

## Contents

<b>Summary</b> .....	3
<b>Tobacco Products</b> .....	4
<b>U.S. Exports and Imports</b> .....	9
<b>U.S. Tobacco Leaf Situation and Outlook</b> .....	15
<b>Flue-Cured</b> .....	19
<b>Burley</b> .....	22
<b>Southern Maryland</b> .....	26
<b>Fire-Cured</b> .....	27
<b>Dark Air-Cured</b> .....	29
<b>Cigar Tobacco</b> .....	31
<b>Statistical Summary</b> .....	35
<b>List of Tables</b> .....	37

### **Situation Coordinator**

Tom Capehart

Voice (202) 694-5311 Fax (202) 694-5820  
thomasc@ers.usda.gov

### **Database Coordinator**

Fannye Lockley-Jolly

### **Editor**

Martha Evans

### **Graphics, Table Design, Layout, & Text Design**

Wynnice Pointer-Napper

---

Approved by the World Agricultural Outlook Board. Summary released April 19, 2000. The summary of the next *Tobacco Situation and Outlook* is scheduled for release September 18, 2000. Summaries and full text of Situation and Outlook reports may be accessed electronically via the ERS website at [www.ers.usda.gov/](http://www.ers.usda.gov/). The *Tobacco Situation*

and *Outlook* is published semi-annually (April and September) and supplemented by a yearbook. To order, call 1-800-999-6779 in the United States or Canada. Other areas please call (703) 605-6220. Or write ERS-NASS, 5285 Port Royal Road, Springfield, VA 22161.

---

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

## Summary

U.S. smokers consumed an estimated 435 billion cigarettes in 1999, 6.5 percent less than a year earlier. Price increases, higher State taxes, and expanding regulations are the main factors in declining cigarette use. Consumption per person based on a population 18 years and older declined 7.5 percent. Consumption is expected to decline at a slower rate in 2000. Taxable removals in 1999 slipped to about 433 billion pieces. Exports dropped from 201 billion pieces in 1998 to 151 pieces, the lowest since 1974.

Increases in cigar consumption slowed to an estimated 2 percent in 1999, reaching 3.7 billion cigars. Snuff consumption rose in 1999. Smoking tobacco sales are up due to increased roll-your-own cigarette consumption. Use of other tobacco products, mostly chewing tobacco, is expected to continue declining.

As of March 1, U.S. tobacco growers indicated they intend to harvest 500,700 acres of tobacco in 2000, 22 percent less than last year. Reacting to an 18-percent decrease in the 2000 effective quota (similar to last season), flue-cured growers indicated they would harvest 253,900 acres, down 16 percent from last season. Burley growers are planning to harvest 207,700 acres, about 31 percent less than last season.

Assuming average yields, 2000 production could total 1.0 billion pounds (farm-sales weight), about 300 million pounds less than in 1999. Lower production and smaller beginning stocks anticipated for the 2000/01 marketing year will result in decreased supplies. Off-farm stocks of U.S.-grown leaf on January 1, 2000, were 6 percent below a year earlier, while stocks of foreign-grown leaf were down 8 percent from a year earlier.

Price supports for the 2000 crop are up 0.8 cent per pound for flue-cured and 1.6 cents for burley. Price supports for other kinds under quotas are unchanged. Before the marketing season begins, the United States Department of

Agriculture (USDA) sets grade loan rates for the various kinds of tobacco receiving support.

The tobacco balance of trade—the value of manufactured and unmanufactured exports less imports—fell 20 percent in 1999. The value of U.S. leaf and product exports fell more than imports. Leaf imports (arrivals) fell 3 percent to \$757 million from \$780 million. Imported products were \$450 million, compared with \$480 million in 1998. Exports of unmanufactured tobacco and tobacco products were down 18 percent at \$5.2 billion in calendar 1999. The total tobacco balance of trade surplus fell from \$5.0 billion to \$4.0 billion.

Total disappearance of U.S.-grown flue-cured tobacco in the current marketing year (1999/2000) is likely to be less than last year's 834 million pounds. Both domestic use and exports are expected to decline. Disappearance in 1999/2000 will likely exceed marketings, so carryover stocks at the beginning of 2000/01 will decline. Production in 2000 will likely fall from 1999's 658 million pounds due to an even lower effective quota.

Disappearance of U.S.-grown burley tobacco in 1999/2000 is expected to decline from 1998/99's 520 million pounds. Burley auction sales in 1999/2000 totaled 549.7 million pounds, about 40 million less than last season. Production in 1999 will exceed total use, and 2000 carryin is expected to increase.

USDA set this season's burley marketing quota at 247 million pounds, 206 million pounds below last season. The 2000 effective quota, which reflects last year's over- and under-marketings, totals about 367 million pounds, 323 million pounds below last year. The 2000 acreage allotments increased for Kentucky-Tennessee fire-cured and dark air-cured types, declined for Virginia fire-cured and cigar types, and were unchanged for Virginia sun-cured tobacco. Producers who did not plant tobacco in recent years may have had their individual allotments adjusted downward.

# Tobacco Products

## Domestic Cigarette Consumption Falls 6 Percent, Exports Continue Decline

U.S. smokers consumed an estimated 435 billion cigarettes in 1999, 6.5 percent less than a year earlier. Price increases, higher State taxes, and expanding regulations are the main factors in declining cigarette use. Consumption per person based on a population 18 years and older slipped by 174 cigarettes. Consumption is expected to decline at a slower rate in 2000. Taxable removals in 1999 slipped to about 433 billion pieces. Exports dropped from 201 billion pieces in 1998 to 151 billion pieces in 1999. Cigarette output fell 7 percent to an estimated 635 billion pieces, the lowest since 1974.

Per capita consumption continued to decline, sliding to 2,146 pieces (18 and over population), compared with 2,320 pieces for the same group in 1998. Premium brand cigarettes gained market share as discount brands' share of the market slipped from 27.8 percent in 1998 to 26.6 percent in 1999. Recent prices have been partially offset by aggressive promotions and discounts, dampening consumption declines in the premium segment of the market.

In January 2000, the Federal cigarette excise tax increased by 10 cents per pack, or \$5.00 per thousand, making the current per-pack tax 34 cents. Another increase of 5 cents per pack is scheduled for 2002. Federal cigarette excise tax collections for calendar year 1998 totaled \$5.6 billion, down from \$5.8 billion in 1997, reflecting lower consumption and unchanged tax rates. State tax collections for calendar 1998 exceeded Federal, reaching nearly \$8.0 billion, up from \$7.6 billion in 1997. State excise taxes have risen dramatically in the past 5 years as the number of States increased taxes. Sixteen States currently impose taxes of 50

cents or more per pack. The average State tax (weighted by sales) is 39.1 cents.

Calendar 1999 exports totaled 151 billion cigarettes, down from 201 billion in 1998. Shipments peaked in 1996 after rising for nearly a decade. In 1999, the value of U.S. cigarette shipments declined from \$4.2 billion to \$3.2 billion. Shipments to the European Union (EU-15) fell 60 percent. Shipments to Japan, the largest export market, were nearly steady, and overall shipments to Asia were virtually unchanged as well. Shipments to the New Independent States continued their sharp decline, but are offset slightly by increased shipments to Azerbaijan, especially in 1998. Cigarette production in the New Independent States has increased, reducing demand for U.S. cigarettes.

Cigarette export volume losses of 25 percent were only partially offset by slightly higher unit values, resulting in a total 1999 cigarette export value of \$3,232 million, compared with \$4,166 million in 1998.

The annual Economic Research Service (ERS) survey of manufacturers indicated that filter-tip cigarette production rose about one-half percent to 98.7 percent of total output in 1999, from 98.3 percent in 1998. The change was concentrated in the 100 millimeter filter-tip size, which made up about 36 percent of 1999 output (table 4).

## Cigarette Prices Increase

Manufacturers increased wholesale cigarette prices once in 1999. In August, the wholesale price rose 18 cents per pack. In January 2000, another price increase of 13 cents per pack occurred. These price increases boosted the wholesale price (including Federal excise tax) by 18 percent. The wholesale

Table 1--Cigarettes: U.S. output, removals, and consumption, 1990-99

Year	Removals							Total U.S. consumption
	Output	Tax-exempt					Adjustment 2/	
		Taxable	Total	Exports	Miscellaneous shipments 1/	Imports		
								3/
	Billions							
1990	709.7	523.2	178.8	164.3	14.5	1.4	14.1	525
1991	694.5	497.1	193.7	179.2	14.5	4/ 4.7	5/ 2.5	510
1992	718.5	509.4	213.0	205.6	7.4	4/ 6.6	5/ 18.1	500
1993	661.0	463.4	202.0	195.5	6.5	4/ 11.5	5/ 12.4	485
1994	725.5	488.6	231.6	220.2	11.4	3.5	17.5	486
1995	746.5	490.3	250.9	231.1	19.8	3.0	26.1	487
1996	754.5	486.0	261.0	243.9	17.1	2.8	18.9	487
1997	719.6	471.4	232.0	217.0	15.0	3.2	9.6	480
1998	679.7	457.9	212.5	201.3	11.2	4.3	8.4	465
1999 6/	635.0	433.0	160.0	151.4	8.6	8.7	15.3	435

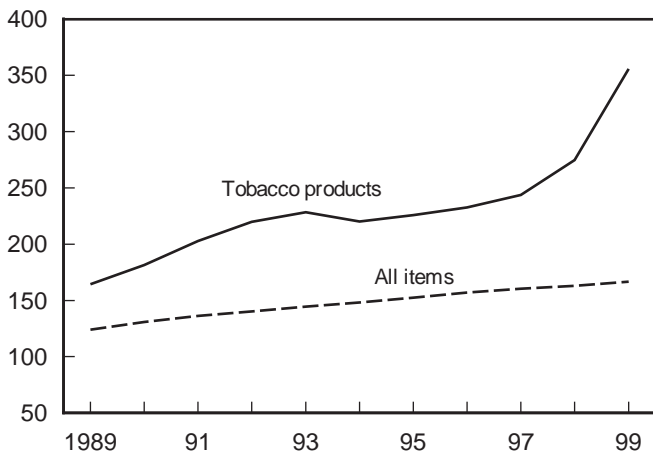
1/ Includes overseas armed forces, ship stores and small tax-exempt categories, and shipments to Puerto Rico and other U.S. possessions. 2/ Inventory change and unaccounted for. 3/ Taxable removals, misc. shipments, inventory change, and imports. 4/ Includes imports from Canada, many of which were likely re-exported to Canada. 5/ Adjusted for re-exports to Canada. 6/ Estimated, subject to revision.

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

Figure 1

### Consumer price index and tobacco product prices

% of 1982-84



Source: Bureau of Labor Statistics, USDL.

price of cigarettes (including Federal excise tax) at the end of January 2000 was \$117.70 per 1,000 cigarettes compared with \$97.20 per 1,000 at the beginning of 1999.

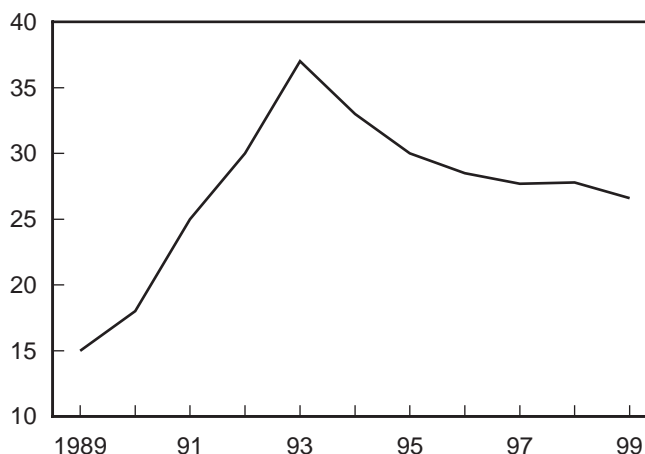
#### Grey Market Takes Off in 1999

During 1998/99, the large differential between the manufacturer's wholesale price and the export price of U.S. cigarettes has created an opportunity for arbitrage. Independent traders export U.S. manufactured cigarettes and then re-import them into the United States, paying import duties and excise taxes. Because cigarettes sold for export are priced so low, it is possible to import the cigarettes into the United States in this fashion and make a profit, while selling them at a lower price than cigarettes produced for the domestic market. In 1999, grey market imports were estimated at 3-4.5 billion pieces, less than 1 percent of total consumption. Legislation prohibiting grey-market sales

Figure 2

### Discount cigarette share of U.S. cigarette consumption

Percent



Source: Economic Research Service, USDA.

became effective in January 2000, and grey market sales are expected to cease.

#### Cigar, Snuff, and Smoking Tobacco Use Advance

Estimated consumption of large cigars (including cigarillos) increased once again in 1999, gaining 2 percent, but less than the gain in 1998. U.S. smokers consumed about 3.7 billion large cigars. Production of small cigars (those using less than 3 pounds of tobacco per 1,000 cigars) rose sharply, to an estimated 2,185 million, 28 percent above 1998.

Snuff consumption rose in 1999. Output of snuff advanced 2 percent to 67.0 million pounds. During the past 5 years, snuff consumption advances have averaged 2 percent each year. Output of chewing tobacco fell 5 percent in 1999 as did taxable removals. Smoking tobacco output advanced for

Table 2--Per capita consumption of tobacco products in the United States (including overseas forces), 1990-99

Year	Per capita 16 years and over Number	Per capita 18 years and over			Per male 18 years and over				
		Cigarettes 1/ Number	Snuff 2/ --- Pounds ---	All tobacco products	Large cigars & cigarillos Number	Smoking tobacco 2/ --- Pounds ---	Chewing tobacco 2/ --- Pounds ---		
								4.9	.28
1990	2,737	2,834	4.9	.28	5.62	26.4	0.43	0.20	0.80
1991	2,632	2,727	4.8	.28	5.54	25.1	0.41	0.18	0.80
1992	2,555	2,647	4.6	.29	5.30	24.5	0.40	0.18	0.75
1993	2,453	2,543	4.7	.30	5.39	23.4	0.38	0.17	0.70
1994	2,435	2,524	4.2	.32	4.90	25.3	0.41	0.16	0.67
1995	2,415	2,505	4.2	.31	4.67	27.5	0.45	0.13	0.67
1996 3/	2,365	2,484	4.2	.31	4.70	32.7	0.54	0.12	0.64
1997 3/	2,305	2,422	4.3	.32	5.07	36.9	0.63	0.16	0.60
1998 3/	2,229	2,320	3.8	.32	4.58	37.9	0.65	0.17	0.54
1999 4/	2,065	2,146	3.5	.32	4.29	39.0	0.67	0.19	0.53

1/ Unstemmed processing weight. 2/ Finished product weight. 3/ Revised due to changes in Bureau of Census data. 4/ Preliminary.

Source: Economic Research Service, USDA.

the second straight year, reaching 14.7 million pounds, 18 percent over 1998 and 29 percent over record-low levels in 1997. This is the first time since 1950 that smoking tobacco output has risen for two consecutive years. Taxable removals of smoking tobacco reached 13.4 million pounds, 12 percent above 1998. Much of the gain may be due to the growing

roll-your-own (RYO) segment. Higher retail prices and taxes have encouraged some consumers to roll their own cigarettes. Cut leaf, the type mostly used in RYO, increased 21 percent in 1999. Use of other tobacco products, mostly chewing tobacco, is expected to continue declining.

Table 3--Wholesale premium brand cigarette price revisions, 1990-2000 1/

Approximate date of change 2/	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
	Dollars							
June-1990	51.15	52.65	51.15	52.65	43.15	44.65	43.15	44.65
Dec.-1990	53.65	55.15	53.65	55.15	45.65	47.15	45.65	47.15
Jan.-Feb. 1991 3/	55.75	57.25	55.75	57.25	45.75	47.25	45.75	47.25
Mar.-1991	56.50	58.00	56.50	58.00	46.50	48.00	46.50	48.00
June-1991	58.25	59.75	58.25	59.75	48.25	49.75	48.25	49.75
Nov.-1991	61.00	62.50	61.00	62.50	51.00	52.50	51.00	52.50
Apr.-1992	63.75	65.25	63.75	65.25	53.75	55.25	53.75	55.25
July-1992	66.25	67.75	66.25	67.75	56.25	57.75	56.25	57.75
Nov.-1992	69.00	70.50	69.00	70.50	59.00	60.50	59.00	60.50
Jan.-1993 4/	71.10	72.60	71.10	72.60	59.10	60.60	59.10	60.60
Mar.-1993	72.10	73.60	72.10	73.60	60.10	61.60	60.10	61.60
Aug.-1993	53.95	53.95	53.95	53.95	41.95	41.95	41.95	41.95
Nov.-1993	55.95	55.95	55.95	55.95	43.95	43.95	43.95	43.95
May 1995 5/	57.45	57.45	57.45	57.45	45.45	45.45	45.45	45.45
May 1996	59.45	59.45	59.45	59.45	47.45	47.45	47.45	47.45
Mar.-1997	61.95	61.95	61.95	61.95	49.95	49.95	49.95	49.95
Sep.-1997	65.45	65.45	65.45	65.45	53.45	53.45	53.45	53.45
Jan.-1998	66.70	66.70	66.70	66.70	54.70	54.70	54.70	54.70
Apr.-1998	69.20	69.20	69.20	69.20	57.20	57.20	57.20	57.20
May 1998	71.70	71.70	71.70	71.70	59.70	59.70	59.70	59.70
Aug.-1998	74.70	74.70	74.70	74.70	62.70	62.70	62.70	62.70
Nov.-1998	97.20	97.20	97.20	97.20	85.20	85.20	85.20	85.20
Aug.-1999	106.20	106.20	106.20	106.20	94.20	94.20	94.20	94.20
Jan.-2000 6/ 7/	117.70	117.70	117.70	117.70	100.70	100.70	100.70	100.70

1/ Includes leading brands. A 3-percent discount is made for payment within 10 days or 2 percent within 14 days. 2/ For 1980-89 see TBS-238, April 1997.

3/ Effective January 1, 1991, the Federal excise tax increased to \$10.00 per 1,000 cigarettes. 4/ Effective January 1, 1993, the Federal excise tax increased to \$12.00 per 1,000 cigarettes. 5/ No changes in 1994. 6/ Last price change. 7/ Effective Jan 1, 2000, Federal excise tax increases to \$17 per 1,000.

Note: The prices in this table apply to cigarettes manufactured for domestic sales by U.S. manufacturers only. Cigarettes manufactured for export are not included. These prices do not include rebates, discounts, and other adjustments to the wholesale list price.

Source: News reports and miscellaneous sources.

Table 4--Cigarettes: Output of filter tip and nonfilter tip by length, 1997-99 1/

Item	1997		1998		1999	
	Output	Percent of total	Output	Percent of total	Output	Percent of total
	Billions	Percent	Billions	Percent	Billions	Percent
<b>Filter tip:</b>						
80 mm long and 85 mm king	462.8	64.3	429.1	63.1	392.4	61.9
100 mm extra long	233.7	32.5	230.1	33.8	226.9	35.7
120 mm	11.2	1.5	9.3	1.4	7.2	1.1
Total	707.7	98.3	668.5	98.3	626.5	98.7
<b>Nonfilter tip:</b>						
70 mm regular	6.7	0.9	5.1	0.8	3.3	0.5
85 mm king	5.2	0.7	6.4	0.9	4.4	0.7
Total	11.9	1.7	11.5	1.7	8.5	1.3
<b>Grand total</b>	<b>719.6</b>	<b>100.0</b>	<b>680.0</b>	<b>100.0</b>	<b>635.0</b>	<b>100.0</b>

1/ Cigarettes having other lengths were included in the most nearly comparable group.

Source: Economic Research Service, USDA.

Table 5--Tobacco products: Output and domestic invoices by category, 1990-99

Period	Chewing tobacco					Snuff dry	Snuff moist	Smoking tobacco	
	Plug-firm	Plug-moist	Twist	Loose leaf	Total 1/			in bulk (exports)	Small cigars 2/
	Million pounds							Millions	
Manufactured									
1990	5.1	2.3	1.2	64.3	72.9	6.8	46.3	58.0	1,253
1991	4.6	2.1	1.2	64.3	72.2	6.3	48.0	63.2	1,325
1992	4.0	1.9	1.2	61.6	68.7	6.6	50.9	59.1	1,310
1993	3.8	1.5	1.1	58.0	64.4	5.9	53.2	62.5	1,280
1994	3.3	1.3	1.1	56.8	62.5	5.6	53.9	77.0	1,410
1995	2.9	1.2	1.1	57.7	62.9	5.6	54.6	91.8	1,430
1996	2.9	1.0	1.1	56.0	61.1	4.0	57.5	110.4	1,502
1997	2.6	0.9	1.0	53.7	58.1	4.4	59.9	118.2	1,476
1998	2.4	0.7	1.0	49.2	53.3	4.3	61.2	142.5	1,710
1999 4/	2.2	0.6	0.9	47.2	50.9	3.7	63.3	151.0	2,185
Invoiced to domestic customers 3/									
1990	5.0	2.2	1.2	62.3	70.7	6.8	44.5	**	1,214
1991	4.4	2.0	1.2	63.7	71.3	6.4	47.0	**	1,292
1992	3.9	1.7	1.2	60.9	67.7	6.1	49.4	**	1,302
1993	3.6	1.4	1.1	57.7	63.8	5.6	51.2	**	1,271
1994	3.1	1.2	1.1	56.4	61.8	5.4	53.2	**	1,377
1995	3.0	1.1	1.1	57.0	62.2	5.3	54.1	**	1,397
1996	2.8	1.0	1.1	55.1	60.0	4.6	56.8	**	1,504
1997	2.5	0.8	1.0	52.5	56.8	4.4	57.7	**	1,587
1998	2.3	0.7	1.0	48.6	52.5	4.1	59.9	**	1,638
1999 4/	2.1	0.6	0.9	46.9	50.5	3.9	61.6	**	2,030

\*\* = Not applicable.

1/ Details may not add to total due to rounding. 2/ Weight not more than 3 pounds per thousand. 3/ Taxable removals for small cigars. 4/ Preliminary.

Source: Agricultural Marketing Service, USDA.

Table 6--Cigars and smoking tobacco: U.S. output, removals, and consumption, 1990-99

Year	Total output	Taxable removals	Tax-exempt removals	Imports	Exports	Total U.S. consumption 1/
Million						
Large cigars and cigarillos:						
1990	1,896	2,232	74	111	72	2,345
1991	1,740	2,134	73	109	70	2,246
1992	1,741	2,106	78	111	76	2,219
1993	1,795	2,010	68	127	67	2,138
1994	1,942	2,188	78	146	75	2,337
1995	2,058	2,367	82	195	78	2,566
1996	2,413	2,720	98	320	67	3,071
1997	2,324	2,966	110	576	86	3,517
1998 2/	2,751	3,185	134	507	93	3,655
1999 3/	2,801	3,261	117	496	85	3,720
Million pounds						
Smoking tobacco:						
1990	16.4	15.3	0.5	2.9	0.8	17.9
1991	15.7	14.7	0.5	4/ 5.6	5/ 1.4	16.4
1992	14.9	14.1	0.6	4/ 5.7	5/ 1.2	15.9
1993	13.7	13.3	0.4	4/ 6.8	5/ 0.4	15.3
1994	13.5	12.6	0.5	4/ 3.9	5/ 0.5	14.7
1995	12.2	11.8	0.4	4/ 4.0	5/ 0.4	15.9
1996	12.0	11.3	0.4	4/ 4.2	5/ 0.7	15.3
1997	11.4	10.8	0.5	4/ 4.3	5/ 0.8	14.8
1998 2/	12.5	12.0	0.5	4/ 4.3	5/ 0.6	16.3
1999 3/	14.7	13.4	0.5	4.4	0.6	17.8

1/ Total removals (or sales) plus imports, minus exports. 2/ Subject to revision. 3/ Estimated. 4/ Total imports including re-exports to Canada.

5/ Adjusted to reflect estimated re-exports to Canada.

Sources: Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms; Bureau of the Census; and Agricultural Marketing Service, USDA.

Table 7--Tobacco demand factors, 1990-99

Year	Population July 1 1/ Millions	Disposable personal income, per capita 2/		Consumer price indexes 3/	
		Current prices	1992 prices	All items	Tobacco products
		----- Dollars -----		----- % of 1982-84 -----	
1990	185.8	16,205	17,941	130.7	181.5
1991	187.5	16,766	17,755	136.2	202.7
1992	189.3	17,636	18,062	140.3	219.8
1993	191.1	18,706	18,221	144.5	228.4
1994	192.9	19,381	18,431	148.2	220.0
1995	194.0	20,349	18,661	152.4	225.7
1996	196.1	5/ 20,840	5/ 18,989	156.9	232.8
1997	198.2	5/ 22,320	5/ 21,954	160.5	243.7
1998	200.4	5/ 23,231	5/ 22,636	163.0	274.8
1999 4/	202.7	24,304	23,309	166.6	355.8

1/ Eighteen years and older including forces overseas. 2/ Based on total population. 3/ All urban consumers. 4/ Subject to revision. 5/ Revised.

Source: Bureau of the Census, USDC.

# U.S. Exports and Imports

## U.S. Tobacco Trade Balance Slips \$1 Billion

The tobacco balance of trade—the value of manufactured and unmanufactured exports less imports (arrivals)—fell by \$1 billion or 20 percent in 1999. Lower export values for manufactured products were the main factor in the sharp decline. The value of U.S. leaf imports (arrivals) fell 3 percent to \$760 million from \$780 million. Imported product imports reached \$450 million, compared with \$483 million in 1998. Exports of unmanufactured tobacco and tobacco products were down sharply at \$5.2 billion in calendar 1999 from \$6.3 the previous year. The total tobacco balance of trade surplus fell from \$5.0 billion to \$4.0 billion.

Tobacco leaf export value fell 11 percent compared with the previous year. Cigarette export value fell due to lower volume despite slightly higher unit values. The Bureau of the Census recorded 142 countries as destinations for U.S. leaf and product exports in 1999.

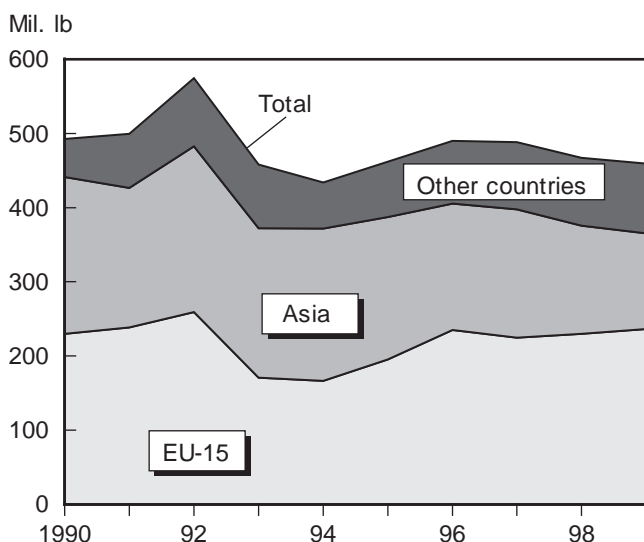
Imports for consumption of unmanufactured tobacco fell 3 percent in value to \$756 million, the biggest shift in the trade picture

## Leaf Tobacco Export Volume Slips Again in Calendar 1999

The volume of U.S. exports of unmanufactured tobacco in 1999 fell 11 percent compared with a year earlier to 417.5 million pounds, declared weight (189,375 metric tons) (table

Figure 3

### Export market for U.S. tobacco



Source: Bureau of the Census, USDC.

10). Declines were widespread. Only the Netherlands showed significant gains. Japan lowered purchases by 25 million pounds.

On a farm-sales weight basis, total leaf exports were about 586 million pounds. Exports of all types except unstemmed flue-cured, cigar binder, and “other leaf” declined. Export demand dampened because of declining smoking rates in some major importing countries and abundant world supplies of flue-cured leaf.

European markets, which typically buy more than half of U.S. leaf exports, purchased 223 million pounds of 1999 U.S. leaf. Japan purchased 60 million pounds.

Lower supplies, higher prices, and declining demand in some countries dampened calendar 1999 flue-cured exports, which declined from 244 million pounds in 1998 to 189 million pounds in 1999. Burley export volume slid 4 percent from 111 million pounds to 107 million pounds. Flue-cured export unit values declined, while burley unit values advanced. Maryland exports rose, ending at 4.9 million pounds. Kentucky-Tennessee fire-cured exports increased to 14.7 million pounds and Virginia fire- and sun-cured volume nearly doubled to 1.6 million pounds. Blackfat volume was less than 10,000 pounds. Cigar wrapper exports fell, and binder exports advanced. Shipments of stems and refuse increased, and other leaf slipped.

Table 8--U.S. cigarette exports to leading destinations, 1997-99

	1997	1998	1999 1/
	Billions		
Japan	67.7	70.9	72.5
European Union	50.0	48.9	20.3
Lebanon	10.3	10.9	5.7
Saudi Arabia	9.3	8.7	0.8
Russia	10.3	7.3	0.8
Azerbaijan	0.8	7.0	1.8
Singapore	5.9	5.8	3.3
Cyprus	9.9	5.3	6.0
Israel	3.2	4.0	4.4
Hong Kong	4.3	3.7	3.2
Ukraine	3.4	3.3	0.4
Paraguay	2.2	2.3	0.9
Taiwan	2.8	2.2	1.9
United Arab Emirates	1.8	1.8	1.6
Kuwait	1.9	1.8	1.9
Morocco	1.8	1.8	1.4
South Korea	7.2	1.2	2.8
Panama	2.4	0.9	0.5
Mexico	0.9	0.3	0.3
Other countries	20.9	13.2	20.9
<b>Total</b>	<b>217.0</b>	<b>201.3</b>	<b>151.4</b>

1/ Subject to revision.

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



## Calendar Year Imports Steady at Nearly 500 Million Pounds

Total imports of tobacco for consumption (duty paid) were virtually unchanged at 498 million pounds. Last year, imports fell 24 percent, however they are still at historically high levels. In 1999, the United States imported 10 percent more cigarette leaf and 15 percent less cigar leaf, while stems slipped 26 percent. Cigarette scrap imports were nil, and cigar scrap imports were higher but still less than 1 million pounds.

U.S. stocks of imported cigarette tobacco were 86 million pounds lower on January 1, 2000, than a year earlier (table 14). Imported flue-cured stocks fell 7 percent, and burley stocks fell 4 percent. Oriental leaf stocks fell 14 percent. Imported cigar leaf stocks fell 3 percent.

## Tariff-Rate Quota Activity

President Clinton proclaimed a tariff-rate quota (TRQ) effective September 13, 1995, for certain types of imported

tobacco, primarily flue-cured and burley. The proclamation also eliminated duties on Oriental and cigar wrapper, binder, and filler tobacco.

The total quantity allowed under the tariff-rate quota is 333 million pounds, declared weight, for September 13, 1999, through September 12, 2000. Through April 18th, 25 percent of the total quota allocation had been imported. The TRQ is designed to manage U.S. cigarette leaf tobacco imports, particularly flue-cured and burley type tobaccos, which are imported for the purpose of manufacturing cigarettes in the United States. Imports of cigarette leaf tobaccos (excluding Oriental) that exceed predetermined quota are subject to an import duty of 350 percent *ad valorem*, although a drawback provision allows most of the duty to be refunded if the imported leaf is re-exported as leaf or manufactured products such as cigarettes.

Table 9--U.S. tobacco exports and imports: Unmanufactured and manufactured, 1990-99

Year	Exports			Imports 1/			Net exports (value)		
	Unmanufactured		Manu- factured	Unmanufactured		Manu- factured	Unmanu- factured	Manu- factured	Total
	Quantity 2/ Million pounds	Value --Million dollars--		Quantity 2/ Million pounds	Value --Million dollars--				
1990	492.5	1,439.9	5,037.6	438.4	696.7	120.3	743.2	4,917.3	5,660.5
1991	499.3	1,426.9	4,568.9	590.0	991.3	219.4	425.6	4,252.0	4,787.6
1992	574.4	1,649.9	4,507.4	716.6	948.9	358.6	701.0	4,148.8	4,849.8
1993	458.0	1,305.5	4,250.8	792.6	943.4	605.1	362.1	3,645.7	4,007.8
1994	433.9	1,302.1	5,363.4	582.3	692.7	161.9	609.4	5,201.5	5,810.9
1995	461.8	1,399.3	5,218.0	439.2	555.7	183.7	843.6	5,034.3	5,877.9
1996	489.9	1,389.4	5,234.9	719.7	1,052.5	279.4	326.4	4,955.5	5,281.8
1997	488.3	1,553.3	4,953.5	676.5	1,128.8	497.0	424.5	4,456.5	4,881.0
1998	467.2	1,458.8	4,824.7	551.2	779.7	483.2	679.1	4,341.5	5,020.6
1999	417.5	1,294.4	3,882.1	533.2	756.6	449.9	537.8	3,432.2	3,970.0

1/ Arrivals. 2/ Declared weight.

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

Table 10--U.S. exports of unmanufactured tobacco by types and to principal importing countries, 1996-99 (declared weight)

Type & country	1996	1997	1998	1999 1/	Change 1998-99
	Million pounds				Percent
Type					
Flue-cured	248.7	256.7	243.5	188.6	-22.5
Burley	115.1	125.2	110.6	106.8	-3.4
Maryland	4.6	5.3	3.8	4.9	28.9
Fire-cured, Ky. and Tenn.	11.7	14.9	14.3	14.7	2.8
Virginia fire & sun-cured	1.1	1.0	0.7	1.6	128.6
Blackfat	2.1	1.1	*	*	
Cigar wrapper	3.5	5.3	5.0	5.4	8.0
Cigar binder	0.3	0.4	0.5	0.7	40.0
Stems and refuse	74.9	54.8	59.7	65.9	10.4
Other leaf	27.9	23.5	28.9	28.8	-0.3
Total 2/	489.8	488.3	467.2	417.5	-10.6
Country of destination					
Austria	1.0	0.2	0.1	*	*
Finland	0.2	1.8	1.0	2.0	100.0
Sweden	3.7	5.2	2.6	3.9	50.0
Greece	0.5	1.0	0.5	0.6	20.0
United Kingdom	34.4	18.2	15.6	9.0	-42.3
France	3.2	7.0	6.6	5.6	-15.2
Belgium-Luxembourg	39.7	39.1	25.3	18.3	-27.7
Netherlands	40.4	30.2	44.0	64.5	46.6
Germany	60.1	72.2	84.6	71.9	-15.0
Denmark	15.1	15.5	14.8	14.9	0.7
Ireland	0.5	0.2	0.4	*	*
Italy	17.3	18.3	14.0	15.1	7.9
Portugal	*	*	3.2	1.3	*
Spain	18.0	16.0	17.5	15.5	-11.3
Total EU-15 2/	234.1	224.9	226.7	222.6	-3.9
Canada	2.9	3.6	1.0	0.7	24.9
Switzerland	14.9	11.4	10.3	16.1	-23.5
Norway	2.8	2.5	3.2	1.8	-9.4
Thailand	15.9	21.6	14.2	6.8	35.4
Rep. of Korea	14.5	15.6	9.4	12.7	7.8
Malaysia	14.7	19.5	10.8	11.7	32.9
Philippines	6.4	7.6	5.0	0.6	19.1
Taiwan	9.2	10.9	10.7	4.4	18.0
Japan	88.7	80.5	85.3	60.3	-9.2
Hong Kong	5.4	4.7	0.9	0.1	-12.2
Australia	5.6	4.2	5.0	3.2	-25.4
New Zealand	1.7	0.7	0.5	0.5	-59.9
Egypt	0.7	0.4	1.0	0.8	-41.3
Turkey	34.1	42.2	44.2	23.0	23.7
Dominican Republic	5.8	9.4	8.2	10.7	61.0
Singapore	7.5	3.8	2.4	0.8	-49.3
Nigeria	0.8	2.5	3.1	3.6	212.1
Other countries	24.1	22.3	25.3	37.1	-13.1
Total 2/	489.8	488.3	467.2	417.5	-4.3

\* = Negligible.

1/ Preliminary. 2/ Details may not add to total due to rounding.

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

Table 11--U.S. smoking tobacco exports, (January-December), 1996-99

Country	1996	1997	1998	1999
Million pounds				
Smoking tobacco in bulk:				
Finland	5.9	4.0	2.7	3.1
Germany	3.4	1.0	0.4	1.1
Belgium-Luxembourg	16.7	21.9	13.1	11.3
Poland	5.2	9.6	9.2	9.5
Netherlands	10.6	21.9	11.2	13.1
Austria	2.5	3.7	3.1	3.1
Spain	18.4	12.6	21.8	14.7
Malaysia	0.4	0.7	0.3	1.4
Japan	5.7	9.3	12.6	24.4
Hong Kong	1.5	0.1	0.3	*
Turkey	20.1	22.1	28.3	26.0
Egypt	6.4	6.3	13.2	18.8
Other countries	19.3	5.0	26.3	24.6
Total	110.4	118.2	142.5	151.1

\* = Negligible.

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

Table 12--Flue-cured, burley, and Oriental tobacco production in specified countries, 1997-99

Country	1997	1998	1999 1/
1,000 metric tons			
Flue-cured:			
Argentina	75	82	60
Canada	70	69	65
Mexico	8	11	11
Brazil	429	315	440
Malawi	15	14	11
Zimbabwe	187	216	192
Tanzania	25	25	25
South Africa	23	28	27
Taiwan	8	11	10
India	171	162	172
Indonesia	43	52	53
Japan	46	43	43
South Korea	36	36	39
Pakistan	47	52	60
Philippines	40	46	41
Thailand	23	25	23
China	3,908	2,740	2,182
Total 2/	5,292	4,020	4,124
Burley:			
Italy	47	48	45
Mexico	24	36	26
Greece	14	14	14
South Korea	18	19	20
Malawi	134	114	109
Brazil	100	85	100
Argentina	36	29	41
Spain	13	13	13
Total 2/	943	919	923
Oriental:			
Greece	80	84	83
Bulgaria	65	33	36
Turkey	290	254	252
Total 2/	695	630	639

1/ Subject to revision. Based on most recent estimates. 2/ Totals may not add due to countries not included in table.

Compiled from reports of Foreign Agricultural Service.

Table 13--U.S. imports of unmanufactured tobacco for consumption and general imports, principal categories, and countries of origin, 1996-99 (declared weight)

Item	Imports for consumption					General imports (arrivals)				
	1996	1997	1998	1999 1/	Change 1998-99	1996	1997	1998	1999 1/	Change 1998-99
	Million pounds				Percent	Million pounds				Percent
Cigarette tobacco										
Leaf (unstemmed):										
Oriental										
Turkey	138.0	138.7	127.1	76.5	-40	145.0	132.2	114.0	86.7	-24
Greece	25.9	29.0	18.0	12.3	-32	33.2	19.1	14.7	19.4	32
Macedonia	7.0	8.5	9.9	9.4	-5	11.8	9.1	6.5	11.4	75
Other countries	28.0	14.2	29.2	21.9	-25	8.7	17.9	25.4	20.3	-20
Total Oriental	198.9	190.3	184.2	120.1	-35	198.7	178.2	160.6	137.8	-14
Flue-cured										
Burley	3.8	4.6	8.3	7.4	-11	2.7	4.6	7.9	7.4	-6
Other (unstemmed)	2.9	*	0.4	0.7	75	2.2	2.1	3.2	4.6	44
Subtotal	*	*	*	0.6	--	*	0.1	*	0.6	--
Subtotal	205.6	194.9	192.9	128.8	-33	203.6	185.1	171.7	150.4	-12
Leaf (stemmed):										
Flue-cured--										
Brazil	81.6	83.8	32.9	70.9	116	103.8	106.9	47.5	57.3	21
Argentina	16.6	26.2	3.9	13.7	251	18.5	22.9	9.9	19.4	96
Zimbabwe	14.5	8.8	6.5	12.3	88	19.7	17.3	13.9	17.7	27
Other countries	14.6	19.3	15.0	25.8	72	22.5	18.2	13.3	21.4	61
Total flue-cured	127.4	138.0	58.3	122.7	110	164.5	165.3	84.6	115.8	37
NSPF--										
Guatemala	6.5	8.4	9.3	0.2	-98	6.5	10.2	7.6	4.8	-37
Brazil	24.7	21.1	6.3	6.3	0	24.0	34.8	17.7	29.0	64
Chile	5.2	3.8	3.6	*	--	5.2	3.8	3.6	*	--
Argentina	14.5	13.2	5.2	5.2	0	12.4	13.8	5.6	4.6	-18
Mexico	9.7	11.5	9.6	6.4	-33	12.8	10.5	9.3	5.7	-39
Italy	4.3	3.7	2.2	2.2	0	7.4	7.6	7.2	4.3	-40
Zimbabwe	1.6	5.1	1.2	2.8	133	2.8	4.7	2.4	2.0	-17
Thailand	18.7	17.0	5.7	13.7	140	18.8	16.5	6.7	12.6	88
Malawi	28.8	47.8	15.8	24.3	54	36.2	45.9	33.4	33.2	-1
Other countries	14.1	10.8	4.9	31.3	539	13.1	7.2	0.8	17.9	2138
Total NSPF	131.5	142.4	63.8	92.4	45	139.2	154.9	94.3	114.1	21
Subtotal	464.4	475.4	315.0	343.9	9	507.3	505.4	350.6	380.3	8
Manufactured or not manufactured categories 2/	1.3	3.3	4.5	5.9	31	1.5	4.0	4.9	5.6	14
Scrap:										
Dominican Republic	*	*	*	*	--	*	*	*	*	--
Turkey	*	*	*	*	--	*	*	*	*	--
Other countries	*	*	*	*	--	*	*	*	*	--
Subtotal	*	*	*	*	--	*	*	*	*	--
Total cigarette tobacco	465.8	478.6	319.5	349.8	9	508.8	509.3	355.5	385.9	9
Cigar tobacco:										
Wrapper										
Wrapper	2.3	3.2	2.1	6.5	210	2.3	3.2	2.1	2.0	-5
Filler (stemmed and unstemmed)										
Turkey	*	*	*	*	--	*	*	*	*	--
Dominican Republic	12.5	16.4	13.7	11.9	-13	12.8	16.6	13.7	11.9	-13
Indonesia	13.7	25.0	13.8	9.2	-33	13.9	25.0	13.6	11.3	-17
Brazil	2.6	2.4	1.2	1.9	58	2.6	2.9	2.4	1.5	-38
Other countries	30.3	37.1	33.9	25.6	-24	35.3	39.5	34.6	27.0	-22
Subtotal	59.1	80.9	62.6	48.6	-22	64.6	84.0	64.3	51.7	-20
Scrap:										
Philippines	*					*	*	*	*	--
Dominican Republic	0.3	0.3	*	*	--	0.4	0.2	*	*	--
Italy	*	*	*	*	--	*	*	0.0	*	--
Other countries	0.5	0.7	0.8	0.9	13	0.5	0.8	0.8	0.9	13
Subtotal	0.8	1.0	0.8	0.9	13	0.9	1.0	0.8	0.9	13
Total cigar tobacco	62.1	85.1	65.5	56.0	-15	67.8	88.2	67.2	54.6	-19
Other stemmed and unstemmed										
Other stemmed and unstemmed	3.1	1.9	4.6	6.0	30	3.3	2.4	4.9	3.7	-24
Stems	137.0	86.1	107.7	79.7	-26	134.2	80.5	121.5	87.0	-28
GRAND TOTAL	670.2	655.1	499.4	498.0	0	716.3	683.7	551.2	533.2	-3

\* = Negligible. -- = not available. 1/ Preliminary. 2/ Includes tobacco, manufactured or not manufactured, except smoking tobacco in retail packages, flue-cured, and tobacco, manufactured or not manufactured, not specially provided for (other).

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

Table 14--Imported foreign-grown cigarette leaf stocks, by quarters, 1989-2000

Year	Jan. 1	Apr. 1	July 1	Oct. 1	Jan. 1	Apr. 1	July 1	Oct. 1
Million pounds 1/								
----Foreign-grown flue-cured----				----Foreign-grown oriental and aromatic----				
1989	197	178	183	199	330	332	334	293
1990	181	170	188	202	325	348	339	296
1991	185	169	189	198	313	331	341	326
1992	194	191	231	269	396	405	401	356
1993	259	241	288	298	334	369	385	354
1994	277	276	296	287	350	330	349	352
1995	339	352	331	352	342	342	328	280
1996	364	391	391	406	308	428	332	306
1997	400	384	451	435	323	352	369	334
1998	434	406	416	395	335	356	352	340
1999	377	352	350	341	344	271	329	292
2000	352				295			
-----Foreign-grown burley-----				-----Total imported cigarette leaf-----				
1989	171	157	170	151	698	667	687	643
1990	153	154	148	167	659	672	675	664
1991	166	159	180	228	664	660	710	752
1992	235	224	230	247	825	820	862	872
1993	259	285	296	319	866	895	969	972
1994	295	281	292	295	922	887	936	934
1995	323	326	298	305	1,003	1,019	957	937
1996	312	298	290	311	998	1,128	1,024	1,032
1997	310	221	325	374	1,043	966	1,156	1,154
1998	368	325	300	325	1,149	1,097	1,079	1,070
1999	315	297	280	286	1,046	988	970	930
2000	303				960			

1/ Farm-sales weight.

Source: Agricultural Marketing Service, USDA.

# U.S. Tobacco Leaf Situation and Outlook<sup>1</sup>

## **Domestic Supplies Increase in 1999/2000**

Higher beginning stocks offset lower marketings, boosting the supply of domestic leaf up 400 million pounds for 1999/2000 (July-June for flue-cured and October-September for burley and other kinds) to 4.1 billion pounds. On January 1, 1999, domestic leaf stocks were down 6 percent from a year earlier. However, by the end of the current marketing year, stocks are expected to be higher than the 2.3 billion pound carryover on July 1, 1999, (October 1 for burley and other kinds). With average yields, 2000 U.S. tobacco production will be about 1.0 billion pounds, 18 percent lower than last year.

Auction marketings of flue-cured slipped 21 percent (table 24) in 1999/2000 from a year earlier. Burley marketings fell about 7 percent. Sales of Maryland are up, and fire-cured and dark air-cured are down sharply. Cigar tobacco production is expected to slide by 3 million pounds.

All tobacco types other than Maryland, Pennsylvania filler, Connecticut binder, shade-grown wrapper, and Perique are under quotas. Except for farms on which producers in recent years have planted or received planted credit of less than 75 percent of the farm's acreage allotment, 1999 tobacco allotments are lowered 5 percent for Virginia fire-cured; unchanged for Virginia sun-cured; up 5 percent for dark air-cured, and 7.5 percent higher for Kentucky-Tennessee fire-cured tobacco, reaching 17,201 acres. Cigar filler and binder tobacco allotments fell 17.5 percent. Acreage allotments unused in recent years were adjusted downward.

As of March 1, U.S. tobacco growers indicated they intended to harvest 500,700 acres of tobacco in 2000, 22 percent less than last year. Reacting to an 18-percent decrease in the 2000 effective quota (similar to last season), flue-cured growers indicated they would harvest 253,900 acres, down 16 percent from last season. Burley growers are planning to harvest 207,700 acres, about 31 percent less than last season. In 1999, intentions were 4 percent less than the final harvested acreage and, in 1998 they were 1 percent more.

## **Costs Expected To Rise**

Production and marketing costs of flue-cured tobacco will increase in 2000, as costs of most inputs likely will rise. Total costs per acre (excluding land, quota, and the no-net-cost and marketing assessments) are expected to increase 2 to 4 percent from a year ago. Similar increases are expected for variable costs. Burley costs are also expected to increase 2 to 4

percent. Quota rental rates in 2000/01 are likely to increase substantially due to lower flue-cured and burley quotas and cross county lease and transfer in some burley States.

Since lease and transfer of flue-cured quotas were eliminated in 1988 (except when a farm experiences a natural disaster), growers have used other options to obtain quotas. These options include: (1) cash or share renting the quota and growing the tobacco on the farm to which the quota is established; (2) purchasing quota; and (3) combining more than one farm into a single farming unit. To combine farms, the operator must have complete control over the entire farm operation. Also, the same accounting system and management must be used on all tracts. Furthermore, the rental agreement must last more than one year and include a rotation of one or more program, allotment, or other crops among tracts.

Since 1991, burley growers can both lease and transfer and purchase quota within counties throughout the Burley belt. Furthermore, since 1991, Tennessee growers can lease and transfer burley quota across county lines within the State.

## **Cross County Leasing for Burley**

The U.S. Department of Agriculture announced on February 1, 2000, that results from a mail referendum held January 10 through 14 in Indiana, Kentucky, and Ohio show burley quota growers voted to approve lease and transfer of burley quota across county lines within the State. Beginning with the 2000 crop year, producers in Indiana, Kentucky, and Ohio will be allowed to lease and transfer burley quota across county lines within the respective State.

Previously, such leasing within those States was only allowed within the same county. Referenda were previously allowed in Tennessee and Virginia in which Tennessee growers favored cross-county-line leasing, whereas Virginia growers opposed such leasing.

## **Price Supports and Assessments in 2000**

Price supports are available to eligible growers through government loans to producer associations. To be eligible, producers must pay assessments to the no-net-cost account established by the associations. Producers and buyers share the assessments for flue-cured and burley tobaccos. Growers of other kinds pay the full amount. From 1991 through 1998, growers and purchasers of tobacco under the price support program were required to pay a marketing assessment. Grower and buyer contributions were equal to 1 percent of the loan rate and are divided equally.

Growers must also certify that any pesticides applied to the tobacco crop were EPA-approved and used according to

<sup>1</sup> All quantities in this section are in farm-sales weight unless otherwise noted. Years refer to marketing years; July-June for flue-cured and cigar wrapper (type 61) and October-September for all other types, unless otherwise noted.

Table 15--Flue-cured and burley tobacco: Marketing quota and marketings, 1980-2000

Year	Quota		Marketings			Effective Under-quota 1/	Net carryover 2/
	Basic	Effective	Actual	Over-quota	Under-quota		
Million pounds							
Flue-cured, types 11-14							
1980	1,094.4	1,186.5	1,086.1	36.0	137.9	135.1	99.1
1981	1,012.9	1,111.4	1,144.3	64.9	31.3	29.2	-35.6
1982	1,013.0	976.8	993.8	54.4	37.5	30.6	-23.8
1983	910.5	886.7	854.8	31.2	67.1	65.6	34.4
1984	804.3	831.7	849.6	42.6	32.8	31.5	-11.1
1985	775.0	758.0	789.4	51.1	24.8	16.4	-34.7
1986	728.5	699.4	666.9	10.5	45.3	43.8	33.3
1987	707.0	740.0	683.2	9.3	68.8	65.6	56.3
1988	754.3	811.8	796.1	13.4	28.4	25.0	11.6
1989	890.5	903.6	838.1	12.7	68.5	67.3	54.6
1990	877.7	936.1	920.2	15.0	30.6	28.6	13.6
1991	877.6	891.5	882.5	15.3	24.3	23.3	8.0
1992	891.8	899.0	901.0	15.7	14.2	13.5	-2.2
1993	892.0	889.6	891.7	16.2	13.1	12.5	-3.7
1994	802.6	798.5	806.8	16.7	8.2	7.7	-9.9
1995	934.6	924.9	854.2	9.7	80.1	79.5	69.8
1996	873.6	943.6	896.7	12.5	59.8	58.5	46.0
1997	973.8	1,019.8	1,013.5	13.0	17.4	16.8	3.8
1998	814.3	819.6	815.2	12.9	13.3	16.7	4.8
1999 3/	667.7	671.5	645.0	9.7	27.6	26.4	17.2
2000 4/	543.5	560.6					
Burley, type 31							
1980	614.4	768.9	557.5	11.6	224.3	200.1	181.8
1981	660.1	841.9	725.6	25.2	143.0	129.4	104.1
1982	680.3	777.8	776.7	46.8	50.9	41.2	-3.5
1983	646.6	641.0	526.7	13.7	132.4	127.6	113.9
1984	581.8	697.0	674.0	37.8	59.8	54.5	16.7
1985	524.4	541.7	541.9	37.2	36.4	31.9	5.3
1986	493.5	488.2	419.8	6.7	74.8	67.9	61.2
1987	463.9	524.8	427.5	5.2	101.6	91.2	86.0
1988	473.4	559.0	468.1	7.4	95.6	81.8	74.4
1989	586.9	660.7	498.3	6.1	165.2	146.4	140.3
1990	601.3	741.2	592.2	8.8	159.4	139.5	130.7
1991	724.1	846.1	657.0	7.6	197.3	175.4	167.8
1992	668.5	835.6	699.8	10.3	141.0	124.6	114.3
1993	601.9	717.9	626.6	9.8	93.1	83.3	73.4
1994	536.3	605.9	568.0	11.5	48.0	43.5	32.0
1995	546.5	577.9	480.4	5.9	100.3	93.9	88.0
1996	631.3	719.8	516.3	4.3	190.8	180.9	176.6
1997	704.5	879.8	628.8	5.3	253.5	236.3	231.0
1998	635.4	867.5	588.0	4.6	280.2	245.1	240.5
1999 3/	451.4	690.1	549.7	--	--	--	--
2000 4/	247.4	367.4					

-- = Not available.

1/ Under quota marketings less ineligible carryover. 2/ Effective under quota marketings less over quota marketings. 3/ Subject to revision. 4/ Preliminary.

Compiled from records of the Tobacco and Peanuts Division, FSA

label directions. To obtain price support for flue-cured tobacco, USDA requires that growers designate to USDA a warehouse where they intend to sell the tobacco.

Growers of flue-cured tobacco approved marketing quotas for the 1998, 1999, and 2000 marketing years in a referendum held January 12-15, 1998. In a referendum held February 23-27, 1998, burley growers voted to continue marketing quotas on a poundage basis for the 1998, 1999, and 2000 marketing years. Growers of Maryland, Pennsylvania filler, and Connecticut binder (types 51-52) have no price supports because they turned down marketing quotas in referenda this year.

Growers of Virginia fire-cured, Kentucky-Tennessee fire-cured, and Kentucky-Tennessee dark air-cured voted to accept marketing quotas for the 2000, 2001, and 2002 marketing years in two referenda held on March 20-24, 2000. Growers of Wisconsin and Ohio filler and binder voted in March 1999 to accept quotas for the next three crops (1999, 2000, and 2001). Growers of Virginia sun-cured (type 37) voted on March 23-26, 1998, to approve quotas for the 1998, 1999, and 2000 crop years.

The 2000 flue-cured no-net-cost assessment is 5 cents per pound; 2.5 cents for producers and 2.5 cents for purchasers.

The no-net-cost assessment for burley tobacco is 6 cents per pound for the 2000 crop, split evenly between producers and purchasers. The Agricultural Act of 1949, as amended in 1986, requires that producers and purchasers share equally in no-net-cost assessments, to the extent possible, in maintaining the no-net-cost account for 1985 and subsequent crops of flue-cured and burley tobacco. No-net-cost assessments for other kinds of tobacco will be announced later.

USDA has set the 2000 flue-cured support level at \$1.640 per pound, 0.8 cent above 1999, and the burley support at \$1.805, 1.6 cents above 1999. Price supports for flue-cured and burley are calculated using the level of the preceding year, adjusted by changes in the 5-year moving average of market prices, excluding the highest and lowest (two-thirds weight) and changes in a cost-of-production index (one-third weight).

For other types, maximum support rates continue to be based on changes in the average of the parity index during the three previous years compared with 1959. But loan associations can request reduced support if warranted by market conditions. Supports for Virginia sun- and air-cured, Kentucky-Tennessee fire-cured and dark air-cured, and cigar filler and binder types are unchanged for the 2000 marketing year.

Table 16--Flue-cured and burley marketing quotas: Formula components and manufacturer purchases, 1990-2000

Kind of tobacco and item	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	Million pounds										
<b>Flue-cured</b>											
Purchase intentions	491.5	483.5	497.2	473.0	288.0	569.9	475.5	535.5	454.6	327.0	286.0
Exports (3-year avg.)	366.1	380.3	393.7	405.6	391.3	371.5	344.8	343.3	371.9	355.2	334.1
Reserve stock adjustment	20.1	-9.1	0.9	9.6	-183.0	22.1	80.3	125.1	-42.4	-35.4	-92.9
Total 1/	877.7	854.7	891.8	888.2	496.3	963.5	900.6	1,003.7	784.1	646.8	527.2
Secretary s discretion	0.0	23.0	0.0	3.6	**	-28.9	-27.0	-30.1	23.5	19.4	15.8
Basic quota 2/	877.7	877.7	891.8	892.0	802.6	934.6	873.6	973.8	807.6	666.2	543.0
Effective quota 3/	936.1	891.5	899.0	889.6	798.5	924.9	943.6	1,019.4	813.0	671.5	553.0
Manufacturer purchases (actual)	510.6	462.5	489.1	421.2	463.3	617.5	603.0	506.4	454.6	--	--
<b>Burley</b>											
Purchase intentions	395.1	510.5	445.5	361.0	324.0	385.0	424.0	473.5	421.1	291.0	242.5
Exports (3-year avg.)	161.6	167.6	187.6	205.8	183.8	160.1	155.4	163.0	188.1	185.9	159.1
Reserve stock adjustment 4/	28.1	47.9	36.9	-46.0	-165.0	20.9	54.4	68.0	28.6	-37.2	-161.4
Total 1/	584.8	726.0	670.0	520.8	342.8	566.0	633.8	704.5	637.8	439.7	240.2
Secretary s discretion	17.5	0.0	0.0	**	**	-17.0	0.0	0.0	0.0	13.2	7.2
Basic quota 2/	602.3	726.0	670.0	603.0	542.7	549.0	633.8	704.5	637.8	452.9	247.4
Effective quota 3/	741.2	846.1	835.6	717.9	605.9	577.9	724.0	879.8	860.0	690.1	367.4
Manufacturer purchases (actual)	412.2	405.4	384.3	296.0	440.1	434.0	402.4	322.7	367.3	--	--

\*\* = Not applicable. -- = Not available.

1/ Sum of manufacturers' purchase intentions, exports (3-year average), and the reserve stock adjustment. 2/ Sum of manufacturers' purchase intentions, exports (3-year average), and the reserve stock adjustment plus or minus any discretionary adjustment by the Secretary not to exceed 3 percent upward or downward. The basic quota was limited to maximum declines of 6 percent a year during 1986-89 and 10 percent a year during 1990-96.

3/ Adjustment for over- and undermarketings, latest year estimated. 4/ Downward adjustment limited to one-half of excess.

Sources: Notices of Determination and Final Rules, National Marketing Quota, Flue-cured and Burley Tobacco, Federal Register, various issues, and unpublished reports, U.S. Department of Agriculture, Farm Service Agency, Tobacco and Peanuts Division.



Table 17--Flue-cured and burley tobacco price support formula components, 1990-2000

Applicable year 1/	Price received			Prices paid index			Weighted average change		Applicable support rate 3/
	Year	Average 2/	Change	Year	Level	Change	100%	65%	
Cents per pound									
Flue-cured									
1990	1984-88	154.2		1988 4/	91.2				
	1985-89	157.6	+3.4	1989	93.6	+2.4	+3.1	+2.0	148.8
1991	1985-89	157.6		1989 4/	95.2				
	1986-90	162.4	+4.7	1990	103.7	+8.5	+6.0	+3.9	152.8
1992	1986-90	162.4		1990 4/	102.9				
	1987-91	165.3	+2.9	1991	106.8	+3.9	+3.2	+2.1	156.0
1993	1987-91	165.3		1991 4/	98.5				
	1988-92	168.9	+3.6	1992	99.0	+0.5	+2.6	+1.7	157.7
1994	1988-92	169.0		1992 4/	98.6				
	1989-93	169.5	+0.5	1993	100.2	+1.6	+0.9	+0.6	158.3
1995	1989-93	169.3		1993 4/	100.3	+4.7	+2.2	+1.4	159.7
	1990-94	170.2	+0.9	1994	105.0				
1996	1990-94	170.1		1994 4/	104.3	-1.2	+0.6	+0.4	160.1
	1991-95	171.6	+1.5	1995	103.1				
1997	1991-95	171.6		1995 4/	110.4	+4.8	+3.1	+2.0	162.1
	1992-96	173.0	+2.2	1996	115.2				
1998	1992-96	173.9	+0.0	1996	117.0	+2.2	+0.7	+0.5	162.8
	1993-97	173.9		1997	119.2				
1999	1993-97	173.7	+1.9	1997	108.8	-2.8	+0.4	+0.3	163.2
	1994-98	175.6		1998	106.0				
2000	1994-98	175.6	+0.4	1998	114.5	+1.5	+0.8	+0.5	164.0
	1995-99	176.0		1999	116.0				
Burley									
1990	1984-88	156.8		1988 4/	111.7				
	1985-89	157.9	+1.1	1989	117.5	+5.8	+2.6	+1.7	155.8
1991	1985-89	157.9		1989 4/	116.6				
	1986-90	161.6	+3.7	1990	121.0	+4.4	+3.9	+2.5	158.4
1992	1986-90	161.6		1990 4/	120.6				
	1987-91	167.8	+6.2	1991	127.9	+7.3	+6.5	+4.2	165.9
1993	1987-91	167.8		1991 4/	127.8				
	1988-92	173.8	+6.0	1992	131.5	+3.7	+5.2	+3.4	168.3
1994	1988-92	173.8		1992 4/	130.8				
	1989-93	178.5	+4.7	1993	135.5	+4.7	+4.7	+3.1	171.4
1995	1989-93	178.5		1993 4/	135.5				
	1990-94	180.6	+2.1	1994	136.4	+0.9	+1.7	+1.1	172.5
1996	1990-94	180.6		1994 4/	135.1				
	1991-95	182.4	+1.8	1995	136.9	+1.8	+1.8	+1.2	173.7
1997	1991-95	182.4		1995 4/	138.6	+1.3			
	1992-96	183.7	+1.3	1996	146.6	+8.0	+3.5	+2.3	176.0
1998	1992-96	183.7	+2.9	1966 4/	115.0	+2.5	+2.8	+1.8	177.8
	1993-97	186.6		1997	117.5				
1999	1993-97	186.0	+2.2	1997	120.1	+0.7	+1.7	+1.1	178.9
	1994-98	188.1		1998	120.8				
2000	1994-98	188.1	+1.5	1998	120.9	+1.8	+1.6	+1.0	180.5
	1995-99	189.6		1999	122.7				

\*\* = Not applicable.

1/ 1986 support level set by P.L. 99-272, April 7, 1986. 2/ Omits high and low years. 3/ The support rate is 1) the moving 5-year average of auction prices omitting high and low years (66.7 percent weight) and 2) the change in cents per pound of annual index of tobacco producers' costs of production (33.3 percent weight). The law provides the Secretary of Agriculture discretionary authority to change the price support from 65 to 100 percent of the calculated change dictated by the two-part formula. 4/ Revised to reflect data for entire year.

Sources: Notices of Determination and Final Rules, Price Support Level, Flue-cured and Burley Tobacco, Federal Register, various issues, and unpublished reports, U.S. Department of Agriculture, Farm Service Agency, Tobacco and Peanuts Division.

## Disappearance in 1999/2000 To Fall

Total disappearance of U.S.-grown flue-cured tobacco (types 11-14) in 1999/2000 will slide about 7 percent from last year's 834 million pounds to about 775 million pounds (table 24). During the first half of the marketing year (July-December 1999), domestic disappearance slipped 8 percent compared with the same period last season, while exports fell 5 percent. Domestic use is expected to continue its downward trend due to declining cigarette production.

During the first 6 months of this marketing season (July-December), flue-cured exports to European countries declined 32 percent, while Asian countries were almost half the previous year. Exports were 100 million pounds (farm-sales weight). January 2000 flue-cured exports were lower than the previous January, bringing the July-January total to 150 million pounds, 34 percent below the 7-month period last year.

## Carryover Slips

Estimated disappearance in 1999/2000 exceeds marketings by over 100 million pounds. Consequently, the flue-cured carryover on July 1, 2000, is projected to fall more than 100 million pounds from the 1,234 million pounds of July 1, 1999.

## Crop Projected To Shrink in 2000

The national basic marketing quota for the 2000 crop flue-cured tobacco is 543.0 million pounds, 18 percent below 1999. The quota fell by a similar percentage last season. The basic quota fell due to a sharp decline in cigarette manufacturer purchase intentions. Overmarketings through 1999 caused an 18-percent decline in the effective quota, which is about 553 million pounds. The effective quota is obtained by adjusting the basic quota by net undermarketings.

Based on the effective quota, marketings should fall in 2000. According to the March planting intentions report, 253,900 acres are expected to be harvested, 20 percent below last year's harvested acres. On this acreage, a normal yield would produce about 550 million pounds, or about the same as the effective quota. Only 103 percent of the effective quota can be marketed without penalty, so marketings are

limited to 570 million pounds. In 1999, growers marketed 97 percent of the effective quota. In 1997 and 1998, growers marketed nearly 100 percent of the effective quota. The level is likely to be higher this year. Growers marketed 95 percent of the effective quota in 1996 and 92 percent in 1995. In 1994, growers marketed 101 percent of poundage quota and about 100 percent in 1992 and 1993.

Given projected flue-cured marketings, plus anticipated carryover, supply is expected to slide about 10 percent from the 1.9 billion pounds available in the current marketing year, to about 1.7 billion pounds. This represents about 1.9 years' use, below the traditional benchmark level and the lowest in 10 years.

Table 18--Computation of price support level adjustment factor for tobacco, 1984-2000 1/

Crop year	Parity index 2/		Price support level adjustment factor 4/
	Previous calendar year	3-year average 3/	
	% of 1910-14		% of 1959
1984	1,133	1,116	374
1985	1,163	1,143	384
1986	1,131	1,142	383
1987	1,109	1,134	381
1988	1,139	1,126	378
1989	1,191	1,146	385
1990	1,255	1,195	401
1991	1,293	1,246	418
1992	1,316	1,288	432
1993	1,329	1,313	441
1994	1,355	1,333	447
1995	1,394	1,333	456
1996	1,531	1,359	466
1997	1,574	1,427	486
1998	1,532	1,500	507
1999	1,537	1,546	516
2000	1,574	1,548	519

1/ Used for fire-cured, dark air-cured, and cigar types. Revised numbers.

2/ Index of prices paid by farmers, including wage rates, interest, and taxes.

3/ Three calendar years immediately preceding. 4/ Three-year average parity index divided by 1959 parity index (298).

Sources: Notices of Determination and Final Rules, Price Support Level, Flue-cured and Burley Tobacco, Federal Register, various issues, and unpublished reports, U.S. Department of Agriculture, Farm Service Agency, Tobacco and Peanuts Division.

Table 19--Tobacco: Grower marketing assessment, by kind, 1996-98 1/

Kind and type	1996	1997	1998
	Cents per pound		
Burley, type 31 2/	0.8685	0.8800	0.8890
Flue-cured, types 11-14 2/	.8005	.8105	.8140
Fire-cured, type 21	.7275	.7490	.7680
Fire-cured, types 22-23	.7785	.8115	.8405
Dark air-cured, types 35-36	.6695	.6990	.7250
Sun-cured type 37	.6440	.6630	.6800
Cigar filler, type 46	.4405	3/	3/
Cigar-filler and binder, types 42-44, 54-55	.5600	.5845	.6060

1/ Marketing assessments were discontinued in 1999.

2/ Purchasers assessed the same amount.

3/ Price supports no longer provided for type 46.

Compiled from records and reports of the Tobacco and Peanuts Division, Farm Service Agency.

Table 20--Flue-cured tobacco: Acreage allotted and under production, 1983-2000

Year	Acreage allotted 1/ 1,000 acres	Under-production 2/	
		Number	As percent of allotment Percent
1983	457.5	47.7	10.4
1984	404.7	10.7	2.6
1985	389.6	32.5	8.3
1986	366.3	58.0	15.8
1987	372.4	47.8	12.8
1988	409.1	42.7	10.4
1989	432.9	42.2	9.1
1990	448.6	31.7	7.1
1991	427.2	24.6	5.8
1992	429.7	28.2	6.6
1993	425.0	24.9	5.9
1994	384.4	24.9	6.5
1995	447.6	51.7	11.6
1996	449.6	32.4	7.2
1997	488.0	35.3	7.2
1998	390.8	22.0	5.6
1999	319.1	15.1	4.7
2000	260.1	3/ 6.2	2.4

1/ Basic allotment adjusted for overmarketings and undermarketings.

2/ Acreage allotment minus harvested acres.

3/ Based on March prospective plantings.

Compiled from records and reports of the Tobacco and Peanuts Division, Farm Service Agency.

Table 21--Sales of flue-cured tobacco quotas, 1990/91-1998/99 1/

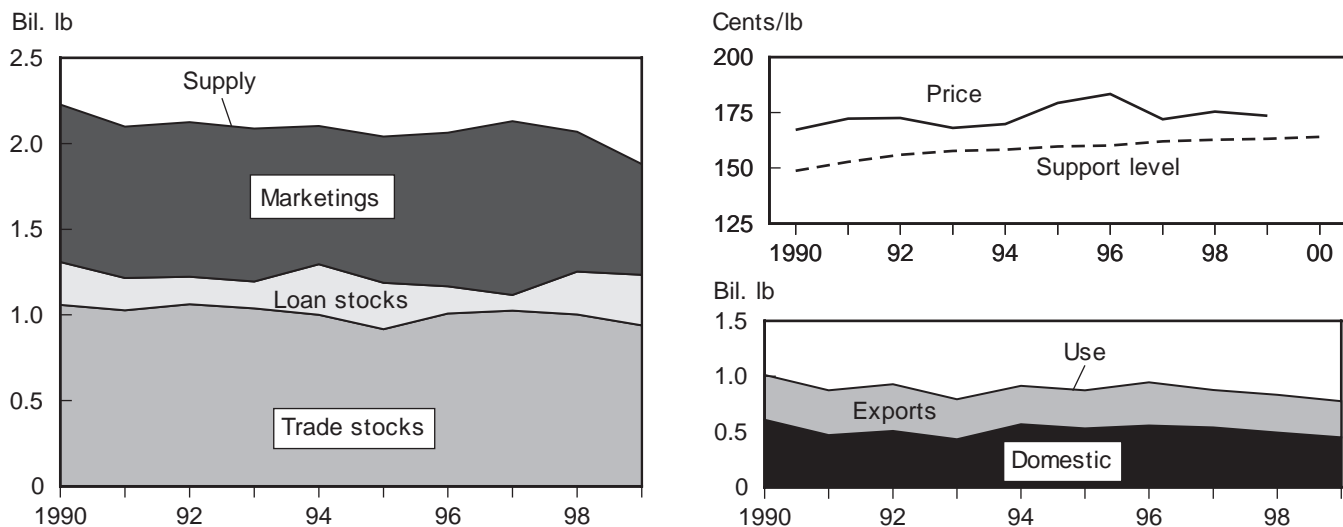
State & year	Sales (basic quota) 1,000 pounds
Alabama:	
1990/91	10
1991/92	0
1992/93	2
1993/94	2
1994/95	0
1995/96	0
1996/97	0
1997/98	0
1998/99	0
Florida:	
1990/91	581
1991/92	657
1992/93	701
1993/94	689
1994/95	670
1995/96	278
1996/97	647
1997/98	327
1998/99	341
Georgia:	
1989/90	2,461
1990/91	2,872
1991/92	3,083
1992/93	2,791
1993/94	1,661
1994/95	2,216
1995/96	2,769
1996/97	2,655
1997/98	1,051
1998/99	1,632
North Carolina:	
1990/91	7,005
1991/92	7,975
1992/93	8,628
1993/94	7,148
1994/95	6,114
1995/96	6,909
1996/97	2,119
1997/98	4,189
1998/99	4,736
South Carolina:	
1990/91	1,258
1991/92	1,428
1992/93	1,257
1993/94	1,377
1994/95	1,395
1995/96	1,260
1996/97	1,113
1997/98	921
1998/99	964
Virginia:	
1990/91	1,460
1991/92	1,493
1992/93	1,776
1993/94	1,321
1994/95	1,423
1995/96	1,243
1996/97	1,169
1997/98	460
1998/99	925
All States:	
1990/91	13,186
1991/92	14,635
1992/93	15,156
1993/94	12,198
1994/95	11,827
1995/96	12,459
1996/97	12,706
1997/98	7,703
1998/99	8,598

1/ Year ending June 15.

Sources: Unpublished reports, U.S. Department of Agriculture, Tobacco and Peanuts Division, Farm Service Agency.

Figure 4

### Flue-cured tobacco: Supply, price, and use



Trade stocks include those of manufacturers and dealers. Crop year beginning July 1. 1999 and 2000 preliminary.  
 Source: Agricultural Marketing Service, USDA.

Table 22--Tobacco loan stocks, 1998-2000 (farm-sales weight)

Type	1998	1999	2000
		Million pounds	
		January 1	
Flue-cured, 11-14	276.2	325.8	362.2
Burley, 31	74.5	170.6	226.6
Virginia, 21 and 37	--	--	1/
Kentucky-Tennessee, 22-23	--	--	2/
Kentucky-Tennessee, 35-36	--	--	--
Wisconsin Binder, 54-55	--	--	3/ 0.5
<b>Total</b>	<b>350.7</b>	<b>496.4</b>	<b>589.3</b>
Uncommitted 1/			
Flue-cured, 11-14	182.7	156.8	193.0
Burley, 31	145.8	177.0	n/a

-- = 0 or negligible. n/a = Not available. 1/ 44,215 pounds. 2/ 20,800 pounds. 3/ 527,280 pounds.

Compiled from publications of Agricultural Marketing Service.

## Effective Quota Drops 47 Percent to 367 Million Pounds

The effective quota for the 2000 burley crop plunged 322.7 million pounds to 367.4 million pounds. High loan stocks and reduced manufacturers' intentions caused the decline. The 2000 basic quota for burley totals 247.4 million pounds, 45 percent below 1999. Marketings in 1999/2000 totaled 550.0 million pounds, 7 percent below 1998/99. Manufacturers' purchase intentions for the 2000 crop are 242.5 million pounds, compared with 291.0 million pounds in 1999. The reserve stock adjustment was negative 161.4 million pounds. This year's price support has been set at \$1.805 per pound, 1.6 cents above the 1998/99 level.

Around March 1, farmers said they intended to set 207,700 acres, about 30 percent less acreage than was harvested last year. Preliminary data indicate that in 1999/2000, growers marketed 84 percent of their quota, up from 74 percent the previous season. In 1997/98, growers marketed 71 percent of their quota. In 1996/97, growers marketed 73 percent of their effective quota, which until last year was the lowest percentage since 1990. They marketed 83 percent in 1995/96, 84 percent in 1994/95, and 87 percent in 1993/94. Of the two major growing States, undermarketings were somewhat greater in Tennessee than in Kentucky.

With normal yields, 2000 production will reach 400 million pounds, 6 percent short of 1999 net marketings. Quota should be sufficient to market tobacco produced in 1999. Sufficient quota may not be available to market all leaf produced in 2000. Current harvesting intentions, with average yields,

would result in a crop 22 million pounds over the effective quota, including the 3 percent allowed for overmarketings.

## Supply Rises in 1999/2000

The 1999/2000 domestic supply was 1.447 billion pounds on October 1, 2 percent above a year earlier (table 24). The supply equals about 2.5 times the estimated disappearance, slightly higher than the traditional benchmark level and in line with recent years. By October 1, 1999, total burley stocks advanced 8 percent.

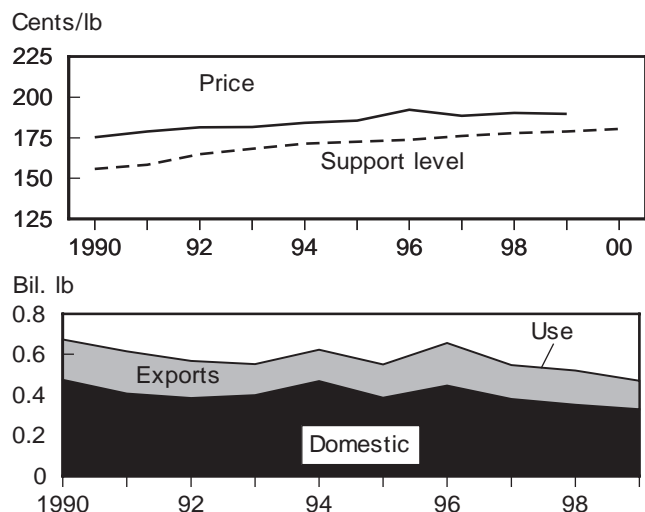
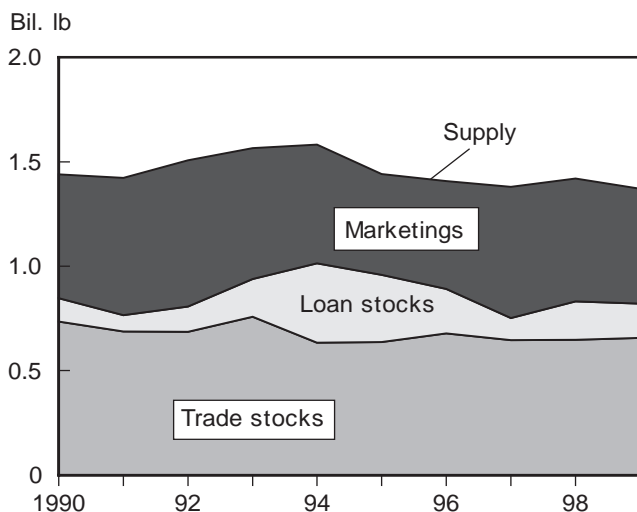
## Crop Volume and Value Down in 1999/2000

Opening sales for the 1999/2000 burley crop were held November 29, 1999, and the market ended on March 16, 2000. There were 43 sales days, 2 less than the previous year when markets opened on November 23, 1998, and the season closed on March 11, 1999. Prices averaged \$1.898 per pound in 1999 compared with 1.903 in 1998. Auction sales, including resales, totaled 580.7 million pounds, compared with 638.6 million pounds last season. Net sales (those sold by producers) were 549.7 million pounds. Burley cooperatives received 230.6 million pounds, or 41.9 percent of net sales this season, the second highest in history. Last year cooperatives took 73.2 million pounds, or 12.4 percent of net sales.

Demand was weak and grade loan averages were low during the 1999 marketing season. A greater proportion of marketings were lower and middle stalk offerings. The proportion designated as fair and low quality constituted 74 percent, the same as last year. Tan and reddish-tan tobacco decreased for the second year. More buff-colored leaf was sold.

Figure 5

### Burley tobacco: Supply, price, and use



Trade stocks include those of manufacturers and dealers. Crop year beginning July 1. 1999 and 2000 preliminary.  
Source: Agricultural Marketing Service, USDA.

Table 23--U.S. exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1998/99-1999/2000 (declared weight) 1/

Importing country	Marketing year through January			Importing country	Marketing year through January		
	1998/99	1998/99	1999/2000 2/		1998/99	1998/99	1999/2000 2/
Million pounds				1,000 pounds			
Flue-cured				Virginia fire- and sun-cured			
Germany	38.9	11.3	24.1	Switzerland	0	0	0
Japan	53.4	25.4	35.1	Norway	488	279	128
United Kingdom	9.4	8.2	6.5	Sweden	502	*	85
Netherlands	29.6	9.0	14.6	Germany	0	0	0
Taiwan	9.0	9.8	9.0	Other countries	640	1	3
Australia	4.0	1.2	2.1	Total	1,630	280	215
Republic of Korea	6.9	8.9	4.4	Binder			
Thailand	4.3	6.3	4.3	Italy	630	1	0
Norway	2.0	0.8	1.3	Other countries	152	90	6
Malaysia	8.0	6.5	4.0	Total	782	91	6
Belgium-Luxembourg	11.3	10.9	7.5	Cigar wrapper			
Turkey	19.0	3.9	17.9	United Kingdom	11	0	*
Denmark	7.6	4.2	4.9	Germany	16	63	16
Hong Kong	0.1	0.7	*	Switzerland		14	5
Italy	8.9	6.1	5.6	Dominican Republic	4,080	2,145	1,539
Switzerland	8.7	3.9	1.1	Netherlands	16	5	0
Ireland	*	0.1	0.0	Other countries	1,022	101	715
Spain	*	0.7	*	Total	5,145	2,327	2,275
Sweden	0.7	0.6	0.5	Blackfat			
Philippines	1.4	0.9	0.6	Costa Rica	7	6	7
Other countries	13.1	11.5	7.2	Benin (Dahomey)	0	0	0
Total	236.3	130.9	150.7	Nigeria	0	0	0
Burley				Other countries	0	1	0
Germany	20.5	1.7	1.7	Total	7	7	7
Netherlands	30.3	0.0	*	Million pounds			
Japan	13.3	2.8	0.4	Other leaf			
Thailand	3.5	0.0	0.0	Dominican Republic	3.0	1.2	1.3
Italy	3.6	0.0	0.1	United Kingdom	0.2	0.1	0.1
Belgium-Luxembourg	7.7	3.7	0.8	Netherlands	0.5	*	*
Turkey	9.9	0.0	0.7	Germany	0.1	0.5	0.5
Philippines	4.5	2.3	1.4	Russia	*	1.4	1.4
Denmark	2.9	1.2	1.2	Taiwan	1.1	1.1	0.5
Hong Kong	*	1.9	0.0	Canada	0.2	0.1	0.1
Switzerland		*	0.1	Nigeria	2.1	0.7	0.7
United Kingdom	0.8	0.3	*	Other countries	22.2	3.8	4.5
Sweden	0.4	0.5	0.3	Total	27.3	8.2	8.4
Other countries	9.7	1.3	7.1	Stems, trimmings, and scrap			
Total	107.1	15.7	13.8	Sweden	1.1	2.0	0.2
Maryland				Denmark	3.2	1.6	2.5
Belgium-Luxembourg	*	*	*	United Kingdom	2.6	1.3	0.6
Germany	0.0	0.2	0.5	Germany	9.3	2.1	4.4
Switzerland	0.2	0.1	0.1	Japan	12.5	5.1	0.6
Other countries	4.3	0.2	0.5	France	1.3	0.3	0.2
Total	4.5	0.5	1.1	Spain	0.3	*	0.1
KY-TN Fire-cured				Switzerland	2.2	1.2	2.0
Sweden	0.7	0.0	0.0	Turkey	4.9	0.5	2.1
Netherlands	6.3	3.2	1.3	Canada	*	*	*
Belgium-Luxembourg	0.3	*	0.1	Other countries	25.6	2.2	6.4
France	1.3	0.7	0.8	Total	63.0	16.3	19.1
Switzerland	0.5	0.0	0.2				
Italy	0.7	*	0.0				
Nigeria	0.9	0.4	0.2				
Other countries	2.4	2.4	1.3				
Total	13.1	6.7	3.9				

\* = Less than 50,000 pounds.

1/ July-June crop year for flue-cured and cigar wrapper; October-September crop year for all other types. 2/ Subject to revision.

Data may not add to total because of rounding.

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

Table 24--Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, marketings, carryover, supply, disappearance, season average price, and price support operations, 1990-2000 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Marketings 2/	Beginning stocks 1/			Total supply	
				Manufacturers and others	Under loan	Total		
				--- Million pounds ---				
Flue-cured, types 11-14								
1990	416.9	2,253	920.2	1,058.4	249.4	1,307.8	2,228.0	
1991	402.6	2,265	882.5	1,026.5	189.1	1,215.6	2,098.1	
1992	401.5	2,257	901.1	1,061.3	162.2	1,223.5	2,124.6	
1993	400.1	2,217	891.7	1,037.4	158.2	1,195.6	2,087.3	
1994	359.5	2,420	806.6	999.8	295.2	1,295.0	2,101.6	
1995	386.2	1,933	854.2	915.6	271.2	1,186.8	2,041.0	
1996	422.2	2,151	897.3	1,008.9	157.6	1,166.4	2,063.7	
1997	458.3	2,285	1,013.5	1,025.1	91.5	1,116.5	2,130.0	
1998	368.8	2,204	815.2	1,002.2	250.9	1,253.2	2,068.0	
1999	304.0	2,150	645.0	939.7	294.6	1,234.3	1,879.3	
2000 3/	253.9							
Burley, type 31								
1990	271.2	2,205	592.2	734.5	112.5	847.0	1,439.2	
1991	312.0	2,110	657.0	686.9	78.4	765.3	1,422.3	
1992	332.7	2,163	699.8	686.3	120.4	4/ 806.7	4/ 1,506.5	
1993	299.7	2,115	626.6	758.2	180.7	938.9	1,565.5	
1994	266.3	2,300	568.0	633.1	380.8	1,013.9	1,581.9	
1995	234.2	1,863	482.5	637.3	321.5	958.8	1,441.3	
1996	268.3	1,940	516.3	677.9	212.5	890.4	1,406.7	
1997	335.3	1,934	628.2	645.4	105.6	751.0	1,379.2	
1998	307.1	1,896	588.7	647.8	183.8	831.6	1,421.9	
1999	300.4	1,812	549.7	737.1	164.3	901.4	1,446.8	
2000 3/	207.7							
		Disappearance		Average price	Price support	Placed under loan		
		Total	Domestic	Exports	per pound	level	Quantity	% of crop
		--- Million pounds ---			--- Cents ---		Million pounds	Percent
Flue-cured, types 11-14								
1990	1,012.4	609.0	403.4	167.3	5/ 148.8	74.1	8.1	
1991	874.6	471.2	403.4	172.3	152.8	49.6	5.6	
1992	929.1	508.7	420.4	172.6	156.0	81.3	9.0	
1993	792.3	433.4	358.9	168.1	157.7	204.8	23.0	
1994	914.8	569.3	345.5	169.8	158.3	97.7	12.1	
1995	875.1	530.6	344.5	179.0	159.7	12.0	1.3	
1996	946.6	555.4	391.2	183.4	160.1	1.8	0.2	
1997	876.8	542.5	334.3	172.0	162.1	195.5	19.4	
1998	833.7	492.4	341.2	175.5	162.8	82.4	10.2	
1999	6/ 775.0	6/ 450.0	6/ 325.0	173.6	163.2	136.4	21.2	
2000					164.0			
Burley, type 31								
1990	673.9	474.9	199.0	175.3	5/ 155.8	0.0	0.0	
1991	615.6	407.2	208.5	178.8	158.4	42.3	6.4	
1992	567.8	384.8	183.0	181.5	164.9	142.7	20.4	
1993	551.6	399.4	152.2	181.6	168.3	232.3	37.0	
1994	623.1	468.1	155.0	184.1	171.4	54.7	9.5	
1995	550.9	386.1	164.8	185.4	172.5	0.0	0.0	
1996	631.1	421.6	209.5	192.2	173.7	0.0	0.0	
1997	547.6	379.2	168.4	188.5	176.0	124.5	0.2	
1998	520.5	351.6	168.9	190.3	177.8	73.2	12.4	
1999	6/ 470.0	6/ 330.0	6/ 140.0	189.8	178.9	230.6	42.0	
2000					182.4			

1/ July 1 for flue-cured; October 1 for burley. 2/ Actual marketings in the marketing year. 3/ March planting intentions. 4/ The factor used to convert stemmed stocks to farm-sales weight has been changed from 1.55 to 1.6 based on processing yields from 1989 to 1999.

5/ Excludes Gramm-Rudman-Hollings adjustment. 6/ Estimated.

Source: Agricultural Marketing Service, National Agricultural Statistics Service, and Farm Service Agency, USDA.

Table 25--Burley tobacco: Price spreads among specified grades, 1990-99

Period	Average price of C4F	Cents/lb lower than C4F							
		X4F	C4K	B4F	B4FR	B4R	T4R	M4F	N1G
Cents per pound									
1990	175	0	0	0	0	0	0	0	2
1991	180	3	16	1/	1/	2/	3	8	61
1992	182	2	20	0	1/	2/	2	15	75
1993	182	3	21	1/	1/	2/	2	15	77
1994	183	1	6	1/	3/	4/	3/	3	43
1995	184	0	1/	2/	2/	3/	4/	1/	3
1996	192	0	0	0	0	0	0	0	3
1997	189	1/	7	2	1/	5/	6/	13	62
1998	189	1/	15	0	7/	8/	6/	15	66
1999	189	0	27	0	9/	1/	10/	19	76

1/ One cent higher. 2/ Two cents higher. 3/ Three cents higher. 4/ Four cents higher. 5/ 10 cents higher. 6/ 13 cents higher. 7/ 6 cents higher. 8/ 14 cents higher. 9/ 7 cents higher. 10/ 15 cents higher.

Source: Agricultural Marketing Service, USDA.

Table 26--Burley tobacco: Gross auction sales and average price, by States, 1998-99

State	1998 crop				1999 crop 1/			
	Auction sales		Placed under Government loan		Auction sales		Placed under Government loan	
	Average		Percentage		Average		Percentage	
	Amount	price	Quantity	of sales 2/	Amount	price	Quantity	of sales 2/
	Million pounds	Cents per pound	Million pounds	Percent	Million pounds	Cents per pound	Million pounds	Percent
Kentucky	475.3	190.22	56.2	11.8	413.7	189.82	181.0	43.7
Tennessee	96.5	190.71	10.5	10.8	101.6	189.34	33.2	32.7
Virginia	18.1	189.21	1.6	8.7	19.8	189.56	2.9	14.7
North Carolina	15.3	189.94	1.1	7.5	16.1	190.89	1.9	11.7
West Virginia	0.0	--	0.0	--	0.0	--	0.0	--
Indiana	15.3	189.72	1.4	9.2	17.1	189.33	5.2	30.4
Ohio	12.2	190.38	0.8	6.8	10.7	191.14	3.2	29.8
Missouri	5.9	190.51	1.3	21.7	4.7	187.91	3.2	68.7
Total all States	638.6	190.25	72.9	11.4	580.8	189.76	230.6	39.7

-- = Not available. 1/ Preliminary. 2/ Gross sales.

Source: Agricultural Marketing Service, USDA.



# Southern Maryland

## Prices Rally

Maryland auctions for the 1999 crop (sold in 2000) of Maryland tobacco (type 32) opened March 23, 2000, and closed April 13, after being open for 15 sales days. Marketings were 9.4 million pounds, 200,000 below 1999. Prices averaged \$1.658 per pound, 2.8 cents per pound higher than last year. For the 1998 crop (marketed mostly in 1999), growers received \$1.630 per pound at the Maryland auction.

Since quotas have been disapproved by growers, Maryland tobacco does not receive price support. In a 1982 referendum, growers rejected USDA grading and its required fee. The Agriculture and Food Act of 1981 mandated penalties for growing and marketing Maryland tobacco in quota areas. However, quotas do not apply to Pennsylvania seedleaf (type 41) tobacco, and since seedleaf prices are lower, seedleaf growers have switched to producing Maryland tobacco. Maryland tobacco is also grown in Pennsylvania—also a non-quota State. In 1998, some Maryland growers in Pennsylvania formed a cooperative and established an auction market. Demand for Maryland tobacco grown in Pennsylvania has

been limited by the absence of major buyers. In 1999, Pennsylvania produced 37 percent of total Maryland-type production, compared with 41 percent in 1998.

## Supply Falls

Acreage continued declining in 1999, and lower yields resulted in a crop of 14.4 million pounds, about 1 million pounds smaller than the previous season. However, the decline was less than the previous season. Yields declined due to drought. For 1999, production remained steady in Maryland and declined in Pennsylvania.

The supply of Maryland tobacco for marketing year 1999/2000 is 7.5 million pounds below 1998/99. Increased exports may reduce supplies further the following season (table 27).

Farmers' March harvest intentions indicate another 900-acre decline in 2000, as was the case in 1999. Yields may improve in 2000. Supplies should therefore decline little in 2000/01.

Table 27--Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1990-2000 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Supply			Disappearance			Avg. grower price per pound Cents
			Production	Stocks following Jan. 1	Total	Total	Domestic	Exports	
1990	10.7	1,525	16.3	2/ 19.3	35.6	23.5	16.8	6.7	181.1
1991	12.4	1,607	19.9	2/ 12.5	32.4	21.4	16.4	5.0	160.2
1992	13.5	1,390	18.8	2/ 9.4	28.2	21.5	13.9	7.6	147.0
1993	12.7	1,526	18.3	2/ 7.5	26.9	17.3	11.8	5.5	143.0
1994	12.1	1,634	19.8	2/ 8.4	28.2	17.7	12.7	5.0	148.1
1995	12.0	1,518	18.2	2/ 11.1	29.6	14.6	8.1	6.6	157.3
1996	11.4	1,451	16.5	2/ 15.0	11.2	11.2	11.2	11.2	185.6
1997	11.2	1,629	18.2	2/ 18.7	36.9	13.7	7.2	6.5	157.6
1998	9.8	1,568	15.4	2/ 20.6	37.9	21.9	15.7	6.2	129.1
1999	9.5	1,511	14.4	2/ 16.0	30.4	14.4	8.1	6.3	
2000 3/	8.6								

1/ Year beginning October 1. 2/ Adjusted to reflect calendar 1987-1999 sales of tobacco produced in Pennsylvania. 3/ March planting intentions.

Source: Agricultural Marketing Service, National Agricultural Statistics Service, and Farm Service Agency, USDA.

### ***Kentucky-Tennessee Fire-Cured Prices Down***

Demand for most grades of Kentucky-Tennessee fire-cured (type 22-23) improved. However, overall prices fell slightly. Volume fell sharply, as only 26 percent of production crossed the auction floor. Auction sales totaled 9.2 million pounds for an average price of \$1.94 per pound, compared with \$2.04 last season. Quality was down. Volume at auction was down about 10 million pounds. Country sales are estimated to be slightly greater than auction sales at 24-25 million pounds. Cooperatives received only 28,440 pounds in 1999. For the 1998 crop, cooperatives received 1.2 percent of sales. Auction prices for types 22-23 averaged \$1.942 per pound, down from \$2.037 in 1998. Including barn door sales, prices for types 22-23 averaged \$2.225 per pound in 1998. Farm sales prices are not available for 1999. Auctions for Kentucky-Tennessee (types 22-23) began January 24 and ended on April 6, after 30 sales days, the same as last season. This season's auction prices were mixed, ranging from \$2.53 per pound for the best wrapper and heavy leaf grades to \$1.07 a pound for the poorest nondescript.

### ***Virginia Fire-Cured Prices Continue To Slide***

Hot and dry weather during the growing and curing seasons again substantially reduced the quality of the Virginia fire-cured tobacco crop. Again this year, increases in auction volume offset lower prices, resulting in a gain in total value sold. Loan receipts increased from 7 percent last season to 16 percent of the 1999 crop. When sales ended on January

13 after 14 days, volume totaled 2.5 million pounds, 16 percent more than 1999. Prices fell 12.7 cents per pound to \$1.809 cents.

Output of snuff, which constitutes the principal domestic use of fire-cured tobacco, rose during the past year, and should continue rising in 2000. So far this season (October-January), leaf export volume is below last season by about 3.7 million pounds, a 40-percent decline. However, export volume is much lower than in 1996/97 and prior years. For the 1999/2000 season, total use should increase, as lower exports are offset slightly by steady to higher domestic use. Supplies in 2000/01 are likely to increase due to higher production and beginning stocks.

### ***Fire-Cured Farm Acreage Allotments***

Allotments rose 7 percent for Kentucky-Tennessee fire-cured and fell 16 percent for Virginia fire-cured. This year's U.S. total farm allotment is 17,201 acres for Kentucky-Tennessee fire-cured and 1,365 acres for Virginia fire-cured.

About 93 percent of all allotments of Kentucky-Tennessee fire-cured were produced in 1999, compared with 92 percent in 1998. For Virginia fire-cured, acreage harvested as a share of allotments was 92 percent in 1999, 88 percent in 1998, and 80 percent in 1997. When compared with effective allotments (allows for productivity adjustments on leased-in acres) the percentages are somewhat higher.

In 1999, Kentucky-Tennessee fire-cured acreage is projected to increase by 1,000 acres and Virginia fire-cured acreage is projected to decline by 200 acres.

Table 28--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, 1990-2000 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Production	Beginning stocks				
				Manufacturers and others		Under loan	Total	Total supply
				--- Million pounds ---				
Kentucky-Tennessee fire-cured, types 22-23								
1990	13.3	2,415	32.2	61.3	8.9	70.2	102.4	
1991	13.5	2,169	29.3	59.2	7.5	66.7	96.0	
1992	14.3	2,400	34.2	57.4	4.2	61.6	95.8	
1993	15.5	2,527	39.0	61.1	2.9	64.0	103.0	
1994	16.7	2,564	45.9	69.1	0.8	69.7	115.6	
1995	15.8	2,386	37.7	79.5	1.0	80.5	118.2	
1996	15.5	2,745	42.5	79.3	0.9	80.2	122.7	
1997	15.4	2,625	40.3	83.2	0.1	83.3	123.6	
1998	15.3	2,444	37.5	84.6	0.2	84.8	122.3	
1999	15.0	2,267	33.9	86.7	0.0	86.7	120.7	
2000 2/	16.0							
Virginia fire-cured, type 21								
1990	2.1	1,315	2.8	4.1	1.3	5.4	8.2	
1991	2.5	1,425	3.6	3.5	1.1	4.6	8.2	
1992	1.7	1,510	2.6	3.6	0.9	4.5	7.1	
1993	1.2	1,560	1.9	3.6	0.8	4.4	6.3	
1994	1.4	1,780	2.4	2.4	0.8	3.2	5.6	
1995	1.1	1,400	1.5	2.6	0.9	3.5	5.3	
1996	1.1	1,580	1.7	3.4	0.1	3.5	5.5	
1997	1.2	1,640	2.0	2.3	0.1	2.4	4.3	
1998	1.5	1,560	2.3	2.4	0.0	2.4	4.7	
1999	1.5	1,650	2.5	2.6	0.0	2.7	5.1	
2000 2/	1.3							
	Disappearance			Price per	Support	Placed under loan		
	Total	Domestic	Exports	pound	level	Quantity	% of crop	
	--- Million pounds ---			--- Cents ---		Million pounds	Percent	
Kentucky-Tennessee fire-cured, types 22-23								
1990	35.7	20.7	15.0	195.2	129.7	0.4	1.1	
1991	34.4	19.0	15.4	213.4	136.7	3/ *	0.1	
1992	31.8	16.4	15.4	217.3	142.1	4/ *	0.1	
1993	33.4	17.0	15.5	219.4	146.4	0.1	0.1	
1994	35.1	20.4	13.9	209.2	148.3	1.1	2.7	
1995	37.9	23.8	14.1	217.2	151.8	0.7	4.9	
1996	39.4	22.7	16.7	224.5	155.7	0.7	3.5	
1997	38.9	21.2	17.7	8/ 225.6	162.3	0.4	4.5	
1998	7/ 35.5	7/ 20.4	7/ 15.2	222.5	168.1	0.2	0.0	
1999	35.1	20.0	15.1	194.2	171.6	28.4	0.3	
2000					171.6			
Virginia fire-cured, type 21								
1990	3.5	0.7	2.9	160.2	126.2	5/ *	0.2	
1991	3.7	0.7	3.0	152.6	133.2	0.5	14.6	
1992	2.7	1.8	0.9	161.5	136.7	0.4	14.9	
1993	3.0	0.7	2.3	171.9	139.5	6/ *	0.6	
1994	2.1	0.7	1.4	161.2	140.7	0.5	22.3	
1995	1.6	0.8	0.8	164.0	143.0	0.8	4.5	
1996	3.2	0.7	2.5	179.0	145.5	0.3	1.5	
1997	2.0	1.3	0.7	212.5	149.8	0.0	0.0	
1998	2.0	0.1	2.0	193.6	153.6	0.2	8.0	
1999	7/ 2.4	7/ 0.9	7/ 1.5	8/ 198.1	155.9	0.4	16.5	
2000					155.9			

\* = Negligible.

1/ Marketing year beginning October 1. 2/ March planting intentions. 3/ About 38,000 pounds. 4/ About 32,200 pounds. 5/ About 7,000 pounds.

6/ About 12,000 pounds. 7/ Estimate. 8/ Auction market only.

Sources: Agricultural Marketing Service, National Agricultural Statistics Service, and Farm Service Agency, USDA.

### ***Demand Strong, Prices Up***

Demand for One Sucker (type 35) tobacco was good during the 1999/2000 marketing year. Lower sales volume and lower quality marked the 1999 Kentucky-Tennessee dark air-cured crop. Sales began December 1, 1999, and continued through February 18, 2000. Producers sold 2.8 million pounds of One Sucker tobacco at auction at \$1.747 per pound. Prices for One Sucker were up from last season. Cooperatives received less than 1 percent of sales. Country sales are not yet available.

Net sales of Green River tobacco auction sales (type 36) gained, reaching 3.6 million pounds, compared with 2.9 million last season. Prices rose 1 cent per pound. Country (non-auction) sales are not available yet. Marketings were again not quite as desirable as last year, with more fair quality tobacco sold. Loan receipts were 27,010 pounds for the 1999 Green River crop.

### ***Virginia Sun-Cured Prices Down on Higher Loan Receipts***

Volume and value rose for most grades, but overall prices declined by the end of the 1999 season. Leaf quality improved. Loan receipts totaled 21,720 pounds, or 15.4 percent of gross sales. Gross sales reached 141,043 pounds,

averaging \$1.591 per pound, compared with a record high of \$1.908 per pound in 1997. Sales last year totaled 140,225 pounds. Fair and low quality offerings were 64 percent of sales. Sales lasted 3 days.

This season's supply of dark air- and sun-cured tobacco totals 34.5 million pounds, about 1.7 million pounds greater than 1998 (table 29). Most dark air-cured tobacco goes into plug and twist chewing. Output of both plug and twist chewing fell in 1999. Disappearance of dark air-cured tobacco is likely to be greater than 1999 production, and carryover will decrease again.

### ***National Acreage Allotments Gain***

Larger 1999 production will offset lower carryin stocks, raising supplies for 1999/2000. Acreage allotments for growers of dark air-cured will increase from a year earlier. Total allotments for 2000 of dark air-cured (types 35-36) are 5,830 acres, 4 percent above last year. Based on harvesting intentions, production in 2000 should rise 10 percent given normal yields. Growers intend to harvest 5,330 acres in 2000, compared with 5,000 last season. Virginia sun-cured acreage allotments, at 122 acres, are nearly the same as last season. Harvesting intentions are unchanged from last year's harvested acres at 100 acres.

Table 29--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, 1990-2000 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Production	Beginning stocks				
				Manufacturers and others		Under loan	Total	Total supply
				--- Million pounds ---				
Dark air-cured, types 35-36								
1990	3.4	2,219	7.5	21.9	8.0	29.9	37.4	
1991	4.3	2,029	8.7	25.5	0.0	25.5	34.2	
1992	4.6	2,222	10.3	23.6	0.0	23.6	33.9	
1993	4.8	2,322	11.1	23.9	0.3	24.2	35.3	
1994	4.6	2,527	11.7	24.1	0.6	24.7	36.4	
1995	4.1	2,084	8.5	26.6	0.7	27.3	35.8	
1996	3.8	2,262	8.6	25.1	0.3	25.4	34.0	
1997	3.6	2,258	8.2	23.8	0.0	23.8	32.0	
1998	4.3	2,229	9.7	22.5	0.0	22.5	32.1	
1999	5.0	2,053	10.3	24.0	0.0	24.0	34.3	
2000 2/	5.3							
Sun-cured, type 37								
1990	0.1	1,275	0.1	0.5	0.1	0.6	0.7	
1991	0.1	1,560	0.2	0.5	0.1	0.6	0.8	
1992	0.1	1,240	0.1	0.3	0.1	0.4	0.5	
1993	0.1	1,040	0.1	0.1	0.1	0.2	0.3	
1994	0.1	1,770	0.1	*	0.1	0.1	0.2	
1995	0.1	1,125	0.1	*	0.1	0.1	0.2	
1996	0.1	1,600	0.1	*	*	*	0.1	
1997	0.1	1,490	0.1	*	*	*	0.1	
1998	0.1	1,220	0.1	0.0	*	0.0	0.2	
1999	0.1	1,600	0.2	0.1	*	0.1	0.2	
2000 2/	0.1							
	Disappearance			Avg. price	Avg. support	Placed under loan		
	Total	Domestic	Exports	per pound	level	Quantity	% of crop	
	--- Million pounds ---			--- Cents ---		Million pounds	Percent	
Dark air-cured, types 35-36								
1990	11.9	10.8	1.1	186.3	110.7	3/ *	0.2	
1991	10.6	9.0	1.6	184.0	116.9	0.1	0.8	
1992	9.7	8.4	1.3	169.7	121.7	0.5	4.8	
1993	10.6	8.5	2.1	171.5	125.5	0.7	7.2	
1994	9.1	6.7	1.8	168.5	127.3	0.6	5.7	
1995	10.3	9.0	1.3	176.2	130.4	0.1	1.7	
1996	10.1	9.6	0.5	195.2	133.9	0.2	0.5	
1997	11.0	10.9	0.1	201.7	139.8	0.0	0.0	
1998	5/ 8.1	5/ 8.1	5/ 0.0	203.9	145.0	0.1	0.0	
1999	8.3	8.3	0.0	187.0	148.1	48.4	0.8	
2000					148.1			
Sun-cured, type 37								
1990	0.1	*	0.1	145.6	111.5	4/ 0.0	0.0	
1991	0.4	0.3	0.1	143.4	117.7	4/ 17.0	10.9	
1992	0.3	0.2	0.1	138.0	120.8	4/ 19.0	15.3	
1993	0.2	0.1	0.1	152.1	123.3	4/ 0.0	0.0	
1994	0.1	*	0.1	147.6	124.5	4/ 27.0	24.1	
1995	0.1	*	0.1	174.5	126.5	0.0	0.0	
1996	0.1	*	0.1	197.9	128.8	0.0	0.0	
1997	0.1	0.0	0.1	190.8	132.6	0.0	0.0	
1998	0.1	0.1	0.0	170.9	136.0	*	8.2	
1999	5/ 0.1	5/ 0.1	5/ 0.0	6/ 159.4	138.0	*	15.5	
2000					138.0			

\* = Negligible.

1/ Marketing year beginning October 1. 2/ March planting intentions. 3/ About 17,000 pounds. 4/ Quantity placed under loan in thousands of pounds.

5/ Estimate. 6/ Auction market only.

Sources: Agricultural Marketing Service, National Agricultural Statistics Service, and Farm Service Agency, USDA.

## **Wrapper Demand Up, Other Types Mixed**

Most cigar tobacco producers received slightly higher prices for their 1999 crop than a year earlier (prices are no longer reported for wrapper tobacco). Most cigar leaf had been sold by early March, although Wisconsin binder markets are open in April.

Prices averaged \$1.49 per pound for Northern Wisconsin cigar binder (type 55). Quality was very good—about the same as last year. Some Wisconsin cigar binder was damaged by storms and not harvested. Overall cigar binder quality was excellent. Connecticut binder prices have risen in recent years because of increased snuff production, and crops have been of good quality. Production in 1999 is expected to be up over 50,000 pounds because of increased acreage and higher yields, rising for the third season. The Agricultural Statistics Board will release season-average prices and production data for the 1999 crop in the May 2000 *Crop Production Report*.

Overall, price support levels for this year's crop of cigar tobacco are unchanged. Again this season, there are no price supports for Pennsylvania filler (type 41), Connecticut binder (types 51-52), or shade-grown tobacco (type 61).

No-net-cost assessments for cigar binder types in 1999 will be announced shortly. High no-net-cost assessments for cigar filler types 42-44 have essentially eliminated production of these kinds.

Growers of cigar filler and binder (types 42-44 and types 54-55) voted to accept quotas for the 1999-2001 crops at referenda held in March 1999. In separate referenda held March 1998, growers of Pennsylvania filler and Connecticut binder voted against marketing quotas for the 1998, 1999, and 2000 crop years.

## **Supplies Decline**

Total supplies of U.S. cigar tobacco for 1999/2000 through December are down 3 million pounds from the previous season. Production and beginning stocks were lower than the previous season. Carryin was lower for all types. Cigar filler supplies fell 23 percent, binder supplies fell 3 percent, and wrapper supplies rose 8 percent.

Cigar leaf imports for consumption (duty paid) fell 15 percent to 55.0 million pounds (declared weight) for calendar year 1999. Cigar wrapper, binder, and scrap arrivals all gained. On January 1, 2000, foreign-origin leaf stocks totaled 111.2 million pounds, 3 percent below a year earlier.

## **Domestic Use Declines**

Through the early 1980's, demand for domestically produced cigar filler and binder had declined as demand for loose-leaf chewing tobacco and cigars fell. Skyrocketing production of cigars since 1996 has increased the use of wrapper. However, overall cigar tobacco use continues to slide. Most cigar leaf is imported. In 1999, over 80 percent of tobacco used to make cigars and loose-leaf chewing tobacco was foreign-grown.

U.S. cigar leaf use will not change much in 2000. Use will probably exceed 1999 production, so carryin may fall from the 31 million pounds available at the beginning of 1999/2000.

## **Cigar Filler and Binder Acreage Lower in 2000**

Cigar filler and binder (types 42-44 and 53-55) acreage allotments for 2000 were lowered 489 acres. Based on March harvesting intentions, growers estimated cigar filler and binder acreage will decline 11 percent from last year. The price support level in 2000 is unchanged at 123.8 cents per pound for cigar binder (type 54) tobacco grown in Southern Wisconsin and for cigar binder (type 55) tobacco grown in Northern Wisconsin.

Pennsylvania filler acreage is expected to fall about 19 percent, and binder acreage is expected down 4 percent. Connecticut binder (types 51-52) acreage is expected to increase 50 acres, a little less than last year's gain, but Wisconsin binder (types 54-55) acreage is expected to fall 210 acres, according to March intentions. Shade-grown wrapper acreage will likely slip 260 acres after gaining 200 acres in 1999.

Given average yields, cigar tobacco production in 1999/2000 is expected to decline 10 percent from last year's crop. Combined with smaller carryover, supplies likely will decrease.

Table 30--Cigar tobacco, types 41-61: Domestic supplies, disappearance, and season average prices, 1990-2000 (farm-sales weight)

Crop year 1/	Acreage harvested	Yield per acre	Supply			Disappearance			Avg. price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
	1,000 acres	Pounds	Million pounds						Cents
Pennsylvania seedleaf filler (type 41)									
1990	6.4	2,050	13.1	22.9	36.0	13.0	13.0	*	139.0
1991	6.7	2,050	13.7	23.0	36.7	12.1	12.1	*	143.0
1992	7.0	2,000	14.0	24.6	38.6	13.1	13.1	*	115.0
1993	5.8	2,100	12.2	25.5	37.7	13.7	13.7	*	95.0
1994	5.4	2,100	11.3	24.0	35.3	14.9	14.8	*	100.0
1995	4.5	2,050	9.2	20.5	29.7	11.8	11.4	*	145.0
1996	4.8	2,140	10.3	17.9	27.3	15.0	14.1	*	155.0
1997	4.9	2,200	10.8	13.2	22.9	11.0	11.0	*	160.0
1998	4.5	2,100	9.5	13.0	22.1	10.7	10.5	*	130.0
1999	3.2	1,850	5.9	11.4	17.3	17.3	10.5	*	--
2000 2/	2.6								
Ohio, Miami Valley filler (types 42-44)									
1990	*	**	*	0.7	0.7	0.7	0.7	*	**
1991 5/	*	**	*	*	*	*	*	*	**
Puerto Rico filler (type 46)									
1990	*	**	*	3.3	3.3	0.7	0.7	*	**
1991	*	**	*	2.6	2.6	0.5	0.5	*	**
1992	*	**	*	2.1	2.1	0.9	0.9	*	**
1993	*	**	*	1.2	1.2	1.1	1.1	*	**
1994	*	**	*	0.1	0.1	0.1	0.1	*	**
1995 5/	*	**	*	*	*	*	*	*	**
Total cigar filler (types 41-46)									
1990	6.4	2,050	13.1	26.9	40.0	14.3	14.3	*	139.0
1991	6.7	2,050	13.7	25.6	39.3	12.6	12.6	*	143.0
1992	7.0	2,000	14.0	26.7	40.7	14.0	14.0	*	115.0
1993	5.8	2,100	12.2	26.7	38.9	14.8	14.8	*	95.0
1994	5.4	2,100	11.3	24.1	35.4	15.0	14.9	*	100.0
1995	4.5	2,050	9.2	20.5	29.7	11.8	11.4	*	145.0
1996	4.8	2,140	10.3	17.9	27.3	15.0	14.1	*	155.0
1997	4.9	2,200	10.8	13.2	22.9	11.0	11.0	*	160.0
1998	4.5	2,100	9.5	13.0	22.1	10.5	10.5	*	130.0
1999	3.2	1,850	5.9	11.4	17.3	10.5	10.5	*	--
2000 2/	2.6								
Connecticut Valley binder (types 51-52)									
1990	0.7	1,758	1.2	3.9	5.1	2.6	2.6	*	250.0
1991	0.8	1,791	1.4	2.5	3.9	2.2	2.2	*	260.0
1992	0.8	1,810	1.5	1.6	3.1	1.2	1.2	*	280.0
1993	0.9	1,914	1.7	1.9	3.6	2.0	2.0	*	300.0
1994	1.0	1,893	1.8	1.6	3.4	2.0	2.0	*	306.0
1995	1.2	1,969	2.4	1.4	3.8	2.2	1.8	*	389.0
1996	1.6	1,780	2.9	1.6	4.5	3.3	3.3	*	628.0
1997	2.0	1,783	3.6	1.2	4.8	2.7	2.7	*	741.4
1998	2.4	1,539	3.6	2.1	5.7	2.2	1.4	0.8	549.9
1999	2.4	1,806	4.4	3.5	7.9	4.0	3.4	0.6	--
2000 2/	2.5	1,775	4.0	3.8	7.8				
Southern Wisconsin binder (type 54)									
1990	4.1	2,275	9.3	4/	--	--	--	--	150.0
1991	4.1	2,390	9.8	4/	--	--	--	--	155.0
1992	4.0	2,115	8.5	4/	--	--	--	--	153.0
1993	2.8	1,675	4.7	4/	--	--	--	--	145.0
1994	1.9	2,200	4.2	4/	--	--	--	--	145.0
1995	1.9	2,370	4.5	4/	--	--	--	--	145.0
1996	1.9	1,900	3.6	4/	--	--	--	--	148.0
1997	1.8	2,330	4.2	4/	--	--	--	--	150.0
1998	1.5	2,180	3.2	4/	--	--	--	--	149.0
1999	0.9	2,200	2.1	4/	--	--	--	--	
2000 2/	0.9								

See footnotes at end of table.

Continued--

Table 30--Cigar tobacco, types 41-61: Domestic supplies, disappearance, and season average prices, 1990-2000 (farm-sales weight)--continued

Crop year 1/	Acreage harvested	Yield per acre	Supply			Disappearance			Avg. price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
	1,000 acres	Pounds	Million pounds						Cents
Northern Wisconsin binder (type 55)									
1990	2.8	1,435	4.0	4/	--	--	--	--	150.0
1991	3.2	1,685	5.4	4/	--	--	--	--	155.0
1992	3.2	1,450	4.6	4/	--	--	--	--	141.0
1993	1.8	1,085	2.0	4/	--	--	--	--	139.0
1994	1.0	1,775	1.7	4/	--	--	--	--	145.0
1995	0.9	1,985	1.7	4/	--	--	--	--	145.0
1996	1.0	1,535	1.5	4/	--	--	--	--	150.0
1997	0.8	1,995	1.5	4/	--	--	--	--	152.0
1998	0.6	1,745	1.1	4/	--	--	--	--	149.0
1999	0.4	1,900	0.7	4/	--	--	--	--	149.0
2000 2/	0.3								
Total Wisconsin binder (types 54-55)									
1990	6.9	1,934	13.3	27.1	40.4	14.3	14.3	*	150.0
1991	7.3	2,081	15.2	26.1	41.3	12.8	12.8	*	155.0
1992	7.2	1,819	13.1	28.5	41.6	10.8	10.8	*	148.7
1993	4.6	1,444	6.6	30.8	37.4	9.5	9.5	*	143.2
1994	2.9	2,058	5.9	27.9	33.8	9.3	9.3	*	145.0
1995	2.8	2,254	6.2	24.6	30.8	9.0	9.1	*	145.0
1996	2.9	1,774	5.1	21.7	26.9	9.1	8.9	0.2	148.6
1997	2.6	2,235	5.7	17.8	23.5	7.3	9.6	0.4	150.5
1998	2.1	2,000	4.2	16.2	20.4	7.3	6.9	0.4	148.7
1999	1.3	2,090	2.8	14.3	17.1	6.1	5.0	1.1	149.7
2000 2/	1.2								
Total Cigar binder (types 51-55)									
1990	7.6	1,919	14.5	31.0	45.5	16.9	16.9	*	158.0
1991	8.1	2,052	16.6	28.6	45.3	14.2	14.2	*	164.1
1992	8.0	1,818	14.6	30.1	44.7	12.0	12.0	*	162.1
1993	5.5	1,520	8.3	32.7	41.0	11.4	11.4	*	175.1
1994	3.9	1,952	7.6	29.6	37.3	11.4	11.3	*	181.1
1995	4.0	2,161	8.6	25.9	34.6	11.3	11.3	*	213.7
1996	4.5	2,161	8.0	23.3	31.4	12.4	12.2	*	321.4
1997	4.6	1,948	9.3	19.0	28.3	10.0	12.3	0.8	375.4
1998	4.4	1,783	7.9	18.3	26.1	8.3	6.4	1.9	352.4
1999	3.7	1,914	7.2	17.8	24.9	4.6	4.0	1.1	
2000 2/	3.6								
Connecticut Valley shade-grown (type 61)									
1990	1.6	1,627	2.7	2.1	4.8	2.8	0.2	2.6	2,100.0
1991	1.5	1,537	2.2	2.0	4.2	3.0	0.3	2.7	1,800.0
1992	1.0	1,484	1.5	1.2	2.7	1.2	0.2	1.0	1,700.0
1993	1.1	1,460	1.6	1.5	3.1	1.1	0.2	1.0	1,700.0
1994	1.2	1,400	1.7	2.0	3.7	2.0	0.2	1.3	1,780.0
1995	1.3	1,582	2.0	2.1	4.1	2.2	0.4	1.4	3/
1996	1.4	1,473	2.1	2.3	4.4	2.4	0.2	2.2	3/
1997	1.7	1,431	2.4	2.0	4.4	2.3	0.5	1.8	3/
1998	1.7	1,413	2.4	2.0	4.5	2.4	0.4	2.0	3/
1999	1.8	1,597	2.9	2.0	4.9	3.4	1.5	1.9	3/
2000 2/	1.6								
Grand total cigar tobacco (types 41-61)									
1990	15.6	1,942	30.3	60.0	90.3	34.1	31.5	2.6	319.9
1991	16.3	2,005	32.6	56.2	88.8	30.8	28.1	2.7	267.0
1992	16.0	1,876	30.1	58.0	88.1	27.2	26.2	1.0	217.6
1993	12.4	1,787	22.1	55.6	82.9	27.3	26.4	1.0	239.8
1994	10.4	1,989	20.7	55.6	76.3	27.8	26.4	1.3	265.7
1995	10.1	2,085	21.0	48.5	68.3	24.9	23.1	1.4	178.3
1996	10.7	1,905	20.4	43.5	63.1	29.8	26.5	2.2	231.6
1997	11.2	2,015	22.5	34.2	55.5	23.3	23.8	1.8	232.0
1998	10.6	1,857	19.7	33.3	52.7	21.3	17.4	3.9	--
1999	8.8	1,824	16.0	31.2	47.1	18.4	16.0	3.6	--
2000 2/	7.8								

\* = Negligible. \*\* = Not applicable. -- = Not available. 1/ October 1 for types 41-55; July 1 for type 61. 2/ March 1 crop estimate. 3/ Growers of type 61 no longer provide price information. 4/ Does not include type 61. 5/ Subsequent years negligible.

Sources: Agricultural Marketing Service, National Agricultural Statistics Service, and Farm Service Agency, USDA.



Table 31--Cash receipts from farm marketings and tobacco, 1990-99

Period	Cash receipts				Tobacco as a percentage of	
	Livestock and products	All crops	Total farm 3/	Tobacco	Total cash	
					All crops	receipts
--- Million dollars ---				--- Percent ---		
1990	89,193	80,256	169,449	2,733	3.41	1.61
1991	85,750	82,001	167,751	2,881	3.51	1.72
1992	85,596	85,662	171,346	2,962	3.46	1.73
1993	90,036	87,102	177,617	2,949	3.39	1.66
1994	88,107	91,562	180,775	2,645	2.89	1.46
1995	87,004	100,700	187,704	2,548	2.53	1.36
1996	93,005	106,575	199,579	2,796	2.62	1.40
1997 1/	96,535	111,076	207,612	2,874	2.59	1.38
1998 1/	94,539	102,222	196,761	2,989	2.92	1.52
1999 2/	95,169	92,391	187,559	2,308	2.50	1.23

1/ Revised. 2/ Preliminary. Calendar year sales. 3/ Does not include government payments.

Source: Economic Research Service, USDA.

Table 32--Governmental revenues from tobacco products, 1989/90-1998/99 1/

Year	Excise taxes			Total excise taxes	State sales tax
	Federal	State	Local		
Million dollars					
1989/90	4,123	5,594	192	9,909	1,508
1990/91	4,816	5,958	198	10,972	1,469
1991/92	5,110	6,132	194	11,436	1,996
1992/93	5,602	6,272	188	12,062	2,042
1993/94	5,714	6,778	185	12,623	2,005
1994/95	5,833	7,250	182	13,342	1,995
1995/96	5,795	7,608	181	13,584	1,998
1996/97	5,864	7,676	177	13,717	2,000
1997/98	5,673	7,975	196	13,844	1,977
1998/99	5,299	8,328	190	13,817	2,388

1/ July - June.

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

Table 33--Expenditures for tobacco products and disposable personal income, 1990-99 1/

Year	Total	Cigarettes	Cigars 2/	Other 3/	Disposable personal income	Percent of disposable personal income spent on tobacco products			
						All	Cigarettes	Cigars 2/	Other 3/
--- Million dollars ---			Billion dollars			--- Percent ---			
1990	41,920	39,500	695	1,725	4,051	1.04	.98	.02	.04
1991	45,305	42,850	705	1,840	4,231	1.08	1.02	.02	.04
1992	48,470	45,790	715	1,965	4,500	1.08	1.02	.02	.04
1993	48,955	46,150	730	2,075	4,789	1.04	.98	.02	.04
1994	47,297	44,544	766	1,987	5,022	.96	.90	.02	.04
1995	48,692	45,793	846	2,053	5,356	.92	.86	.02	.04
1996	50,223	47,233	872	2,118	5,535	.90	.85	.02	.04
1997	52,569	49,437	915	2,217	5,795	.91	.85	.02	.04
1998 4/	59,268	55,735	1,033	2,500	6,125	.98	.92	.02	.04
1999 5/	71,800	68,302	1,134	2,727	6,639	.98	.92	.02	.04

1/ Expenditures exclude sales tax. 2/ Includes small cigars (cigarette-size). 3/ Smoking tobacco, chewing tobacco, and snuff. 4/ Subject to revision. 5/ Estimated.

Compiled from reports from the Department of Commerce, Bureau of Economic Analysis.

Statistical Summary

Item	Unit or base period	1999					Last data as percentage of a year earlier
		1999		1999-2000			
		January	February	December	January	February	
<b>Average price to growers</b>							
Flue-cured	Ct. per lb.	closed	closed	closed	closed	closed	
Burley	Ct. per lb.	189.5	185.0	190.5	189.7	188.5	102
Maryland	Ct. per lb.	closed	closed	closed	closed	closed	*
Virginia fire-cured	Ct. per lb.	184.0	closed	closed	closed	closed	*
Ky.-Tenn. fire-cured	Ct. per lb.	218.0	220.5	closed	222.5	216.0	98
Ky.-Tenn. dark air-cured	Ct. per lb.	180.0	174.0	208.5	189.5	172.5	99
Virginia sun-cured	Ct. per lb.	167.0	closed	158.5	188.0	closed	113
<b>Price support level 1/</b>							
Flue-cured	Ct. per lb.		163.2			164.0	100
Burley	Ct. per lb.		178.9			182.4	102
Virginia fire-cured	Ct. per lb.		155.9			155.9	100
Ky.-Tenn. fire-cured	Ct. per lb.		171.6			171.6	100
Ky.-Tenn. dark air-cured	Ct. per lb.		148.1			148.1	100
Virginia sun-cured	Ct. per lb.		138.0			138.0	100
Wisc. binder and Ohio filler	Ct. per lb.		121.2			121.2	100
Parity index 2/	1910-14=100	1,526	1,525	1,566	1,577	1,580	104
Industrial production index 3/	1992=100	134.1	134.5	140.2	141.7	142.1	106
Employment-Civilian	Millions	133.4	133.0	134.4	135.2	135.4	102
Personal income 4/	Bil. dol.	7,599.0	7,636.4	7,998.6	8,057.3	8,089.0	106
		1998		1999			
		July	August	May	June	July	
<b>Taxable removals</b>							
Cigarettes	Billions	38.1	41.5	34.8	41.5	35.5	93
Cigars and cigarillos	Millions	303.1	321.3	320.2	316.3	293.5	97
<b>Accumulated from Jan. 1</b>							
Cigarettes	Billions	268.8	310.2	168.8	210.3	245.9	91
Cigars and cigarillos	Millions	2,198.8	2,520.0	1,506.8	1,647.6	1,941.0	88
<b>Tax-exempt removals</b>							
Cigarettes	Billions	18.3	18.5	13.2	15.3	11.6	63
Exports	Billions						
Cigars and cigarillos	Millions	10.2	12.2	6.9	11.4	6.9	68
<b>Accumulated from Jan. 1</b>							
Cigarettes	Billions	130.3	148.8	74.4	89.7	101.4	78
Exports	Billions						
Cigars and cigarillos	Millions	79.9	92.1	49.5	60.8	67.7	85
<b>Producer price indexes 5/</b>							
Tobacco products	1982=100	278.7	286.4	363.5	363.6	363.5	130
Cigarettes (filtertip, king size)	1982=100	303.2	315.2	412.6	412.3	411.9	136
Cigars	1982=100	225.1	225.1	239.9	244.1	247.4	110
Smoking tobacco	1982=100	233.9	233.9	256.5	256.5	--	
Snuff	1982=100	349.8	349.8	381.5	381.5	381.5	109
<b>Consumer price index (urban)</b>							
Tobacco products	1982-84=100	273.2	273.7	345.5	343.2	356.0	130
		1998/99		1999/2000			
		December	January	November	December	January	
<b>Invoiced to domestic customers</b>							
<b>Accumulated from Jan. 1</b>							
Smoking tobacco	Million lb.	11.3			14.0		124
Chewing tobacco	Million lb.	52.5			50.5		96
Snuff	Million lb.	64.1			67.0		105
<b>Invoiced for export</b>							
<b>Accumulated from Jan. 1</b>							
Smoking tobacco	Million lb.	0.4			0.5		125
Chewing tobacco	Million lb.	0.8			0.1		15
Snuff	Million lb.	1.4			0.8		57
<b>Imports of tobacco (for consumption) 6/</b>							
Cigarette leaf	Million lb.	29.0	47.8	8.8	48.3	22.6	47
Cigar tobacco (leaf and scrap)	Million lb.	3.1	3.6	5.4	3.8	5.9	164
Other tobacco (leaf, scrap, and stems)	Million lb.	5.6	6.2	5.6	25.7	11.5	185

See footnotes at end of table.

continued--

## Statistical Summary--continued

Item	Unit or base period	1998-99		1999-2000		Last data as percentage of a year earlier	
		December	January	November	December		January
<b>Exports of leaf tobacco</b>							
(farm-sales weight)							
Flue-cured 7/	Million lb.	49.9	36.9	35.1	16.6	40.4	109
Burley 7/	Million lb.	3.0	2.1	0.6	1.1	0.2	10
Maryland	Million lb.	0.5	*	0.8	0.2	1.4	**
Virginia fire- & sun-cured	Million lb.	1.0	*	0.1	*	*	**
Ky.-Tenn. fire-cured 8/	Million lb.	1.6	1.6	2.1	2.1	0.8	50
Ky.-Tenn. dark air-cured 9/	Million lb.	*	*			*	**
Cigar wrapper	Million lb.	0.3	0.4	1.0	0.5	0.6	150
Cigar binder	Million lb.	0.6	*	*	*	*	**
<b>Accumulated from beginning of marketing year 10/</b>							
Flue-cured 7/	Million lb.	107.6	130.9	87.8	104.4	144.8	151
Burley 7/	Million lb.	20.0	13.8	18.4	19.9	23.5	170
Maryland	Million lb.	0.3	0.5	1.2	1.4	1.6	320
Virginia fire- & sun-cured	Million lb.	0.3	*	1.0	1.0	1.0	**
Ky.-Tenn. fire-cured 8/	Million lb.	3.5	3.9	3.2	5.3	6.7	172
Ky.-Tenn. dark air-cured 9/	Million lb.	*	*	*	*	*	**
Cigar wrapper	Million lb.	3.9	4.5	1.6	2.1	2.7	60
Cigar binder	Million lb.	0.1	0.1	0.1	0.1	0.1	**
<b>Exports of manufactured tobacco in bulk and not elsewhere</b>							
classified 11/	Million lb.	7.1	6.7	13.6	6.3	6.3	94
Accumulated from Jan. 1	Million lb.	103.4	6.7	144.2	150.5	6.3	94
<b>Quarterly data</b>							
		1998-99		1999-2000			
		Oct. 1	Jan. 1	Oct. 1	Jan. 1		
<b>Stocks of tobacco--1st of quarter</b>							
(farm-sales weight) 12/							
<b>Domestic types</b>							
Flue-cured	Million lb.	1,576	1,689		1,452	1,530	
Burley	Million lb.	832	1,025		901	1,025	
Maryland	Million lb.	23	21		19	16	
Fire-cured	Million lb.	87	88		89	89	
Dark air- and sun-cured	Million lb.	23	11		24	26	
Cigar filler	Million lb.	13	12		11	11	
Cigar binder	Million lb.	18	17		18	18	
Cigar wrapper	Million lb.	2	2		3	2	
Under Government loan 13/	Million lb.	495	497				
<b>Foreign types</b>							
Cigarette and smoking	Million lb.	1,070	1,046		930	960	
Oriental	Million lb.	339	344		292	295	
Flue-cured	Million lb.	395	377		341	352	
Burley	Million lb.	325	315		286	303	
Cigar	Million lb.	120	115		127	111	
Other	Million lb.	10	11		2	2	
<b>Total</b>	<b>Million lb.</b>	<b>3,765</b>	<b>4,041</b>		<b>3,576</b>	<b>3,788</b>	

-- = Not available. \* = Negligible. \*\* = Not applicable.

1/ 1994 and 1995 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/ Declared weight. 7/ Not adjusted for re-exports of foreign leaf. 8/ Includes blackfat share. 9/ Blackfat share only. 10/ July 1 for flue-cured and cigar wrapper, and October 1 for others. 11/ Includes smoking tobacco in packages, smoking tobacco in bulk and other manufactured products. 12/ Holdings of manufacturers and dealers, including grower cooperatives. 13/ Reported by grower cooperatives. Items may not add because of rounding.

Sources: Agricultural Marketing Service, National Agricultural Statistical Service, and Farm Service Agency, USDA; Bureau of Census and Bureau of Alcohol, Tobacco, and Firearms.

## List of Tables

1. Cigarettes: U.S. output, removals, and consumption, 1990-99	.4
2. Per capita consumption of tobacco products in the United States (including overseas forces), 1990-99	.5
3. Wholesale premium brand cigarette price revisions, 1990-2000	.6
4. Cigarettes: Output of filter tip and nonfilter tip by length, 1997-99	.7
5. Tobacco products: Output and domestic invoices by category, 1990-99	.7
6. Cigars and smoking tobacco: U.S. output, removals, and consumption, 1990-99	.8
7. Tobacco demand factors, 1990-99	.8
8. U.S. cigarette exports to leading destinations, 1997-99	.9
9. U.S. tobacco exports and imports: Unmanufactured and manufactured, 1990-99	.10
10. U.S. exports of unmanufactured tobacco by types and to principal importing countries, 1996-99 (declared weight)	.11
11. U.S. smoking tobacco exports, (January-December), 1996-99	.12
12. Flue-cured, burley, and Oriental tobacco production in specified countries, 1997-99	.12
13. U.S. imports of unmanufactured tobacco for consumption and general imports, principal categories, and countries of origin, 1996-99 (declared weight)	.13
14. Imported foreign-grown cigarette leaf stocks, by quarters, 1989-2000	.14
15. Flue-cured and burley tobacco: Marketing quota and marketings, 1980-2000	.16
16. Flue-cured and burley marketing quotas: Formula components and manufacturer purchases, 1990-2000	.17
17. Flue-cured and burley tobacco price support formula components, 1990-2000	.18
18. Computation of price support level adjustment factor for tobacco, 1984-2000	.19
19. Tobacco: Grower marketing assessment, by kind, 1996-98	.20
20. Flue-cured tobacco: Acreage allotted and under production, 1983-2000	.20
21. Sales of flue-cured tobacco quotas, 1990/91-1998/99	.20
22. Tobacco loan stocks, 1998-2000 (farm-sales weight)	.21
23. U.S. exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1998/99-1999/2000 (declared weight)	.23
24. Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, marketings, carryover, supply, disappearance, season average price, and price support operations, 1990-2000 (farm-sales weight)	.24
25. Burley tobacco: Price spreads among specified grades, 1990-99	.25
26. Burley tobacco: Gross auction sales, and average price, by States, 1998-99	.25
27. Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1990-2000 (farm-sales weight)	.26
28. 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, 1990-2000 (farm-sales weight)	.28
29. 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, 1990-2000 (farm-sales weight)	.30
30. Cigar tobacco, types 41-61: Domestic supplies, disappearance, and season average prices, 1990-2000 (farm-sales weight)	.32
31. Cash receipts from farm marketings and tobacco, 1990-99	.34
32. Governmental revenues from tobacco products, 1989/90-1998/99	.34
33. Expenditures for tobacco products and disposable personal income, 1990-99	.34
Statistical Summary	.35

## **Note to Subscribers**

The Economic Research Service is considering releasing the *Tobacco Situation and Outlook* report electronically only, with the possible exception of the Yearbook issue. We want your input before we make a final decision on this. Please write, fax, or e-mail us to let us know how this decision will affect you. Our address is Economic Research Service, MTED, 1800 M Street N.W., Room S5038, Washington, DC 20036-5831; fax 202-694-5820; e-mail address thomasc@ers.usda.gov.

## **NOTICE**

### **ERS Plans To Shift to All-Internet Distribution of Tobacco Documents and Data Products in May 2000**

Recent data indicate that very few people are obtaining reports and data from the ERS Autofax system. However, maintaining this system is costly to us. As a result, we are planning to phase out Autofax access to the *Tobacco Outlook* report as of May 2000. Starting in May, we are planning to only provide access to this report through the Internet. You can find this document at <http://www.ers.usda.gov> in PDF and ASCII formats. Select “**Outlook Reports,**” then “**Specialty Agriculture**” then *Tobacco*.