacco. The discounts the buyers make in the prices for untied tobacco reflect differences in costs of handling and processing. Discounts from tied tobacco appear to differ considerably by grade. This is indicated by data in tables 3 and 4 which show price averages for 8 individual grades that account for a substantial volume of the South Carolina tobacco sold untied in Georgia markets.

The production and marketing of leaf tobacco requires a great deal of labor. Increasing costs of labor have stimulated considerable interest in new methods of producing, harvesting and curing tobacco. Several tobacco harvesters are already in use and new curing methods are being investigated and developed. Such developments seem likely to result in changes in existing methods of preparing tobacco for market in order to take full advantage of labor-saving improvements. This will probably result in more growers seeking to sell their tobacco untied rather than tied to secure the full benefit of the labor-saving methods. The advantages and disadvantages of marketing tied and untied tobacco will need to be carefully weighed as progress is made with new harvesting and curing techniques.

Table 3.--South Carolina flue-cured tobacco: Average price per hundred pounds of selected grade groups and grades sold tied in South Carolina and untied in Georgia, 1958 and 1959

Grade groups and selected grades	1959			1958		
	Average price of S. C. flue-cured		Average discount for S. C. tobacco	Average price of S. C. flue-cured		Average discount for S. C. tobacco
	Sold tied in S. C.	Sold untied in Ga.	sold untied in Ga.	Sold tied in S. C.	Sold untied in Ga.	sold untied in Ga.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Grade group:						
1	70.59	65.91	-4.64	69.52	65.76	-3.76
2	64.72	61.60	-3.12	62.92	57.95	-4.97
3	55.35	54.26	-1.09	55.88	49.55	-6.33
4	22.80	22.55	-.25	22.68	21.90	-.78
Selected grades:						
P4L	65.09	62.13	-2.96	64.14	59.00	-5.14
P4F	63.52	60.71	-2.81	62.09	56.91	-5.18
P5F	53.03	52.99	-.04	54.54	46.08	-8.46
X4L	69.06	65.15	-4.91	66.89	62.43	-4.46
B5L	66.05	61.91	-4.14	62.33	58.78	-3.55
B5F	67.69	62.58	-5.11	63.41	58.12	-5.29
N1L	40.47	40.11	-.36	41.39	33.66	-7.73
N2	22.80	22.55	-.25	22.68	21.90	-.78
All grades	61.58	56.83	-4.75	58.20	53.32	-4.88

Table 4.--South Carolina and Georgia flue-cured tobacco: Average price per hundred pounds of selected grade groups and grades sold untied in Georgia, 1958 and 1959

Grade groups and selected grades	1959			1958		
	Average price of untied flue-cured sold in Ga.		Price differential: untied S. C. tobacco versus untied Ga. tobacco	Average price of untied flue-cured sold in Ga.		Price differential: untied S. C. tobacco versus untied Ga. tobacco
	From S. C.	From Ga.		From S. C.	From Ga.	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Grade group:						
1	65.91	65.89	+0.02	65.76	66.05	-0.29
2	61.60	61.98	-.38	57.95	60.12	-2.17
3	54.26	54.59	-.33	49.55	51.28	-1.63
4	22.55	20.94	+1.61	21.90	25.16	-3.26
Selected grades:						
P4L	62.13	62.52	-.39	59.00	60.74	-1.74
P4F	60.71	61.36	-.65	56.91	59.36	-2.45
P5F	52.99	52.88	+.11	46.08	48.41	-2.33
X4L	65.15	65.11	+.04	62.43	64.27	-1.84
B5L	61.91	61.72	+.19	58.78	62.00	-3.22
B5F	62.58	61.67	+.91	58.12	60.55	-2.43
N1L	40.11	38.74	+1.37	33.66	38.05	-4.39
N2	22.55	20.94	+1.61	21.90	25.16	-3.26
All grades	56.83	57.14	-.31	53.32	57.53	-4.21

STATISTICAL SUMMARY

Item	Unit or base	1960		1961			Last data as percentage of a year earlier
		Apr.	May	Mar.	Apr.	May	
Average price at auctions							
Flue-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Burley	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Maryland	Ct. per lb.	61.1	62.2	Closed	62.9	64.2	103
Virginia fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Parity prices 1/							
Flue-cured	Ct. per lb.	64.0	63.8	64.9	64.9	64.9	102
Burley	Ct. per lb.	66.4	66.2	68.9	68.9	68.9	104
Maryland	Ct. per lb.	58.3	58.4	60.4	60.4	60.4	103
Virginia fire-cured	Ct. per lb.	43.2	43.0	43.8	43.8	43.8	102
Ky.-Tenn. fire-cured	Ct. per lb.	43.5	43.3	---	---	45.6	105
Ky.-Tenn. dark air-cured	Ct. per lb.	38.4	38.2	40.5	40.5	40.5	106
Virginia sun-cured	Ct. per lb.	39.0	38.8	39.9	39.9	39.9	103
Pa. cigar filler	Ct. per lb.	30.1	30.0	---	---	30.5	102
Conn. Valley cigar binder	Ct. per lb.	45.6	45.5	---	---	46.5	102
Wis. binder and Ohio filler	Ct. per lb.	33.2	33.1	---	---	34.1	103
Puerto Rican filler	Ct. per lb.	33.5	33.4	35.3	35.3	35.3	106
Parity index 2/							
	1910-14=100	302	301	302	302	302	100
Industrial production index 3/							
	1957=100	109	110	102	105	108	98
Employment							
	Mil.	66.2	67.2	65.5	65.7	66.8	99
Personal income 4/							
	Bil. dol.	401.9	404.7	409.8	411.3	413.7	102
1960							
1961							
Taxable removals							
Cigarettes	Bil.	40.3	36.9	37.4	42.4	37.2	101
Cigars and cigarillos	Mil.	531.0	502.3	441.4	522.8	482.3	96
Smoking tobacco	Mil. lb.	6.6	6.3	5.5	7.0	6.2	98
Chewing tobacco	Mil. lb.	5.3	5.1	4.8	5.5	4.8	94
Snuff	Mil. lb.	3.1	2.6	2.3	3.1	2.7	104
Accumulated from Jan. 1							
Cigarettes	Bil.	113.1	150.0	76.4	118.7	155.9	104
Cigars and cigarillos	Mil.	1,489.9	1,992.2	916.6	1,439.5	1,921.7	96
Smoking tobacco	Mil. lb.	17.4	23.7	11.4	18.4	24.5	103
Chewing tobacco	Mil. lb.	15.3	20.4	10.2	15.6	20.5	100
Snuff	Mil. lb.	8.6	11.2	5.1	8.2	10.8	96
Tax-exempt removals							
Cigarettes	Bil.	3.2	2.6	2.9	3.6	3.2	123
Exports	Bil.	1.6	1.4	1.6	1.9	1.9	136
Cigars and cigarillos	Mil.	11.7	8.8	7.2	11.2	7.9	90
Smoking tobacco	Mil. lb.	.2	.2	.2	.2	.2	100
Chewing tobacco	Mil. lb.	.1	.1	.1	.1	*	---
Accumulated from Jan. 1							
Cigarettes	Bil.	9.1	11.7	5.9	9.6	12.8	109
Exports	Bil.	4.5	5.9	3.3	5.3	7.1	120
Cigars and cigarillos	Mil.	24.9	33.7	14.2	25.5	33.4	99
Smoking tobacco	Mil. lb.	.6	.7	.4	.6	.8	114
Chewing tobacco	Mil. lb.	.3	.3	.2	.3	.3	100
Wholesale price indexes 5/							
Cigarettes, reg. nonfilter	1947-49=100	134.8			134.8		100
Cigarettes, filter tip	Jan. 1959=100	100.0			100.0		100
Cigars	1947-49=100	106.5			106.5		100
Smoking tobacco	1947-49=100	167.7			167.7		100
Plug chewing tobacco	1947-49=100	142.4			142.4		100
Snuff	1947-49=100	148.5			148.5		100
Consumer price indexes (urban) 6/							
Cigarettes, reg. nonfilter	1947-49=100	144.5			145.2		100
Cigarettes, filter tip	Mar. 1959=100	106.7			107.2		100
Cigars	1947-49=100	115.5			115.4		100
Imports of tobacco							
Cigarette leaf	Mil. lb.	9.9	9.5	10.1	10.2	10.4	109
Cigar tobacco 7/	Mil. lb.	3.7	3.8	5.9	3.5	4.2	111
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	28.7	38.2	20.2	30.4	40.8	107
Cigar tobacco 7/	Mil. lb.	13.8	17.5	10.6	14.1	18.3	105

See footnotes at end of Statistical Summary.

Continued -

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1960			1961		Last data as percentage of a year earlier
		Mar.	Apr.	Feb.	Mar.	Apr.	
Exports of leaf tobacco							
(farm-sales weight)							
Flue-cured	Mil. lb.	25.0	10.3	18.7	24.4	20.6	200
Burley	Mil. lb.	2.1	1.1	3.5	2.8	1.3	118
Maryland	Mil. lb.	1.3	.6	.5	1.3	1.3	217
Virginia fire- & sun-cured	Mil. lb.	.2	.1	1.4	.3	.1	100
Ky.-Tenn. fire-cured	Mil. lb.	1.3	3.0	2.3	1.5	3.1	103
Ky.-Tenn. dark air-cured	Mil. lb.	.2	*	.3	*	.1	---
Black Fat	Mil. lb.	.6	.3	.5	.4	.4	133
Cigar wrapper	Mil. lb.	.5	.2	.3	.9	.3	150
Connecticut binder	Mil. lb.	.1	*	.1	.8	*	---
Wisconsin binder	Mil. lb.	*	*	*	*	*	---
Accumulated from beginning of marketing year <u>8/</u>							
Flue-cured	Mil. lb.	363.3	373.6	382.5	406.9	427.4	114
Burley	Mil. lb.	19.5	20.6	19.0	21.8	23.1	112
Maryland	Mil. lb.	6.4	7.0	5.3	6.6	8.0	114
Virginia fire- & sun-cured	Mil. lb.	2.8	2.9	3.9	4.2	4.3	148
Ky.-Tenn. fire-cured	Mil. lb.	10.2	13.1	13.2	14.8	17.9	137
Ky.-Tenn. dark air-cured	Mil. lb.	1.5	1.5	.5	.5	.6	40
Black Fat	Mil. lb.	2.5	2.9	2.1	2.5	2.9	100
Cigar wrapper	Mil. lb.	3.0	3.1	2.3	3.2	3.5	113
Connecticut binder	Mil. lb.	.5	.6	.4	1.2	1.2	200
Wisconsin binder	Mil. lb.	.3	.4	.3	.3	.3	75
Exports of manufactured tobacco in bulk	Mil. lb.	.7	.6	.4	.8	.4	67
Accumulated from Jan. 1	Mil. lb.	2.0	2.6	.8	1.5	1.9	73
Q u a r t e r l y d a t a							
		1960			1961		
		Jan.-Mar.	Apr.-June	Jan.-Mar.	Apr.-June		
Tobacco stocks--1st of quarter <u>9/</u> :							
Domestic types							
(farm-sales weight)							
Flue-cured	Mil. lb.	2,597	2,345	2,609	2,364		101
Burley	Mil. lb.	1,483	1,461	1,400	1,405		96
Maryland	Mil. lb.	64	57	62	53		93
Fire-cured	Mil. lb.	113	142	110	135		95
Dark air- and sun-cured	Mil. lb.	71	79	66	74		94
Cigar filler	Mil. lb.	148	200	150	197		98
Cigar binder	Mil. lb.	78	94	78	87		93
Cigar wrapper	Mil. lb.	30	26	31	30		115
Under Government loan <u>10/</u>	Mil. lb.	879	778	708	687		88
Tobacco sheet <u>11/</u>							
Cigarette types	Mil. lb.	2.8	4.3	3.8	4.7		109
Cigar types	Mil. lb.	1.8	1.9	1.8	2.2		116
Foreign types (unst. equiv.)							
Cigarette and smoking	Mil. lb.	229	233	211	255		109
Cigar	Mil. lb.	43	53	65	68		128
Tobacco outlets <u>12/</u>							
Seasonally adjusted data, annual rates, for charts, p.2:							
Cigarettes							
Production	Bil.	502	513	528	527		103
Taxable removals	Bil.	462	477	485	485		102
Cigar production	Bil.	7.29	7.37	6.76	7.46		101
Smoking production	Mil. lb.	76.9	75.8	80.2	78.1		103
Chewing production							
Scrap	Mil. lb.	30.9	32.7	32.6	33.1		101
Plug and other	Mil. lb.	32.8	34.7	32.4	33.8		97
Snuff production	Mil. lb.	33.3	37.6	32.3	33.0		88
Exports of leaf (farm-sales weight)							
Total	Mil. lb.	475	429	464	424		99
Flue-cured	Mil. lb.	395	354	370	340		96

1/ Based on data for month specified. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Unstemmed equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. *Less than 50,000 pounds.

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