

Tobacco Situation

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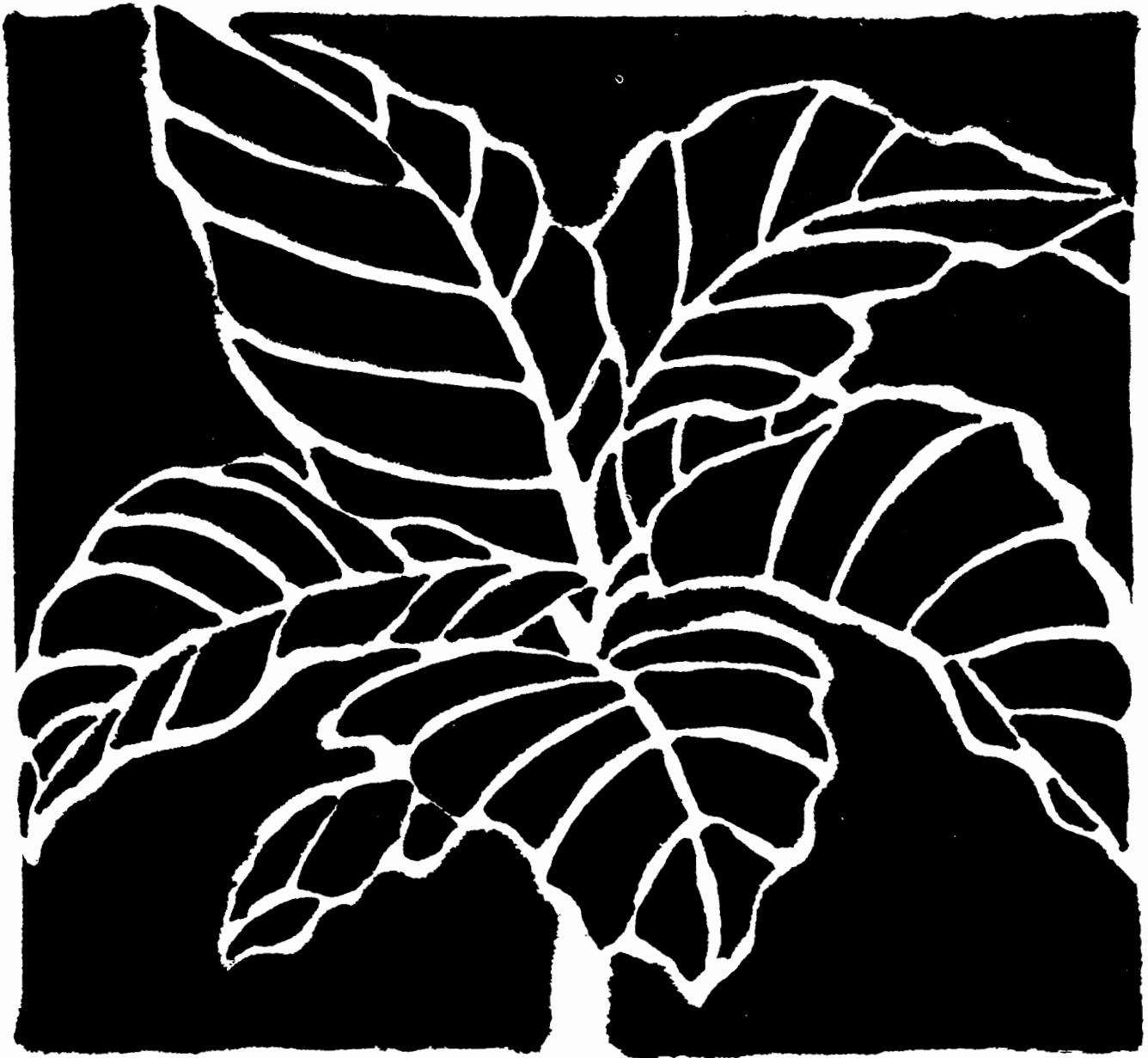
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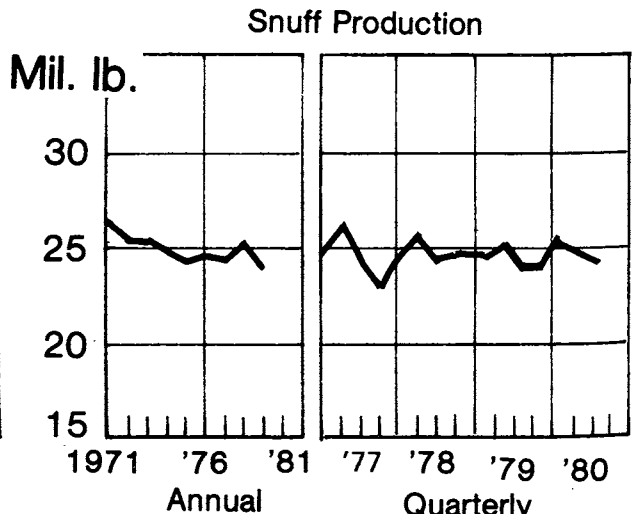
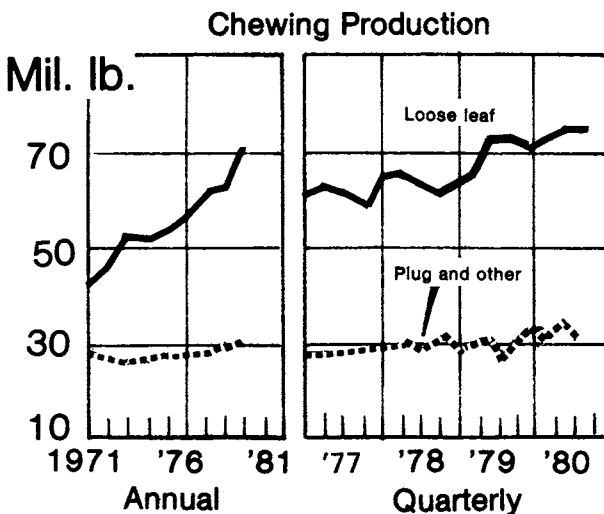
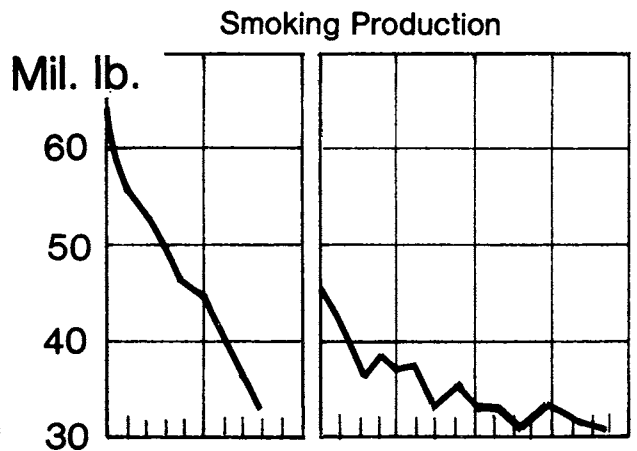
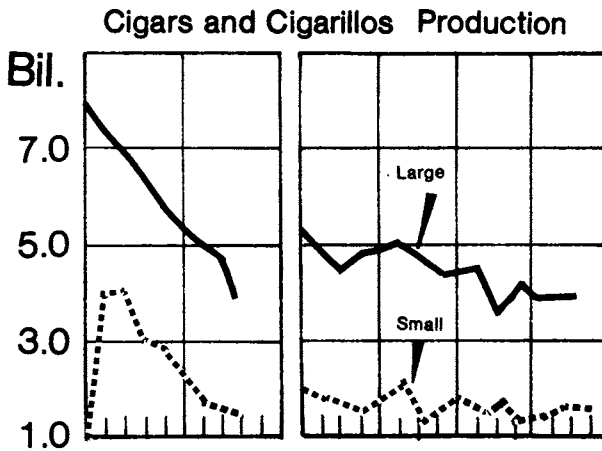
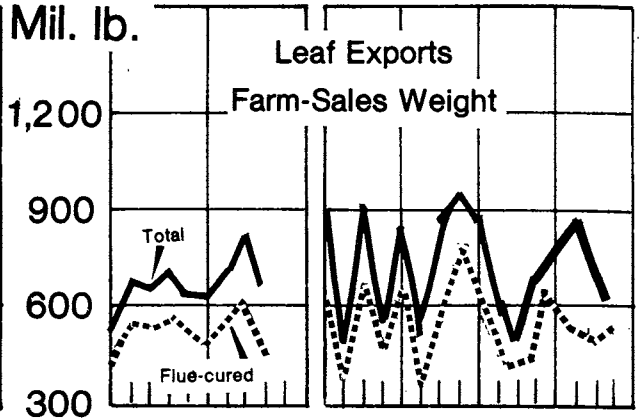
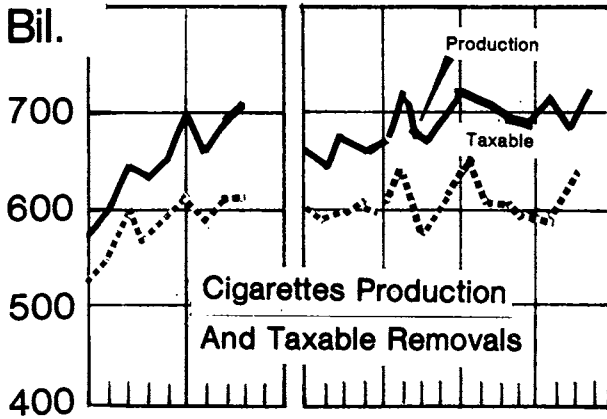
SEPTEMBER
1980

Approved by the
World Food and
Agricultural Outlook
and Situation Board



Tobacco Outlets

Trends in Manufactured Products and Exports



Seasonally Adjusted
At Annual Rates

Seasonally Adjusted
At Annual Rates

Last quarter shown estimated.

THE TOBACCO SITUATION

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SUMMARY

Tobacco production this year is up one-sixth from 1979 with increased acreage and some recovery in yields. Dry, hot weather has reduced leaf quality, however, prices are higher prices for most grades. Thus, flue-cured tobacco auctions are averaging slightly above last season. Cash receipts from the 1980 crop will rise substantially because of the larger quantity but still may fall short of the record 1978 income.

Despite smaller beginning stocks, the larger crop is bringing the supply for the 1980/81 marketing year up to the year-ago level, about 5.1 billion pounds (2.30 million metric tons), are expected. Among different kinds and grades though, conditions vary from oversupply to undersupply.

The September 1 estimate of U.S. tobacco output was 1.79 billion pounds (811,000 metric tons), up 17 percent from 1979 because of acreage 13 percent larger and yields 4-percent higher. Output was higher for both burley and flue-cured. Future weather developments and other factors can still affect final production. Hot, dry weather has continued in September. Estimated carryover of tobacco into the 1980/81 marketing year (beginning July 1 for flue-cured and cigar-wrapper types, October 1 for all others) is 3.28 billion pounds (1.49 million metric tons), 10 percent below a year ago.

Worldwide, tobacco industry prospects point to small gains in cigarette sales and of unmanufactured tobacco imports. But for the United States, total tobacco disappearance in 1980/81 may stay near the 1.86 billion pounds (845,000 metric tons) for the marketing year now ending. Domestic cigarette sales will likely remain stable. U.S. tobacco export prospects have been weak since this season's drought has reduced quality and limited supplies of export grades below earlier projections. Also, competition from other suppliers means U.S. leaf exports for the year ending June 30, 1981, will do well to equal the past year's high level of 617 million pounds (740 million, farm-sales weight).

For the year ending next June, U.S. cigarette output is expected to exceed slightly the 697 billion produced in 1979/80. Cigarette exports continue to gain.

However, the smoking and health controversy, coupled with further price increases, may lower the smoking rate per person (18 or older) in calendar 1980. Last year, the rate was 196 packs per capita. As a result, domestic consumption may change little.

U.S. manufacturers' imports (for consumption) gained in 1979/80 as oriental tobacco supplies continued adequate and foreign flue-cured and burley were available at competitive prices. Imports accounted for about 30 percent of tobacco used in cigarettes during year ending June 30, 1980. For cigars and looseleaf chewing tobacco, U.S. manufacturers used about 50 percent foreign-grown tobacco.

The national marketing quota for the 1981 flue-cured tobacco crop must be announced by December 1. Individual farm quotas and allotments will reflect under- and overmarketings in the current crop. Marketing quotas for burley and other kinds of tobacco will be announced by February 1, 1981. Based on the formula required by law, 1981 price-support levels for eligible tobaccos will increase an estimated 11 percent over 1980.

With a large crop, the supply of U.S. flue-cured tobacco, is 3.07 billion pounds, about 1 percent above last year. Overall, the supply remains above the legislative standard. The 1980 crop, estimated at 1.11 billion pounds (503,000 metric tons), is up 17 percent but carryover into the current season was down.

During the past marketing year both exports and domestic use declined. Close to the 1979/80 use of 1,083 million pounds is expected this season, so carryover by next July 1 may increase slightly.

Sales of the 1980 flue-cured tobacco crop began on July 21. By mid-September, growers had marketed 49 percent of the crop with 10 percent of marketings going under loan. Most grades sold just above the support rate. Reflecting the larger share of lower quality grades in grower offerings, price averages stayed around year-earlier levels. Season sales through September 11 averaged \$1.42 per pound, 3 cents above a year earlier.

The 1980/81 supply of U.S. burley tobacco totals 5 percent less than a year earlier. Currently, supply represents 2.5 years use and provides less than adequate stocks for aging. This year's crop is expected to recover from 1979's reduced output but still represents only 71 percent of the effective quota. Carryover from 1979/80 is estimated 13 percent below the preceding year. Disappearance probably held steady during the crop year from October 1979 to September 1980. USDA will provide grading and price support for at least one-fourth of the burley crop in untied bales.

Smaller crops are about offsetting larger carryovers of fire-cured and dark air-cured tobaccos. Crops of Maryland and cigar types are larger.

TOBACCO PRODUCTS

Cigarette Trends

U. S. cigarette smoking in 1980 may change little from 1979. More people are of smoking age and heavy promotion continues for low-tar, low-nicotine brands. Smoking restrictions abound. Not much change in overall economic activity is expected in 1981. With cigarette demand likely to be similar next year, smoking may show little change (table 1).

Americans smoked an estimated 315 billion cigarettes in the first half of 1980, about 3 billion above year-earlier level. Second half use is expected to stay close to the 307 billion smoked in the second half of 1979.

Consumption per person (18 and older) this year is falling about 1 percent short of last year's 3,924 cigarettes to 3,880 (table 2). Low-tar, low-nicotine cigarettes (containing 15 milligrams of tar or less) account for almost one-half of total sales.

In the first 7 months of calendar 1980, cigarette exports increased 3 percent (table 3). Sales gains have fallen below trend due to curtailed shipments to the Middle East. Considering both domestic and

foreign sales prospects, 1980's output may remain about the same as last year.

Retail prices are still rising with July standing 9 percent above a year earlier (table 4). Manufacturers raised wholesale prices 3 times from mid-1979 to mid-1980 (table 5). State cigarette tax rates have remained the same, so far this year. The weighted average State cigarette tax was 13 cents per pack in mid-1980, ranging from 2 cents per pack in North Carolina to 21 cents in Connecticut, Massachusetts, and Florida. Many cities and other local governments also tax cigarettes.

Downtrend Continues for Cigars and Smoking Tobacco

Total consumption of *large cigars* (including cigarillos) this year may drop 8 percent below the 1979 level of 4.3 billion cigars. Consumption is expected to continue falling next year (table 6).

About a tenth fewer cigars per male 18 and older are being smoked this year, than 1979's 59-cigar average. Midyear wholesale prices averaged 7 per-

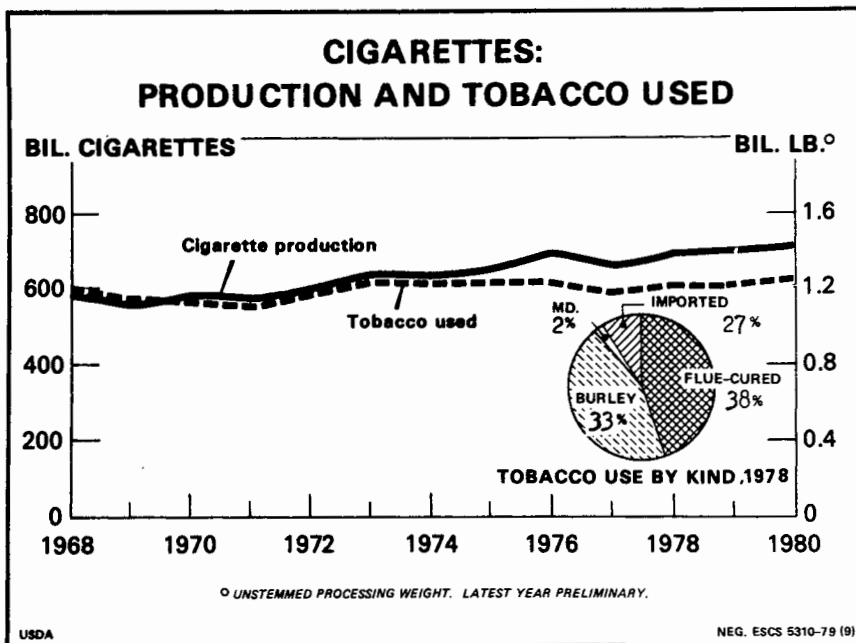


Table 1.-- Cigarettes: U.S. output, removals, and consumption, 1970-80

Year	Output	Removals					Estimated inventory increase	Total U.S. consumption
		Taxable	Tax-exempt			Overseas forces		
			Total	Exports	Shipments ^{1/}			
<u>Billions</u>								
1970	583.2	532.8	51.2	29.2	3.7	18.4	536.5	
1971	576.4	528.9	49.2	31.8	2.7	14.7	555.1	
1972	599.1	551.0	49.0	34.6	2.1	12.3	566.8	
1973	644.2	590.3	55.9	41.5	2.0	12.4	589.7	
1974	635.0	576.2	59.2	46.9	1.9	10.4	599.0	
1975	651.2	588.3	62.3	50.2	1.5	10.6	607.2	
1976	693.4	617.9	72.1	61.4	1.9	8.8	613.5	
1977	665.9	592.0	78.1	66.8	1.1	10.2	617.0	
1978	695.9	614.2	85.1	74.4	1.2	9.6	616.0	
1979	704.2	614.0	93.8	79.7	1.1	13.0	620.0	
1980 ^{4/}	708.0	617.0	91.0	80.0	1.0	10.0	622.0	
Year ending June 30 --								
1971	585.1	539.6	47.5	29.0	3.2	15.2	544.0	
1972	592.6	542.6	50.2	32.8	2.2	15.2	566.4	
1973	615.6	562.7	52.2	38.3	2.3	11.6	576.8	
1974	652.0	594.9	59.1	44.9	2.0	12.2	595.0	
1975	626.8	570.3	57.4	46.6	1.7	9.1	601.0	
1976	688.2	619.1	69.8	58.2	1.9	9.6	615.0	
1977	671.7	596.3	74.1	62.8	1.3	10.0	616.5	
1978	685.4	609.6	81.5	69.4	1.0	11.1	618.0	
1979	707.0	615.2	92.2	78.8	1.2	12.2	616.0	
1980 ^{5/}	697.0	605.8	93.2	82.9	1.3	9.0	622.0	

^{1/} To Puerto Rico and other U.S. possessions. ^{2/} Includes ship stores and small tax-exempt categories. ^{3/} Taxable removals, overseas forces, inventory change and imports (negligible). ^{4/} Estimated. ^{5/} Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

Table 2—Consumption per capita of tobacco products in the United States (including overseas forces), 1971-80

Year	Per capita 18 years and over				Per male 18 years and over			
	Cigarettes ¹		Snuff	All tobacco products ¹	Large cigars and cigarillos		Smoking tobacco ²	Chewing tobacco ²
	Number	Pounds	Pounds	Pounds	Number	Pounds	Pounds	Pounds
1971	4,037	7.75	.19	9.52	119.2	1.94	1.06	1.09
1972	4,043	7.95	.18	9.65	108.9	1.74	1.00	1.08
1973	4,148	7.92	.18	9.53	102.4	1.61	.88	1.10
1974	4,141	7.90	.18	9.40	91.9	1.47	.87	1.13
1975	4,123	7.73	.17	9.14	82.4	1.32	.76	1.15
1976	4,092	7.35	.17	8.69	75.0	1.20	.75	1.17
1977	4,051	7.21	.16	8.49	67.9	1.15	.65	1.22
1978	3,967	6.89	.16	8.10	63.4	1.15	.60	1.25
1979 ³	3,924	6.75	.15	7.91	59.0	1.07	.52	1.34
1980 ⁴	3,880	6.60	.15	7.74	52.2	.86	.50	1.41

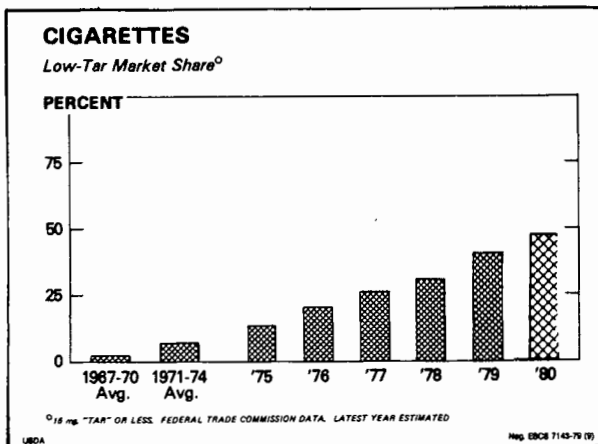
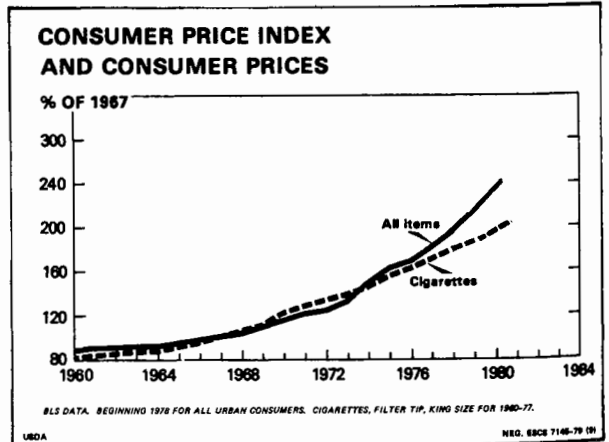
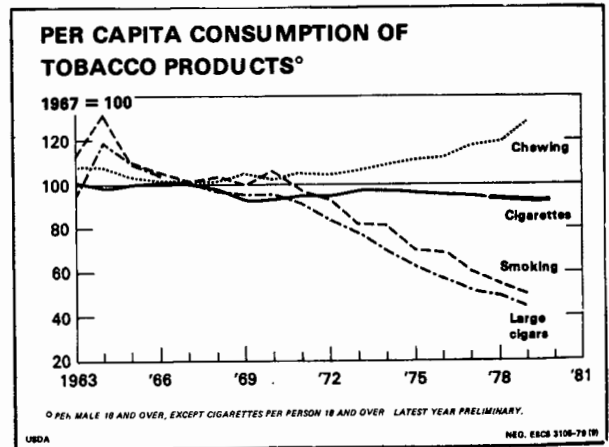
¹ Unstemmed processing weight. ² Finished product weight. ³ Subject to revision. ⁴ Estimated.

Table 3—U.S. cigarette exports to leading destinations, 1979-80

	July 1979- June 1980	January-July	
		1979	1980 ¹
		<i>Billions</i>	
Belgium-Luxembourg . . .	14.2	8.3	8.9
Hong Kong	7.1	3.3	4.1
Netherlands Antilles . . .	3.9	2.8	2.3
Japan	3.5	2.2	2.1
Iran	1.7	.4	0
Saudi Arabia	4.4	2.0	2.0
Spain	4.3	1.9	2.0
Kuwait	3.9	2.0	1.9
United Arab Emirates . . .	5.3	4.0	3.2
Canary Islands	2.2	1.4	1.7
Syria	4.0	.7	.2
Lebanon	2.6	.5	1.2
Panama	2.3	1.2	1.4
Other countries	23.5	14.9	15.7
Total	82.9	45.6	46.7

¹ Subject to revision.

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



cent above a year ago. Taxable removals (domestic consumption of cigars, by revenue class) through June this year showed gains in the high-price categories and continued declines in the low-price groups.

Table 4—Tobacco demand factors, 1971-80

Year	Population July 1 ¹	Disposable personal income, per capita ²		Consumer price indexes ³				
		Current prices	1972 prices	All items	Tobacco products	Cigarettes		Cigars, regular size
						Nonfilter tip, regular	Filtertip, king size	
		Dollars		1967=100				
1971	137.5	3,588	3,714	121.3	126.4	127.9	128.1	107.1
1972	139.8	3,837	3,837	125.3	133.4	134.8	135.4	110.8
1973	142.2	4,285	4,062	133.1	137.0	138.7	139.1	112.9
1974	144.7	4,369	3,968	147.7	143.8	145.5	145.9	119.5
1975	147.3	5,077	4,014	161.2	153.9	156.0	156.5	124.2
1976	150.0	5,504	4,136	170.5	160.5	162.7	163.2	129.9
1977	152.6	6,017	4,285	181.5	168.0	170.6	171.0	135.0
1978	155.3	6,672	4,449	195.4	177.3	—	179.8	⁴ 103.9
1979	158.0	7,362	4,512	217.6	187.9	—	189.7	⁴ 110.6
1980 ⁵	160.2	8,013	4,439	246.5	204.0	—	207.0	⁴ 120.5

¹ 18 years and older including forces overseas. ² Based on total population. ³ All urban consumers, 1978-79; urban wage earners and clerical workers, 1970-77. ⁴ Other tobacco products and smoking accessories, December 1977=100. ⁵ Estimated.

Table 5—Wholesale cigarette price revisions, 1973-80¹ ²

Approximate date of change	Net price per 1,000			Net price per 1,000, excluding Federal excise tax				
	Standard	King size	Filter tips	100 millimeter	Standard	King size	Filter tips	100 millimeter
<i>Dollars</i>								
February-March 1973	(10.45-10.60)	(10.45-10.60)	(10.45-10.60)	(10.95-11.10)	(6.45-6.60)	(6.45-6.60)	(6.45-6.60)	(6.95-7.10)
January 1974	10.60	10.60	10.60	11.10	6.60	6.60	6.60	7.10
May 1974	11.30	11.30	11.30	11.80	7.30	7.30	7.30	7.80
November 1974	(11.80-12.00)	(11.80-12.00)	(11.80-12.00)	(12.30-12.50)	(7.80-8.00)	(7.80-8.00)	(7.80-8.00)	(8.30-8.50)
November 1975	(12.55-12.75)	(12.55-13.25)	(12.55-12.75)	(13.05-13.25)	(8.55-8.75)	(8.55-8.75)	(8.55-8.75)	(9.05-9.25)
October 1976	13.50	13.50	13.50	14.00	9.50	9.50	9.50	10.00
August 1977	14.35	14.35	14.35	14.85	10.35	10.35	10.35	10.85
June 1978	15.20	15.20	15.20	15.70	11.20	11.20	11.20	11.70
Dec. 1978	15.75	15.75	15.75	16.25	11.75	11.75	11.75	12.25
June-July 1979	16.30	16.30	16.30	16.80	12.30	12.30	12.30	12.80
Jan. 1980	17.05	17.05	17.05	17.55	13.05	13.05	13.05	13.55
May 1980	17.65	17.65	17.65	18.15	13.65	13.65	13.65	14.15

¹ Includes leading brands. A 3 percent discount is made for payment within 10 days or 2 percent within 14 days. ² For 1940-73 see TS-151, March 1975.

Table 6—Cigars and smoking tobacco: Output, removals, and consumption, 1977-80

Year and item	United States factories			From Puerto Rico, taxable	Imports	Exports	Total U.S. consumption ¹
	Output	Removals					
		Taxable	Tax-exempt				
<i>Millions</i>							
Large cigars and cigarillos							
1977	3,927	3,776	134	1,104	97	117	4,994
1978	3,795	3,621	166	986	99	168	4,702
1979	3,611	3,356	179	842	107	177	4,306
1980 ²	3,300	3,250	195	580	105	180	3,950
Year ending June 30—							
1977	4,047	3,864	141	1,263	92	143	5,183
1978	3,913	3,752	145	966	100	130	4,826
1979	3,703	3,478	167	961	99	178	4,527
1980 ³	3,402	3,300	188	666	106	² 180	4,080
<i>Million pounds</i>							
Smoking tobacco							
1977	40.7	40.2	.7	—	² 7.2	² .8	47.3
1978	36.4	35.2	.8	—	8.9	.9	44.0
1979	32.8	32.3	.9	—	7.0	.9	39.3
1980 ²	31.0	31.0	.9	—	6.9	.8	38.0
Year ending June 30—							
1977	42.8	42.2	.8	—	9.5	.8	51.7
1978	37.6	37.5	.7	—	8.3	³ .8	45.7
1979	34.3	33.7	.8	—	7.1	1.0	40.6
1980 ³	31.7	31.2	.9	—	6.8	.8	38.1

¹ Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. ² Estimated. ³ Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and AMS, USDA.

Output of *little cigars* (weighing not over 3 pounds per thousand) may change little this year from the 1979 total of 1.5 billion cigars.

Smoking tobacco use for pipes and roll-your-own cigarettes this year is expected to fall below last year's 39 million pounds, and in line with the downward trend of the 1970's. In the first half of this year domestic use of smoking tobacco, including imports, totaled 19 million pounds, 8 percent below a year earlier. Declines were recorded in both pipe and roll-your-own categories. By midyear, wholesale prices averaged 12 percent above a year ago.

Smokeless Tobacco Output Increasing

Chewing tobacco production in 1980 is expected to rise from the 102 million pounds of 1979 (table 7). For several years, loose leaf and fine-cut tobacco have been rising, while plug output has stabilized. This overall gain may be associated with employment gains in certain industries and an increase in outdoor leisure activities. *Snuff* production is estimated about the same as last year, but 8 percent below a decade ago.

Table 7—Tobacco products: Output by category, 1971-80

Period	Chewing tobacco					Snuff	Small cigars ²	Smoking tobacco in bulk (exports)
	Plug	Twist	Fine-cut	Loose leaf	Total ¹			
	<i>Million pounds</i>						<i>Millions</i>	<i>Million pounds</i>
1971	20.6	2.4	5.1	43.3	71.4	26.4	1,135	30.9
1972	19.6	2.2	5.2	45.6	72.6	25.5	4,022	29.4
1973	18.6	2.1	5.7	47.6	74.0	25.3	4,415	26.0
1974	18.0	2.2	6.2	52.9	79.2	25.0	3,101	38.9
1975	18.1	2.2	7.3	53.7	81.5	24.4	2,942	17.6
1976	16.7	2.3	8.3	56.3	83.6	24.8	2,246	13.9
1977	16.4	2.2	10.1	61.3	90.0	24.6	1,864	9.8
1978	15.9	2.1	12.0	64.6	94.6	25.1	1,645	4.2
1979	15.3	2.0	13.3	71.7	102.3	23.7	1,539	27.0
1980 ³	16.5	2.0	15.0	75.5	109.0	24.5	1,500	25.0
	Year ending June 30—							
1971	21.6	2.4	4.9	41.5	70.4	27.1	912	29.1
1972	19.9	2.3	5.2	45.5	73.0	26.0	1,655	34.0
1973	18.4	2.2	5.4	46.0	72.0	25.3	5,580	26.0
1974	18.7	2.1	5.9	48.1	74.8	24.8	3,428	33.4
1975	17.9	2.2	6.7	54.6	81.6	24.7	3,158	34.4
1976	17.6	2.3	7.8	56.7	84.4	24.6	2,513	11.8
1977	16.5	2.3	9.1	58.5	86.4	25.3	2,055	13.4
1978	16.1	2.1	10.9	62.8	92.0	24.4	1,846	3.4
1979	15.8	2.1	12.7	66.7	97.2	24.0	1,459	25.6
1980 ⁴	16.2	1.9	14.2	74.5	106.9	24.4	1,501	25.5

¹ Detail may not add to total due to rounding. ² Weigh not more than 3 pounds per thousand. ³ Estimated. ⁴ Subject to revision. Basic data compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and Agricultural Marketing Service, USDA.

U.S. EXPORTS AND IMPORTS

U.S. Leaf Exports Buoyant in First Half

U.S. exports of unmanufactured tobacco during January-July were 18 percent above last year. While second quarter shipments rose well above those for the same months of 1979, seasonally large first-quarter shipments were also above January-March 1979. Gains occurred in the two major categories, flue-cured and burley (table 8). A normal shipping pattern is expected for this fall and winter so U.S. leaf exports for 1980 should remain near last year's level of 567 million pounds (257,000 metric tons) in export (dried) weight.

The growth in foreign cigarette production slowed to 1-1/2 percent last year. Price and tax increases, along with rising antismoking activities, held down cigarette sales in developed countries. Filter cigarettes continued to account for 85 percent of the total output in Western Europe and Japan.

Overseas manufacturers are building inventories with non-U.S. tobacco this season. The reduced quality of this season's U.S. flue-cured crop is hurting our export prospects over the next year or two.

Zimbabwe, our chief competitor before 1966, has made major strides in resolving political difficulties

but is plagued with oversupply of low quality tobacco. Prices are averaging below last season and below production costs. Zimbabwe will reduce its flue-cured quota 40 percent in 1981. Production in other competing countries remains large. For the current marketing year, U.S. exports will do well to equal the 617 million-pounds of July 1979-June 1980.

Nevertheless, in the past 12 months several European countries, including the United Kingdom, maintained their stocks of U.S. tobacco. The U.K. market's shift to king size cigarettes is virtually complete, helping to firm up tobacco use. In 1979, West Germany's cigarette output gained 5 percent from the year before; the gain is continuing in 1980. Japan's cigarette sales are at a plateau; their tobacco import requirements are being further reduced by sales growth of low-tar cigarettes, which use a larger share of their domestic tobacco.

Export credit sales for fiscal year 1980 (October 1979-September 1980) are well below last year's volume; next year may drop further. U.S. tobacco exports have not been made this year under Public Law 480. However, sizable quantities have gone to Egypt under the U.S. Agency-for-International Development (AID) programs.

Table 8—United States exports unmanufactured tobacco by type and to principal importing countries, 1977-80

(Declared weight)

Type and country	Year ending June 30				January-July		1980 as a percentage of 1979
	1977	1978	1979 ¹	1980 ²	1979 ¹	1980 ²	
	<i>Million pounds</i>						<i>Percent</i>
Type:							
Flue-cured	381.7	397.4	439.5	398.5	177.0	215.5	122
Burley	70.2	83.8	66.3	98.6	66.3	75.9	114
Maryland	8.5	8.3	7.2	6.1	3.7	4.1	113
Fire-cured, Ky. and Tenn.	15.0	17.2	16.1	15.5	6.3	10.3	164
Virginia fire and sun-cured	4.2	3.4	2.1	2.9	1.8	1.4	75
Green River and One Sucker . . . . .	.1	.1	.4	.2	.2	*	13
Black Fat	2.9	2.7	1.9	2.7	1.6	1.0	59
Cigar wrapper	3.4	4.2	4.7	4.8	3.3	2.6	80
Cigar binder . . . . .	.2	.2	*	.1	*	.1	—
Cigar filler . . . . .	.3	.2	.1	.1	*	.1	119
Perique . . . . .	.1	.1	.1	.1	.1	.1	105
Stems, trimmings and scrap	95.2	98.8	86.6	81.4	39.8	41.2	103
Other, not elsewhere classified	—	—	5.7	6.4	2.9	4.7	162
Total	581.8	617.0	671.9	617.4	303.0	357.0	118
Country of destination							
United Kingdom	64.4	84.4	125.2	43.2	33.8	6.4	19
France	7.4	7.6	14.6	4.8	9.1	2.5	28
Belgium-Luxembourg	7.0	13.8	11.0	8.5	2.1	4.5	212
Netherlands	24.6	29.9	33.9	45.1	11.9	30.9	260
West Germany	81.7	65.4	58.4	96.7	39.2	73.8	189
Denmark	19.2	15.6	24.5	20.9	6.8	11.5	168
Ireland	8.0	3.4	7.0	4.9	3.9	2.0	53
Italy	35.8	43.6	36.6	30.3	32.3	27.5	85
Total EC	240.7	263.7	311.2	254.4	139.1	159.1	114
Switzerland	26.0	26.1	22.6	24.7	9.8	12.6	129
Finland	7.1	5.1	8.2	9.3	4.0	6.1	153
Norway	6.4	4.2	4.9	6.8	3.1	4.0	129
Sweden	14.0	16.1	11.8	15.4	3.7	4.1	113
Spain	5.2	10.0	10.4	15.6	*	18.5	—
Thailand	22.4	18.2	18.8	22.6	18.8	22.6	120
Korea, Rep. of	7.4	2.6	21.1	29.7	13.1	13.6	104
Malaysia	10.9	9.8	10.3	7.2	5.1	4.0	79
Philippines	12.8	14.6	13.3	13.6	7.9	7.6	96
Taiwan	13.6	14.7	34.1	29.7	18.4	3.7	20
Japan	102.4	113.4	102.2	78.2	27.9	17.2	61
Australia	12.8	12.7	11.0	14.2	4.4	6.8	155
New Zealand	5.0	4.3	3.7	4.2	2.6	2.7	103
Egypt	17.2	22.0	15.5	38.5	3.4	17.4	517
Other countries	77.9	79.5	72.8	53.3	41.7	61.1	147
Total	581.8	617.0	671.9	617.4	303.0	357.0	118

¹ Subject to revision. ² Preliminary. *Less than 50,000 pounds.

Detail may not add to total due to rounding. Compiled from publications and records of the Bureau of the Census.

Tobacco Exports in 1979/80 Reach \$2.36 Billion

With an expanding cigarette market overseas, U.S. firms exported a record \$1.05 billion in tobacco products in the 12 months ending June 30, 1980. Along with unmanufactured tobacco exports for 1979/80 worth \$1.31 billion, the total value of tobacco and tobacco product exports reached a record \$2.36 billion, 6 percent above 1978/79. With about the same volume expected and higher prices likely the 1980/81 total may set another record.

Reduced demand for last season's flue-cured crop brought 1979/80 U.S. unmanufactured tobacco exports down 8 percent to 617 million pounds (740 million, farm-sales weight). But higher prices meant the total value of exports fell only 3 percent from the previous 12 months.

Tobacco Imports Continue Rising

U.S. unmanufactured tobacco imports for consumption were 232 million pounds, during January-July 1980, 4 percent above a year earlier (table 9). The

Table 9.--U.S. imports of unmanufactured tobacco for consumption and general, principle categories, and countries of origin, 1979-80, and January-July 1979-80 ^{1/}

Classification and country of origin	(Declared weight)							
	Imports for consumption				General imports (arrivals)			
	Year	January-July		1980 as a	Year	January-July		1980 as a
	July 1979- June 1980	1979	1980	percentage of 1979	July 1979- June 1980	1979	1980	percentage of 1979
	Million pounds			Percent	Million pounds			Percent
Cigarette tobacco: ^{2/}								
Leaf:								
Oriental								
Turkey.....	104.6	50.1	64.8	129	109.0	71.9	73.9	103
Greece.....	22.6	16.8	12.6	75	17.1	13.6	17.1	126
Yugoslavia.....	12.4	8.6	7.1	83	9.3	13.4	9.7	72
Bulgaria.....	11.3	9.9	6.4	65	13.8	13.0	9.4	72
Other countries.....	22.3	12.3	12.7	103	15.1	7.0	8.2	117
Flue-cured.....	5.6	8.5	4.6	54	14.6	10.2	11.6	114
Burley.....	11.2	10.8	9.9	92	40.0	22.4	35.7	159
Other.....	1.6	1.3	.6	46	.7	.7	.5	71
Subtotal.....	191.6	118.3	118.7	100	219.6	152.2	166.1	109
Scrap: ^{2/}								
Brazil.....	38.5	15.0	19.1	127	40.7	16.7	24.2	145
Rep. of Korea.....	19.7	10.1	9.1	90	15.9	9.7	12.9	133
Turkey.....	8.5	7.4	5.3	72	12.1	10.0	10.1	101
Mexico.....	5.6	3.4	1.8	52	3.3	4.0	1.5	150
Other countries.....	58.6	31.4	34.5	110	57.5	34.3	32.5	95
Subtotal.....	130.9	67.3	69.8	104	129.5	71.8	81.2	105
Total.....	322.5	185.6	188.5	101	349.1	224.0	247.3	108
Cigar tobacco:								
Wrapper.....	1.6	2.9	1.1	38	2.8	4.1	1.4	34
Filler-stemmed and unstemmed								
Dominican Rep.....	1.0	.8	.7	88	5.7	6.6	4.1	62
Other countries.....	3.4	2.9	1.8	62	17.4	11.2	12.3	110
Subtotal.....	4.4	3.7	2.5	68	23.1	17.8	16.4	92
Scrap:								
Philippine Rep.....	7.8	4.7	5.5	119	6.8	4.1	4.4	107
Colombia.....	2.0	1.2	1.4	119	1.2	.9	.9	100
Dominican Rep.....	5.3	3.5	3.3	94	2.0	2.1	1.1	52
Brazil.....	2.6	1.7	1.7	100	2.2	1.8	1.9	106
Other countries.....	18.7	9.2	10.9	118	14.6	7.0	11.1	159
Subtotal.....	36.4	20.3	22.8	113	26.8	15.9	19.4	122
Total.....	42.4	26.9	26.4	98	52.7	37.8	37.2	98
Stems.....	24.1	10.8	17.1	158	26.6	11.0	20.2	184
Grand total.....	398.1	223.1	232.2	104	428.4	272.9	304.7	112

^{1/} Preliminary.

^{2/} Includes minor quantities for smoking tobacco, chewing tobacco and snuff. Detail may not add to total due to rounding. Compiled from publications and records of the Bureau of the Census.

gain was primarily in the scrap and stems categories. For 1980, imports of unmanufactured tobacco probably will rise well above last year's 377 million pounds, because imports are cheaper than domestic tobacco.

U.S. manufacturers of both cigars and cigarettes use imported tobacco in their blends. For the year ending June 30, U.S. cigarettes contained about 30 percent imported tobacco and cigars and loose leaf chewing tobacco about 50 percent. U.S. cigarette leaf tobacco imports for consumption during January-June 1980 were valued \$1.31 per pound, excluding ocean freight and duty. On most cigarette leaf imports, duty is 11 cents per pound, yet most imports still cost less than domestic filler. For Oriental tobacco—the bulk of the cigarette leaf imports, the entire leaf is usable without stemming. Mechanically threshed leaf is now dutiable at 17.5 cents per pound under the tariff category “tobacco manufactured or not manufactured not specifically provided for.”

January-July 1980 arrivals of tobacco (general imports) were 305 million pounds, 12 percent more a the year-earlier. U.S. stocks of foreign-grown cigarette and smoking tobacco totaled 746 million pounds (farm-sales weight) on July 1, 1980, 9 percent above the previous July 1 (table 10). The rise in imports reflects prospects for continued gain in import share in domestic manufactured products.

For the year ended June 30, 1980, U.S. unmanufactured tobacco imports for consumption gained 8 percent. Average value per pound remained about the same (table 11). The gain in imports was in virtually all categories. Turkey continued as the largest supplier and Brazil and Korea remained the two largest sources of scrap tobacco during 1979/80.

World Cigarette Production and Trade Up ¹

World production of cigarettes gained 1.8 percent last year (table 29), the lowest gain in many years. Causes included intensified antismoking campaigns, increased excise taxes, higher retail prices, and in some countries, reduced real incomes. Increases occurred in all major producing countries except the Soviet Union and Italy. These conditions have continued this year, so the growth of cigarette output may slow even further, to 1 or 1.5 percent, according to the Foreign Agricultural Service.

World cigarette trade rose to a new high in 1979, 12 percent over 1978. Two-thirds of total exports are accounted for by the United States, Bulgaria, West Germany, and the United Kingdom.

¹ See Foreign Agriculture Circular, FT 5-80, June 1980.

Table 10—Imported foreign-grown cigarette leaf stocks, by quarters, 1972-80¹

Year	Jan. 1	April 1	July 1	Oct. 1	Jan. 1	April 1	July 1	Oct. 1
<i>Million pounds</i>								
Foreign-grown flue-cured				Foreign-grown oriental and aromatic				
1972	12	12	24	19	320	357	389	360
1973	31	31	40	38	369	376	387	360
1974	38	44	47	54	355	374	383	350
1975	53	49	70	70	377	412	415	380
1976	74	73	72	101	361	431	416	405
1977	100	102	109	117	397	365	362	347
1978	117	120	130	132	344	364	345	295
1979	132	133	147	157	326	359	366	350
1980	153	148	166		343	342	367	
Foreign-grown burley				Total imported cigarette leaf				
1972	7	9	9	11	339	377	423	390
1973	17	24	27	36	418	431	455	434
1974	49	59	67	88	442	477	497	493
1975	118	107	145	136	548	567	623	587
1976	134	124	132	141	568	628	619	646
1977	139	132	127	138	637	599	598	602
1978	140	136	150	174	601	619	625	601
1979	172	163	171	188	630	655	684	696
1980	187	192	213		683	683	746	

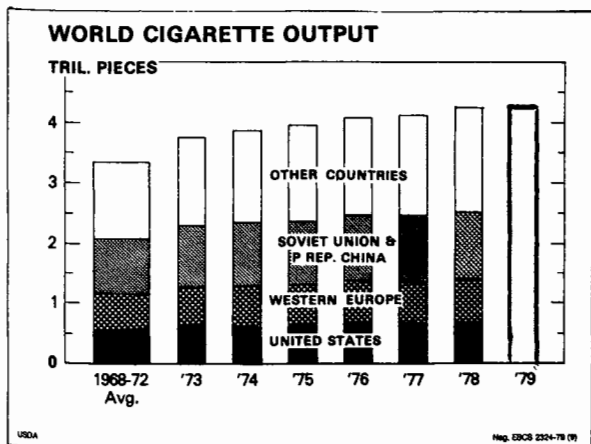
¹ Farm sales weight.

Table 11—U.S. imports of unmanufactured tobacco: Quantity and average value, by kinds, 1979/80

Kind	Quantity		Value per pound	
	Year ending June 30, 1980	Change from 1978/79	Year ending June 30, 1980	Change from 1978/79
	<i>Million pounds</i>		<i>Cents</i>	
	Imports for consumption			
Cigarette ¹				
Oriental leaf	174.8	-0.4	138.1	+5.4
Flue-cured and burley leaf	16.8	-4.4	78.9	-.4
Scrap	130.9	+27.0	97.3	+11.2
Cigar				
Wrapper	1.6	-2.4	456.6	+100.1
Leaf	4.4	-2.4	161.7	+57.4
Scrap	36.4	+2.0	63.7	-1.5
Stems	24.1	+9.4	34.5	+19.7
Total	389.1	+29.4	109.4	-.5
	General Imports			
Cigarette ²				
Oriental leaf	165.0	-18.3	135.3	+3.3
Flue-cured and burley leaf	54.6	+10.9	77.9	-6.6
Scrap	129.4	+24.4	108.3	+14.5
Cigar				
Wrapper	2.9	-1.3	348.0	+13.8
Filler	23.1	-.8	83.1	+3.5
Scrap	26.8	+1.2	57.7	-1.9
Stems	26.6	+11.1	22.0	+7.6
Total	428.4	+27.5	105.2	-3.3

¹ Includes minor quantities for smoking tobacco, chewing tobacco and snuff.

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



World Tobacco Trade Down in 1979²

With an 11 percent decrease in U.S. exports and declines by several other major countries, world leaf tobacco exports were 1.37 million tons, 2 percent below the 1978 level (table 30). Due to relatively stable consumption of cigarettes and adequate stocks of leaf in major importing countries, little change is seen for 1980.

World imports declined during 1979. Among leading importers, the United Kingdom, Japan, West Germany and Denmark registered declines.

² For further details see Foreign Agriculture Circular FT 7-80, July 1980.

U.S. TOBACCO LEAF SITUATION AND OUTLOOK³

This past marketing year, about 55 percent of the U.S. tobacco crop was bought for domestic manufacturing and about 45 percent went into export. Disappearance of U.S. leaf fell below 1.9 billion pounds. With increased farm quotas, increased acreage, and higher yields, this year's production is forecast at 1.79 billion pounds. This total is 17 percent larger than last year's 36-year low, and 7 percent below the average for 1969-78 (table 12). Weather and other factors can still affect final production. Hot, dry weather has continued in September. Disappearance is expected exceed 1980's output, so stocks may decline further in 1980/81.

1981 Supports and Marketing Quotas

For eligible 1981 tobacco crops, the overall price support seems likely to rise 11 percent above 1980. This estimate is based on indicated changes in the parity index. As required by law, the price support adjustment for 1981 will be based on the average of the parity index in 1978, 1979, and 1980, compared with 1959. For 1980, price supports increased 9.4 percent.

USDA is considering written comments on the size of the 1981 flue-cured marketing quota. Such comments must be postmarked by October 24. Then, by December 1, USDA will announce the 1981 flue-

cured marketing quota (acreage-poundage) and the matching national acreage allotment. Individual farm quotas and matching acreage allotments for next year will reflect this year's overmarketings and undermarketings. This year's marketings are again falling short of the effective quota, so next year's effective quota is expected to exceed the basic quota (table 13). Acreage-poundage controls have been in effect since 1965. The program was overwhelmingly approved by allotment holders in the last vote in December 1979.

By February 1, USDA will announce the 1981 poundage quota for burley and acreage allotments for other kinds of tobacco under quota. Shortly after the announcement, growers of Ohio filler and Wisconsin and Connecticut binder types will vote in referendums for or against marketing quotas on their next 3 crops. In previous referendums, producers of burley, fire-cured, dark air-cured, and Virginia sun-cured types approved marketing quotas applicable to the 1981 crop.

Maryland and Pennsylvania tobacco growers turned down marketing quotas in the last referendum (1980), so government price support is not available for their 1980-82 crops. Pennsylvania filler has never had marketing quotas. For Maryland, quotas last applied to the 1965 crop. In Puerto Rico, the Commonwealth Government for many years has set filler tobacco quotas. Shade-produced wrapper (types 61-62) is not covered by marketing quota legislation.

USDA announced in mid-August that it was postponing indefinitely a proposed experimental export sales program for flue-cured tobacco.

Table 12—All tobacco: Acreage, yield and production, United States, 1960-80

Year	Acreage harvested	Yield per acre	Production
	<i>Thousand acres</i>	<i>Pounds</i>	<i>Million pounds</i>
<i>Average:</i>			
1960-64 . . .	1,159	1,880	2,178
1965-69 . . .	942	1,958	1,845
1970	899	2,121	1,908
1971	838	2,035	1,705
1972	842	2,076	1,749
1973	887	1,965	1,743
1974	963	2,067	1,990
1975	1,086	2,009	2,182
1976	1,045	2,045	2,136
1977	958	1,997	1,912
1978	948	2,135	2,024
1979 ¹	826	1,848	1,527
1980	928	1,995	1,851

¹ Indicated September 1, 1980

³ All quantities in this section are stated in farm-sales weight equivalent unless otherwise noted.

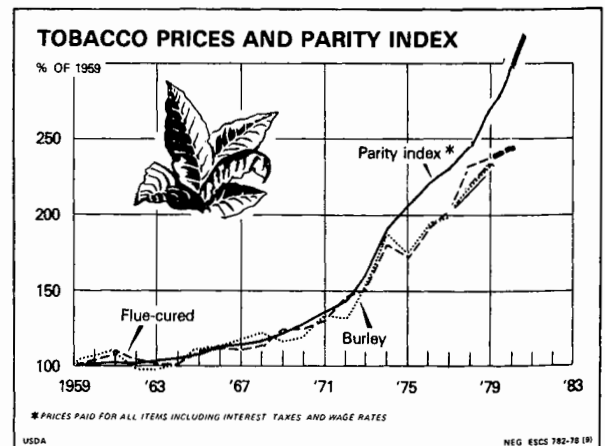


Table 13—U.S. tobacco allotments, by kinds of tobacco, 1980

Kinds	Allotments	Acreage allotted	Poundage allotted	Average size of allotment
	Number	Acres	Million pounds	Acres
Flue-cured (11-14) ¹	194,195	623,785	1,186,493	² 6,110
Burley (31) ³	204,109	—	768,909	² 2,528
Va. fire-cured	4,954	9,703	—	1.96
Ky.-Tenn. fire-cured (22-23).	14,382	27,793	—	1.93
Dark air-cured (35-36)	19,125	13,344	—	.70
Va. sun-cured (37)	731	1,374	—	1.88
Cigar binder (51-52)	440	3,657	—	8.31
Cigar filler and binder (42-44, 53-55).	5,599	19,250	—	3.44
Total	543,535	698,906	1,955,402	—

¹ Acreage poundage with national average yield goal of 1,854 pounds per acre. ² Pounds. ³ Poundage quota.

Compiled from records of the Price Support and Loan Division, ASCS, USDA.

FLUE CURED

Sales Go Above 1979's Record Price

Below-average rainfall and unusually warm summer temperatures over most of the flue-cured belt (types 11-14) hurt quality this season. Use of chemicals and warm temperatures kept field blue mold low. Most grade prices are above a year ago, but auctions overall are averaging a little higher. Prices probably have matched grower expectations.

The 1980 marketing season began a few days later than last year in the Georgia-Florida markets; South Carolina border North Carolina, and Eastern North Carolina sales opened a week later. The rest of North Carolina and Virginia markets opened in the following 2 weeks. After mid-August, grower sales were close to weekly sales opportunities (USDA-sanctioned schedules). However, a reduced sales schedule applied for September 15-18.

About the same share of producers signed up for USDA's "4-leaf" program this year as last, about 14 percent. This program allows growers to plant up to 10 percent more acreage provided they leave the four bottom leaves in the field. However, many growers who did not sign up used this practice to increase average returns. A 10-percent discount continued on the loan rates for tobacco with excess sand. So far this season, price support loan receipts have risen above 1979's moderate volume.

At auctions through September 11, flue-cured tobacco averaged \$1.42 per pound—3 cents above the same period last season (table 14). Most grade averages are higher, although several nondescript and priming grades without support were 5 to 10 cents per pound lower. By mid-September, a smaller share had been sold (49 percent) than the two-thirds of a year ago.

Loan Receipts Above 1979

The price support level for the 1980 flue-cured crop averages \$1.415 per pound. With the crop a little above probable disappearance, but containing less leaf graded fair and good, loan receipts through August 28 were 48 million pounds—about 12 percent of marketings. In the comparable period of the 1979 season, 7 percent went under loan.

To receive price support, flue-cured growers must certify they did not use DDT, endrin, toxaphene, or TDE pesticides and must designate one or more warehouses for selling their crop within 100 miles of their county seat. Under quota legislation, growers receive price support on marketings up to 110 percent of their farm poundage quota. Marketings above a farm's poundage quota are deducted from the following year's quota. For marketings above 110 percent of the farm quota, growers must pay a penalty of \$1.05 per pound (75 percent of the average market price for the preceding year).

Flue-cured growers who overmarket their quota in 1980 will have their 1981 quotas decreased accordingly. The September crop report indicates that this season's marketings will fall 7 percent short of the effective quota. Underquota marketings exceeded over marketings in 8 of the last 10 years (table 15).

Disappearance Lower

During the year ending June 30, overall disappearance of flue-cured tobacco was 1,083 million pounds, about 8 percent below the previous year's level (table 16). Both exports and domestic use fell in 1979/80, bringing total disappearance to the lowest level since 1943/44.

The 4-percent decline in domestic disappearance relates to further gains in use of imported tobacco. Because of stability in cigarette output, domestic

Table 14—Flue-cured tobacco auction markets: Gross sales, average price, loan receipts, sales dates, through Sept. 13, 1979 and Sept. 11, 1980

Type and State	Gross sales		Average price per pound		Loan receipts				Sales period	
					Volume		Percent of sales		Opening date	Closing date
	1979	1980	1979	1980	1979	1980	1979	1980	1980 (1979)	1980 (1979)
	<i>Million pounds</i>		<i>Cents</i>		<i>Million pounds</i>		<i>Percent</i>			
14, Ga.-Fla.	125.8	106.8	140.1	140.2	6.2	14.2	4.9	13.3	July 21 (July 18)	(Sept. 25)
13, S.C.-Border N.C.	176.7	132.5	142.0	140.8	10.3	17.1	5.8	12.9	July 28 (July 18)	(Oct. 4)
12, Eastern N.C.	230.6	209.5	139.4	144.8	15.8	16.8	6.8	8.0	July 29 (July 24)	(Oct. 23)
11, Old and Middle Belts N.C., Va.	158.7	137.8	137.4	139.0	4.8	7.5	3.0	5.5	Aug. 4 (July 31)	(Nov. 7)
All Belts ¹	691.8	586.6	139.7	141.7	37.0	55.7	6.3	9.5	July 21 (July 18)	(Nov. 7)

¹ Computed from unrounded data.

Compiled from reports of Tobacco Division, AMS.

Table 15—Flue-cured and burley tobacco: Marketing quota and marketings, 1971-80

Year	Quota		Actual	Marketings		Effective under quota ¹	Net carryover ²
	Basic	Effective		Over-quota	Under-quota		
	<i>Million pounds</i>						
	Flue-cured, types 11-14						
1971	1,071.6	1,069.9	1,076.3	60.4	49.9	45.8	-14.5
1972	1,071.2	1,056.7	1,022.1	41.2	72.9	68.1	26.8
1973	1,178.7	1,205.6	1,159.0	54.8	100.5	95.3	40.5
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1	1,316.0	49.4	139.9	130.2	80.8
1977	1,116.5	1,197.3	1,124.2	42.6	115.2	106.9	64.3
1978	1,117.2	1,181.5	1,205.9	65.6	43.9	41.8	-26.4
1979	1,094.9	1,068.5	973.8	24.8	118.8	117.0	92.2
1980 ³	1,095.0	1,187.0					
	Burley, type 31						
1971	555.1	553.0	471.5	9.7	91.1	89.7	80.1
1972	531.5	611.5	588.6	30.7	45.7	44.6	13.9
1973	559.7	573.6	460.7	11.3	113.1	111.7	100.3
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	726.4	663.6	33.1	96.2	82.3	49.2
1977	636.2	683.4	612.6	27.2	99.0	80.8	53.6
1978	614.2	667.8	614.2	31.5	88.2	67.6	36.1
1979	613.6	649.7	472.2	12.2	188.6	168.8	155.2
1980 ³	615.0	769.2					

¹ Under quota marketing less ineligible carryover. ² Effective under quota marketings less over quota marketings. ³ Subject to revision.

Compiled from records and reports of Price Support and Loan Division, ASCS.

Table 16 --Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1969- 80

(Farm-sales weight)

Marketing year	Acreage harvested	Yield per acre	Marketings	Beginning stocks ^{1/}			Total supply	
				Manufacturers and other	Under loan	Total		
	Thousand acres	Pounds		---Million pounds---				
Flue-cured, types 11-14								
1969.....	576.8	1,825	<u>2/</u> 1,052.8	1,299.6	800.5	2,100.1	3,152.9	
1970.....	584.1	2,042	1,178.1	1,227.5	744.9	1,972.4	3,150.5	
1971.....	525.8	2,050	1,076.3	1,214.5	761.9	1,976.4	3,052.7	
1972.....	513.6	1,971	1,022.1	1,292.4	617.8	1,910.2	2,932.3	
1973.....	575.1	2,011	1,159.0	1,347.0	402.3	1,749.3	2,908.3	
1974.....	616.3	2,014	1,245.1	1,330.6	276.7	1,607.3	2,852.4	
1975.....	717.2	1,973	1,414.7	1,471.9	179.9	1,651.8	3,066.5	
1976.....	666.6	1,974	1,316.0	<u>3/</u> 1,539.1	359.2	<u>3/</u> 1,898.3	3,214.3	
1977.....	589.3	1,917	1,124.2	1,517.6	556.9	<u>4/</u> 2,075.0	3,199.2	
1978.....	589.0	2,090	1,205.9	1,517.9	534.0	<u>4/</u> 2,051.9	3,257.8	
1979.....	499.5	1,892	973.8	1,510.8	564.0	2,074.8	3,048.5	
1980 <u>5/</u>	562.0	1,971	1,107.9	1,411.0	554.4	1,965.4	3,073.3	
Burley, type 31								
1969.....	237.7	2,488	<u>2/</u> 591.4	975.7	340.8	1,316.5	1,907.9	
1970.....	216.4	2,590	<u>2/</u> 560.5	887.9	454.8	1,342.7	1,903.2	
1971.....	213.5	2,213	<u>2/</u> 472.6	882.4	468.4	1,345.8	1,818.4	
1972.....	235.6	2,552	590.3	920.9	327.6	1,248.5	1,838.8	
1973.....	222.1	2,028	461.4	952.5	276.7	1,229.2	1,690.6	
1974.....	260.7	2,350	610.4	931.5	139.2	1,070.7	1,681.1	
1975.....	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7	
1976.....	285.8	2,376	663.8	<u>3/</u> 1,115.3	44.8	<u>3/</u> 1,160.1	1,823.7	
1977.....	268.6	2,298	612.5	1,162.3	54.9	<u>4/</u> 1,206.3	1,829.7	
1978.....	261.0	2,399	617.6	1,087.0	113.5	<u>4/</u> 1,218.4	1,836.0	
1979.....	237.8	1,875	472.2	1,056.3	155.4	1,211.7	1,683.9	
1980 <u>5/</u>	275.5	1,981	545.7	1,063.9	90.0	1,053.9	1,599.6	
Disappearance				Average	Price	Placed under loan		
Total			Domestic	Exports	price per pound	support level	Quantity	Percentage of crop
---Million pounds---				---Cents---		Million pounds	Percent	
Flue-cured, types 11-14								
1969.....	1,180.5	645.9	534.6	72.4	63.8	97.6	9.3	
1970.....	1,174.1	640.1	534.0	72.0	66.6	144.2	12.2	
1971.....	1,142.5	662.5	480.0	77.2	69.4	55.7	5.2	
1972.....	1,183.0	664.2	518.8	85.3	72.7	24.3	2.4	
1973.....	1,301.0	703.0	598.0	88.1	76.6	30.7	2.7	
1974.....	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9	
1975.....	1,193.1	670.6	522.5	99.8	93.2	259.0	18.4	
1976.....	1,148.2	634.0	514.2	110.4	106.0	277.3	21.0	
1977.....	1,147.3	608.2	539.1	117.6	113.8	195.6	17.3	
1978.....	1,182.8	584.1	598.7	135.0	121.0	64.1	5.3	
1979.....	1,083.4	563.2	520.0	140.0	129.3	72.0	7.4	
Burley, type 31								
1969.....	565.2	507.1	58.1	69.6	65.8	158.2	26.8	
1970.....	557.4	503.0	54.4	72.2	68.6	47.7	8.5	
1971.....	569.9	515.2	54.7	80.9	71.5	.2	---	
1972.....	609.6	534.5	75.1	79.2	74.9	22.9	3.9	
1973.....	619.0	533.1	86.8	92.9	78.9	.7	.1	
1974.....	586.7	518.8	67.9	113.7	85.8	2.8	.4	
1975.....	602.5	510.1	92.4	105.6	96.1	50.7	7.9	
1976.....	617.4	500.6	116.8	114.2	109.3	46.6	7.0	
1977.....	609.5	493.0	116.5	120.0	117.3	57.0	9.2	
1978.....	624.3	502.8	121.4	131.2	124.7	67.7	10.8	
1979.....	<u>6/</u> 630.0	<u>6/</u> 500.0	<u>6/</u> 130.0	145.2	133.3	7.3	1.5	

^{1/} July 1 for flue-cured; October 1 for burley. ^{2/} Production. ^{3/} Adjusted for change in conversion factor January 1, 1977. ^{4/} Stocks revision January 1, 1979 report. ^{5/} September crop forecast. ^{6/} Estimated.

Table 17.--United States exports of flue-cured tobaccos by types, to principal importing countries, October-September 1977-1989/80 1/

Declared weight							
Importing country	1977/78	1978/79	1979/80	Importing country	1977/78	1978/79	1979/80
	Million pounds				Thousand pounds		
Flue-cured, types 1-14				Va. fire & sun-cured, types 21 & 37			
United Kingdom	63.3	92.4	32.5	Switzerland	0	538	0
West Germany	43.5	39.9	55.1	Norway	908	1,716	1,357
Japan	74.8	71.5	59.7	Sweden	302	416	0
Netherlands	16.4	11.8	23.2	West Germany	502	71	371
Thailand	11.6	15.1	15.0	Other countries	349	383	454
Australia	9.8	8.6	10.3				
Italy	22.6	16.0	18.5	Total	2,061	3,124	2,182
Sweden	5.8	5.7	7.8	One Sucker, type 35			
Norway	2.7	2.7	4.2	Bahamas	0	0	13
Finland	3.0	5.0	6.6	Zaire	0	154	0
Denmark	7.7	14.4	8.9	Other countries	97	68	2
Ireland	1.7	6.0	3.8	Total	97	222	15
Belgium-Luxembourg	8.8	7.4	4.9	Green River, type 36			
Switzerland	9.4	6.7	6.6	United Kingdom	59	42	13
Rep. of Korea	0	17.4	9.8	Benin (Dahomey)	294	64	0
Philippines	7.4	5.8	7.2	Zaire	0	117	0
Spain	8.1	10.4	14.0	Other countries	19	86	2
Malaysia	7.9	9.6	6.7	Total	372	309	15
Taiwan	18.9	33.9	26.7	Cigar Filler, type 41-44			
Egypt	14.3	10.4	12.2	Austria	0	13	13
Other countries	60.6	48.8	64.9	France	172	77	71
Total	397.4	439.5	398.6	Other countries	75	40	33
Burley, type 31				Total	247	130	117
Italy	18.5	17.3	9.0	Connecticut Binder, types 51-52			
Sweden	9.6	21.0	1.6	Dominican Republic	0	53	35
Denmark	2.0	2.4	2.2	Switzerland	22	15	0
Netherlands	2.2	5.1	8.6	Canada	7	0	55
Japan	10.4	14.8	9.6	Other countries	4	2	0
West Germany	7.0	6.0	22.0	Total	33	70	90
Switzerland	6.6	4.8	2.4	Wisconsin Binder, types 54-55			
United Kingdom	9.6	21.0	1.2	Canada	18	0	0
Thailand	6.6	2.9	7.6	Other countries	79	2	4
Philippines	4.8	5.9	2.7	Total	97	2	4
Other countries	12.2	5.7	14.3	Cigar Wrapper, types 61-62			
Total	83.3	85.9	82.4	United Kingdom	385	478	633
Maryland, type 32				West Germany	322	87	68
Belgium-Luxembourg	.8	.6	.4	Canada	71	22	58
West Germany	.9	1.7	1.1	Dominican Republic	2,284	3,287	3,433
Switzerland	3.8	2.7	4.2	Netherlands	537	542	363
Other countries	1.6	2.7	.5	Other countries	647	313	255
Total	7.1	7.7	6.2	Total	4,246	4,729	4,810
Ky.-Tenn. fire cured, types 22-23				Black Fat			
Sweden	.3	.5	.6	Dahomey	785	1,609	966
Netherlands	9.3	10.9	9.1	Cameroon	297	317	196
Belgium-Luxembourg	.5	.3	.8	Niger	410	241	265
France	2.4	.3	1.8	Nigeria	505	253	.46
Switzerland	.2	.8	.4	Togo	447	417	344
Other countries	3.0	6.6	2.3	Other countries	255	127	81
Total	15.7	19.4	15.0	Total	2,699	2,964	1,898
Stems, Trimmings, and Scrap 2/							
Sweden	3.9	2.7	3.2				
Denmark	3.6	6.7	8.3				
United Kingdom	19.5	20.9	7.9				
West Germany	5.5	10.0	14.9				
Japan	28.3	15.9	10.0				
Other countries	38.0	34.3	46.6				
Total	98.8	90.5	90.9				

1/ July-June crop year for flue-cured, cigar wrapper, stems, trimmings, and scrap; October-September crop for all other types except October-July for 1979/80. 2/ Subject to revision.

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

disappearance during 1980/81 may continue to decline.

Flue-cured exports last season were reduced as the U.S. crop was short and of only average in quality. Competing foreign supplies were more adequate and no further buildup of U.S. stocks occurred. Exports from Zimbabwe, Brazil, and Canada and Malawi increased.

Among leading importers, the United Kingdom reduced its purchase sharply as overall leaf use fell and lower-price tobacco was substituted for U.S. leaf. Also, transshipments had been large in the previous year, but fell off as the advantage of UK conversion to EC units of account was eliminated. West Germany, the Netherlands, Italy, and the Philippines took more last season. Japan, Taiwan, and Korea took less (table 17 and 18).

For the 1980 season, purchases for leading destinations are not expected to match last year as stocks of U.S. leaf in those countries have reached sufficient levels and manufacturers are continuing to shift to such suppliers as Brazil, Malawi, and other producers. Also, the dry weather, by lowering U.S. crop quality, has further limited foreign purchases from the United States.

Supplies Remain Large

The increased crop more than offsets the slightly reduced carryover, so the 1980/81 supply of flue-cured is slightly above last season. Flue-cured tobacco acreage for harvest this year is up 12 percent from 1979, and the national yield estimate is up 4 percent. Lower yields than last year are indicated for the Georgia-Florida, and the Border North Carolina and South Carolina Belts, with higher yields forecast for the Eastern North Carolina and the Old and Middle Belts. The September 1 forecast for flue-cured production was 1,108 million pounds—17 percent

Table 18—U.S. flue-cured tobacco exports: Percentage stemmed form of total, 1970-80

Year ending June 30	(unstemmed equivalent basis)		
	Destination		
	United Kingdom	Other countries	All countries
	Percent	Percent	Percent
1970	95.2	42.5	58.2
1972	95.3	55.3	63.4
1974	99.1	61.7	69.9
1975	98.9	60.1	67.1
1976	99.4	66.1	71.3
1977	99.0	65.3	69.8
1978	94.7	68.7	73.0
1979	87.6	70.7	74.6
1980	93.4	79.2	80.4

above 1979. Output is about the same as last year in the Georgia-Florida Belt and up in the other belts.

Flue-cured carryover last July 1 totaled 1,965 million pounds, 5 percent below a year earlier. The supply—that is, indicated production plus carryover—is about 1 percent above the 3,049 million pounds in 1979/80. This year's supply is 2.9 times prospective use, or well above the desired ratio of 2.5 based on legislative formula. With the level of disappearance declining and marketings increasing, carryover next July 1 may increase.

The relatively high stocks-use ratio of U.S. manufacturers may mean limited purchases by domestic manufacturers (tables 19 and 20). By mid-September, uncommitted loan stocks of 1975-79 flue-cured tobacco—a component of the carryover and supply estimates reported above—totaled 486 million pounds, 48 million pounds below a year earlier. The old crop stocks, plus the larger loan volume from this year's crop, mean unsold loan stocks will likely exceed the 547 million pounds of last January 1.

With the reduced demand and declining crop prospects, loan sales during the past month has picked up (table 22).

Table 19—Lease and transfer of allotments and quotas, 1963-80

Year	Flue-cured		Burley
	Thousand acres	Million pounds	Million pounds
1963	33.1	---	---
1964	41.8	---	---
1965	54.7	---	---
1966	80.1	138.0	---
1967	97.2	167.6	---
1968	122.9	214.6	---
1969	131.8	230.3	---
1970	146.3	255.1	---
1971	166.3	289.4	15.6
1972	182.9	322.1	50.4
1973	192.9	363.1	57.7
1974	234.1	416.1	81.6
1975	251.4	474.8	99.6
1976	246.7	464.3	113.6
1977	241.6	448.8	124.2
1978	245.8	464.4	142.8
1979	267.7	477.3	130.1
1980 ¹	268.8	479.8	59.3

¹ Preliminary.

Compiled from records of Price Support and Loan Division, ASCS.

BURLEY

Burley tobacco (type 31) goes chiefly for cigarettes. In the marketing year just ending, nearly three-fourths of burley is going for U.S. cigarettes, while exports will take about 20 percent, and other

Table 20.-- Flue-cured and burley tobacco: Stocks and stocks utilization ratios, manufacturers and dealers, 1952-80

(Farm-sales weight)

Marketing year	Flue-cured				Burley			
	Domestic manufacturers:		Dealers		Domestic manufacturers:		Dealers	
	Beginning stocks	Stocks- usings	Beginning stocks	Stocks- exports	Beginning stocks	Stocks- usings	Beginning stocks	Stocks- exports
	1/ ratio		1/ ratio		2/ ratio		2/ ratio	
	Million pounds	Number	Million pounds	Number	Million pounds	Number	Million pounds	Number
1952	: 1,364	1.65	185	0.44	899	1.73	39	1.34
1953	: 1,400	1.80	214	.50	918	1.86	48	1.37
1954	: 1,447	1.94	189	.44	920	1.90	51	1.55
1955	: 1,485	2.04	242	.44	867	1.79	48	1.41
1956	: 1,577	2.24	225	.48	884	1.83	38	1.36
1957	: 1,594	2.16	274	.62	980	2.05	36	1.29
1958	: 1,406	1.91	286	.65	958	1.98	40	1.14
1959	: 1,328	1.73	242	.58	952	1.91	29	.81
1960	: 1,286	1.62	263	.55	1,048	2.06	53	1.29
1961	: 1,337	1.71	247	.51	989	1.88	50	1.11
1962	: 1,467	1.89	237	.55	1,049	1.98	55	1.04
1963	: 1,478	1.92	307	.62	1,044	2.03	90	1.58
1964	: 1,406	1.81	283	.64	1,060	1.89	87	1.55
1965	: 1,363	1.81	274	.65	1,023	1.86	76	1.33
1966	: 1,349	1.96	253	.43	1,065	1.96	68	1.21
1967	: 1,306	1.90	281	.53	1,038	1.90	67	1.26
1968	: 1,258	1.87	271	.52	966	1.87	36	.65
1969	: 1,081	1.67	219	.41	942	1.86	34	.59
1970	: 1,014	1.58	214	.40	858	1.71	30	.56
1971	: 1,010	1.52	204	.43	854	1.66	28	.51
1972	: 1,087	1.64	206	.40	888	1.66	33	.44
1973	: 1,154	1.64	193	.32	920	1.73	32	.37
1974	: 1,154	1.77	176	.32	900	1.53	31	.46
1975	: 1,259	1.88	213	.41	1,032	1.71	51	.55
1976	: 1,356	2.13	183	.35	1,074	2.15	42	.36
1977	: 1,348	2.24	162	.34	1,102	2.18	49	.42
1978	: 1,343	2.30	171	.28	1,057	2.16	40	.32
1979	: 1,347	2.39	164	.32	1,021	<u>3/</u> 2.04	36	<u>3/</u> .28
1980	: 1,324		87		<u>3/</u> 940		<u>3/</u> 24	

1/ July 1.

2/ October 1.

3/ Estimated.

domestic products will take the rest. Domestic burley use remains barely above its 1964/65 peak because of rising prices, a decrease in tobacco used per cigarette, and a decline in burley use for products other than cigarettes. However, brisk demand for American type cigarette blends abroad will raise U.S. burley exports in 1979/80 a tenth above the previous marketing year to another record.

Disappearance Stable

Domestic use of burley tobacco for the year ending September 30 probably will total near the 503 million pounds used in 1978/79 (table 16). However, with larger exports, total disappearance is expected to at least equal last season's record level of 624 million pounds. October 1 carryover seems likely to be down substantially due to the short crop last year.

Disappearance for the first 9 months of the marketing year was 524 million pounds, up moderately from a year earlier. Domestic use totaled 409 million pounds, down 10 million from last year. Due to inventory shifts, cigarette output fell 2 percent. Also, among the secondary outlets for burley, smoking tobacco output was off.

For the first 10 months of this marketing year burley exports totaled 120 million pounds, 13 million above a year earlier. Among leading destinations, the Netherlands, Thailand, and West Germany took more; Italy and United Kingdom took less.

Foreign burley production increased 11 percent last year and U.S. production was off one-fourth. This year, with U.S. production recovering and foreign production about equal to 1979 volume, the world burley crop is forecast to exceed the 1978 record.

Supplies Decrease

The September estimate of the 1980 U.S. burley crop is 546 million pounds—22 percent above 1979's short crop. This season, the effective quota is larger and both acreage and yields are up. Still, the burley estimate represents only 71 percent of the effective quota. Again this season, the crop was hurt by disease. Rainfall in July and August was sparse in many parts of the burley belt (table 21 and 22).

Burley supply for 1980/81 is 5 percent below both last year and 1974's low level. Prospective supply is 2.5 times probable disappearance and is below the desired supply based on legislative formula of 2.75 years. With prospects for another short crop, U.S. manufacturers and dealers had purchased virtually all loan stocks by mid-September (table 23). A strong market is indicated when U.S. auction sales begin, usually in late November. The 1979 crop sold for a record average of \$1.45 per pound. Price supports for 1980 burley average \$1.46 per pound, 9 per-

Table 21—Burley marketing quota, Kentucky, Tennessee, other States, 1978-80

State	Carryover (net)	Basic quota	Effective quota
<i>Million pounds</i>			
1978			
Kentucky	6.9	409.6	416.5
Tennessee	30.6	113.4	144.0
Other States	16.1	91.2	107.3
1979			
Kentucky	-6.1	409.9	403.8
Tennessee	25.6	113.2	138.8
Other States	14.1	91.1	105.2
1980			
Kentucky	63.6	409.8	473.4
Tennessee	47.8	112.8	160.6
Other States	44.3	90.9	135.2

Compiled from records and reports of Price Support and Loan Division, ASCS.

Table 22—Burley tobacco: Percentage of selected groups, quality, and color categories of total, 1970-79

Crop year	Mixed group	1, 2, 3 quality	Tan color
<i>Percent</i>			
1970	7.8	37.3	57.5
1971	14.2	43.9	63.1
1972	16.7	50.6	67.0
1973	22.6	47.6	65.7
1974	31.4	40.0	54.7
1975	20.6	34.6	55.9
1976	14.7	45.8	55.8
1977	13.2	31.8	42.1
1978	9.1	37.7	49.5
1979	11.4	31.7	55.8

Compiled from reports of Tobacco Division, AMS.

cent above 1979. Grade loan rates range from 96¢ to \$1.63 a pound.

Price Support and Grades Again Approved for Untied Burley

For the 1980/81 season, and solely for experimental purposes, USDA will again provide official grading and price support to limited quantities of untied burley tobacco packed straight in bales and offered for sale at auctions throughout the entire burley production area.

Producers interested in marketing untied burley this year may apply during September and early October at their county ASCS office. Provisions in the 1980/81 program include the following: (1) growers are guaranteed price support on 1,500 pounds or 25 percent of the farm marketing quota,

Table 23—Tobacco loan stocks, 1978-80
(Farm-sales weight)

Type	End of August		
	1978	1979	1980 ¹
	<i>Million pounds</i>		
Flue-cured, 11-14	569.1	617.5	575.0
Burley, 31	116.5	164.8	107.3
Virginia, 21 . . . . .	.8	2.6	3.3
Kentucky-Tennessee, 22-23	1.1	12.2	21.3
Kentucky-Tennessee, 35-36	(²)	4.3	5.8
Ohio, 42-44 . . . . .	.4	1.0	.5
Puerto Rican, 46	1.8	3.6	7.8
Connecticut Valley, 51-52	1.1	1.0	1.5
Wisconsin, 54-55	(²)	(²)	(²)
Total	695.7	807.0	722.5
Uncommitted			
Flue-cured, 11-14,	545.1	533.6	³ 503.7
Burley, 31	109.7	84.7	³ 5.5

¹ July 31. ² Negligible. ³ August 31.

Compiled from records of Producer Association Division, ASCS.

whichever is larger; (2) sales opportunities are available on each sales day; (3) unclaimed quota will be apportioned to growers desiring to sell more than 25 percent of their farm quota from a state pool; and (4) individual bales in a lot must be identified.

SOUTHERN MARYLAND

Southern Maryland tobacco (type 32) goes almost entirely into cigarette production, with about one-

third of the crop exported. Disappearance fluctuates widely from year to year.

Use Down Sharply

Disappearance of Maryland tobacco from October 1, 1979, through June 1980 totaled 24.5 million pounds—3 million below a year earlier. Both domestic use and exports decreased. Record prices received for the 1979 crop in April and May 1980 reflected the short crop. By next January 1, carryover will decrease from this year's 41 million pounds (table 24).

Exports of Maryland tobacco were down in the first 10 months of the current marketing year, to 8 million pounds. Increased exports to Switzerland, the major destination failed to offset the decline in exports to other countries.

The Southern Maryland crop is estimated at 23.1 million pounds, 1 million above 1979's short crop. Acreage allotments are not in effect. Since 1965, growers have disapproved marketing quotas for the Maryland crop. This year's crop, plus the estimated carryover, will provide a 1980/81 supply below the year now ending.

FIRE-CURED

Fire-cured tobacco is used for making snuff, plug and twist chewing tobacco, cigars, and smoking tobacco. Six-tenths of the crop is exported. U.S. output of most of these products declined over the past decade and resulted in lower use of fire-cured tobacco. However, a firming up of domestic use coupled with short supplies, pushed prices up in 1976. Nevertheless, the disappearance of fire-cured increased in both 1977/78 and 1978/79.

Table 24—Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1971-80

Marketing year ¹	Acreage harvested	Yield per acre	Supply			Total	Disappearance		Average price per pound to growers
			Production	Stocks, following Jan. 1	Total		Domestic	Exports	
	<i>Thousand acres</i>	<i>Pounds</i>	<i>Million pounds</i>						<i>Cents</i>
1971	27.0	1,040	28.1	46.0	74.1	25.5	17.5	8.0	81.9
1972	24.0	990	23.8	46.6	70.4	25.5	13.4	12.1	84.5
1973 ²	27.8	1,260	35.0	43.8	78.8	26.1	13.8	12.3	87.8
1974 ²	26.0	1,260	32.8	51.7	84.5	33.5	25.0	8.5	92.2
1975 ²	23.5	950	21.1	53.6	74.7	34.8	25.1	9.7	107.5
1976 ²	23.0	1,300	29.9	41.9	71.8	29.7	17.2	12.5	110.0
1977 ²	23.0	1,310	30.1	45.3	75.4	28.3	18.9	9.4	115.1
1978 ²	22.0	1,390	30.6	41.9	72.5	31.1	21.1	10.1	123.1
1979 ^{2,3}	22.0	1,000	22.1	41.3	63.4	⁴ 30.0	⁴ 22.0	⁴ 8.0	139.7
1980 ⁵	22.0	1,200	26.4	36.0	62.4				

¹ Year beginning October 1. ² Includes sales and certification. ³ Subject to revision. ⁴ Estimated. ⁵ September 1 crop prospects and estimated stocks.

Table 25—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1971-80

(Farm-sales weight)

Marketing year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks			Total supply
				Manufacturers and other	Under loan	Total	
	<i>Thousand acres</i>	<i>Pounds</i>		<i>Million pounds</i>			
Kentucky-Tennessee fire-cured, types 22-23							
1971	19.5	1,928	37.6	48.6	4.7	53.3	90.9
1972	20.4	1,844	37.6	55.0	1.2	56.2	93.8
1973	16.6	1,668	27.7	54.2	3.1	57.3	85.0
1974	16.2	1,602	26.0	44.0	1.1	45.1	71.1
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976	21.2	1,567	33.2	42.6	(¹)	42.6	75.8
1977	25.6	1,767	45.2	41.2	(¹)	41.2	86.4
1978	27.1	1,898	51.4	50.0	1.0	51.0	102.4
1979	22.1	1,791	39.6	54.0	11.1	65.1	104.7
1980 ²	21.3	1,551	33.0	50.0	18.7	68.7	101.7
Virginia fire-cured, type 21							
1971	5.0	1,180	5.9	8.0	1.0	9.0	14.9
1972	4.8	970	4.7	7.9	.4	8.3	13.0
1973	4.7	1,205	5.7	7.6	(¹)	7.6	13.3
1974	5.0	1,185	5.9	7.1	—	7.1	13.0
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976	5.3	1,000	5.3	7.4	(¹)	7.4	12.7
1977	7.2	1,000	7.2	7.0	(¹)	6.7	13.9
1978	6.1	1,120	6.8	7.9	.8	8.7	15.5
1979	4.8	1,135	5.4	8.2	2.7	10.9	16.3
1980 ²	4.0	1,025	4.1	7.0	3.3	10.3	14.4
Disappearance			Average price		Price support level	Placed under loan	
	Total	Domestic	Exports	per pound		Quantity	Percentage of crop
	<i>Million pounds</i>			<i>Cents</i>		<i>Million pounds</i>	<i>Percent</i>
Kentucky-Tennessee fire-cured, types 22-23							
1971	34.7	16.0	18.7	60.8	48.5	(¹)	.1
1972	36.5	14.2	22.3	57.3	50.8	2.8	7.4
1973	39.9	15.7	24.2	71.7	53.5	.2	.7
1974	30.3	14.5	15.8	93.4	58.2	.7	2.7
1975	30.7	12.2	18.5	104.7	65.2	.1	.4
1976	34.6	11.2	23.4	142.4	74.1	(¹)	—
1977	35.4	17.4	18.0	125.6	79.5	1.1	2.4
1978	37.3	15.1	22.2	113.6	84.6	11.3	22.2
1979	⁴ 36.0	⁴ 16.0	⁴ 20.0	115.2	90.3	11.4	28.8
1980					98.9		
Virginia fire-cured, type 21							
1971	6.6	3.1	3.5	54.8	48.5	.1	1.0
1972	5.4	1.3	4.1	64.2	50.8	(¹)	.1
1973	6.2	1.7	4.5	75.5	53.5	(¹)	—
1974	5.7	.7	5.0	81.7	58.2	.3	4.5
1975	4.8	1.4	3.4	93.0	65.2	(¹)	.9
1976	6.1	³ 2.0	4.1	118.0	74.1	.1	1.5
1977	5.2	2.8	2.4	96.2	79.5	1.0	14.4
1978	4.6	1.0	3.6	94.5	84.6	1.8	26.2
1979	⁴ 6.0	⁴ 3.0	⁴ 3.0	107.9	90.3	.9	16.3
1980					98.9		

¹ Less than 50,000 pounds. ² September 1 crop prospects and estimated stocks. ³ Includes 400,000 pounds fire loss. December 1976. ⁴ Estimated. —Less than .05 percent.

Disappearance Slips

Disappearance of fire-cured tobacco (types 21-23) during the first 9 months of the 1979/80 marketing year (began October 1, 1979) was 34 million pounds, about the same as a year earlier. Increased domestic use offsets declining exports. In October 1979-June 1980, output of snuff, the major domestic use of fire-cured, was about the same as a year earlier.

Estimated disappearance for the year ending this September is 42 million pounds, which is slightly below last season's disappearance but well below output. Carryover stocks this October 1 will probably rise about 3 million pounds from last year (table 25).

Exports of fire-cured for the season now ending are expected to be lower last year. During October 1979-July 1980, 17 million pounds of Kentucky-Tennessee types were exported 2 million above a year earlier. In the same period, Virginia fire-cured exports totaled 2-1/2 million pounds below a year earlier.

Production Declines and Stocks Rise

The September estimate of fire-cured production was 37.1 million pounds, 17 percent below last year's crop, a drop resulting from cuts of both acreage and yields. Acreage remains slightly above the 1972-76 average, reflecting producer response to the sharp jump in 1976 crop prices, despite the more recent declines in prices. Total supplies in 1980/81 will likely fall below 1979/80's 121 million pounds or less than 3 times disappearance.

DARK AIR-CURED

Dark air-cured tobacco (types 35-37) is used in the manufacture of plug, twist, fine-cut chewing tobacco, and snuff, and also to some extent for smoking tobacco and cigars. Production and use have declined by about one-half in the past two decades. Exports normally account for one-sixth of annual disappearance.

Use Down

Disappearance of dark air-cured tobacco during the first 9 months of the current marketing year was 14 million pounds, 1 million below a year earlier. Both exports and domestic disappearance declined. Because of reduced supplies and a recovery in use, last season's prices gained from the 1978/79 level.

For the year ending September 30, 1980, total disappearance will likely drop by 2 million pounds from the previous year's 19 million. This disappearance would leave a carryover of 34 million pounds, about the same as last October 1 (table 26).

Supplies to Stabilize

The August estimate of this year's dark air-cured crop is 15-1/2 million pounds—7 percent below last year's crop. Yields and acreage for harvest are estimated slightly lower than last year. The smaller crop and the reduced carryover will bring 1980/81 supplies about 5 million pounds below last year's 53 million. Supplies represent 3 times the past season's use.

CIGAR TOBACCO

Cigar leaf tobaccos (types 41-62) are classified according to primary usage in cigar manufacture—filler, binder, and wrapper. However, most of the cigar binder now goes into loose leaf chewing tobacco. Cigar wrapper is mostly exported but exports of binder and filler are negligible.

Because of blue mold outbreaks, U.S. cigar leaf output declined last year. Acreage cuts also lowered production in Puerto Rico. Output will rise this year as acreage and yields recover.

Imports of cigar scrap remain large, and wrapper imports have increased. The Philippines and countries in Central and South America are the chief foreign suppliers of cigar tobacco. About 125 million pounds of leaf are used annually for cigars and loose leaf chewing tobacco. Imports account for one-half the tobacco in those two products.

The Senate Finance Committee was scheduled to consider H.R. 7139 on September 16. The bill provides a suspension of the duty (36 cents per pound) on unstemmed wrapper tobacco until June 30, 1981 (up to 2 million pounds).

Filler Disappearance Stabilizes

For the first 9 months of the 1979/80 marketing year, disappearance of U.S. cigar filler tobacco (types 41-46) was 24 million pounds, 1 million above the year earlier. In the same period, production of loose leaf chewing tobacco continued to increase but cigar production declined. So, for the 1979/80 year, filler disappearance may remain near 30 million pounds, the total of a year earlier (table 27).

Imports Are Down

During October 1979-June 1980, U.S. manufacturers used 46 million pounds of foreign cigar tobacco (imports for consumption) 5 percent less than a year earlier. The decline reflects the continued drop in cigar output. Foreign-grown cigar leaf stocks in the United States on July 1 totaled 95 million pounds, 2 million below a year earlier.

Table 26—Dark air-cured tobacco, types 35-36, and Sun-cured tobacco type 37: Acreage, yield production, carryover, supply, disappearance, season average price, and price support operations, 1971-80

(Farm-sales weight)

Marketing year beginning Oct. 1	Acreage harvested	Yield per acre	Production	Beginning stocks			Total supply	
				Manufacturers and others	Under loan	Total		
	<i>Thousand acres</i>	<i>Pounds</i>		<i>Million pounds</i>				
Dark air-cured, types 35-36								
1971	8.6	1,834	15.7	35.5	14.3	49.8	65.5	
1972	8.2	1,875	15.5	33.5	12.7	46.2	61.7	
1973	7.6	1,647	12.4	31.9	12.8	44.7	57.1	
1974	7.0	1,653	11.6	31.4	5.5	36.9	48.5	
1975	8.0	1,750	14.0	32.7	(¹)	32.9	46.9	
1976	9.3	1,660	15.1	28.2	—	28.2	43.3	
1977	11.2	1,809	20.4	26.1	—	26.1	46.5	
1978	11.2	1,969	22.2	30.4	(¹)	30.4	52.6	
1979	9.7	1,665	16.1	30.0	4.1	34.1	50.2	
1980 ²	9.3	1,627	15.1	25.5	5.5	31.0	45.1	
Sun-cured, type 37								
1971	.9	1,200	1.1	3.1	0	3.1	4.2	
1972	.8	1,010	.8	3.0	0	3.0	3.8	
1973	.7	1,320	.9	3.2	0	3.2	4.1	
1974	.7	1,315	.9	3.0	0	3.0	3.9	
1975	.7	930	.7	2.3	0	2.3	3.0	
1976	.7	1,115	.8	2.1	0	2.1	2.9	
1977	.8	1,030	.8	1.8	0	1.8	2.6	
1978	.7	1,205	.9	1.8	0	1.8	2.7	
1979	.5	1,055	.6	2.2	0	2.2	2.8	
1980 ²	.4	1,075	.4	2.0	0	2.0	2.4	
Disappearance			Average price per pound		Price support level		Placed under loan	
	Total	Domestic	Exports			Quantity	Percentage of crop	
	<i>Million pounds</i>			<i>Cents</i>		<i>Million pounds</i>		<i>Percent</i>
Dark air-cured, types 35-36								
1971	19.3	17.4	1.9	47.1	43.1	1.7	10.7	
1972	17.0	14.7	2.3	50.3	45.2	1.2	.8	
1973	20.2	17.4	2.8	61.9	47.6	(¹)	.2	
1974	15.6	12.8	2.8	76.9	51.8	.4	3.7	
1975	18.7	16.1	2.6	89.8	58.0	.1	.5	
1976	17.2	15.1	2.1	116.6	65.9	(¹)	—	
1977	16.1	13.6	2.4	117.7	70.7	(¹)	—	
1978	18.4	15.7	2.7	100.8	75.2	4.3	19.7	
1979 ³	19.2	17.0	2.2	107.8	80.4	2.2	13.3	
1980					88.0			
Sun-cured, type 37								
1971	1.2	1.0	.2	54.1	43.1	0	—	
1972	.6	.4	.2	57.9	45.2	0	—	
1973	1.1	.9	.2	69.2	47.6	0	—	
1974	1.6	1.3	.3	82.1	51.8	⁴ 13	1.4	
1975	.9	.7	.2	85.5	58.9	0	—	
1976	1.1	.9	.2	105.0	65.9	0	—	
1977	.8	.6	.1	100.0	70.7	⁴ 13	1.6	
1978	.5	.3	.2	88.8	75.2	⁴ 109	12.4	
1979 ³	.8	.6	.2	90.8	80.4	⁴ 30	5.2	
1980					88.0			

¹ Less than 50,000 pounds. ² September 1, crop prospects and estimated stocks. ³ Estimated disappearance. ⁴ Quantity placed under loan in thousands of pounds. Less than .05 percent.

Table 27—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1971-80

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance		Average price per pound to growers	
			Production	Beginning stocks	Total supply	Total	Domestic		Exports
	Thousand acres	Pounds	Million pounds					Cents	
Pennsylvania Seedleaf Filler (type 41)									
1971	15.2	1,610	24.5	87.0	111.5	41.3	40.6	.4	36.0
1972	13.0	1,400	18.2	70.2	88.4	34.7	34.4	.3	46.0
1973	13.0	1,700	22.1	53.7	75.8	28.3	27.5	.8	52.0
1974	13.0	2,000	26.0	47.5	73.5	24.3	24.0	.3	58.0
1975	12.0	1,650	19.8	49.2	69.0	22.2	21.8	.4	58.0
1976	13.5	1,750	23.6	46.8	70.4	20.7	20.3	.4	60.0
1977	13.5	1,940	26.2	49.7	75.6	21.8	21.6	.2	60.0
1978	13.0	1,940	25.2	54.1	79.3	23.6	23.5	.1	62.0
1979 ³	11.2	1,580	17.7	55.7	73.4	23.0	22.9	.1	72.0
1980 ³	13.0	1,700	22.1	50.4	72.5	23.0	22.9	.1	72.0
Ohio, Miami, Valley Filler (types 42-44)									
1971	2.0	1,850	3.8	7.8	11.6	4.6	4.6	---	41.0
1972	2.4	1,780	4.2	7.0	11.2	4.4	4.4	---	44.0
1973	2.2	1,420	3.1	6.8	9.9	4.0	4.0	---	51.0
1974	2.0	1,530	3.1	5.9	9.0	3.1	3.1	---	59.0
1975	1.8	1,660	3.0	5.9	9.1	3.4	3.4	---	60.0
1976	1.8	1,550	2.8	5.7	8.5	2.5	2.5	---	59.0
1977	1.8	2,025	3.6	6.0	9.6	2.6	2.6	---	62.0
1978	1.6	1,850	3.0	7.0	10.0	3.7	3.7	---	64.0
1979 ³	1.3	1,500	2.0	6.3	8.3	4.0	4.0	---	87.0
1980 ³	1.5	1,800	2.7	4.3	7.0				
Puerto Rico Filler (type 46)⁴									
1971	4.8	1,418	6.7	15.0	21.7	9.0	9.0	---	39.8
1972	5.6	883	4.8	12.7	17.5	8.3	8.3	---	42.1
1973	4.5	1,435	6.5	9.2	15.7	5.7	5.7	---	42.1
1974	2.7	1,477	3.9	10.0	14.0	7.9	7.9	---	45.5
1975	2.7	1,500	4.3	6.1	10.4	3.2	3.2	---	50.7
1976	2.8	1,429	4.1	7.2	11.3	4.9	4.9	---	57.6
1977	2.6	1,480	3.9	6.4	10.3	3.9	3.9	---	60.2
1978	2.2	1,400	3.1	6.4	9.5	2.6	2.6	---	57.0
1979 ³	2.0	1,300	2.6	6.9	9.5	2.0	2.0	---	60.0
1980 ³	1.8	1,400	2.5	7.5	10.0				
Total Cigar Filler (types 41-46)									
1971	22.0	1,587	35.0	109.8	144.8	54.9	54.5	.4	37.3
1972	21.0	1,293	27.2	89.9	117.1	47.4	47.1	.3	45.0
1973	19.7	1,450	31.7	69.7	101.4	38.0	37.0	.8	49.7
1974	18.0	1,850	33.1	63.4	96.5	35.3	35.0	.3	56.6
1975	17.3	1,630	27.3	61.2	88.5	28.8	28.4	.4	56.2
1976	18.2	1,676	30.5	59.7	90.2	28.1	27.7	.4	59.4
1977	17.9	1,883	33.7	62.1	95.8	28.3	27.0	.3	60.2
1978	16.8	1,863	31.3	67.5	98.8	29.9	29.8	.1	61.5
1979 ³	14.5	1,531	22.2	68.9	91.2	29.0	28.9	.1	71.9
1980 ³	16.3	1,675	27.3	62.2	91.9				
Connecticut Valley Binder (types 51-52)									
1971	1.6	1,743	2.8	7.2	10.0	2.6	2.5	.1	65.1
1972	1.6	1,600	2.5	7.4	9.9	2.4	2.3	.1	70.1
1973	1.6	1,721	2.7	7.5	10.2	3.2	3.1	.1	72.8
1974	1.5	1,737	2.5	7.0	9.5	3.3	3.1	.2	82.0
1975	1.5	1,568	2.4	6.2	8.6	4.3	4.1	.2	92.7
1976	1.5	1,605	2.4	4.3	6.7	2.4	2.3	.1	89.6
1977	1.4	1,784	2.5	4.3	6.8	1.9	1.9	.1	121.3
1978	1.5	1,734	2.6	4.9	7.5	2.1	2.0	.1	144.9
1979 ³	1.7	1,665	2.8	5.5	8.3	2.3	2.2	.1	155.5
1980 ³	1.5	1,712	2.6	6.0	8.6				
Southern Wisconsin Binder (type 54)									
1971	5.3	2,270	12.0	18.8	30.8	10.5	10.5	---	55.6
1972	5.0	1,685	8.4	20.3	28.7	9.3	8.3	---	48.0
1973	4.9	1,950	9.6	19.4	29.0	10.1	10.1	---	60.5
1974	4.7	2,060	9.7	18.9	28.6	8.8	8.8	---	74.9
1975	5.6	1,945	10.9	19.8	30.7	7.5	7.5	---	75.1
1976	5.6	1,890	10.6	23.2	33.8	10.0	10.0	---	74.7
1977	6.2	2,020	12.5	23.8	36.3	10.2	10.2	---	84.6
1978	6.2	1,800	11.2	26.0	37.2	11.4	11.4	---	100.5
1979 ³	6.3	2,080	13.1	25.8	38.9	11.0	11.0	---	117.0
1980 ³	6.4	2,050	13.1	27.9	41.0				
Northern Wisconsin Binder (type 55)									
1971	5.3	1,980	10.5	18.4	28.9	9.9	9.9	---	54.0
1972	5.8	1,770	10.3	19.0	29.3	9.8	9.8	*	49.0
1973	5.3	1,775	9.4	19.5	28.9	12.0	12.0	*	60.7
1974	5.7	1,870	8.8	16.9	25.7	9.9	9.9	*	75.4
1975	4.4	1,835	9.9	15.8	25.7	9.7	9.6	.1	75.1
1976	5.8	1,750	9.6	16.0	25.6	9.4	9.4	*	75.2
1977	5.8	2,045	11.9	16.2	28.1	9.1	9.1	.1	85.5
1979 ³	6.6	1,900	12.5	19.3	31.8	10.0	10.0	*	117.0
1980 ³	7.3	1,850	13.5	21.8	35.3				

See footnotes at end of table.

Continued--

Table 27—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1971-80—Cont.

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks ¹	Total supply	Total	Domestic	Exports	
	Thousand acres	Pounds	Million pounds						Cents
Total Wisconsin Binder (types 54-55)									
1971	10.6	2,125	22.5	37.2	59.7	20.4	20.4	*	54.9
1972	10.8	1,731	18.7	39.3	58.0	19.1	19.1	**	48.5
1973	10.2	1,859	19.0	38.9	57.9	22.2	22.2	**	60.6
1974	9.4	1,965	18.5	35.8	54.3	18.7	18.7	*	75.1
1975	11.0	1,891	20.8	35.6	56.4	17.2	17.1	.1	75.1
1976	11.1	1,821	20.2	39.2	59.4	19.4	19.4	*	75.2
1977	12.0	2,032	24.4	40.0	64.4	19.3	19.3	.1	85.0
1978	12.1	1,678	20.3	45.1	65.4	20.2	20.2	*	100.5
1979 ²	12.9	1,988	25.6	45.1	70.7	21.0	21.0	*	117.0
1980 ³	13.7	1,943	26.6	49.7	75.7				
Total Cigar Binder (types 51-55)									
1971	12.2	2,075	25.3	44.4	69.7	23.0	22.9	.1	56.1
1972	12.4	1,714	21.2	46.7	67.9	21.5	21.4	.1	51.1
1973	11.8	1,841	21.7	46.4	68.1	25.4	25.3	.2	62.1
1974	10.9	1,934	21.0	42.8	63.8	22.0	21.8	.2	76.0
1975	12.5	1,851	23.2	41.8	65.0	21.5	21.2	.3	76.9
1976	12.6	1,795	22.6	43.5	66.1	21.8	21.6	.2	76.5
1977	13.4	2,007	26.8	44.3	71.1	21.1	21.1	.1	88.4
1978	13.6	1,684	22.9	50.0	72.9	22.4	22.3	.1	105.6
1979 ²	14.6	1,951	28.5	50.6	79.1	23.3	23.2	.1	120.8
1980 ³	15.2	1,920	29.2	55.7	84.9				
Connecticut Valley Shade-grown (type 61)									
1971	4.7	1,635	7.7	13.9	21.6	8.4	5.7	2.7	400.0
1972	4.1	1,250	5.1	13.2	18.3	7.6	4.8	2.8	485.0
1973	5.0	1,210	6.1	10.7	16.8	8.3	6.4	1.9	515.0
1974	4.8	1,625	7.8	8.5	16.3	6.8	2.8	3.9	600.0
1975	4.4	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976	4.2	1,555	6.6	7.5	14.1	5.2	1.8	3.4	540.0
1977	3.3	1,544	5.1	8.9	14.0	4.7	.5	4.2	600.0
1978	2.7	1,392	3.8	9.3	13.1	5.0	.1	4.9	750.0
1979 ²	2.7	1,472	4.0	8.1	12.1	5.4	.2	5.2	850.0
1980 ³	3.0	1,575	4.7	6.7	11.4				
Georgia-Florida Shade-grown (type 62)									
1971	3.0	1,582	4.7	8.1	12.8	6.2	5.4	.8	262.0
1972	3.0	1,517	4.6	6.6	11.2	4.2	3.8	.4	280.0
1973	2.6	1,413	3.7	7.0	10.7	4.2	3.7	.5	350.0
1974	1.9	1,724	3.2	6.5	9.7	3.6	3.1	.5	380.0
1975	1.1	1,556	1.7	6.2	7.9	1.9	1.5	.4	400.0
1976	.4	1,680	.6	6.0	6.6	2.4	2.0	.4	395.1
1977	.1	1,630	.2	4.2	4.4	1.1	.6	.5	400.0
1978	0	—	0	3.4	3.4	1.3	.9	.4	—
1979 ²	0	—	0	2.1	2.1	1.1	.7	.4	—
1980 ³	0	—	0	1.0	1.0				
Total Shade-grown (types 61-62)									
1971	7.7	1,614	12.4	22.0	34.4	14.6	11.1	3.5	347.5
1972	7.1	1,365	9.7	19.8	29.5	11.8	8.6	3.2	387.0
1973	7.6	1,280	9.8	17.7	27.5	12.5	10.1	2.4	452.2
1974	6.6	1,652	11.0	15.0	26.0	10.4	6.0	4.4	536.1
1975	5.5	1,409	7.7	15.7	23.4	9.8	5.6	4.2	585.7
1976	4.6	1,565	7.2	13.6	20.8	7.0	3.8	3.8	528.2
1977	3.4	1,547	5.3	13.1	18.4	5.8	1.0	4.8	591.4
1978	2.7	1,392	3.8	12.7	16.5	6.3	1.0	5.3	750.0
1979 ²	2.7	1,472	4.0	10.2	14.2	6.5	.9	5.6	850.0
1980 ³	3.0	1,575	4.7	7.7	12.4				
Grand Total Cigar Tobacco (types 41-62)									
1971	41.9	1,734	72.7	176.2	248.9	92.5	88.5	4.0	96.7
1972	40.4	1,434	58.1	156.4	214.5	80.7	77.1	3.6	104.4
1973	39.1	1,627	63.2	133.8	197.0	75.9	72.6	3.3	116.1
1974	35.5	1,834	65.3	121.2	186.5	67.7	62.8	4.9	142.5
1975	35.4	1,635	57.9	118.6	176.5	60.1	55.2	4.9	135.1
1976	35.4	1,700	60.3	116.8	177.1	57.5	53.1	4.4	121.4
1977	34.7	1,900	65.9	119.5	185.4	55.2	50.0	6.2	114.9
1978	33.1	1,752	58.0	130.1	188.2	58.6	53.1	5.5	122.1
1979 ²	31.8	1,717	54.7	129.7	184.4	58.8	53.0	5.8	154.3
1980 ³	34.5	1,774	61.2	125.6	186.8				

¹ October 1 for types 41-55; July 1 for types 61-62. ² Estimated disappearance. ³ September 1 crop prospects and estimated stocks. ⁴ Puerto Rican planting occurs late in calendar year; projected for 1980. ⁵ Estimated, excludes payment by Puerto Rican Government. * Less than 50,000 pounds.

Cigar Binder Disappearance Increases

Cigar binder disappearance for October 1979-June 1980 was 17-1/2 million pounds, 1-1/2 million above a year earlier. For Wisconsin tobacco, loose leaf chewing tobacco, which has gained steadily in the past 10 years, remains the major outlet.

Disappearance of Connecticut Valley binder tobacco for 1979/80 remained at the previous season's level. Carryover on October 1, is expected to total about 6 million pounds. With relatively stable demand likely, a further stock increase is in prospect.

Disappearance of Wisconsin tobacco for 1979/80 may rise slightly from 1978/79. If so, disappearance will still remain below production, bringing supply on October 1, to around 75 million pounds or almost 3-1/2 times disappearance.

Cigar Wrapper Disappearance Stabilizes

Disappearance of shade-grown wrapper (types 61-62) in the year ending June 30 reached 6.5 million pounds, slightly above a year earlier. Production in the Connecticut Valley is recovering a little from last year. Most of the Connecticut Valley crop goes overseas for processing, either to foreign buyers or to subsidiaries of U.S. firms in the Dominican Republic.

U.S. and Puerto Rican Supplies Rise

Supplies of U.S. and Puerto Rican cigar tobacco will rise slightly from 1979/80. Prospective production and carryover are up slightly. Cigar filler and binder supplies are up and wrapper supplies are lower. By August 31, unsold loan stocks were 7.8 million pounds, packed weight, 2 million up from last year (table 28).

Filler: As of September 1, the Pennsylvania filler crop was indicated at 22 million pounds, 4 million above 1979's disease-ridden crop. The new crop, plus

the carryover, will provide a supply close to last season.

Ohio filler acreage and yields are recovering. As of September 1, the crop was 2.7 million pounds, 3/4 million above last season's small outturn. Even so, the crop plus the carryover will provide a total 1980/81 supply below that for last year.

Carryover of Puerto Rican filler on October 1 will likely rise above a year earlier. For 1980/81, the Puerto Rican government is expected to announce a quota of about 22 million pounds—about 7 times the harvest of early this year. Production has been considerably below the announced quota for the past several seasons, even though the Commonwealth pays a subsidy as high as 23 cents per pound. Supply for 1980/81 may equal the 9.5 million pounds of the past season.

Binder: Cigar binder acreage in the Connecticut Valley is down slightly. Quotas apply this year, after suspension for several years. As of September 1, production was estimated at 2.6 million pounds, slightly below last year. With a slightly higher carryover, supplies may increase.

Acreage of Wisconsin binder tobacco is up again this year as grower have responded to rising prices. Wisconsin production is indicated at 26-1/2 million pounds, up 1 million. Carryover will rise from a year ago as production is exceeding use and supply will rise in 1980/81.

Wrapper: The indicated acreage of Connecticut Valley wrapper is up from 1979 and production may reach 4.7 million pounds. But with the decline in carryover on July 1, 1980, supply has dropped to the lowest level on record.

With no new production, Georgia-Florida wrapper supplies consist of only carryover. At 1 million pounds, the July stocks fell below last season's disappearance.

Table 28—Cigar leaf tobacco price support operations, 1976-80

(Farm-sales weight)

Type	Placed under Government loan, crop years—				Remaining under loan, end of August				
	1976	1977	1978	1979	1976	1977	1978	1979	1980 ¹
	<i>Million pounds</i>								
Ohio, 42-44	0.4	0.4	0.6	0	0	0.4	0.5	1.0	0.4
Puerto Rican, 46	3.2	2.7	2.2	1.9	0	0	1.9	6.0	6.5
Conn. Valley, 51-52 . . . . .	.3	.2	(²)	.6	0.8	.9	1.0	1.0	1.5
Southern Wis., 54	0	(²)	(²)	(³)	(²)	(²)	(²)	(²)	(²)
Northern Wis., 55	0	0	0	0	0	0	0	0	0
Total	3.9	3.3	2.8	2.5	.8	1.3	3.5	8.0	8.4

¹ July 31. ² Negligible.

Compiled from records of the Producer Associations Division, ASCS.

FARM VALUE PER ACRE FOR SELECTED CROPS, 1979

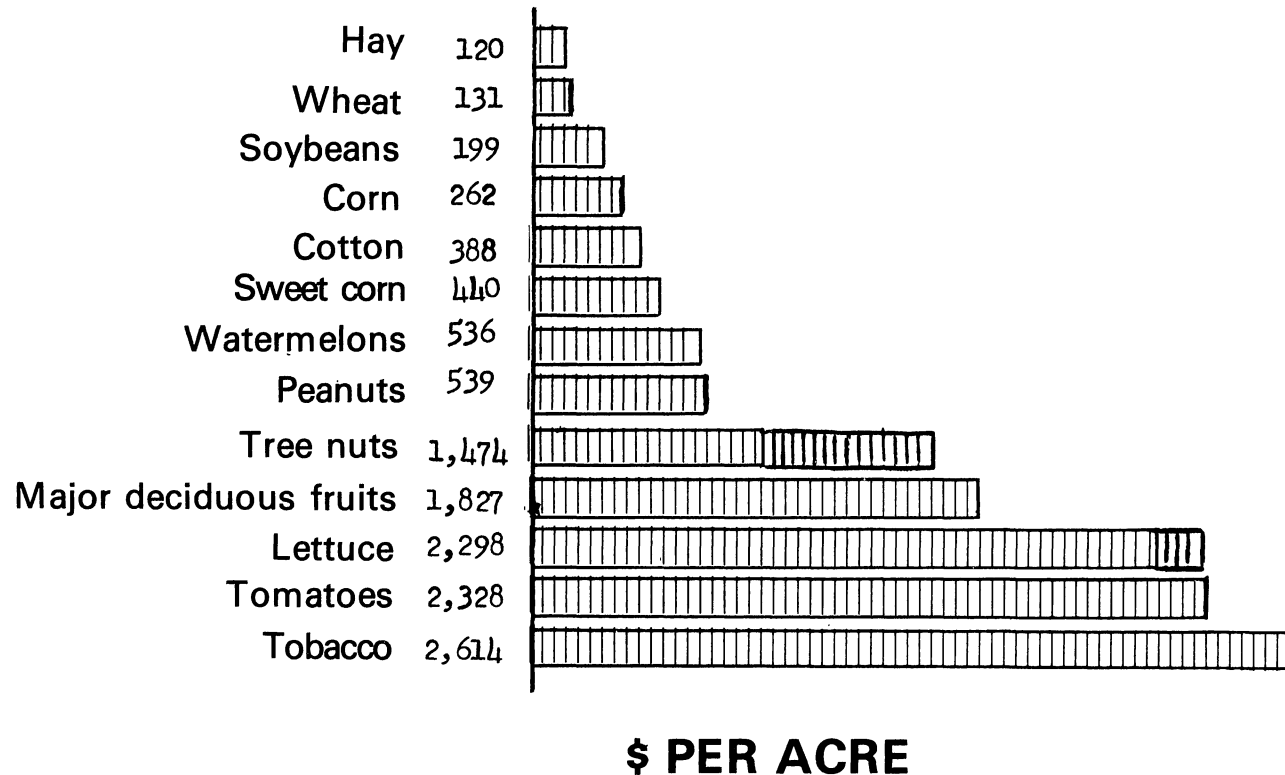
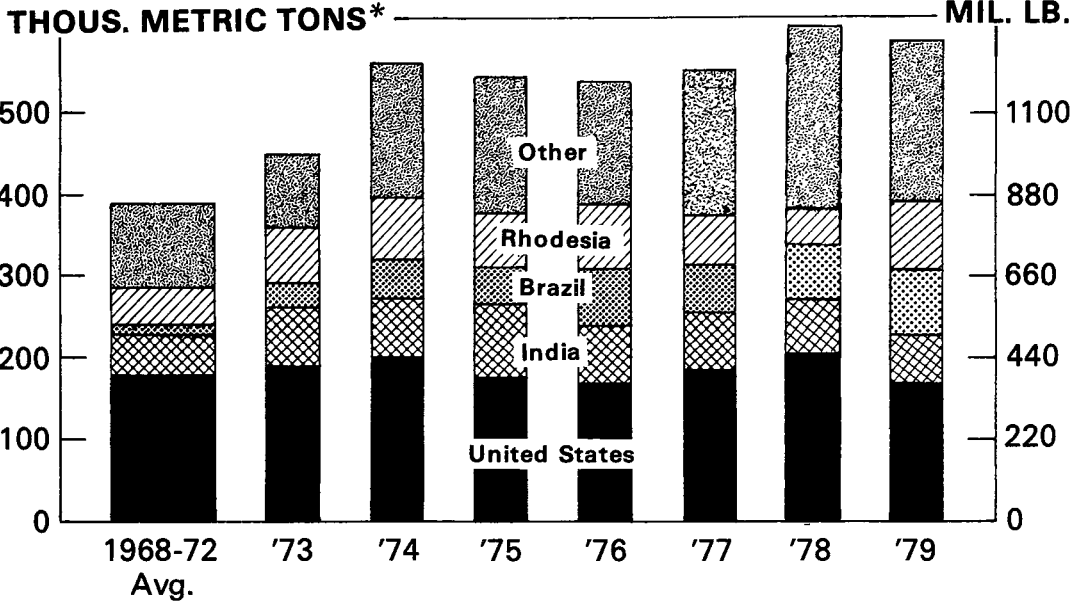


Table 30—United States and world production and exports of flue-cured, burley and all unmanufactured tobacco, 1955-79

Period	Flue-cured			Burley			All tobacco		
	United States	World total	United States as % of total	United States	World total	United States as % of total	United ¹ States	World total	United States as % of total
	<i>Million pounds</i>		<i>Percent</i>	<i>Million pounds</i>		<i>Percent</i>	<i>Million pounds</i>		<i>Percent</i>
Production (farm-sales weight)									
Average:									
1955-59	1,208	2,914	41	486	595	82	1,941	8,519	23
1960-64	1,336	3,302	40	624	778	80	2,211	8,898	25
1966	1,108	3,531	31	587	802	73	1,899	9,636	20
1967	1,263	3,859	33	541	811	67	1,979	10,368	19
1968	982	3,649	27	563	837	67	1,721	9,833	18
1969	1,053	3,823	28	591	866	68	1,810	9,821	18
1970	1,193	3,937	30	561	906	62	1,911	10,021	19
1971	1,078	3,918	28	473	868	55	1,712	9,865	17
1972	1,012	4,076	25	601	1,094	55	1,754	10,155	17
1973	1,157	4,404	27	450	944	48	1,744	10,670	17
1974	1,241	4,788	26	613	1,113	55	1,994	11,385	18
1975	1,415	5,100	28	639	1,240	52	2,186	11,837	18
1976	1,316	5,021	26	679	1,294	52	2,140	12,284	17
1977	1,130	4,938	23	617	1,295	48	1,916	12,015	16
1978	1,231	5,261	23	626	1,324	47	2,028	12,359	16
1979 ²	945	4,965	19	446	1,228	36	1,550	12,075	13
Exports (unmanufactured, export weight)									
Average:									
1955-59	413	683	60	28	47	60	500	³ 1,434	35
1960-64	397	772	52	42	74	57	497	³ 1,691	30
1966	423	710	60	46	107	43	551	³ 1,689	33
1967	427	750	57	46	97	40	572	³ 1,821	31
1968	444	800	56	43	108	40	599	³ 1,801	33
1969	430	845	51	52	127	41	577	³ 1,810	32
1970	368	797	46	41	125	33	510	³ 1,838	28
1971	342	831	41	36	128	28	473	³ 1,890	25
1972	425	1,046	41	54	175	31	606	³ 2,341	26
1973	418	1,088	38	59	210	28	613	³ 2,288	27
1974	441	1,232	36	61	265	23	662	3,116	21
1975	391	1,214	32	62	231	27	571	2,854	20
1976	379	1,217	31	68	258	26	587	2,912	20
1977	412	1,226	34	79	291	27	640	2,794	23
1978	455	1,331	34	91	319	29	707	3,099	23
1979 ²	371	1,306	28	82	313	26	567	3,028	19

¹ Includes Puerto Rico. ² Subject to revision. ³ Total excludes Sino-Soviet countries. Foreign data supplied by the Tobacco and Cotton Division, Foreign Agricultural Service.

WORLD EXPORTS OF FLUE-CURED TOBACCO

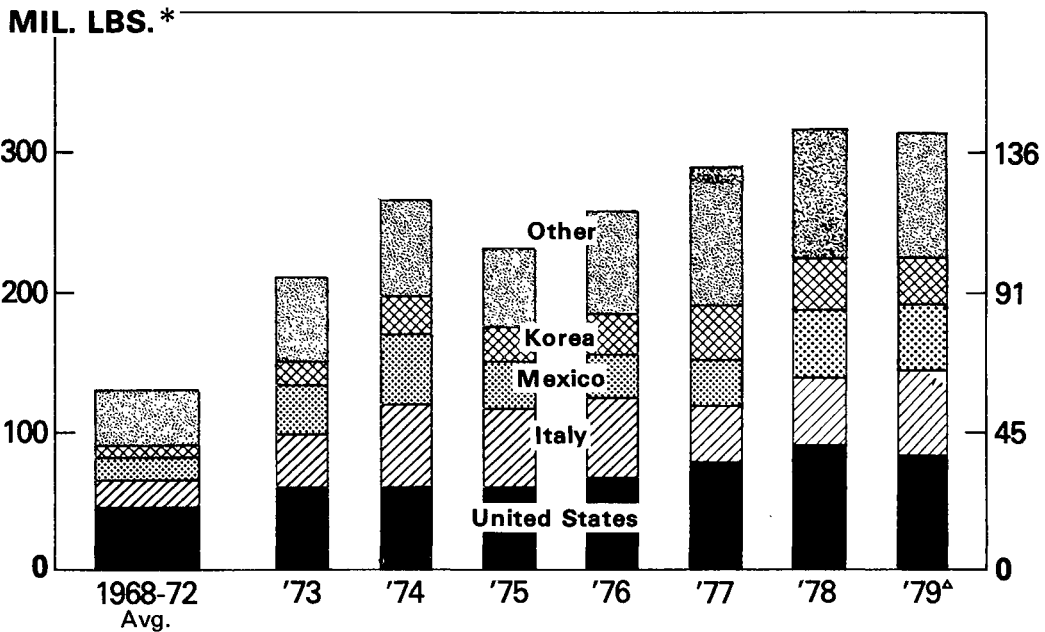


* EXPORT WEIGHT. LATEST YEAR PRELIMINARY. EXCLUDES COMMUNIST COUNTRIES.

USDA

Neg. ESCS 2400-80(9)

WORLD EXPORTS OF BURLEY TOBACCO



EXPORT WEIGHT. EXCLUDES COMMUNIST COUNTRIES. ^aPRELIMINARY.

USDA

Neg. ESCS 2960-80(9)

Table 29—Cigarettes: Estimated world output and exports, specified countries, average 1970-74 annual 1976-79¹

Country	Average 1970-74	1976	1977	1978	1979	% change	
						1978-79	
		<i>Billions</i>				<i>Percent</i>	
		<i>Production</i>					
China, People's Rep. of	638.6	703.0	725.0	740.0	750.0	+1	
United States	607.6	693.4	665.9	695.9	705.0	+1	
United Kingdom	150.2	156.5	154.6	157.6	158.0	0	
West Germany	131.4	145.9	137.0	149.7	157.5	+5	
France	73.0	86.5	80.1	80.9	77.5	-4	
Italy	67.6	73.6	75.2	71.6	68.8	-4	
Other EC-9 ²	66.0	74.1	78.7	78.8	87.2	+11	
Total, EC-9	488.3	536.6	525.6	538.6	549.0	+2	
USSR	349.6	375.0	382.0	377.4	360.3	-5	
Japan	253.1	289.1	303.8	301.4	302.8	0	
Brazil	83.8	117.0	129.0	137.0	137.0	0	
Other	1,172.6	1,350.7	1,407.1	1,432.5	1,494.5	+4	
Total	3,593.6	4,064.8	4,138.4	4,222.8	4,298.6	+2	
		<i>Exports</i>					
United States	36.8	61.4	66.8	74.4	79.7	+7	
Bulgaria	52.2	62.0	61.7	64.2	65.0	+1	
United Kingdom	19.2	25.9	28.7	28.7	32.0	+11	
Switzerland	15.5	13.2	14.6	14.3	11.3	-21	
West Germany	7.7	18.2	24.2	27.8	33.4	+20	
Netherlands	9.7	10.1	14.7	20.4	26.0	+27	
Other	37.8	44.6	46.2	47.7	62.1	+30	
Total	178.9	235.4	257.0	277.4	309.5	+12	

¹ Estimates included in absence of reasonable data. ² Belgium-Luxembourg, Denmark, Ireland, Netherlands.

Compiled from USDA, FAS, Foreign Agriculture Circular, FT-3-79, August 1979.

Table 31—United Kingdom, tobacco: Imports, by major suppliers, 1970-79

Year	United States	India	Canada	South Korea	Brazil	Other	Total	United States as a percentage of	
								Total	North American Imports ¹
								<i>Million pounds</i>	
								<i>Percent</i>	
1970	117	41	47	13	1	61	280	42	71
1971	98	38	52	8	6	67	269	36	65
1972	120	37	59	9	8	65	298	40	67
1973	127	54	42	11	14	80	328	39	75
1974	104	65	65	22	16	90	362	29	62
1975	88	54	44	21	18	89	314	28	67
1976	78	55	35	26	32	93	319	25	69
1977	52	61	35	34	38	94	314	17	60
1978	216	59	49	31	46	113	614	42	82
1979 ²	120	50	50	14	57	122	413	29	71

¹ U.S. and Canada. ² Preliminary.

Compiled from reports of Commodity Programs, Foreign Agricultural Service, U.S.D.A.

Table 32—Tobacco: EC imports by major suppliers, 1970-79

Year	United States	Canada	Brazil	Intra-EC ¹	Greece, Turkey	Other	Total	U.S. share of total
	<i>Million pounds</i>						<i>Percent</i>	
1970	142	1	46	58	104	289	640	22.2
1971	178	3	53	69	126	314	743	24.0
1972	179	6	53	90	114	320	762	23.5
1973 ¹	342	51	77	152	120	454	1,196	28.6
1974	300	70	87	167	114	683	1,321	22.7
1975	284	50	100	148	76	524	1,182	24.0
1976	276	39	107	168	64	540	1,194	23.1
1977	243	35	137	132	48	534	1,129	21.5
1978	397	58	141	174	73	557	1,400	29.8
1979 ²	270	62	137	194	86	543	1,292	20.9

¹ Beginning 1973 EC (6) plus Denmark, Ireland, and United Kingdom. ² Preliminary.

Table 33—Japan tobacco: Imports, by major suppliers, 1970-79

Year	United States	People's Republic of China	India	Thailand	Bulgaria, Greece, Turkey, Yugoslavia	Other countries	Total	United States as a percentage of	
								Total	Non-oriental Imports ¹
	<i>Million pounds</i>						<i>Percent</i>		
1970	44	—	6	6	16	1	73	60.3	78.0
1971	54	—	9	8	23	6	100	53.6	69.5
1972	69	1	10	9	36	7	132	51.9	71.5
1973	69	1	10	6	25	16	127	54.1	67.6
1974	85	4	11	7	30	33	170	50.0	60.8
1975	106	8	12	8	25	43	202	52.5	59.9
1976	126	15	11	8	17	40	216	57.8	62.8
1977	99	9	9	7	29	30	183	54.1	64.3
1978	115	8	7	9	26	29	195	59.0	68.0
1979 ²	109	5	6	7	20	24	171	63.7	72.2

¹ Total less Bulgaria, Greece, Turkey, and Yugoslavia. ² Subject to revision.

Compiled from *Japan Imports by Commodity by Country*, December Issue.

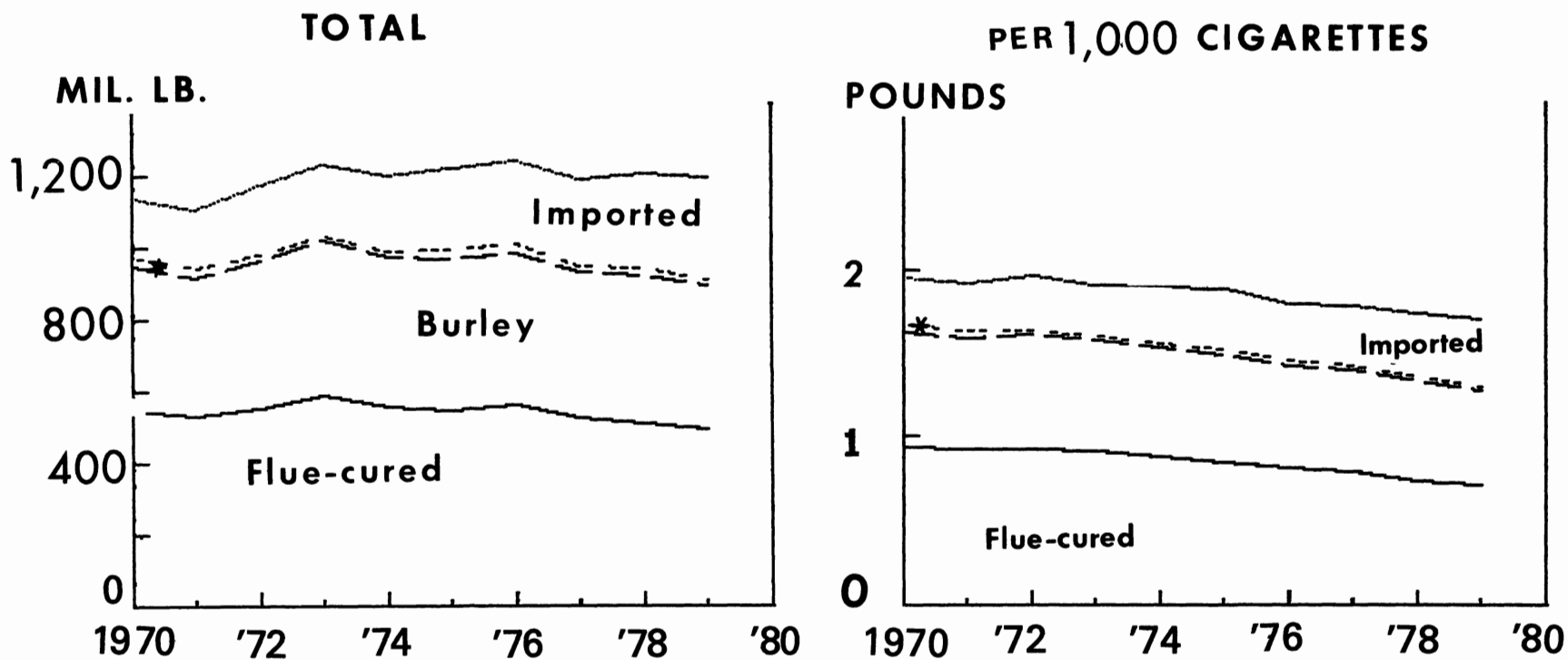
Table 34—West Germany tobacco: Imports, by major suppliers, 1970-79

Year	United States	Italy	Brazil	Greece, Turkey	Poland	Thailand	Other	Total	U.S. share of total
	<i>.. Million pounds. . .</i>						<i>Percent</i>		
1971	103	18	19	82	16	8	95	341	30
1972	96	23	16	66	8	5	108	322	30
1973	100	31	16	32	8	8	176	371	27
1974	44	24	8	54	5	3	53	197	23
1975	88	30	14	49	9	10	91	291	30
1976	94	40	25	39	11	10	98	317	30
1977	88	45	32	38	9	11	95	318	28
1978	96	40	30	45	10	15	108	344	28
1979 ¹	82	42	6	46	6	15	130	327	25

¹ Preliminary.

Compiled from Foreign Agriculture Trade Circular, FAS, USDA.

TOBACCO USED FOR CIGARETTES



UNSTEMMED PROCESSING WEIGHT. DATA FORECAST FOR LATEST YEAR. * Maryland

Table 35—Estimated leaf used for cigarettes by kinds of tobacco, 1950-79

Year	Farm-sales weight				Unstemmed-processing weight				
	Flue-cured	Burley	Maryland	Total domestic	Flue-cured	Burley	Maryland	Imported	Total
<i>Million pounds</i>									
Average:									
1950-54	736	421	23	1,180	651	373	22	73	1,119
1955-59	701	417	20	1,138	622	371	19	92	1,104
1960-64	742	455	16	1,213	661	404	16	123	1,204
1965-69	666	477	21	1,164	594	426	21	150	1,191
1970	613	448	27	1,088	548	400	27	163	1,138
1971	596	432	24	1,052	532	386	24	165	1,107
1972	621	460	16	1,097	555	411	16	193	1,175
1973	659	485	14	1,158	588	433	14	196	1,231
1974	625	468	13	1,106	558	418	13	213	1,202
1975	614	471	26	1,111	548	420	25	231	1,224
1976	634	472	22	1,128	566	421	22	237	1,246
1977	588	454	16	1,058	525	405	16	242	1,188
1978	576	459	20	1,055	514	410	19	284	1,227
1979 ¹	556	466	22	1,044	494	416	22	348	1,280
<i>Per 1,000 cigarettes</i>									
<i>Pounds</i>									
Average:									
1950-54	1.776	1.016	.057	2.849	1.571	.899	.053	.177	2.700
1955-59	1.570	.936	.045	2.551	1.394	.832	.042	.205	2.473
1960-64	1.396	.854	.030	2.280	1.242	.761	.030	.231	2.264
1965-69	1.174	.840	.037	2.051	1.048	.751	.036	.264	2.098
1970	1.051	.768	.046	1.865	.940	.686	.046	.279	1.951
1971	1.034	.749	.042	1.825	.923	.669	.042	.286	1.920
1972	1.037	.768	.027	1.832	.926	.686	.027	.322	1.961
1973	1.023	.752	.022	1.797	.913	.672	.022	.304	1.911
1974 . . . . .	.984	.737	.020	1.741	.880	.658	.020	.335	1.893
1975 . . . . .	.943	.723	.040	1.706	.842	.645	.038	.355	1.880
1976 . . . . .	.914	.681	.032	1.627	.816	.607	.031	.342	1.797
1977 . . . . .	.883	.682	.024	1.589	.789	.608	.024	.363	1.784
1978 . . . . .	.827	.660	.029	1.516	.739	.589	.027	.408	1.763
1979 ¹ . . . . .	.789	.662	.031	1.482	.701	.591	.031	.434	1.817
<i>Percentage distribution</i>									
<i>Percent</i>									
Average:									
1950-54	62.4	35.6	2.0	100.0	58.2	33.3	2.0	6.5	100.0
1955-59	61.6	36.7	1.7	100.0	56.3	33.6	1.7	8.3	100.0
1960-64	61.2	37.5	1.3	100.0	54.9	33.6	1.3	10.2	100.0
1965-69	57.2	41.0	1.8	100.0	49.9	35.8	1.8	12.6	100.0
1970	56.3	41.2	2.5	100.0	48.2	35.1	2.4	14.3	100.0
1971	56.7	41.0	2.3	100.0	48.1	34.8	2.2	14.9	100.0
1972	56.6	41.9	1.5	100.0	47.2	35.0	1.4	16.4	100.0
1973	56.9	41.8	1.2	100.0	47.8	35.2	1.1	15.9	100.0
1974	56.5	42.3	1.2	100.0	46.5	34.8	1.0	17.7	100.0
1975	55.3	42.4	2.3	100.0	44.8	34.3	2.0	18.9	100.0
1976	56.2	41.8	2.0	100.0	45.4	33.8	1.8	19.0	100.0
1977	55.6	42.9	1.5	100.0	44.1	34.2	1.3	20.4	100.0
1978 ¹	54.6	43.5	1.9	100.0	42.0	33.4	1.5	23.1	100.0
1979	53.3	44.6	2.1	100.0	38.6	32.5	1.7	27.2	100.0

¹ Subject to revision.

Table 36—Cash receipts from tobacco as percentage of cash receipts from crops and all farm commodities, by States, 1978 and 1979

State	1978			1979		
	Tobacco	Tobacco as:		Tobacco	Tobacco as:	
		Percentage of crops	Percentage of all farm commodities		Percentage of crops	Percentage of all farm commodities
	<i>Million dollars</i>	<i>Percent</i>		<i>Million dollars</i>	<i>Percent</i>	
North Carolina	1,106	57.0	34.2	895	45.3	26.8
Kentucky	542	52.1	26.5	549	48.1	24.4
South Carolina	203	33.5	20.7	173	25.2	15.7
Virginia	174	33.2	14.1	158	28.4	11.6
Tennessee	165	21.8	10.2	156	18.9	8.5
Georgia	174	16.2	6.8	147	11.0	4.9
Florida	31	1.3	.9	30	1.0	.8
Maryland	34	13.2	4.4	38	12.1	4.3
Connecticut	23	25.5	9.9	26	27.0	10.5
Pennsylvania	14	2.2	.6	15	1.9	.6
Ohio	23	1.3	.7	22	1.1	.6
Indiana	20	1.1	.6	17	.7	.4
Massachusetts	9	6.8	3.6	8	5.7	3.1
Wisconsin	20	3.0	.6	22	2.9	.5
Missouri	6	.4	.2	9	.5	.2
West Virginia	3	6.5	1.7	3	4.7	1.5
United States ²	2,549	4.9	2.3	2,271	3.6	2.0

¹ Subject to revision. ² U.S. total receipts from tobacco include relatively small receipts from a few States not shown separately.

Detail may not add to total due to rounding.

Table 37—Expenditures for tobacco products, and disposable personal income, 1971-80

Year	Total	Cigarettes	Cigars ¹	Other ²	Disposable personal income ²	Percent of disposable personal income spent on tobacco products			
						All	Cigarettes	Cigars ¹	Other ²
	<i>Million dollars</i>				<i>Billion dollars</i>	<i>Percent</i>			
1970	11,544	10,448	707	389	686	1.68	1.52	.10	.06
1971	12,155	11,040	700	415	743	1.64	1.49	.09	.06
1972	12,910	11,765	720	425	801	1.61	1.47	.09	.05
1973	13,485	12,325	730	430	902	1.50	1.37	.08	.05
1974	14,475	13,270	705	500	985	1.47	1.35	.07	.05
1975	15,505	14,250	680	575	1,087	1.43	1.32	.06	.05
1976	16,410	15,100	675	625	1,184	1.39	1.28	.06	.05
1977	17,190	15,850	665	675	1,305	1.32	1.22	.05	.05
1978	18,030	16,600	680	750	1,458	1.24	1.14	.05	.05
1979 ³	19,000	17,500	670	830	1,624	1.17	1.08	.04	.05
1980 ⁴	20,800	19,230	670	900	1,782	1.17	1.08	.04	.05

¹ Includes small cigars (cigarette-size). ² Smoking tobacco, chewing tobacco, and snuff. Compiled from reports of Department of Commerce, Bureau of Economic Analysis. ³ Subject to revision. ⁴ Estimated.

RECENT ARTICLES, PUBLICATIONS, AND SPEECHES

(1) Bennett, William, M.D. "The Cigarette Century", *Science* 80, September/October 1980 pp. 36-43. Discusses the evolution of the cigarette industry beginning with Bonsack's cigarette-rolling machine patented in 1880 to the recent period of health risks. Emphasizes the addictive properties of nicotine.

(2) Cisin, Ira, Ph.D. et al., U.S. Department of Health, Education, and Welfare, Pub. ADM 79-620, National Institute on Drug Abuse, *Highlights from the National Survey on Drug Abuse: 1977, 1979*, 36 pp. Sample of 4,594 respondents, 12 years and older were interviewed early in 1977 on drug use experience, and social climate of illicit drug use. Includes use of cigarettes.¹

(3) Currin, R.E. III, and John B. Pitner, *Agronomic and Chemical Effects of Removing the Four Bottom Leaves From Flue-cured Tobacco at Various States of Plant Growth*, South Carolina Agricultural Expt. Sta. Bul. 628, April 1980, 4 pp. Research conducted at the Pee Dee Experiment Station, Florence, SC in 1978 and 1979 is summarized. Removing the four bottom leaves at early topping stages reduced the percentage of nondescript and priming grades and increased the yield and value per acre.

Horsley, Beverley, "U.S. Tobacco Faces an Uncertain Future in the European Community", *Foreign Agriculture*, July 1980, pp. 14-16.² The near term outlook for U.S. exports to the EC is diminished with the prospects for rising supplies from third countries. The harmonization of EC cigarette taxes is likely to further dampen U.S. prospects due to the emphasis on ad valorem charges.

(1) Ippolito, Richard A. et al., U.S., Federal Trade Commission, Bureau of Economics, Staff Report on Consumer Responses to Cigarette Health Information, Aug. 1979, 64 pp. Analyzes per capita cigarette and tar and nicotine consumption data for 1925-75 and smoking behavior data. Concludes that health disclosures have influenced start and quit rates rather than smoking intensity.

(2) James Hunter, "Bright and Early" *Wachovia*, Spring 1980, pp. 5-8. Summarizes the development of the tobacco industry in North Carolina, including production and marketing.

(3) Miller, Robert H. "Flue-cured Tobacco: Supply and Use Prospects", talk before American Farm Bureau Federation Flue-cured Tobacco Conference,

Columbia, SC, Sept. 4, 1980, 8 pp.³ Discusses current situation and outlook for flue-cured tobacco, including domestic products, exports and imports.

(4) I'3P', "Tobacco Use: Trends and Projections", talk before 36th Annual Convention, Bright Belt Tobacco Warehouse Association, Inc., Myrtle Beach, SC, June 16-19, 1980, 11 pp.³ Discusses current situation for domestic use and foreign trade with projection to 1990.

(5) National Congress of Parents & Teachers, "The Cigarette as a Way of Life", and other articles, *PTA Today*, Oct. 1979, pp. 3-9. Discusses cigarette smoking and teenagers and antismoking efforts.

(6) Spitze, R.G.F. et al., *Food and Agriculture Policy Issues for the 1980's*, June 1980. 75 pp., Nine articles present relevant issues as new food and agriculture legislation is being considered. Prepared by economists from Land Grant Universities and from the U.S. Department of Agriculture. Available from Coop. Ext. Svc, North Dakota State Univ. of Agric. & Applied Science, Fargo, ND 58105.

(7) Tood, Furney A., *Tobacco Field Blue Mold Control Flue-cured*, North Carolina Agric. Ext. Serv. AG-212, April 1980 13 pp. Discusses the blue mold problem and control methods.⁴

(8) ———, *Tobacco Field Blue Mold Control Burley*, North Carolina Agric. Ext. Serv. AG-213, April 1980, 14 pp. Discusses the blue mold problem and control methods for burley tobacco.⁴

(9) U.S. Congress, House of Representatives, 96th Cong., 2nd Session, *General Issues Tobacco in Kentucky*, Hearing before Subcommittee on Tobacco, Lexington, Ky., Feb. 1, 1980, 59 pp.

(10) ———, *Temporary Suspension of Duty on Certain Wrapper Tobacco*, Report No. 96-1182, July 1980, 5 pp. Accompanies H.R. 7139.

(11) U.S. Department of Agriculture, Agricultural Marketing Service, *Official Standard Grades Virginia Fire-cured Tobacco* 17 pp. Official grades effective July 1, 1980 for U.S. Type 21,⁵

(12) ———, Foreign Agricultural Service, Foreign Agric. Circular FT 8-80, August 1980, 40 pp.¹ Contains supply and distribution tables for

¹ Available from ADM Publications, Room 6C-02 5600 Fishers Lane, Rockville, MD 20857.

² Available from FAS Publications, 5918 South Bldg. USDA, Washington, DC 20250.

³ Available from Room 212 GHI Bldg., ESCS, USDA, Washington, D.C. 20250.

⁴ Available from Cooperative Ext. Service, N.C. State Univ. at Raleigh, Univ. Sta., Raleigh, NC 27607.

⁵ Available from AMS Publications, 3620 South Bldg., USDA, Washington, DC 20250.

110 countries and total world, 1975-79. World tobacco consumption during 1979 remained static; similar consumption predicted for 1980.

(13) _____, Economics Statistics, and Cooperatives Service, "Third World Smoke Signals Cheer Tobacco Growers", *Farmline*, Vol. 1, No. 5, Aug. 1980, pp. 10-11³ Summarizes U.S. and world tobacco

co trends; general trends through the 1980's are noted.

(14) _____, Science and Education Administration, *SEA National Research Program NRP No. 20880 Improved Tobacco Safety*, Nov. 1979, 22 pp. Basic plans, objectives, and methods for achieving objectives over 10-year period.

Table 38—Governmental revenues from tobacco products, 1971-80

Year ending June 30	Federal Government				State and local Governments		All Governments
	Cigarettes ¹	Cigar ²	Other ³	Total ⁴	State	Local	
<i>Million dollars</i>							
1970-71	2,150	55	2	2,207	2,536	140	4,883
1971-72	2,151	54	2	2,207	2,831	168	5,206
1972-73	2,221	54	2	2,277	3,112	174	5,564
1973-74	2,383	52	2	2,437	3,250	117	5,804
1974-75	2,261	51	3	2,315	3,286	109	5,710
1975-76	2,435	50	3	2,488	3,462	119	6,069
1976-77	2,279	39	4	2,322	3,500	131	5,953
1977-78	2,374	38	4	2,416	3,654	132	6,202
1978-79 ⁴	2,356	36	5	2,397	3,650	133	6,180
1979-80	2,604	40	4	2,648	⁵ 3,730	⁵ 132	⁵ 6,510

¹ Includes large cigarettes. ² Includes small cigars and revenue on cigars from Puerto Rico covered into the Treasury of Puerto Rico. ³ Includes cigarette paper and tubes, and imported cigarettes and cigars. ⁴ Subject to revision. ⁵ Estimated.

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

Table 39—Tobacco and tobacco products exports by custom district ports, 1979

Custom district	Unmanufactured, tobacco	Tobacco products		Total tobacco
		Cigarettes	Other	
<i>Million dollars</i>				
Norfolk, Virginia	549.8	453.1	39.1	1,042.0
Wilmington, North Carolina	452.9	17.2	0	470.1
New York, New York	43.2	107.8	4.6	155.6
Baltimore, Maryland	58.2	152.1	.6	210.9
Miami, Florida	15.6	78.8	.5	94.9
San Francisco, California	2.4	37.5	(¹)	39.9
Charleston, South Carolina	19.9	22.5	(¹)	42.4
New Orleans, Louisiana	19.0	1.0	(¹)	20.0
Los Angeles, California	6.6	3.9	(¹)	10.5
San Juan, Puerto Rico	9.4	4.6	(¹)	14.0
Other	7.2	30.1	10.6	47.9
Total	1,184.2	908.6	55.4	2,148.2

¹ Less than 50 thousand.

Totals may not add due to rounding. Compiled from reports of Bureau of the Census.

Table 40.-- Agricultural and tobacco export value, percentage distribution and percent of total, by State, fiscal years 1973 and 1979 1/

Tobacco type and State	Export value				:Tobacco as percentage:		State as percentage	
	Tobacco <u>2/</u>		Agricultural		: of agricultural <u>3/</u>		: of total tobacco <u>3/</u>	
	1973	1979	1973	1979	1973	1979	1973	1979
	----- Million dollars -----				----- Percent -----			
<u>Flue-cured</u>								
North Carolina	338	669	526	1,153	64	58	53	52
South Carolina	66	120	174	367	38	33	10	9
Georgia	59	101	207	564	28	18	9	8
Virginia	49	96	120	284	41	34	8	7
Florida	16	18	184	515	9	3	3	1
Subtotal	528	1,005	1,210	2,883	44	35	83	77
<u>Burley and fire-cured</u>								
Kentucky	64	163	186	547	34	30	10	13
Tennessee	23	57	175	463	13	12	4	4
Subtotal	87	220	361	1,010	24	22	14	17
<u>Other</u>								
Connecticut	6	26	8	32	75	81	1	2
Maryland	10	16	59	166	18	10	1	1
Massachusetts	2	11	6	19	42	58	4/	1
Ohio	2	6	432	1,142	1	1	4/	4/
All other <u>5/</u>	5	9	1,701	4,252	4/	4/	1	1
Total 18 States	640	1,292	3,774	9,504	17	14	100	100

1/ Year ending June 30 (1973). Year ending September 30 (1979).

2/ Unmanufactured and bulk smoking tobacco.

3/ Computed from unrounded totals.

4/ Less than .5 percent.

5/ Pennsylvania, West Virginia, Alabama, Indiana, Wisconsin, Louisiana and Missouri.

Compiled from: Tontz, Robert and McCall, Thomasine, "U.S. Agricultural Export Shares by States, Fiscal year 1976," and FOREIGN AGRICULTURAL TRADE OF THE UNITED STATES, March/April 1980, pp. 94-102.

Detail may not add to total due to rounding.

Table 41.--Flue-cured and burley prices: Actual and support level compared with parity prices, 1960-80

Year	Flue-cured tobacco, types 11-14					Burley tobacco, type 31				
	Parity	Support	Season	Percent of Parity 2/		Parity	Support	Season	Percent of Parity 2/	
	price	level	average	Support	average	price	level	average	Support	average
	<u>1/</u>					<u>1/</u>				
	Cents per pound		Percent		Cents per pound		Percent			
1960	63.4	55.5	60.4	87.5	95.3	65.6	57.2	64.3	87.2	98.0
1961	64.5	55.5	64.2	86.0	99.5	68.6	57.2	66.5	83.4	96.9
1962	68.9	56.1	60.1	81.4	87.2	73.7	57.8	58.6	78.4	79.5
1963	72.8	56.6	58.0	77.7	79.7	77.1	58.3	59.2	75.6	76.8
1964	74.2	57.2	58.5	77.1	78.8	78.9	58.9	60.3	74.7	76.4
1965	77.8	57.7	64.6	74.2	83.0	82.8	59.5	67.0	71.9	80.9
1966	80.9	58.8	66.9	72.7	82.7	87.3	60.6	66.9	69.4	76.6
1967	84.6	59.9	64.2	70.8	75.9	88.1	61.8	71.8	70.1	81.5
1968	86.7	61.6	66.6	71.0	76.8	91.1	63.5	73.7	69.7	80.9
1969	92.6	63.8	72.4	69.0	78.2	96.5	65.8	69.6	68.2	72.1
1970	96.3	66.6	72.0	69.2	74.8	101.0	68.6	72.2	67.9	71.5
1971	101.0	69.4	77.2	68.7	76.4	104.5	71.5	80.9	68.4	77.4
1972	106.0	72.7	85.3	68.6	80.5	111.0	74.9	79.2	67.5	71.4
1973	123.0	76.6	88.1	62.3	71.6	129.0	78.9	92.9	61.2	72.0
1974	136.0	83.3	105.0	61.2	77.2	147.0	85.8	113.7	58.4	77.3
1975	150.0	93.2	99.8	62.1	66.5	158.0	96.1	105.5	60.8	66.8
1976	155.0	106.0	110.4	68.4	71.2	160.0	109.3	114.2	68.3	71.4
1977	162.0	113.8	117.6	70.2	72.6	166.0	117.3	120.0	70.7	72.3
1978	176.0	121.0	135.0	68.8	76.7	184.0	124.7	131.2	67.8	71.3
1979	203.0	129.3	140.1	63.7	69.0	208.0	133.3	145.2	64.1	69.8
1980	222.0	141.5	3/143.3	63.7	64.5	3/232.0	145.9		62.9	

1/ Beginning of marketing year; July 1 for flue-cured and October 1 for burley.

2/ Calculated by Commodity Economics Division, ESCS.

3/ Through September 18.

STATISTICAL SUMMARY

Item	Unit or base period	1979		1980		Last data as percentage of a year earlier	
		July	August	June	July		August
Average price at auctions							
Flue-cured	Ct. per lb.	127.9	139.3	---	131.6	139.1	100
Burley	Ct. per lb.	closed	closed	---	closed	closed	---
Maryland	Ct. per lb.	closed	closed	---	closed	closed	---
Virginia fire-cured	Ct. per lb.	closed	closed	---	closed	closed	---
Ky.-Tenn. fire-cured	Ct. per lb.	closed	closed	---	closed	closed	---
Ky.-Tenn. dark air-cured	Ct. per lb.	closed	closed	---	closed	closed	---
Virginia sun-cured	Ct. per lb.	closed	closed	---	closed	closed	---
Price support level 1/							
Flue-cured	Ct. per lb.	129.3			141.5		109
Burley	Ct. per lb.	133.3			145.9		109
Virginia fire-cured	Ct. per lb.	90.3			98.9		109
Ky.-Tenn. fire-cured	Ct. per lb.	90.3			98.9		109
Ky.-Tenn. dark air-cured	Ct. per lb.	80.4			88.0		109
Virginia sun-cured	Ct. per lb.	80.4			88.0		109
Connecticut Valley cigar binder	Ct. per lb.	92.3			101.0		109
Wis. binder and Ohio filler	Ct. per lb.	66.6			72.9		109
Puerto Rican filler	Ct. per lb.	69.2			75.7		109
Parity index 2/							
	1910-14=100	856	855	944	952	964	113
Industrial production index 3/							
Employment	1967=100	152.8	151.6	141.0	138.8		91
Personal income 4/	Mill. dol.	97.2	97.0	96.5	97.0		99
	Bil. dol.	1,933.2	1,946.5	2,089.0	2,111.6		109
Taxable removals							
		1979		1980			
		June	July	May	June	July	
Cigarettes	Bil.	52.4	45.8	50.5	53.7		102
Cigars and cigarillos	Mill.	414.1	310.4	349.1	364.2		100
Accumulated from Jan. 1							
Cigarettes	Bil.	316.9	362.7	255.1	308.8		97
Cigars and cigarillos	Mill.	2,200.7	2,511.1	1,605.9	1,970.1		90
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mill. lb.		16.3		15.2		93
Chewing tobacco	Mill. lb.		48.8		52.3		107
Snuff	Mill. lb.		12.0		11.6		97
Tax-exempt removals							
Cigarettes	Bil.	8.4	7.4	6.1	6.6		79
Exports	Bil.	8.0	6.7	5.4	6.7	4.9	84
Cigars and cigarillos	Mill.	15.0	10.6	16.0	18.3		122
Accumulated from Jan. 1							
Cigarettes	Bil.	47.9	55.3	41.4	48.0		100
Exports	Bil.	38.9	45.6	35.3	42.0	43.3	95
Cigars and cigarillos	Mill.	80.1	90.7	72.3	90.6		113
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mill. lb.		.45		.44		98
Chewing tobacco	Mill. lb.		.1		.1		100
Producer price indexes 5/							
Tobacco products	1967=100	213.9	214.6	244.6	245.1	247.6	115
Cigarettes (filtertip, king size)	1967=100	216.3	216.3	248.0	248.0	251.7	116
Cigars	1967=100	142.6	147.0	152.4	156.8	156.9	110
Smoking tobacco	1967=100	231.0	235.6	264.4	264.4	264.4	112
Plug chewing tobacco	1967=100	246.9	253.9	279.6	279.6	279.6	110
Snuff	1967=100	258.5	258.5	290.2	290.2	290.2	112
Consumer price indexes (urban)							
Tobacco products	1967=100	186.4	186.8	200.4	203.4	203.8	109
Cigarettes	1967=100	188.8	189.2	202.9	206.0	206.4	110
Other tobacco products 6/	Dec. 1977=100	110.3	110.8	119.0	120.2	120.7	109
Imports of tobacco							
Cigarette leaf	Mill. lb.	13.0	15.6	15.6	15.8	15.7	101
Cigar tobacco 7/	Mill. lb.	6.7	3.9	5.3	8.1	4.8	123
Accumulated from Jan. 1							
Cigarette leaf	Mill. lb.	96.1	111.7	85.0	103.0	118.8	106
Cigar tobacco 7/	Mill. lb.	36.6	40.5	18.2	26.3	31.1	77

See footnotes at end of table.

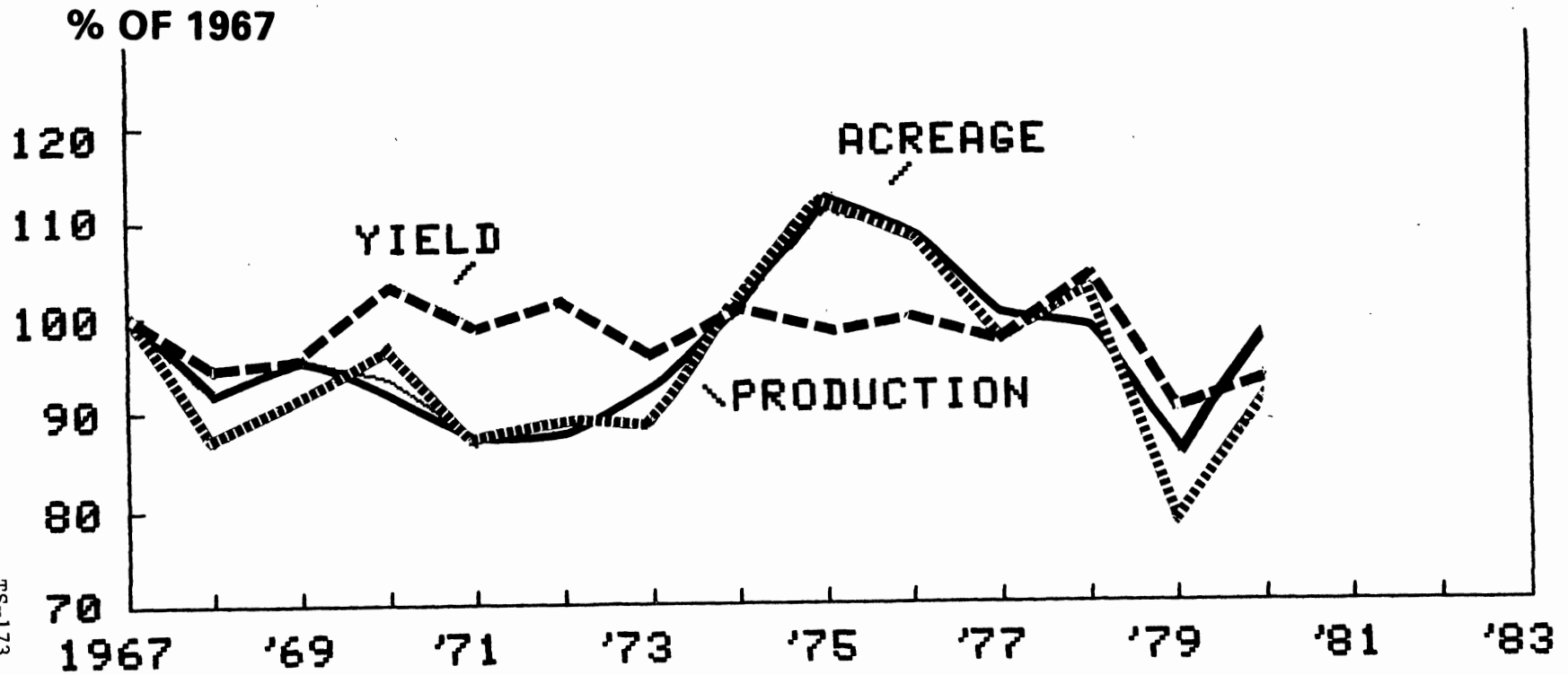
Continued --- TS-173, SEPTEMBER 1980 41

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1979		1980		Last data as percentage of a year earlier	
		June	July	May	June		July
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	14.2	23.9	42.4	36.7	38.0	159
Burley	Mil. lb.	13.0	14.8	13.2	7.0	5.1	34
Maryland	Mil. lb.	.6	.4	.4	.8	.9	225
Virginia fire- & sun-cured	Mil. lb.	0	.6	.4	.3	.4	100
Ky.-Tenn. fire-cured	Mil. lb.	.4	.8	3.5	2.3	3.2	400
Ky.-Tenn. dark air-cured	Mil. lb.	.1	.2	*	2.7	.3	150
Cigar wrapper	Mil. lb.	.6	.5	.5	.2	.3	60
Cigar binder	Mil. lb.	0	0	*	0	*	---
Accumulated from beginning of marketing year <u>8/</u>							
Flue-cured	Mil. lb.	598.7		515.4	552.1		92
Burley	Mil. lb.	92.6	107.5	108.0	115.0	120.1	112
Maryland	Mil. lb.	9.4	9.8	6.6	7.4	8.3	85
Virginia fire- & sun-cured	Mil. lb.	2.6	3.2	2.0	2.3	2.7	84
Ky.-Tenn. fire-cured <u>9/</u>	Mil. lb.	18.2	19.0	11.4	13.5	17.0	89
Ky.-Tenn. dark air-cured <u>9/</u>	Mil. lb.	1.7	2.3	1.1	1.2	1.4	61
Cigar wrapper	Mil. lb.	5.3		5.2	5.4		102
Cigar binder	Mil. lb.	*	*	.1	.1	.1	---
Cigar filler	Mil. lb.	.1	.1	.1	.1	.1	100
Exports of manufactured tobacco in bulk and not elsewhere classified <u>10/</u>	Mil. lb.	5.9	2.9	2.0	2.6	.8	28
Accumulated from Jan. 1	Mil. lb.	11.7	14.6	7.6	10.2	11.0	77
		Quarterly data					
		1979		1980			
		April-June	July-Sept.	April-June	July-Sept.		
Stocks of tobacco--1st of quarter (farm-sales weight) <u>11/</u>							
Domestic types							
Flue-cured	Mil. lb.	2,306	2,076	2,192		1,965	95
Burley	Mil. lb.	1,519	1,332	1,313		1,162	87
Maryland	Mil. lb.	38	56	36		48	86
Fire-cured	Mil. lb.	85	84	97		87	104
Dark air- and sun-cured	Mil. lb.	43	40	45		39	98
Cigar filler	Mil. lb.	83	76	72		67	88
Cigar binder	Mil. lb.	61	57	65		60	105
Cigar wrapper	Mil. lb.	11	13	8		8	62
Under Government loan <u>12/</u>	Mil. lb.	798	786	772		693	88
Foreign types							
Cigarette and smoking	Mil. lb.	655	684	682		746	109
Oriental	Mil. lb.	359	366	342		367	100
Flue-cured	Mil. lb.	133	147	148		166	113
Burley	Mil. lb.	163	171	192		213	125
Cigar	Mil. lb.	100	97	91		95	98
Tobacco outlets <u>13/</u>							
Seasonally adjusted data, annual rates, for charts, p. 2							
Cigarettes							
Production	Bil.	705.0	692.7	684.1		729.1	105
Tax-paid removals	Bil.	606.3	607.6	618.1		647.8	107
Cigar production							
Large	Bil.	4.78	4.08	3.92		4.00	98
Small	Bil.	1.45	1.70	1.54		1.53	90
Smoking production	Mil. lb.	32.7	31.4	30.6		30.1	96
Chewing production							
Loose leaf	Mil. lb.	73.9	74.3	76.4		75.7	102
Plug and other	Mil. lb.	31.1	29.8	35.1		32.2	108
Snuff production	Mil. lb.	25.4	23.5	24.5		23.5	100
Exports of leaf							
Total	Mil. lb.	597.3	582.1	759.1		605.0	104
Flue-cured	Mil. lb.	368.0	396.1	520.4		515.0	130

1/ 1979 and 1980 crops, respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Federal and applicable state and local taxes included. 6/ Includes tobacco accessories. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Includes Black Pat. 10/ Smoking tobacco in bulk through December 1977. Beginning January 1978 blended strips no longer included. 11/ Holdings of manufacturers and dealers, including grower cooperatives. 12/ Reported by grower cooperatives. 13/ Latest quarter is estimated. *Less than 50,000 pounds. Detail may not add due to rounding.

TOBACCO ACREAGE, YIELD AND PRODUCTION

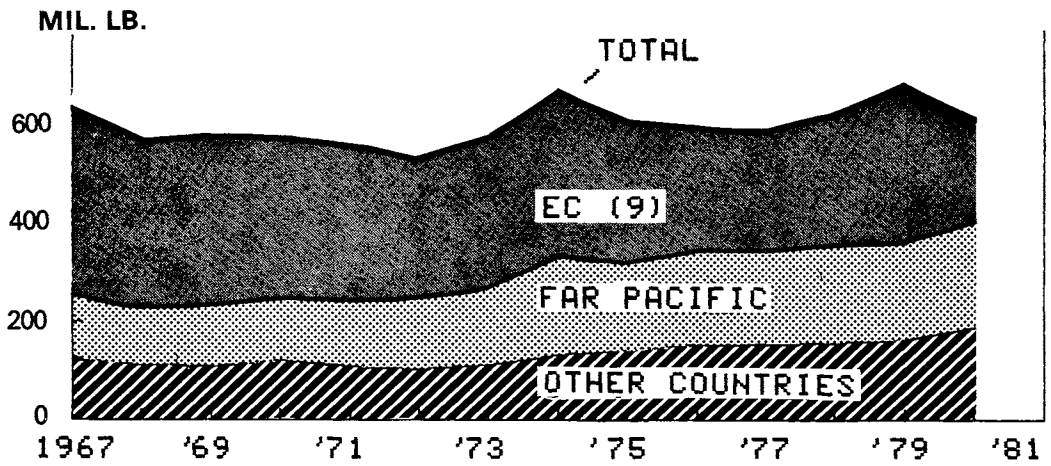


LATEST YEAR PRELIMINARY.

USDA

NEG. ESCS 8149-80 (9)

EXPORT MARKETS FOR U.S. TOBACCO

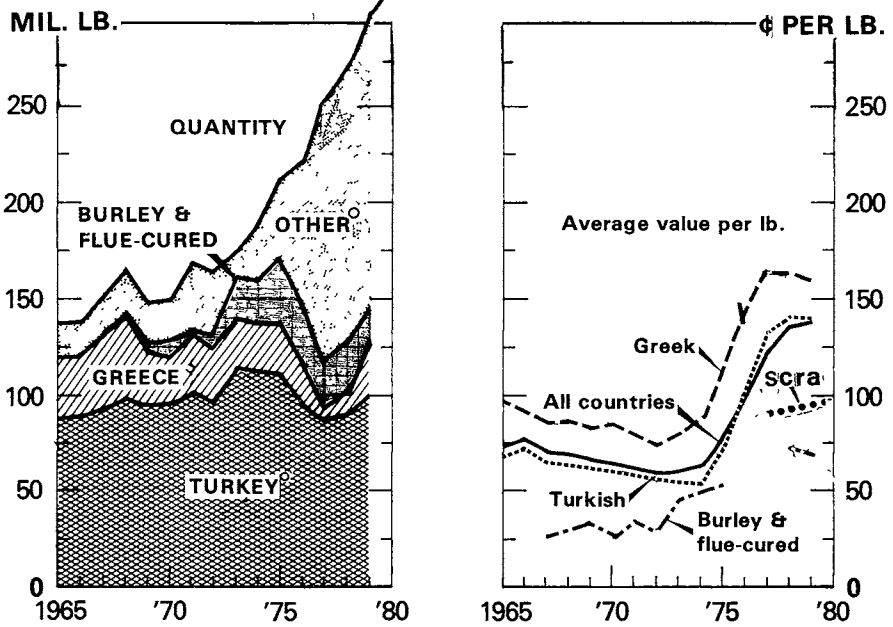


UNMANUFACTURED, DECLARED WEIGHT, YEAR ENDING JUNE 30.

USDA

NEG. ESCS 487 80(9)

U.S. IMPORTS OF CIGARETTE TOBACCO



IMPORTS FOR CONSUMPTION ◊ ORIENTAL AND SCRAP

USDA

NEG. ESCS 924-80(8)

Flue-Cured Tobacco: Supply, Price, Use

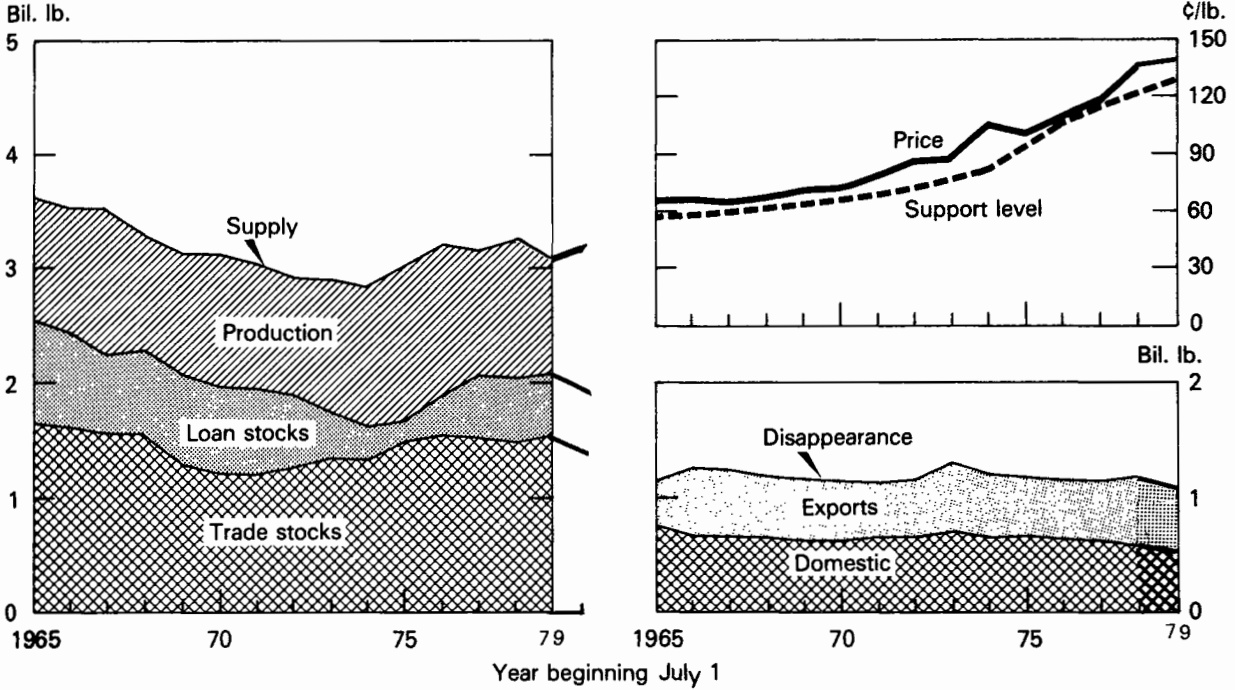


Chart 292

Burley Tobacco: Supply, Price, Use

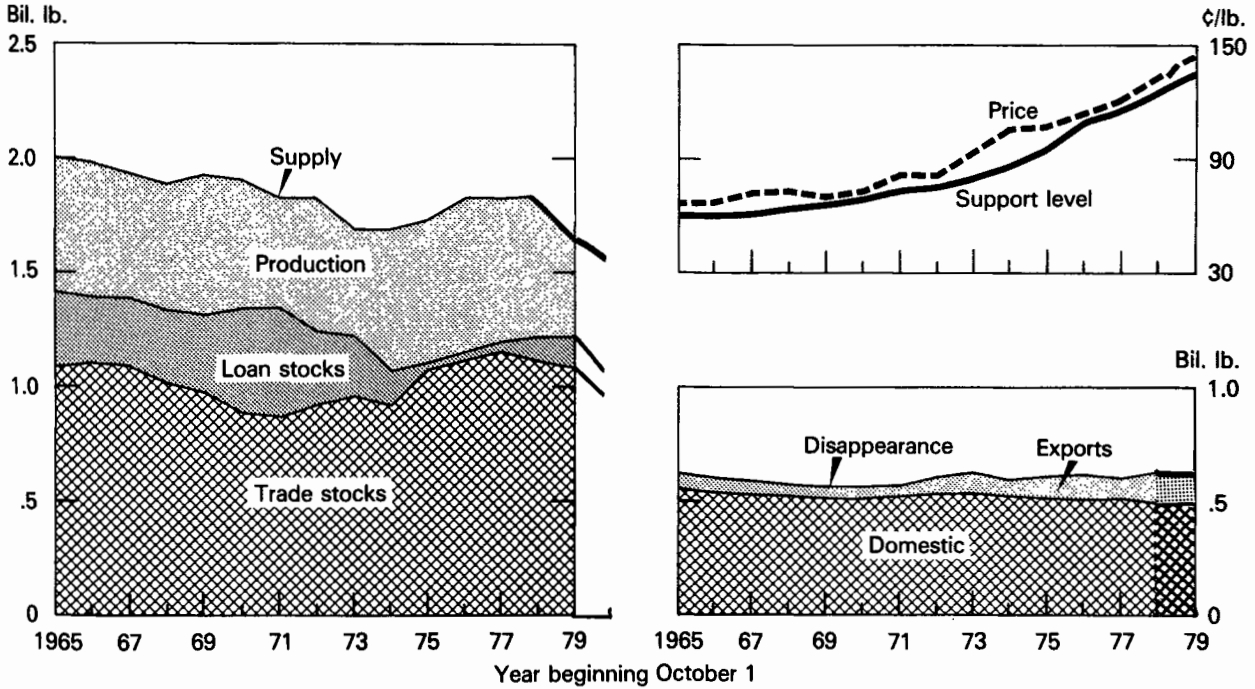


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BURLEY TOBACCO FARMING CHARACTERISTICS AND POTENTIAL FOR CHANGE-

Summary of Report

By Verner N. Grise and Owen K. Shugars, U.S. Dept. of Agriculture; Economics, Statistics, and Cooperatives Service. Agricultural Economic Report No. 460, Sept. 1980, 41 pp.

Burley tobacco farms in five areas of Kentucky and Tennessee were small both in terms of average acres of tobacco produced (2.4) and average acres of land operated (86). More than two-thirds of the producers grew 2 acres of tobacco or less. This study, based on a 1977 survey, provides a basis for understanding the structure of burley tobacco farming and technological, institutional, and demand changes.

Many burley farm households relied heavily on off-farm employment to supplement family income. A third of them received no nonfarm income or less than \$2,500 from nonfarm sources. Furthermore, the small acreage of cropland (average of 14 acres) on farms with 2 acres of tobacco producers with smaller acreages of tobacco tended to be older, had less education, and owned a large proportion of the land and quota they operated.

An average of 342 hours of labor per acre was used to produce burley tobacco in the study area. Over two-thirds of the labor was supplied by family members and exchange workers, but this proportion varied by area and size of farm. Forty-two percent of the labor was used for market preparation and 26 percent for harvesting.

Mechanization of harvest has not progressed in burley tobacco as it has in flue-cured burley presents

different obstacles to mechanization. Typically, it is a stalk rather than leaf-cured product, and burley acreages per farm are smaller. Without substantial quota consolidation, harvest mechanization is likely to require relatively large investments per acre.

Loose leaf sales of burley tobacco offer potential cost savings to farmers. A 30-percent reduction in market preparation labor would result in a 7.5-million hour labor reduction in the five study areas. The benefits of loose leaf sales to tobacco producers vary depending on if and how much prices are discounted, how much labor is hired, and alternative uses of family labor.

Smaller quotas for burley tobacco would likely result in higher quota prices (lease rates). Some less efficient producers would be forced out of tobacco production. Although the production costs of smaller growers average higher when all resources used are valued at market rates, many have low out of pocket costs. Since many growers have little alternative income, they would continue to produce tobacco as long their cash variable costs are covered.

Barn capacity to house about a third more tobacco than was produced in 1976 was available. This probably sets the upper limit on expansion of burley production.

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