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Tobacco Outlook

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Leaf Production Plummets With End Of Program

Contents

[Tobacco Products](#)
[U.S. Exp. & Imp.](#)
[Tobacco Leaf](#)
[Flue-Cured](#)
[Burley](#)
[Maryland Tobacco](#)
[Fire-Cured](#)
[Dark Air-Cured](#)
[Cigar Tobacco](#)
[Contact & Links](#)

Tables

[Cigarettes](#)
[U.S. Leaf Exports](#)
[U.S. Leaf Imports](#)
[Flue-Cured &
Burley S&U](#)

Web Sites

[WASDE](#)
[Tobacco Briefing
Room](#)

The next release is
April 2006

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U.S. tobacco production for the 2005 season was forecast at 644.3 million pounds as of September 1. After the passage of buyout legislation which terminated the tobacco program beginning with the 2005 crop, many growers have ceased tobacco farming or reduced acreage, and are waiting to gauge the market in the coming years. The crop is expected to be 27 percent below last year's 879.2 million pounds. Acreage in 2005 is projected at 307,010 acres, 25 percent less than the 2004 season. Cigarette leaf production is expected to account for 91 percent of U.S. output in 2005 or 584.4 million pounds, compared with 816.8 million pounds during the 2004 season. Cigar types accounted for 1 percent, while dark-fired and air-cured leaf accounted for 8 percent.

The termination of the tobacco program also ended the collection and dissemination of marketing information. At this time no data are available on the progress of tobacco sales. Quality of both flue-cured and burley are expected to be good but with wide areas of lower quality leaf caused by dry weather.

Supplies of U.S.-grown tobacco in 2005 are expected to slip 12 percent from last season. The 25 percent drop in production is the pre-eminent factor in the supply slide. Beginning stocks were 4 percent lower. At an estimated 1.5 billion pounds, beginning stocks are expected to be about 4 percent lower than last season, the same decline as last year. U.S. leaf supplies at the beginning of the 2005 crop year are estimated at 2.1 billion pounds.

Disappearance (use) of U.S.-grown leaf is expected to advance about 10 percent by the end of the 2004/05 marketing year to reach about 944 million pounds. The 84-million-pound gain is mostly due to increased domestic use, and imported tobacco use declined slightly. During late

2004, manufacturers began using greater volumes of domestic leaf relative to imports. Domestic use is expected to end at 542 million pounds, and export use is expected to be about 400 million pounds.

Cigarette output in calendar 2004 slipped 1.3 percent to 492.7 billion cigarettes. Taxable removals ended the year at 375 billion pieces. Domestic consumption for 2005 is not yet available but is expected to continue declining at a similar rate as previous years. Cigarette exports during the first 6 months of 2005 reached 53.8 billion pieces, compared with 65.4 billion during the 6-month period in 2004. Imports for January-June 2005 totaled 8.7 billion cigarettes, 20 percent below the same 6-month period in 2004. During 2005, 12 States raised cigarette excise taxes. Per capita consumption (18 years old and over) slid to 1,770 cigarettes in 2004 compared with 1,837 cigarettes the previous year.

At the beginning of the flue-cured season, growers carried over 23.9 million pounds available for marketing from previous crops. Last year carryover was only 4.4 million pounds. With no quotas in effect, most tobacco is expected to be sold. The majority of leaf is being sold under contract to leaf dealers and manufacturers. In addition, Flue-cured Stabilization is operating 11 marketing centers where producers can market tobacco.

Beginning flue-cured stocks on July 1, 2005, were 796.0 million pounds, compared with 822.8 million pounds on July 1, 2004. The total reported supply of U.S.-grown flue-cured in 2005 is about 1.2 billion pounds, 9 percent below the supply available at the beginning of the 2004 marketing year.

As of September 1, burley production in 2005 is estimated at 192.3 million pounds compared with 292.2 million pounds last season. Acreage is 105,300 acres, 47,850 acres fewer than last season. Lower production and lower expected beginning stocks in October 2005 are expected to result in projected supplies of 699.1 million pounds, 15 percent below the previous season's 820.1 million pounds. Burley disappearance during the 2003/04 year (October 2004-September 2005) is expected to advance 6 percent based on October-June trade data and September 1 production estimates.

According to the September 1 crop production forecast, smaller crops are forecast for Maryland, dark air-cured, and cigar tobacco. Dark fire-cured leaf production advanced 7 percent, driven by increased production of snuff.

For January-June 2005, leaf exports totaled 180.5 million pounds (267.4 million pounds farm-sales weight) about 2 percent below the same period last year. Again, most categories slipped with the exception of burley, which gained 39 percent to top 100 million pounds. Flue-cured shipments slipped 31 percent to 43.4 million pounds during the 6-month period, a larger decline than last year's. Germany eclipsed Japan as the largest leaf buyer, even though its purchases were slightly lower at 22.6 million pounds. The Bureau of the Census reported 78 countries as destinations for U.S. tobacco leaf during July-June 2004-05.

Imports for consumption declined 45 percent during January-June 2005 compared with January-June 2004, following a small decline the previous year. The period ended at 154.2 million pounds, compared with 279.5 million pounds last year. Value was \$253.6 million, compared with \$380.8 million the previous year.

The Fair and Equitable Tobacco Transition Act of 2004 eliminates price supports and marketing quotas for all tobacco beginning with the 2005 crop year (July 2005 for flue-cured and October 2005 for other types). Mandatory inspection and grading of domestic leaf is also eliminated, and USDA market news reporting is terminated. For this reason, data on the ongoing flue-cured market, mostly sold through contracts, are limited.

Tobacco Products

Cigarette Consumption for 2004 Set at 388 Billion

U.S. cigarette consumption in 2004 reached 388 billion, 2.5 percent below the previous year. Consumption in 2003 was 400 billion cigarettes. Output in 2004 was 492.7 billion cigarettes, compared with 499.4 billion in 2003. Taxable removals slipped fewer than 2 billion pieces to 375.0 billion. Data on output, taxable removals, and non-taxable removals are not yet available for 2005. Cigarette exports during the first 6 months of 2005 reached 53.8 billion pieces, compared with 65.4 billion during the 6-month period in 2004. Japan purchased 72 percent of U.S. cigarette exports (38.7 billion pieces) during the first 6 months of 2005. Saudi Arabia, Iran, Lebanon, and Kuwait all purchased more than a billion cigarettes. Hong Kong, United Arab Emirates, Taiwan, and Israel (in declining importance) were also major destinations. Imports for January-June 2005 totaled 8.7 billion cigarettes, 20 percent below the same 6-month period in 2004. Colombia, Canada, Brazil, and South Korea were major sources for cigarettes. Yearend 2005 cigarette imports are expected to be slightly below 2004 levels.

Prospects for 2005: Declines Continue

Cigarette consumption in 2005 is expected to decline at a slightly greater rate than 2004, resulting in ending consumption of about 375 billion pieces. Declines in output and taxable removals are expected to reflect similar declines but data are not available at this time. Exports for 2005 are trailing 2004 by 18 percent through June. At this rate, yearend shipments should be below 100 billion cigarettes. Cigarette imports during the first 6 months of 2005 slipped 20 percent. If this trend continues, imports at yearend will be about 18 billion pieces.

Cigarette Taxes

During 2005, 12 States raised cigarette excise taxes. Maine raised cigarette excise taxes by \$1.00, bringing the total tax to \$2.00. Montana also increased its per-pack tax by \$1.00 to reach \$1.70 per pack. Oklahoma raised its tax by 80 cents to 1.03 per pack. Minnesota's excise tax rose by 75 cents to \$1.23 per pack on August 1st. Ohio's tax is now \$2.25 per pack after a 70-cent boost. Colorado set its tax at 84 cents, up 64 cents. Alaska's tax gained 60 cents to \$2.00 per pack and Washington is set to increase its excise tax by 60 cents to \$2.025 per pack. New Hampshire's tax is now 80 cents a pack after gaining 28 cents. Taxes in Kentucky and Virginia increased by 27 and 10 cents per pack, respectively, during 2005, bringing the total tax for each to 30 cents. With these increases, these two States no longer have the lowest excise tax rates. By the end of 2005, 20 States will have cigarette excise tax rates of \$1.00 or greater, and five States (Maine, Michigan, New Jersey, Rhode Island, and Washington) will have tax rates of over \$2.00 per pack. The consumption-weighted average State cigarette excise tax rate for 2004 is 66.53 cents per pack of 20 cigarettes. For 2005, the projected consumption-weighted average State cigarette excise tax rate is 76.73 cents per pack.

Wholesale Prices

Cigarette wholesale prices have not changed since they increased 12 cents per pack in April 2002. Including the Federal excise tax, the current wholesale price is

\$2.374 per pack. The Federal excise tax has been 39 cents per pack since January 1, 2002.

CPI for Cigarettes and Tobacco Products Up

The Consumer Price Index (CPI) for tobacco products (cigarettes, cigars, chewing, snuff, and smoking tobacco) is projected to increase from 478.0 to about 497.5 during 2005. The CPI for cigarettes advanced from 193.5 in 2004 to an estimated 201.3 in 2005. The CPI for tobacco products other than cigarettes ended 2004 at 143.3 and is expected to end 2005 at about 150.0.

Cigar Output and Consumption Continue To Increase in 2004 and 2005

Data on output and taxable removals is not yet available for 2005. However, cigar consumption is expected to continue its upward trend with similar increases in taxable removals for 2005. Exports for calendar year 2004 were 171 million cigars. January-June 2005 exports were two-and-a-half the same period in 2004 at 379 million cigars. July 2004-June 2005 exports reached 443 million cigars compared with 196 million during July 2003-June 2004.

Calendar year 2004 cigar imports reached 616 million pieces, compared with 508 million the previous year. Imports for January-June 2005 advanced 16 percent to 325 million cigars, compared with 280 million during the 6-month period a year earlier. The Dominican Republic, India, Honduras, and Nicaragua accounted for 94 percent of import volume. For the year ending June 2005, imports totaled 661 million cigars, 14 percent behind 567 million cigars during the same period a year earlier.

Small Cigars

Small cigars weigh less than 3 pounds per 1,000 and must have cigar-type wrapper and filler. Data on output and taxable removals in 2005 are not yet available. Output in 2004 reached 2.7 billion pieces, 6 percent above the previous year, and the upward trend is expected to continue in 2005. During January-June 2005, imports of small cigars slipped 28 percent, reaching 81 million cigars. Imports for 2005 are expected to reach about 200 million pieces. Brazil, the Philippines, Honduras, and the Netherlands were major sources for small cigars during the first half of 2005, accounting for 81 percent of imports.

Other Tobacco Products

Output of snuff continues to rise, advancing 15 percent during the first 6 months of 2005, compared with the same period in 2004. Estimated output at the year's end is expected to be nearly 91.5 million pounds, compared with 79.3 million pounds in 2004. Taxable removals during the 6-month period gained 2 percent. For 2005, taxable removals are expected to reach 78.0 million pounds, compared with 2004's 75.8 million pounds. Snuff continues to be the most consistent growth area in the tobacco industry.

On a July-June basis, snuff output gained 10 percent from 2003 (July 2003-June 2004) to 2004 (July 2004-June 2005) ending at 85.4 million pounds. During the same period, taxable removals advanced 2 percent, ending at 78.0 million pounds.

Chewing tobacco output for January-June 2005 declined 2.8 million pounds to 20.8 million pounds, continuing its long-term decline. During the first 6 months of 2005, chewing tobacco output slid 1 percent, less than last year. Output in 2005 is estimated at 39.0 million pounds. Taxable removals slipped 6 percent during the January-June period and are projected to end 2005 at 36.2 million pounds. For the 12-month period from July 2004 to June 2005 (the latest full year of data available), output of chewing tobacco totaled 39.2 million pounds, 3 percent lower than a year earlier. Taxable removals were 37.0 million pounds.

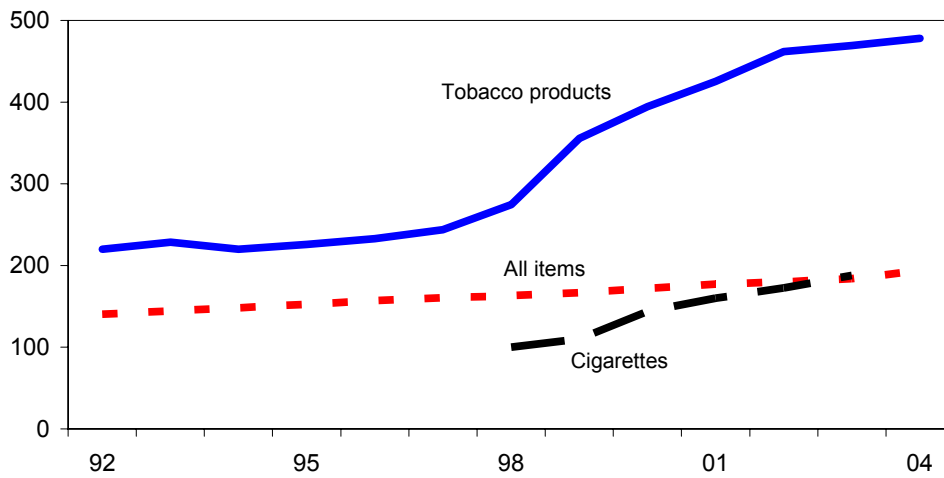
After declining to less than 5 million pounds in the mid-1990s, smoking tobacco output has increased through 2003 but is now on a downward trend. Output for 2004 reached 16.1 million pounds, and output is expected to continue its decline in 2005. During the first 6 months of 2005, output slipped 4 percent compared with the same period a year earlier. Both pipe tobacco output and cut leaf slipped. Cut tobacco is predominately used in roll-your-own (RYO) cigarettes. Higher cigarette taxes continue to boost cut tobacco consumption because of the resurgence in the RYO market. Total output of smoking tobacco in 2005 is projected at 15.5 million pounds. Taxable removals of smoking tobacco are expected to reach 14.5 million pounds in 2005, down 4 percent.

On a July-June year basis, 2004-05 output of smoking tobacco slipped 11 percent to reach 15.8 million pounds. Cut tobacco fell 11 percent to 11.4 million pounds. Pipe tobacco lost 12 percent to end at 4.3 million pounds. Taxable removals of smoking tobacco for July 2004-June 2005 declined 7 percent to 14.9 million pounds.

Figure 1

Consumer Price Index and tobacco products

% of 1982-84

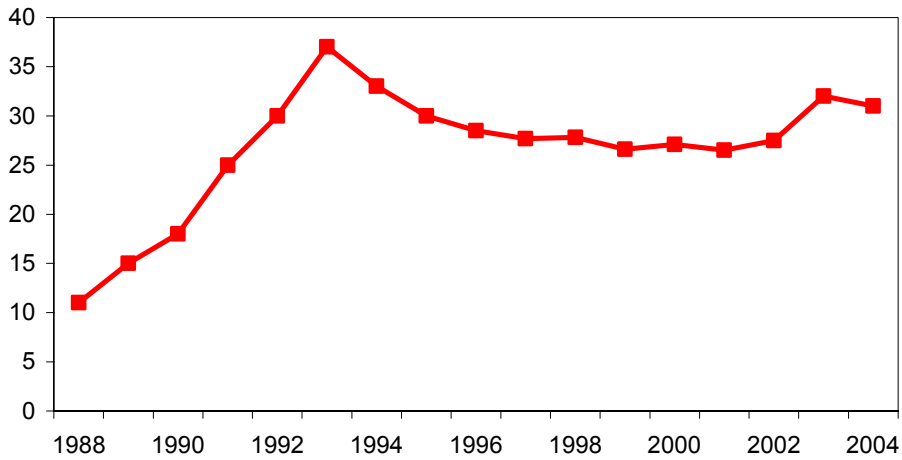


Source: Bureau of Labor Statistics.

Figure 2

Discount cigarette share of U.S. cigarette consumption

Percent



Source: Economic Research Service, USDA.

Table 1--Cigarettes: U.S. output, removals, and consumption, 1995-2005

Year	Removals							Total U.S. consumption 3/
	Output	Tax-exempt			Imports	Adjustment 2/		
		Taxable	Total	Exports			Miscellaneous shipments 1/	
Billions								
1995	746.5	490.3	250.9	231.1	19.8	3.0	26.1	487.0
1996	754.5	486.0	261.0	243.9	17.1	2.8	18.9	487.0
1997	722.8	471.4	232.0	217.0	15.0	3.2	9.6	480.0
1998	679.7	457.9	212.5	201.3	11.2	4.3	8.4	465.0
1999	611.5	434.5	165.6	151.4	14.1	8.7	17.6	435.0
2000	594.1	422.5	153.6	148.3	5.4	11.3	10.0	430.0
2001	562.8	412.1	144.6	133.9	10.7	14.7	12.5	425.0
2002	532.0	395.2	136.3	127.4	2.6	20.8	3.3	415.0
2003	500.0	377.2	123.9	121.5	2.4	23.1	2.7	400.0
2004	492.7	375.0	123.7	118.7	5.0	22.7	4.5	388.0
2005 6/	na	na	na	97.3	na	18.4	na	na
Year ending June 30								
1994	668.8	467.7	205.0	198.4	6.6	8.7 4/	-9.3 5/	486.8
1995	755.3	492.6	255.6	239.3	7.0	3.2	9.8	488.0
1996	748.3	487.0	254.7	239.5	15.2	2.6	16.8	488.0
1997	732.6	475.8	252.5	232.8	19.7	3.1	18.5	480.0
1998	713.2	465.2	229.0	215.5	13.5	3.5	17.2	465.0
1999	637.2	437.5	190.3	176.8	13.5	6.1	22.1	435.0
2000	605.3	432.3	159.3	142.6	16.7	9.9	28.9	430.0
2001	579.6	418.1	150.5	133.9	16.6	12.2	22.0	425.0
2002	556.5	408.3	140.0	132.1	7.9	17.9	14.1	420.0
2003	510.8	381.4	130.5	123.4	7.1	23.8	7.3	405.0
2004	450.0	335.0	125.0	122.6	2.4	22.1	-35.5	395.0
2005 6/	na	na	na	107.1	na	20.5	na	na

na = not available. 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.

7/ Estimated, subject to revision.

Sources: Alcohol and Tobacco Tax and Trade Bureau, Bureau of the Census.

Table 2--Per capita consumption of tobacco products in the United States (including overseas forces), 1995-2005

Year	Per capita	Per capita 18 years and over				Per male 18 years and over			
	16 years and over	Cigarettes 1/		All tobacco products	Large cigars & cigarillos		Smoking tobacco 2/	Chewing tobacco 2/	
	Number	Number	----- Pounds -----		Number	----- Pounds -----			
1995	2,415	2,505	4.2	0.31	4.67	27.49	0.45	0.13	0.67
1996	2,391	2,482	4.2	0.31	4.70	32.66	0.54	0.12	0.43
1997	2,331	2,423	4.1	0.31	4.55	36.90	0.61	0.12	0.41
1998	2,233	2,320	3.9	0.32	4.49	37.99	0.62	0.12	0.37
1999	2,067	2,136	3.6	0.32	4.32	39.51	0.65	0.14	0.35
2000	2,014	2,092	3.5	0.33	4.14	38.12	0.63	0.15	0.33
2001	1,951	2,026	3.4	0.33	4.11	40.52	0.66	0.15	0.31
2002	1,906	1,979	3.5	0.34	4.23	40.14	0.66	0.15	0.29
2003	1,771	1,837	3.2	0.34	3.86	42.86	0.70	0.11	0.26
2004 3/	1,706	1,770	3.2	0.35	3.79	49.07	0.80	0.10	0.24
2005 4/	na	na	na	na	na	na	na	na	na

na = not available. 1/ Unstemmed processing weight. 2/ Finished product weight. 3/ Preliminary. 4/ Estimated.

Compiled from reports of the Alcohol and Tobacco Tax and Trade Bureau and the Bureau of the Census.

Table 3--U.S. cigarette exports to leading destinations, 2004-2005

Country	July 2004- June 2005	January-June	
		2004	2005 1/
		Billions	
Japan	72.2	37.6	38.7
Saudi Arabia	10.4	5.3	5.1
Iran	5.5	10.7	1.7
Lebanon	4.0	1.9	2.0
Israel	3.4	2.3	0.6
Hong Kong	2.1	0.9	1.0
Kuwait	1.9	1.0	1.2
United Arab Emirates	1.5	1.0	0.8
Taiwan	1.5	0.8	0.7
Singapore	0.9	0.6	0.4
Netherlands	0.5	0.3	0.2
Qatar	0.4	0.2	0.2
Oman	0.3	0.2	*
Morocco	0.2	*	0.2
Canada	0.2	0.2	*
Bahrain	0.2	0.1	0.2
Philippines	0.1	0.2	*
South Korea	0.1	0.2	*
Cyprus	0.1	0.2	*
Belgium	0.1	*	*
Australia	0.1	0.1	0.1
Other countries	1.4	*	0.7
Total	107.1	65.4	53.8

1/ Subject to revision. * Indicates less than 50 million pieces.

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

Table 4--State cigarette tax increases, 2002-05

Per pack of 20 cigarettes				
State	Increase	New rate	Effective date	
Washington	\$0.60	\$1.42	01/01/02	
Connecticut	\$0.61	\$1.11	04/03/02	
New York State	\$0.39	\$1.50	04/03/02	
Rhode Island	\$0.32	\$1.32	05/01/02	
Utah	\$0.18	\$0.70	05/06/02	
Illinois	\$0.40	\$0.98	07/01/02	
Indiana	\$0.40	\$0.56	07/01/02	
Kansas	\$0.46	\$0.70	07/01/02	
Maryland	\$0.34	\$1.00	07/01/02	
New Jersey	\$0.70	\$1.50	07/01/02	
Ohio	\$0.31	\$0.55	07/01/02	
Vermont	\$0.49	\$0.93	07/01/02	
New York City	\$1.42	\$1.50	07/02/02	
Pennsylvania	\$0.69	\$1.00	07/15/02	
Tennessee	\$0.07	\$0.20	07/15/02	
Massachusetts	\$0.75	\$1.51	07/25/02	
Louisiana	\$0.12	\$0.36	08/01/02	
Michigan	\$0.50	\$1.25	08/01/02	
Hawaii	\$0.20	\$1.20	10/01/02	
Nebraska	\$0.30	\$0.64	10/01/02	
Oregon	\$0.60	\$1.28	11/01/02	
Arizona	\$0.58	\$1.18	11/25/02	
District of Columbia	\$0.35	\$1.00	01/01/03	
Connecticut	\$0.40	\$1.51	03/15/03	
South Dakota	\$0.20	\$0.53	03/18/03	
Montana	\$0.52	\$0.70	05/01/03	
West Virginia	\$0.38	\$0.55	05/01/03	
Idaho	\$0.29	\$0.57	06/01/03	
Georgia	\$0.25	\$0.37	07/01/03	
Hawaii	\$0.10	\$1.30	07/01/03	
Kansas	\$0.09	\$0.79	07/01/03	
New Jersey	\$0.55	\$2.05	07/01/03	
New Mexico	\$0.70	\$0.91	07/01/03	
Vermont	\$0.26	\$1.19	07/01/03	
Wyoming	\$0.48	\$0.60	07/01/03	
Delaware	\$0.31	\$0.55	08/01/03	
Alabama	\$0.26	\$0.43	05/06/04	
Hawaii	\$0.10	\$1.40	07/01/04	
Michigan	\$0.75	\$2.00	07/01/04	
New Jersey	\$0.35	\$2.40	07/01/04	
Rhode Island	\$0.75	\$2.46	07/01/04	
Virginia	\$0.18	\$0.20	09/01/04	
Alaska	\$0.60	\$2.00	01/01/05	
Montana	\$1.00	\$1.70	01/01/05	
Oklahoma	\$0.80	\$1.03	01/01/05	
Colorado	\$0.64	\$0.84	01/01/05	
Kentucky	\$0.27	\$0.30	06/01/05	
Maine	\$1.00	\$2.00	07/01/05	
Ohio	\$0.70	\$2.25	07/01/05	
Washington	\$0.60	\$2.03	07/01/05	
New Hampshire	\$0.28	\$0.80	07/01/05	
Virginia	\$0.10	\$0.30	07/01/05	
Minnesota	\$0.75	\$1.23	09/01/05	
North Carolina	\$0.25	\$0.30	09/01/05	

Source: Federation of Tax Administrators, Orzechowski & Walker.

Table 5--Tobacco demand factors, 1995-2005

Year	Population July 1 1/ Millions	Disposable personal income, per capita 2/		Consumer Price Indexes 3/		
		Current prices	1996 prices	All items	Tobacco products	Cigarettes 6/
		-- Dollars --		-- Percent of 1982-84 --		
1995	194.4	20,349 5/	21,056	152.4	225.7	--
1996	196.1	21,117 5/	21,385	156.9	232.8	--
1997	198.2	21,969	21,838	160.5	240.2	100.0
1998	200.4	23,359	22,672	163.0	274.8	109.8
1999	202.5	24,314	23,191	166.6	355.8	143.8
2000	209.1	25,237	23,501	172.2	394.9	159.9
2001	209.8	26,237	23,692	177.1	425.2	172.5
2002	212.2	27,157	24,463	179.9	461.5	187.7
2003	215.5	28,033	24,669	184.0	469.0	190.4
2004	217.8	29,473	25,902	188.9	478.0	193.5
2005 4/	217.8	30,291 7/	25,747 7/	193.5	497.5	201.3

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

5/ Revised. 6/ Bureau of Labor Statistics began to publish cigarette and other tobacco product CPI for January 1998. 7/ Second quarter.

Source: Bureau of the Census, Bureau of Labor Statistics.

Table 6--Wholesale premium brand cigarette price revisions, 1990-2005 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/	112.70	112.70	112.70	112.70	95.70	95.70	95.70	95.70
July-2000	115.70	115.70	115.70	115.70	98.70	98.70	98.70	98.70
Dec.-2000	122.70	122.70	122.70	122.70	105.70	105.70	105.70	105.70
Apr.-2001	129.70	129.70	129.70	129.70	112.70	112.70	112.70	112.70
Oct.-2001	132.20	132.20	132.20	132.20	115.20	115.20	115.20	115.20
Jan.-2002 7/	132.20	132.20	132.20	132.20	112.70	112.70	112.70	112.70
Apr.-2002 8/	138.20	138.20	138.20	138.20	118.70	118.70	118.70	118.70

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-243, April 1999. 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/ Effective Jan. 1, 2000, Federal excise tax increased to \$17 per 1,000 cigarettes. 7/ Effective January 1, 2002, Federal excise tax increased to \$19.50 per 1,000 cigarettes. 8/ Last price change.

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.

Sources: News reports and miscellaneous sources.

Table 7--Wholesale nonbrand cigarette price revisions, 1990-2005 1/

Approximate date of change	Net price per 1,000			
	Discounts		Deep discounts	
	Regular	100s	Regular	100s
	Dollars			
June 1990	39.25	40.50	24.50	25.75
December 1990	41.75	43.00	27.00	28.25
Jan.-Feb. 1991	43.85	45.10	29.10	30.35
March 1991	46.35	47.60	29.10	30.35
June 1991	50.35	51.60	30.35	31.60
November 1991	53.10	54.35	31.60	32.85
April 1992	57.10	58.35	26.60	27.87
July-August 1992	46.60	47.85	28.60	29.87
November 1992	49.35	50.60	30.60	31.87
January 1993	51.45	52.70	32.70	33.97
February 1993	51.45	52.70	36.70	37.95
March 1993	52.45	53.70	39.20	40.45
August 1993	52.45	53.70	40.45	40.45
November 1993	52.45	53.70	42.45	42.45
May 1995 2/	52.45	53.70	43.95	43.95
April 1996	52.45	53.70	45.95	45.95
September 1997	55.95	57.20	49.45	49.45
January 1998	57.20	58.45	50.70	50.70
April 1998	58.70	59.95	52.20	52.20
May 1998	61.20	62.45	54.70	54.70
August 1998	63.20	65.45	57.70	57.70
November 1998	85.70	87.95	80.20	80.20
August 1999	94.70	96.95	89.20	89.20
January 2000	106.20	108.45	100.70	100.70
July 2000 2/	109.20	111.45	103.70	103.70
December 2000	116.20	118.45	110.70	110.70
April 2001	123.20	125.45	117.70	117.70
October-2001	125.70	127.95	120.20	120.20
January 2002	125.70	127.95	120.20	120.20
April 2002 3/	131.70	133.95	126.20	126.20

1/ Typical prices. Prices for some brands higher and some lower. Includes Federal excise tax. 2/ No change in 1994. 3/ Last price change.

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.

Sources: News reports and miscellaneous sources.

Table 8--Cigars and smoking tobacco: Output, removals, and consumption, 2001-05

Year and item	Output	Removals		Imports	Exports	Total U.S. consumption 2/
		Taxable 1/	Tax-exempt			
Millions						
Large cigars and cigarillos:						
2001	3,741	3,564	130	543	124	4,107
2002	3,819	3,706	94	413	123	4,119
2003	4,017	4,019	80	509	155	4,420
2004	4,428	4,637	191	616	171	5,082
2005 3/	na	na	na	710	750	na
Year ending June 30						
2001	3,080	3,422	77	489	113	3,911
2002	3,742	3,654	84	494	134	4,148
2003	3,211	3,889	90	408	131	4,297
2004	3,801	3,834	200	567	196	4,256
2005 3/	na	na	na	661	443	na
Million pounds						
Smoking tobacco:						
2001	12.8	14.9	0.5	1.9	11.0	16.8
2002	15.5	15.9	0.5	2.1	7.4	18.0
2003	17.8	16.7	0.4	2.0	4.1	18.7
2004	16.1	15.5	1.0	1.7	1.1	17.2
2005 3/	15.5	14.5	1.0	2.6	1.0	17.1
Year ending June 30						
2001	12.1	14.3	0.5	1.4	7.9	15.7
2002	14.3	15.4	0.5	2.2	7.4	17.6
2003	17.1	16.6	0.5	2.1	4.2	18.7
2004	17.7	16.7	2.0	1.8	1.1	18.5
2005 3/	15.8	14.9	0.9	1.9	1.3	16.7

1/ Includes United States and Puerto Rico combined. 2/ Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports minus exports. 3/ Estimated.

Source: Compiled from reports of the Alcohol and Tobacco Tax and Trade Bureau; Bureau of the Census; and Agricultural Marketing Service, USDA.

Table 9--Tobacco products: Output by category, 1996-2005

Period	Chewing tobacco					Snuff dry	Snuff moist	Smoking tobacco		
	Plug-firm	Plug-moist	Twist	Loose leaf	Total 1/			Small cigars 2/	in bulk (exports)	
	Million pounds							Millions	Million pounds	
1996	2.9	1.0	1.1	56.0	61.1	4.0	57.5	1,503	110.4	
1997	2.6	0.9	1.0	53.7	58.1	4.4	59.9	1,476	118.2	
1998	2.4	0.7	1.0	49.2	53.3	4.3	61.2	1,710	143.8	
1999	2.2	0.6	0.9	47.2	50.9	3.7	63.3	2,316	151.1	
2000	2.0	0.5	0.8	46.0	49.4	3.6	65.9	2,469	136.1	
2001	1.9	0.5	0.8	43.9	47.0	3.3	67.6	2,376	118.2	
2002	1.7	0.3	0.7	40.2	43.0	3.1	69.6	2,478	144.0	
2003	1.4	0.3	0.7	37.9	40.3	2.7	71.1	2,616	121.3	
2004	1.4	0.3	0.7	37.0	39.3	2.4	76.9	2,691	58.2	
2005 3/	1.1	0.2	0.6	37.0	39.0	2.3	89.2	na	27.9	
	Year ending June 30									
1996	3.0	1.1	1.1	55.0	60.3	4.9	55.4	1,433	102.0	
1997	2.8	1.0	1.0	54.4	59.2	4.1	58.6	1,587	118.4	
1998	2.4	0.8	1.0	52.5	56.7	4.3	60.9	1,575	131.6	
1999	2.2	0.7	0.9	48.1	51.9	4.1	62.0	1,942	134.6	
2000	2.1	0.6	0.8	46.5	50.1	3.7	65.6	2,188	149.1	
2001	2.0	0.5	0.8	44.1	47.3	3.6	65.4	2,171	129.4	
2002	1.8	0.4	0.8	41.9	44.8	3.2	67.2	2,248	133.9	
2003	1.6	0.3	0.7	39.3	41.9	3.0	69.8	2,531	130.9	
2004	1.5	0.3	0.7	39.5	42.0	75.4	78.0	2,358	89.3	
2005 3/	1.3	0.2	0.6	37.0	39.2	83.1	85.4	na	19.4	

na = Not available. 1/ Details may not add to total due to rounding. 2/ Weight not more than 3 pounds per thousand. 3/ Estimated.

Compiled from reports of the Alcohol and Tobacco Tax and Trade Bureau; Bureau of the Census; and Agricultural Marketing Service, USDA.

U.S. Exports and Imports

January-June 2005 Exports Slip 2 Percent

For January-June 2005, leaf exports totaled 180.5 million pounds (267.4 million pounds farm-sales weight) about 2 percent below the same period last year. Again, most categories slipped with the exception of burley, which gained 30 percent to top 100 million pounds. Flue-cured shipments slipped 30 percent to 43.4 million pounds during the 6-month period, as large a decline as last year. Germany eclipsed Japan as the largest leaf buyer, even though its purchases were slightly lower at 22.6 million pounds. Overall shipments to Japan slipped 32 percent while those to Russia surged by 70 percent. Belgium reduced purchases by nearly half while the Netherlands boosted takings by 75 percent. The Bureau of the Census reported 78 countries as destinations for U.S. tobacco leaf during July-June 2004.

January-June 2005 leaf export value reached \$536.0 million compared with \$539.9 million during the same period in 2004. Burley export value reached \$312.5 million, \$67 million over the previous year, and flue-cured export value dropped by \$60 million to end at \$144 million. Other types generally declined in value. During the first 6 months of 2005 flue-cured and burley made up 85 percent of total export value, compared with 83 percent last year.

July 2004-June 2005 Exports

For the July-June period (July 2004-June 2005), unmanufactured export value advanced 4 percent. Exports just cleared the \$1 billion mark to end the 12-month period at \$1,008.6, compared with \$990.9 million during the previous July-June period. Flue-cured was nearly steady. The value of stem exports increased.

Total export volume from July 2004 through June 2005 was 357.4 million pounds. Year-earlier volume was 342.1 million pounds. During the 12-month period, flue-cured shipments were 128.7 million pounds. Germany, Japan, Belgium, and the Netherlands were the top destinations for flue-cured tobacco. Burley shipments of 151.1 million pounds were up 50 million pounds, the highest level in over 15 years. Maryland, Virginia fire and sun-cured, and "other leaf" gained while Kentucky-Tennessee dark-fired, cigar binder, wrapper, and stem exports slipped during the 12-month period.

Leaf Imports for Consumption Volume Plunges During First 6 Months of 2005

Imports for consumption declined 45 percent during January-June 2005 compared with January-June 2004, following a small decline. The period ended at 154.2 million pounds, compared with 279.5 million pounds last year. Value was \$253.6 million, compared with \$380.8 million the previous year. During the first half of the year, Turkey, Brazil, Greece, and Bulgaria were the leading sources for leaf. Shipments from Brazil were only 22 million pounds, compared with 80 million pounds last year, and 111 million pounds 2 years earlier. Turkey, Greece, and Bulgaria ship Oriental tobacco which is not produced in the United States. Oriental leaf was by far the largest import category. Flue-cured leaf accounted for 30 percent of total imported leaf volume during the first 6 months of 2004, but only

comprised 11 percent of imports during the same period in 2005.

General imports (arrivals) for January-June 2005 were 248.5 million pounds valued at \$363.2 million, compared with 251.8 million pounds valued at \$345.4 million in 2004. Oriental leaf arrivals slipped 2 percent to end at 76.2 million pounds. Flue-cured (stemmed) arrivals declined 26 million pounds to end at 48.7 million pounds, while burley arrivals (other stemmed cigarette leaf nearly doubled to 59.1 million pounds).

July-June Imports Plummet

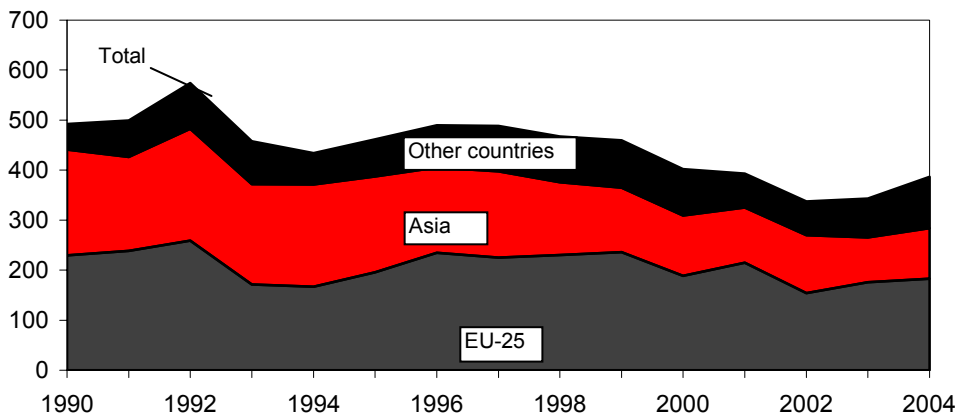
Leaf import volume (consumption) fell 31 percent to 436.2 million pounds in July 2004-June 2005 after advancing gained 14 percent during the previous July-June. Declines were spread over most categories. Only cigar filler gained slightly. Stemmed flue-cured slid 61 percent to 71.1 million pounds. Stemmed burley imports were 90.6 million pounds, compared with 141.6 million pounds during the previous July-June period. Oriental imports slid 6 percent to 114.8 million pounds. Imports of stems were reduced to 72.1 million pounds from 95.3 billion pounds. During July 2004-June 2005, the value of unmanufactured leaf imports for consumption was \$578.3 million, compared with \$808.0 million the previous July-June period.

General imports (arrivals) slipped during July 2004-June 2005 to end at 566.5 million pounds, compared with 573.9 million pounds the previous year. The value of general imports was \$712.0 million, compared with \$711.3 million a year earlier.

Figure 3

Export markets for U.S. tobacco

Million pounds



Unmanufactured, declared weight, European Union (EU-25, formerly referred to as the European Community, EC, or EC-12).

Source: Bureau of the Census.

Table 10--U.S. imports of unmanufactured and other tobacco:
Quantity and average value, by kinds, 2004/05 1/

Kind	Quantity 2004/05	Change from 2003/04	Value per pound
	Million pounds	Percent	Dollars
Imports for consumption			
Cigarette 2/			
Unstemmed leaf			
Flue-cured leaf	4.3	-40.6	1.1
Burley leaf	1.4	-43.1	1.0
Other	*	*	*
Oriental leaf	114.8	-5.8	2.2
Stemmed leaf			
Flue-cured	71.1	-61.2	1.3
NSPF	90.6	-36.0	1.4
Scrap	*	*	*
Manufactured or not mfd., NSPF	2.0	-11.5	1.6
Cigar			
Leaf	70.8	6.9	1.1
Scrap	3.8	-41.7	0.4
Other stemmed and unstemmed leaf	5.6	-4.0	1.7
Stems	72.1	-24.4	0.2
Total	436.2	-31.0	1.3
General Imports			
Cigarette 2/			
Unstemmed leaf			
Flue-cured leaf	5.9	-18.8	1.0
Burley leaf	1.7	-31.1	1.3
Other	*	*	*
Oriental leaf	113.3	-7.0	2.1
Stemmed leaf			
Flue-cured	71.1	-61.2	1.3
NSPF	90.6	-36.0	1.3
Scrap	*	*	*
Manufactured or not mfd., NSPF	2.0	-11.5	1.9
Cigar			
Leaf	70.8	0.6	1.1
Scrap	3.8	-41.7	0.4
Other stemmed and unstemmed leaf	5.6	-4.0	1.7
Stems	72.1	-24.4	0.2
Total	436.2	-31.0	1.3

1/ Year ending June 30, 2005. 2/ Includes minor quantities for smoking tobacco, chewing tobacco, and snuff. * = Negligible.

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

Table 11--U.S. imports of unmanufactured tobacco for consumption and general imports, principal categories, and countries of origin, 2004/2005 (declared-weight)

Item	Imports for consumption				General imports (arrivals)			
	July 2004- June 2005	January-June		Percentage change from 2003-2004	July 2004- June 2005	January-June		Percentage change from 2003-2004
		2004	2005 1/			2004	2005 1/	
	Million pounds		Percent	Million pounds		Percent		
Cigarette tobacco leaf (unstemmed):								
Oriental								
Turkey	67.9	53.3	38.2	-28.3	66.4	57.1	46.9	-17.9
Bulgaria	24.2	3.3	10.7	224.2	23.3	4.2	10.7	154.8
Greece	16.2	9.5	15.0	57.9	16.2	9.5	13.3	40.0
Macedonia	5.5	5.8	4.5	-22.4	5.1	6.2	3.1	-50.0
Lebanon	0.1	0.7	*	-100.0	0.1	0.7	*	-100.0
Other countries	0.9	0.1	0.8	700.0	2.2	0.1	2.2	2,100.0
Total Oriental	114.8	72.7	69.2	-4.8	113.3	77.8	76.2	-2.1
Flue-cured	4.3	7.1	1.3	-81.7	5.9	7.1	2.9	-59.2
Burley	1.4	1.1	0.1	-90.9	1.7	1.0	0.0	
Other (unstemmed)	*	*	*	*	*	*	*	*
Total unstemmed leaf	120.5	80.9	70.6	-12.7	120.9	85.9	79.1	-7.9
Cigarette tobacco leaf (stemmed):								
Flue-cured--								
Brazil	45.2	43.4	8.8	-79.7	79.1	36.7	30.7	-16.3
Taiwan	5.3	*	2.7		5.3	*	2.7	
Argentina	5.1	6.4	0.7		12.6	5.6	8.7	
Other countries	25.9	32.4	6.6	-79.6	36.2	29.0	18.0	-37.9
Total stemmed flue-cured	71.1	75.8	15.4	-79.7	115.3	65.7	48.7	-25.9
NSPF--								
Brazil	37.5	18.3	7.3	-60.1	58.6	10.5	13.6	29.5
Malawi	20.0	14.9	5.5	-63.1	41.0	8.3	33.8	307.2
Thailand	10.3	4.0	2.7	-32.5	11.8	1.3	3.2	146.2
Argentina	9.6	3.0	0.7	-76.7	22.2	1.6	5.8	262.5
Guatemala	4.1	3.2	0.4	-87.5	4.0	3.0	0.4	-86.7
Other countries	9.1	7.3	1.6	-78.1	12.7	5.7	2.3	-59.6
Total NSPF	90.6	50.7	18.2	-64.1	150.3	30.4	59.1	94.4
Total cigarette leaf	282.2	207.4	104.2	-49.8	386.5	182.0	186.9	2.7
Manufactured or not manufactured categories 2/								
	2.0	0.7	0.8	14.3	2.0	0.7	0.8	14.3
Total cigarette tobacco	284.2	208.1	105.0	-49.5	388.5	182.7	187.7	2.7
Cigar tobacco:								
Wrapper								
	3.4	1.7	2.0	17.6	3.4	1.7	2.0	17.6
Filler (stemmed and unstemmed)								
Italy	14.6	2.8	4.7	67.9	14.6	2.0	4.7	135.0
Indonesia	14.0	7.5	5.1	-32.0	14.0	7.5	4.8	-36.0
Dominican Republic	6.8	3.1	1.8	-41.9	6.8	3.1	1.8	-41.9
Philippines	7.5	3.9	1.9	-51.3	7.5	3.8	1.9	-50.0
Argentina	7.4	2.3	4.0	73.9	7.4	2.3	4.0	73.9
Other countries	23.9	9.3	10.6	14.0	24.4	11.6	11.1	-4.3
Total filler	66.8	26.6	24.1	-9.4	67.3	28.0	24.3	-13.2
Binder	0.6	0.1	0.2	100.0	0.6	0.1	0.2	100.0
Cigar scrap:								
India	1.1	1.6	0.6	*	1.1	1.6	0.6	*
Indonesia	1.0	3.0	0.9	*	1.0	3.0	0.9	*
Other countries	1.7	0.7	1.1	57.1	1.7	0.7	1.1	57.1
Total cigar scrap	3.8	5.3	2.6	-50.9	3.8	5.3	2.6	-50.9
Total cigar tobacco	74.6	33.7	28.9	-14.2	75.1	33.2	33.2	0.0
Other stemmed and unstemmed leaf	5.6	3.8	3.1	-18.4	5.5	3.7	3.1	-16.2
Stems	72.1	33.8	17.1	-49.4	97.5	30.1	28.6	-5.0
GRAND TOTAL	436.2	279.5	154.2	-44.8	566.5	251.8	248.5	-1.3

* = Negligible.

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).

Due to aggregation, rounding errors may occur.

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

Table 12--U.S. exports of unmanufactured tobacco by types and to principal importing countries, 2000-05 (declared-weight)

Type & country	2000	2001	2002	2003	2004	January-June		Pct. change, 2004-05
						2004	2005 1/	
	Million pounds						Percent	
Type:								
Flue-cured	188.6	190.2	196.7	160.6	155.0	61.7	43.4	-30
Burley	106.9	83.0	90.9	90.9	91.6	77.2	100.2	30
Maryland	4.9	3.2	2.7	2.4	1.0	0.6	0.6	0
Fire-cured, Ky. and Tenn.	14.7	16.5	17.5	11.5	12.1	3.8	3.6	-5
Virginia fire- & sun-cured	1.6	0.5	0.2	*	*	*	0.1	*
Black Fat	*	*	*	*	*	*	*	*
Cigar wrapper	5.5	4.1	3.3	2.2	2.2	1.3	1.0	-23
Cigar binder	0.7	0.3	0.2	0.1	0.9	1.4	0.4	-71
Stems and refuse	65.9	69.5	59.5	45.2	48.0	19.9	14.9	-25
Other leaf	28.8	35.1	39.6	30.0	32.7	18.1	16.4	-9
Total 2/	417.5	402.4	410.7	338.2	343.3	184.1	180.5	-2
Country of destination:								
Austria	*	1.4	0.9	0.5	0.9	1.9	3.0	58
Belgium-Luxem.	18.3	23.2	49.7	29.4	61.7	20.9	11.4	-45
Denmark	14.9	15.7	12.2	13.6	13.5	5.3	4.2	-21
Finland	2.0	0.2	0.3	0.1	*	*	*	*
France	5.6	5.5	11.5	10.3	8.8	12.2	6.7	-45
Germany	71.9	86.1	94.8	59.5	55.8	23.2	22.6	-3
Greece	0.6	0.5	0.5	1.2	0.8	0.2	3.4	*
Ireland	*	*	*	1.0	*	*	*	*
Italy	15.1	15.8	6.2	8.6	6.9	6.1	4.9	-20
Netherlands	64.5	19.7	21.6	10.3	9.8	6.1	10.7	75
Portugal	1.3	4.2	4.3	5.9	6.2	2.0	1.7	-15
Spain	15.5	9.5	7.9	6.3	4.7	7.7	4.6	-40
Sweden	3.9	3.5	3.6	1.2	1.6	0.4	0.5	25
United Kingdom	9.0	7.3	1.6	6.0	4.8	1.9	1.7	-11
Total EU-15	222.6	192.6	215.1	153.8	175.5	88.0	75.5	-14
Japan	60.3	63.6	51.6	49.6	42.4	29.2	19.9	-32
Thailand	6.8	7.3	7.7	12.6	3.6	7.4	4.1	-45
Dominican Republic	10.7	12.0	5.9	9.2	8.9	4.7	3.5	-26
Switzerland	16.1	9.5	14.4	27.3	34.8	3.9	6.3	62
South Korea	12.7	12.0	9.6	10.1	9.6	3.5	3.2	-9
Malaysia	11.7	14.2	7.0	15.1	6.4	2.8	3.2	14
Taiwan	4.4	5.8	7.9	8.1	7.9	1.9	3.3	74
Egypt	0.8	1.2	0.9	1.8	1.1	1.7	0.1	-94
Nigeria	3.6	6.2	5.6	3.7	6.2	1.6	1.5	-6
Norway	1.8	2.0	3.3	2.0	2.1	1.0	0.6	-40
Australia	3.2	3.6	3.4	4.5	6.3	0.6	0.5	-17
Turkey	23.0	26.9	15.8	0.3	0.4	0.5	2.4	380
Singapore	0.8	0.4	0.5	0.3	1.3	0.4	0.1	-75
Canada	0.7	0.5	0.3	1.8	1.1	0.4	0.5	25
Philippines	0.6	7.4	5.1	6.9	2.9	0.2	1.1	450
Bulgaria	0.1	*	0.2	0.7	0.2	*	*	*
New Zealand	0.5	0.7	0.1	0.5	0.1	*	*	*
Other countries	37.1	36.5	56.3	29.9	32.5	36.3	54.7	51
Total 2/	417.5	402.4	410.7	338.2	343.3	184.1	180.5	-2

* = Negligible.

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

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

Table 13--U.S. exports of unmanufactured tobacco by types, to principal importing countries, crop years 2002/03-2004/05 (declared-weight) 1/

Importing country	2002/03	2003/04	2004/05 2/	Importing country	2002/03	2003/04	2004/05 2/
Million pounds				1,000 pounds			
Flue-cured, types 11-14				Va. fire & sun-cured, types 21 & 37			
Germany	27.2	28.7	28.1	Ukraine	*	*	123
Japan	24.8	19.7	17.5	Norway	*	*	110
Belgium-Luxembourg	14.2	30.5	8.6	Sweden	*	*	*
Malaysia	7.9	5.5	6.6	Germany	*	6	*
Netherlands	1.4	4.1	7.0	Other countries	*	2	1
Switzerland	17.8	6.2	5.2	Total 3/	*	8	234
Republic of Korea	8.0	8.6	4.5				
Denmark	7.1	5.7	4.0	Binder, types 51-55			
Indonesia	2.0	5.1	3.4	Dominican Republic	799	1,391	377
Taiwan	7.3	1.3	3.3	Spain	7	53	106
United Kingdom	3.8	2.8	3.1	Panama	*	46	*
Spain	2.0	5.3	2.7	Other countries	75	85	101
Australia	5.3	1.3	2.5	Total 3/	881	1,575	584
France	2.9	1.8	2.4				
Thailand	1.6	1.9	2.3	Cigar wrapper, types 61-62			
Turkey	0.2	0.1	1.5	Dominican Republic	1,783	2,513	1,340
Hong Kong	1.3	0.3	1.8	Honduras	20	232	829
Philippines	2.4	*	1.5	Spain	1	19	0
Portugal	0.9	3.7	1.3	Nicaragua	40	9	82
Italy	3.1	2.9	1.2	Other countries	64	17	10
Egypt	*	1.1	1.1	Total 3/	1,908	2,790	2,261
Norway	2.3	1.4	0.9				
Other countries	8.4	8.9	18.2	Blackfat			
Total 3/	151.9	146.9	128.7	Taiwan 4/	*	39	*
Burley, type 31							
Belgium-Luxembourg	18.1	18.2	5.9	Million pounds			
Japan	13.0	11.2	0.0	Other leaf			
Russia	*	20.3	25.4	Dominican Republic	6.6	4.1	6.0
Germany	11.6	11.2	16.6	Japan	3.3	3.5	3.1
Thailand	1.9	5.8	2.8	Nigeria	5.7	3.3	2.7
Netherlands	*	4.7	9.2	Indonesia	1.3	4.1	2.5
Switzerland	25.8	3.3	4.9	Cyprus	0.6	2.9	2.3
Romania	*	5.0	7.4	Germany	0.7	1.0	0.8
Italy	3.8	2.8	3.3	Honduras	0.9	0.8	0.7
Spain	2.4	3.0	4.3	Canada	1.0	0.4	0.4
Denmark	3.2	2.3	1.4	Netherlands	0.2	0.2	0.2
Philippines	1.6	0.2	1.1	Other countries	11.5	13.5	8.8
Malaysia	1.6	0.3	1.1	Total 3/	31.8	33.8	27.5
Other countries	10.4	20.2	42.6				
Total 3/	93.4	108.5	126.0	Stems, trimmings, and scrap			
Maryland, type 32				Germany	11.6	5.8	4.6
Germany	0.4	0.4	*	France	5.0	10.7	3.8
Israel	0.3	0.2	0.1	Japan	5.1	3.0	3.3
Indonesia	0.2	0.3	0.3	Mexico	*	1.0	3.3
Other countries	0.4	0.4	0.4	Denmark	3.5	2.9	1.9
Total 3/	1.3	1.3	0.8	Russia	3.1	*	1.7
Ky.-Tenn. fire-cured, types 22-23				Netherlands	*	1.4	1.6
Netherlands	2.7	3.4	2.1	Belgium	1.1	8.3	1.4
Sri Lanka	1.6	1.8	0.7	Switzerland	2.5	1.2	1.3
Indonesia	0.4	0.8	0.2	Australia	0.7	*	1.0
Belgium	0.5	0.8	0.3	Portugal	0.2	0.8	1.0
Nigeria	0.2	0.4	0.3	South Korea	0.6	0.2	0.8
Egypt	0.9	0.2	0.1	Other countries	12.0	5.3	12.1
Japan	0.3	2.6	0.1	Total 3/	45.4	40.6	37.8
Other countries	1.9	0.6	1.3				
Total 3/	8.5	10.6	5.1				

* = Negligible. 1/ July-June crop year for flue-cured and cigar wrapper; October-September crop year for all other types except October-June for 2002/03.

2/ Subject to revision. 3/ Data may not add to total because of rounding. 4/ Sole destination.

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

U.S. Tobacco Leaf Situation and Outlook 1/

U.S. tobacco production for the 2005 season was forecast at 644.3 million pounds as of September 1. The crop is expected to be 27 percent, or 234.9 million pounds, below last year's 879.2 million pounds. Acreage in 2005 is projected at 307,010 acres, 25 percent less than the 2004 season. This is the smallest crop produced since before 1935. Cigarette leaf production is expected to account for 91 percent of U.S. output in 2005, or 584.4 million pounds, compared with 816.8 million pounds during the 2004 season. Cigar types accounted for 1 percent, while dark-fired and air-cured leaf accounted for 8 percent.

U.S. Leaf Supply Slip in 2005

Supplies of U.S.-grown tobacco in 2005 are expected to slip 12 percent from last season. The nearly 80-million-pound downward shift in production is the pre-eminent factor in the supply slide. Beginning stocks were 4 percent lower. September 1 estimates project production at 644.3 million pounds. At an estimated 1.5 billion pounds, beginning stocks are expected to be about 4 percent lower than last season, the same decline as last year. U.S. leaf supplies at the beginning of the 2005 crop year are estimated at 2.1 billion pounds, 300 million pounds below the beginning of the 2004 season.

Disappearance Projected To Decline in 2004

Disappearance (use) of U.S.-grown leaf is expected to advance about 10 percent by the end of the 2004-05 marketing year to reach about 944 million pounds. The 90-million-pound gain is mostly due to increased domestic use; imported tobacco use declined slightly. During late 2004, manufacturers began using greater volumes of domestic leaf relative to imports. Domestic use is expected to end at 513 million pounds, and export use is expected to be about 410 million pounds.

Marketing Quota and Price Support in 2005

The Fair and Equitable Tobacco Transition Act of 2004 eliminates price supports and marketing quotas for all tobacco beginning with the 2005 crop year (July 2005 for flue-cured and October 2005 for other types). Mandatory inspection and grading of domestic leaf is also eliminated, and USDA market news reporting is terminated. For this reason, data on the ongoing flue-cured market, mostly sold through contracts, is limited.

1/ All quantities in this section are in farm-sales weight unless otherwise noted. Years refer to marketing years; for instance, the 2000 crop year is July 2000-June 2001 for flue-cured and cigar wrapper (type 61) and October 2000-September 2001 for all other types.

Table 14--All tobacco: Acreage, yield, and production,
United States, 1965-2005

Year	Acreage	Yield	Production
	harvested	per acre	
	Thousand	Pounds	Million
	acres		pounds
Average			
1965-69	942	1,958	1,845
1970-74	886	2,053	1,819
1975-79	978	2,001	1,957
1980-84	878	2,046	1,800
1985-89	634	2,080	1,321
1990	733	2,218	1,625
1991	764	2,178	1,663
1992	785	2,194	1,722
1993	746	2,163	1,614
1994	671	2,358	1,583
1995	663	1,913	1,268
1996	733	2,071	1,517
1997	836	2,137	1,787
1998	718	2,061	1,479
1999	647	1,997	1,293
2000	472	2,229	1,053
2001	432	2,293	991
2002	427	2,039	871
2003	411	1,952	803
2004	408	2,155	879
2005 1/	307	2,099	644

1/ Indicated September 1, 2004.

Source: National Agricultural Statistics Service, USDA.

Table 15--Tobacco loan stocks, 2003-2005 (farm-sales weight)

Type	2003	2004	2005
	Million pounds September 1		
Flue-cured, 11-14	280.4	63.8	116.2
Burley, 31	419.8	123.3	123.9
Virginia, 21 and 37	--	0.1	0.1
Kentucky-Tennessee, 22-23	--	5.9	2.1
Kentucky-Tennessee, 35-36	--	0.9	0.1
Wisconsin Binder, 54-55	1.4	0.0	0.2
Total	701.6	194.0	242.6
Uncommitted 1/			
Flue-cured, 11-14	71.7	78.3	42.9
Burley, 31	39.5	80.4	49.4

1/ Redried weight.

Compiled from records of Tobacco and Peanuts Division, FSA.

Table 16--Flue-cured tobacco auction sales: Gross sales, average price, loan receipts, sales dates, through Sept. 21, 2004, and a comparable number of sales days, 2003 1/

Type, belt	Gross sales		Average price per pound		Loan receipts Volume		Percent of sales 3/		Sales period	
	2003 4/	2004 4/	2003 4/	2004 4/	2003 4/	2004 4/	2003 4/	2004 4/	Opening date	Closing date
									2004 (2003)	2004 3/ (2003)
14, Southern Contract	109.8	97.1	184.6	183.4	na	na	na	na	July 26 (July 23)	(Oct. 8)
13, Southern Auction	22.6	30.3	173.4	173.1	16.1	24.4	71.2	80.1	Aug. 3 (July 29)	(Oct. 16)
12, Northern Contract	169.7	181.6	184.5	183.8	na	na	na	na	Aug. 3 (July 28)	(Nov. 15)
12, Northern Auction	22.4	46.3	174.3	177.1	15.1	33.4	67.3	72.1	Aug. 4 (July 30)	(Nov. 7)
All Belts 2/	324.5	355.4	183.1	181.9	31.2	57.8	9.6	16.3	(July 9)	(Nov. 7)

na = not applicable. 1/ Due to the termination of the tobacco program, this table is unchanged from last season. Data for the current marketing year is not yet available.

2/ Computed from unrounded data. 3/ Percent of gross sales. 4/ Totals may not add due to rounding.

Compiled from reports of the Tobacco Division, Agricultural Marketing Service, USDA.

Table 17--Tobacco: No-net-cost assessment, by kind, 1995-2005 1/

Kind and type	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
	Cents per pound										
Flue-cured, types 11-14											
Producer	0.002	0.200	0.190	0.186	1.000	2.500	2.500	2.500	2.500	5.000	na
Buyer	1.002	1.000	0.190	0.186	1.000	2.500	2.500	2.500	2.500	5.000	na
Burley, type 31											
Producer	0.138	0.132	0.880	2.111	3.000	3.000	1.000	1.000	1.000	1.000	na
Buyer	0.138	0.132	0.880	2.111	3.000	3.000	1.000	1.000	1.000	1.000	na
Fire-cured, type 21	15.285	3.273	2.251	1.232	2.000	2.000	2.000	8.000	8.000	2.000	na
Fire-cured, types 22-23	1.241	1.222	0.189	0.160	0.000	0.500	1.000	1.000	0.000	0.500 2/	na
					1.000	1.500	2.000	2.000	2.000	2.000 3/	na
Dark air-cured, types 35-36	2.348	2.331	1.189	1.160	1.000	1.500	2.000	4.000	1.000	1.000 3/	na
			0.301	0.275	0.000	0.500	2.000	3.000	0.000	1.000 2/	na
			1.301	1.275	1.000	1.500	3.000	4.000	1.000	1.000 3/	na
			2.301	2.275	3.000	4.000	4.000	6.000	5.000	5.000 4/	na
Sun-cured, type 37	15.368	3.356	2.337	1.320	2.000	2.000	2.000	8.000	2.000	2.000	na
Cigar-filler, type 46	**	**	**	**	**	**	**	**	**	**	na
Cigar-filler & binder, types 42-44	110.100	112.000	116.900	121.200	123.800	125.000	125.000	128.600	132.300	135.700	na
type 54	0.450	0.440	0.416	0.394	2.000	2.000	2.000	2.000	2.000	2.000	na
type 55	0.450	0.440	0.416	0.394	6.000	15.000	6.000	6.000	2.000	2.000	na

** = Not applicable--Program terminated. 1/ From 1991 through 1998, marketing assessments totaling 1 percent of the applicable price support level are divided equally between buyers and sellers for all tobacco under the price support program. See April 1995 *Tobacco Situation*, TBS-230, table 20 for rates.

2/ Eastern district. 3/ Western district. 4/ Stemming district.

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

Table 18--Burley marketing quota, Kentucky, Tennessee,
and other States, 2001-03 1/

State	Carryover (net)	Basic quota	Effective quota
Million pounds			
2001			
Kentucky	5.2	227.7	232.9
Tennessee	15.8	57.0	72.8
Other States	16.4	46.7	63.1
2002			
Kentucky	1.6	222.5	224.1
Tennessee	9.5	55.6	66.1
Other States	59.1	45.6	104.7
2003			
Kentucky	17.1	197.7	214.8
Tennessee	13.7	49.2	62.9
Other States	13.4	40.5	53.9

Compiled from records and reports of Tobacco and Peanuts Division, FSA, USDA

1/ 2004 data not yet available.

Table 19--Sales of burley tobacco quotas, 1997/98-2002/03 1/

State & year	Sales (basic quota)
Indiana:	
1997/98	275
1998/99	155
1999/2000	149
2000/01	77
2001/02	54
2002/03	43
Kentucky:	
1997/98	3,905
1998/99	3,676
1999/2000	3,645
2000/01	2,285
2001/02	1,796
2002/03	1,147
North Carolina:	
1997/98	183
1998/99	94
1999/2000	90
2000/01	63
2001/02	53
2002/03	41
Ohio:	
1997/98	233
1998/99	198
1999/2000	183
2000/01	94
2001/02	50
2002/03	50
Tennessee:	
1997/98	1,110
1998/99	782
1999/2000	766
2000/01	605
2001/02	446
2002/03	348
Virginia:	
1997/98	152
1998/99	156
1999/2000	156
2000/01	113
2001/02	67
2002/03	52
Other States 2/:	
1997/98	149
1998/99	70
1999/2000	70
2000/01	28
2001/02	30
2002/03	15
All States:	
1997/98	6,007
1998/99	5,131
1999/2000	5,059
2000/01	3,265
2001/02	2,496
2002/03	1,696

1/ 2003/04 and 2004/05 data not yet available. Year ending June 15.

2/ Primarily West Virginia and Missouri.

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

Table 20--Burley tobacco: Percentage of selected groups, quality, and color categories of total, 1994-2004 1/

Crop year	Mixed	1,2,3,	Tan
	group	quality	color
Percent			
1994	1.4	42.7	62.4
1995	3.7	26.2	65.5
1996	19.8	21.0	69.9
1997	6.2	22.8	70.5
1998	0.7	23.7	74.6
1999	0.7	16.3	73.5
2000	0.5	20.3	69.4
2001	0.5	26.1	68.8
2002	0.8	21.6	67.3
2003	0.2	19.7	74.6
2004	0.4	22.7	65.6

1/ Auction sales only.

Compiled from reports of the Tobacco Division, AMS, USDA.

Table 21--Flue-cured and burley tobacco: Marketing quota and marketings, 1980-2005

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	667.7	671.5	645.0	9.7	27.6	26.4	17.2
2000	543.0	553.0	564.1	10.5	7.6	7.4	(3.1)
2001 3/	548.4	545.3	544.4	4/	4/	4/	4/
2002 3/	582.0	545.3	564.8	4/	4/	4/	4/
2003 3/	526.3	536.2	507.7	4/	4/	4/	4/
2004 3/	471.3	498.9	499.3	4/	4/	4/	4/
2005 5/	na	na	na	na	na	na	na
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	588.7	4.6	280.2	245.1	240.5
1999	452.6	690.1	551.2	7.0	145.4	122.1	115.1
2000	247.0	361.9	307.4	5.5	59.5	47.2	41.7
2001 3/	331.4	368.8	335.8	6.3	35.7	32.0	25.7
2002 3/	323.7	349.3	298.8	4.3	53.5	49.2	44.9
2003 3/	287.8	330.0	271.7	4/	4/	4/	4/
2004 3/	302.1	331.0	280.1	4/	4/	4/	4/
2005	na	na	na	na	na	na	na

na = Not applicable due to termination of the tobacco program beginning with the 2005 crop year. 1/ Under-quota marketings less ineligible carryover.

2/ Effective under-quota marketings less over-quota marketings. 3/ Subject to revision. 4/ Not yet available.

Compiled from records of the Tobacco and Peanuts Division, FSA, USDA.

Flue-Cured Tobacco

Marketing of flue-cured tobacco for the 2005 season began in late-July, as contract centers began opening in the Southern Area. Opening sales at auctions began on August 3rd in the Southern Area and by August 9th in all other areas. Little information is available on the progress of the market, since most tobacco is being sold through private contract, and Federal grading is not mandatory this season. Flue-cured Stabilization opened 11 marketing centers during 2005, two in Georgia, Virginia, and South Carolina, and five in North Carolina.

Last season, carryover tobacco of 4.4 million pounds plus production of 518.8 million pounds meant 523.2 million pounds were available for sale. Marketing totaled 499.3 million pounds, so about 23.9 million pounds are available during the 2005 season from previous crops. Carryover for the 2003 season was 55.1 million pounds.

Flue-Cured Acreage Plummets Nearly 50,000 Acres

According to the September 1 crop production estimate, flue-cured acreage slipped by nearly 50,000 acres to 178,800 acres. Production is projected down 25 percent to 389.1 million pounds. Dry weather has reduced yields. Combined with lower plantings, the flue-cured crop is the smallest since before 1935.

Beginning flue-cured stocks on July 1, 2005, were 796.0 million pounds, compared with 822.8 million pounds on July 1, 2004. The total reported supply of U.S.-grown flue-cured in 2005 is 1.2 billion pounds, 10 percent below the supply available at the beginning of the 2004 marketing year.

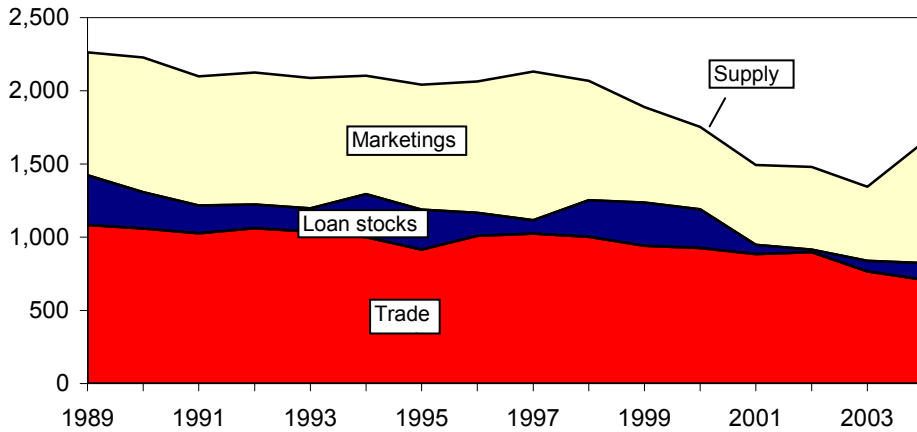
Disappearance Advances in 2004

Disappearance of flue-cured tobacco in the 2004 marketing year (July 2004-June 2005) gained 1 percent compared with the previous year to reach 526.2 million pounds.

Figure 4

Flue-cured tobacco: Supply, price, and use

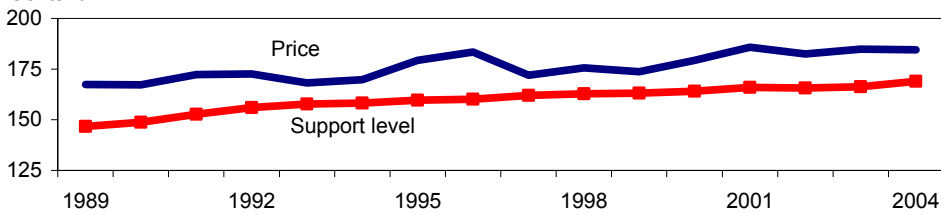
Million lb



Trade stocks include those of manufacturers and dealers. Crop year beginning July 1. 2001 and 2002 are preliminary.

Source: Agricultural Marketing Service, USDA.

Cents/lb



Million lb

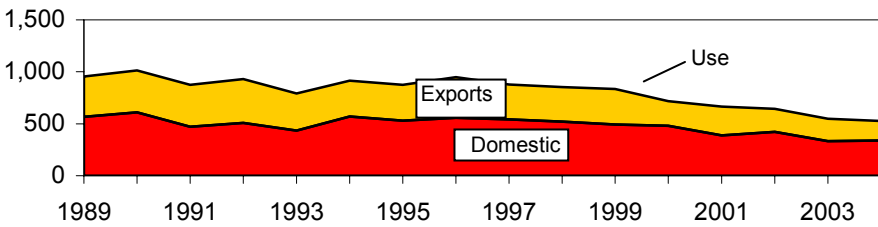


Table 22--Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, marketings, carryover, supply, disappearance, season average price, and price support operations, 1995-2005 (farm-sales weight)

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							
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	2,063.8
1997	458.3	2,285	1,013.5	1,025.1	91.5	1,116.5	2,130.0
1998	368.8	2,204	814.8	1,002.2	250.9	1,253.2	2,068.0
1999	303.8	2,162	653.9	939.7	294.6	1,234.3	1,888.2
2000	250.0	2,396	564.1	925.6	263.9	1,189.5	1,753.6
2001	238.1	2,432	544.4	936.2	100.2	1,036.4	1,580.8
2002	245.6	2,064	564.8	896.5	19.4	915.9	1,480.7
2003	233.4	1,957	507.7	766.8	70.9	837.7	1,345.3
2004	231.0	2,215	511.7	708.8	114.0	822.8	1,334.5
2005 3/	178.8	2,176	389.1	679.8	116.2	796.0	1,185.1
Burley, type 31							
1995	234.2	1,863.0	482.5	637.3	321.5	958.8	1,441.3
1996	268.3	1,940.0	526.8	677.9	212.5	890.4	1,417.2
1997	335.3	1,934.0	628.2	645.4	105.6	751.0	1,379.2
1998	315.4	1,960.0	588.7	647.8	183.8	831.6	1,421.9
1999	300.6	1,829.0	551.2	737.1	164.3	901.4	1,452.6
2000	193.8	1,957.0	315.4	619.4	420.7	1,040.0	1,355.5
2001	167.6	2,033.0	343.7	570.2	119.3	689.5	1,033.1
2002	157.7	1,861.0	299.8	516.7	131.1	647.9	947.7
2003	152.3	1,850.0	271.7	442.4	135.7	578.2	849.9
2004	156.3	1,929.0	301.5	399.3	127.7	527.0	828.5
2005 3/	105.3	1,826.0	192.3	367.1	123.9	491.0	683.3
		Disappearance		Average price	Price support	Placed under loan	
Total	Domestic	Exports		per pound	level 4/	Quantity	% of crop
--- Million pounds ---				--- Cents ---		Million pounds	Percent
Flue-cured, types 11-14							
1995	875.1	530.6	344.5	179.4	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	492.1	341.6	175.5	162.8	82.4	10.2
1999	698.7	436.9	261.8	173.6	163.2	136.4	21.2
2000	717.2	479.2 6/	238.0	179.3	164.0	27.4	4.6
2001	664.9	388.9	276.0	185.7	166.0	15.0	2.6
2002	643.0	423.4	219.6	182.5	165.6	24.8	4.8
2003	522.5	332.5	215.5	184.9	166.3	59.8	11.8
2004	526.2 5/	337.6 5/	188.6 5/	184.6	169.0	94.9	18.5
2005					4/		
Burley, type 31							
1995	550.9	386.1	164.8	185.5	172.5	0.0	0.0
1996	666.2	456.8	209.4	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	412.5	503.8	139.3	189.8	178.9	230.6	42.0
2000	666.0	524.0 6/	142.0	196.3	180.5	19.3	4.8
2001	385.2	245.4	139.8	197.3	182.6	12.4	3.5
2002	369.6	220.9	148.6	197.4	183.5	24.3	31.0
2003	309.8	136.2	173.7	197.7	184.9	40.2	14.8
2004	329.1 5/	99.1 5/	230.0 5/	199.4	187.3	48.0	16.4
2005					4/		

1/ July 1 for flue-cured; October 1 for burley. 2/ Actual marketings in the marketing year. 3/ September 1 *Crop Production* estimate used for acreage, yield, and marketings. 4/ Price supports terminated beginning in 2005. 5/ Estimated. 6/ 1999 loan forgiveness stocks included (230 million pounds burley, 78 million pounds flue-cured).

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

Burley Tobacco

As of September 1, burley production in 2005 is estimated at 192.3 million pounds compared with actual production of 292.2 million pounds last season—a 100-million-pound decline. Acreage is 105,300 acres, 47,850 acres fewer than last season. The decline in acreage is due to the fact that this is the first season without a program in over 60 years, and many former growers did not plant tobacco. Many producers have left tobacco production since the buyout. Remaining producers, most selling under contracts with leaf dealers and manufacturers, are testing the waters. During 2005 yields slipped due to dry weather, and quality suffered compared with last year's crop.

Disappearance in 2004/05 Expected To Gain 6 Percent

Burley disappearance during the 2004/05 year (October 2004-September 2005) is expected to advance 6 percent based on October-June trade data and September 1 production estimates. Exports during the first 9 months of the season are 151 percent of the previous year's level. Expected disappearance should gain 19 million pounds to reach 329.1 million pounds. Domestic use slipped nearly 40 million pounds as export disappearance gained nearly 60 million pounds on increased global demand for U.S. burley.

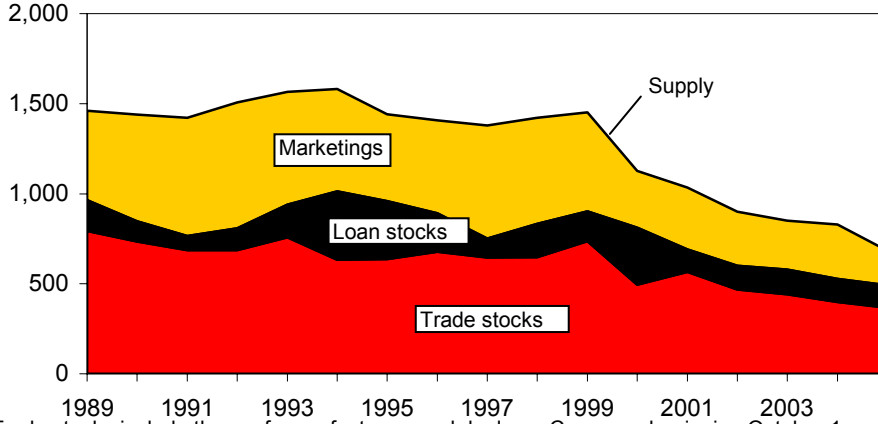
Supplies in 2005/06 Plummet

Lower production and lower expected beginning stocks in October 2005 are expected to result in supplies of 683.3 million pounds, 17 percent below the previous season's 820.1 million pounds. Marketings in 2004 were 280.1 million pounds, compared with this season's production estimate of 192.3 million.

Figure 5

Burley tobacco: Supply, price, and use

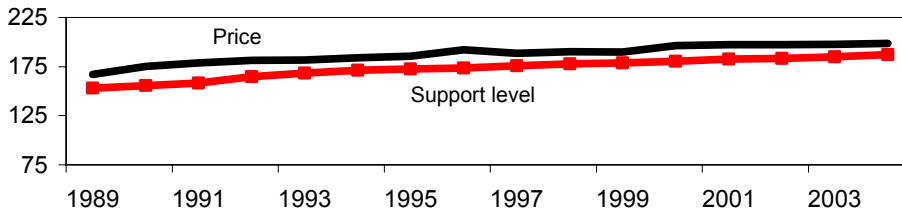
Million lb



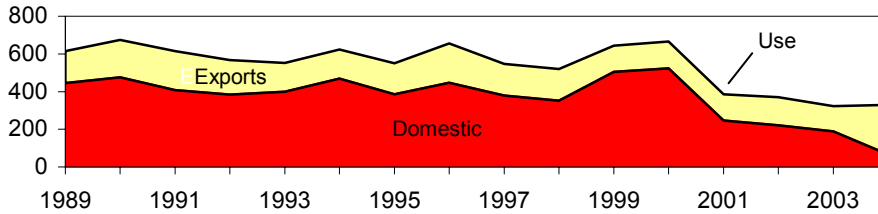
Trade stocks include those of manufacturers and dealers. Crop year beginning October 1. 2001 and 2002 are preliminary.

Source: Agricultural Marketing Service, USDA.

Cents/lb



Million lb



Maryland Tobacco

Maryland tobacco production is estimated at 3.0 million pounds for the 2005 crop year, not including production in the State of Maryland, where data are no longer being collected. Production surged to 5.8 million pounds in 2004, 1.6 million pounds over 2003. With the demise of the tobacco program, producers in Pennsylvania are free to grow any type of tobacco and many have switched to burley production. Burley production in Pennsylvania is estimated at 4.6 million pounds for 2005.

Beginning stocks of Maryland leaf on January 1, 2005, were 5.0 million pounds, compared with 7.2 million pounds last season. Combined with this season's marketings, the 2005 supply should be about 7.3 million pounds, compared with 10.8 million pounds last season. Ending stocks (January 1, 2006) are likely to be lower due to the decline in production.

October-June disappearance of Maryland leaf regained ground from the same period last season. During the 9-month period, disappearance was 5.8 million pounds. Estimated disappearance for the 2004 marketing year (October 2004-September 2005) is expected to be close to 7.0 million pounds, about 2 million pounds higher than last season.

Table 23--Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season-average price, 1994-2005 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Supply			Disappearance			Avg. grower price per pound Cents
			Production 2/	Stocks following Jan. 1	Total --- Million pounds ---	Total	Domestic	Exports	
1994	12.1	1,634	19.8	8.4	28.2	17.7	12.7	5.0	147.0
1995	11.9	1,507	17.9	11.1	29.6	14.6	8.1	6.6	157.3
1996	11.5	1,436	16.1	15.0	31.0	12.4	6.6	6.4	185.6
1997	11.2	1,629	17.7	18.7	36.4	15.7	9.2	6.5	158.5
1998	9.8	1,568	15.4	20.6	36.0	20.0	13.8	6.2	129.1
1999	9.5	1,511	14.4	16.0	30.4	17.0	12.8	4.2	134.5
2000	8.4	1,595	13.4	13.4	26.8	17.1	12.7	4.4	138.7
2001	3.3	1,620	5.3	9.7	15.0	6.8	4.1	2.7	155.4
2002	2.5	1,682	4.2	8.2	12.4	5.2	3.5	1.8	134.8
2003	2.4	1,748	4.2	7.2	11.4	6.4	4.6	1.8	146.3
2004	3.3	1,767	5.8	5.0	10.8	6.5	4.5	2.0	147.6
2005 3/	1.5	2,000	3.0	4.3	7.3				

1/ Year beginning October 1. 2/ Adjusted to reflect calendar 1987-1996 sales of tobacco produced in Pennsylvania. 3/ September 1 crop estimate.

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

Fire-Cured Tobacco

Fire-cured tobacco is mainly used in making snuff, plug chewing tobacco, and twist chewing tobacco. About half of the crop is usually exported. Production of fire-cured leaf (types 21-23) in 2005/06 is projected at 39.7 million pounds based on September 1 estimates, about 2.6 million pounds over last season. Acreage was set at 12,820 acres, compared with 11,730 the previous year. Yields are lower than last season. Production of Kentucky-Tennessee fire-cured leaf (types 22-23) as of September 1 (2005 crop) is estimated at 38.9 million pounds compared with 35.8 million pounds in 2004. Production of Virginia fire-cured tobacco is estimated at .8 million pounds, compared with 1.3 million pounds in 2004.

Dark Fire-Cured Exports Fall

Shipments of Kentucky-Tennessee fire-cured (types 22-23) slipped by 46 percent during the first 9 months of the 2004 crop year (October 2003-June 2004), losing the same percentage gained during the same period last year. Yearend disappearance is projected at 30.2 million pounds. Domestic use advanced 20 percent during the 9-month period. Total exports of types 22-23 are expected to reach 7.1 million pounds, compared with 13.2 million pounds last season.

Virginia dark-fired tobacco disappearance is likely to increase by 5 percent as export use rises. Yearend disappearance is expected to reach 1.4 million pounds.

Table 24--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, 1995-2005 (farm-sales weight)

Marketing year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Beginning stocks				Total	Total supply
			Production	Manufacturers and others		Under loan		
				--- Million pounds ---				
Kentucky-Tennessee fire-cured, types 22-23								
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	2,365	35.4	86.7	0.0	86.7	122.1	
2000	16.2	3,023	49.1	87.8	0.0	87.8	136.9	
2001	13.4	3,211	43.1	89.8	4.0	93.8	136.9	
2002	10.2	3,265	33.4	90.8	8.7	99.5	132.9	
2003	10.7	3,147	33.7	93.2	4.4	97.6	131.2	
2004	11.0	3,249	35.8	94.3	4.5	98.8	134.6	
2005 2/	12.5	3,121	38.9	102.3	2.1	104.4	143.3	
Virginia fire-cured, type 21								
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	1.6	1,670	2.7	2.6	0.0	2.7	5.3	
2000	1.3	1,700	2.5	3.0	0.4	3.4	6.0	
2001	1.2	1,835	2.2	3.9	0.3	4.2	6.4	
2002	0.7	2,015	1.5	3.9	0.9	4.8	6.3	
2003	0.6	1,525	0.8	4.3	0.0	4.3	5.1	
2004	0.7	1,895	1.3	3.8	0.0	3.8	5.1	
2005 2/	0.6	2,300	0.8	3.6	0.1	3.7	4.5	
Disappearance Exports Price per Support Placed under loan								
	Total	Domestic	Exports	--- Cents ---	level	Quantity	% of crop	
	--- Million pounds ---					Thousand pounds	Percent	
Kentucky-Tennessee fire-cured, types 22-23								
1995	37.9	23.8	14.1	217.2	151.8	238	0.6	
1996	39.4	22.7	16.7	224.5	155.7	71	0.2	
1997	38.9	21.2	17.7	225.6	162.3	368	0.9	
1998	35.5	20.4	15.2	222.5	168.1	218	0.6	
1999	34.3	13.4	21.0	229.8	171.6	28	0.1	
2000	43.1	17.8	25.3	216.3	171.6	4,850	9.9	
2001	37.4	21.2	16.2	214.9	173.6	6,904	16.0	
2002	35.3	24.7	10.7	237.8	176.7	488	1.5	
2003	32.4 3/	19.2 3/	13.2 3/	247.5	181.7	14	4.3	
2004	30.2 3/	23.1 3/	7.1 3/	254.0	186.3	28	0.1	
2005					4/			
Virginia fire-cured, type 21								
1995	1.6	0.8	0.8	164.0	143.0	75	4.9	
1996	3.2	0.7	2.5	179.0	145.5	27	1.6	
1997	2.0	1.3	0.7	212.5	149.8	0	0.0	
1998	2.0	1.5	0.6	193.6	153.6	153	6.5	
1999	1.9	0.9	1.0	181.9	155.9	407	15.2	
2000	1.8	0.8	1.0	163.7	155.9	307	23.8	
2001	1.6	1.4	0.2	175.8	157.2	495	22.5	
2002	2.0	1.9	0.1	188.4	160.3	18	1.2	
2003	1.4	1.3	0.1	164.1	163.6	35	4.2	
2004	1.4 3/	1.1 3/	0.4 3/	178.4	163.6	268	20.0	
2005					4/			

* = Negligible. 1/ Marketing year beginning October 1. 2/ September 1 Crop Production estimate used for acreage, yield, and marketings. 3/ Estimate.

4/ Price supports terminated beginning in 2005.

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

Dark Air-Cured (types 35-37)

Dark air-cured tobacco (types 35-37) is used in plug and twist chewing tobacco, snuff, and to some extent in smoking tobacco. Production and use have declined by more than 50 percent over the last two decades. Exports traditionally account for 10-20 percent of total use, but have declined in the past decade as cigarettes have displaced traditional tobacco products in many countries that purchased dark air-cured leaf. The marketing year for dark air-cured tobacco is on an October-September basis.

Acreage Slips in 2005

The September 1 crop forecast indicates dark air-cured types 35 and 36 acreage down 4 percent. Acreage is projected at 4,040 acres, compared with 4,190 last season, and yields are 2,787 pounds per acre, compared with 2,816 last season. Production of dark air-cured leaf is estimated at 11.3 million pounds, 5 percent below last season's 11.8 million pounds. Beginning stocks are about the same as last season. Supplies at the beginning of 2005 (October 1, 2005) are expected to be about 48.7 million pounds, slightly less than this time last season.

2004 Disappearance Up

Air-cured disappearance for the first 9 months of the marketing year (October 2004-June 2005) increased 6 percent to 9.1 million pounds, compared with 8.5 million pounds last season. Based on past years' marketing patterns, total disappearance during the crop year is expected to be about 11.7 million pounds, slightly greater than last season's 11.2 million pounds.

The National Agricultural Statistics Service no longer collects production data on Virginia sun-cured tobacco (type 37). Last season, production had declined to 70 acres, producing 126,000 pounds. Disappearance during 2004/05 is estimated to be 154,000 pounds, with virtually all going to the domestic market.

Table 25--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, 1995-2005 (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								
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	2,328	11.6	24.0	0.0	24.0	35.7	
2000	5.5	2,901	15.9	26.6	0.0	26.6	42.5	
2001	5.0	2,807	13.9	32.2	0.5	32.7	46.6	
2002	3.8	2,811	10.6	35.1	3.1	38.3	48.8	
2003	4.1	2,746	11.2	36.2	1.1	37.3	48.5	
2004 2/	4.2	2,816	11.8	37.3	0.0	37.3	49.1	
2005 2/	4.0	2,787	11.3	37.4	0.0	37.4	48.7	
Sun-cured, type 37								
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	0.0	*	0.0	0.1	
1998	0.1	1,220	0.1	0.0	*	0.0	0.2	
1999	0.1	1,550	0.2	0.1	*	0.1	0.2	
2000	0.1	1,650	0.2	0.1	*	0.1	0.3	
2001	0.1	1,540	0.2	0.2	*	0.2	0.3	
2002	0.1	1,655	0.1	0.1	*	0.1	0.2	
2003	0.1	1,400	0.1	0.1	0.0	0.1	0.2	
2004	0.1	1,500	0.1	0.1	0.0	0.1	0.2	
2005	na	na	na	0.1	0.0	0.1	na	
	Disappearance		Disappearance		Avg. price	Avg. support	Placed under loan	
	Total	Domestic	Exports		per pound	level	Quantity	% of crop
	--- Million pounds ---				--- Cents ---		Thousand pounds	Percent
Dark air-cured, types 35-36								
1995	10.3	9.0	1.3	176.2	130.4	110	1.3	
1996	10.1	9.6	0.5	195.2	133.9	20	0.2	
1997	9.6	9.6	0.0	201.7	139.8	14	0.2	
1998	8.1	8.1	0.0	195.5	145.0	73	0.8	
1999	9.0	7.7	1.3	203.9	148.1	48	0.4	
2000	9.8	8.8	1.0	197.1	148.1	810	5.1	
2001	8.4	8.3	0.1	182.9	149.9	2,431	17.4	
2002	11.5	11.4	0.1	210.1	152.6	151	1.4	
2003	11.2	11.1	0.1	215.7	157.1	183	1.6	
2004	11.7 3/	11.6 3/	0.1 3/	219.4	161.2	294	2.5	
2005					4/			
Sun-cured, type 37								
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	*	0.1	190.8	132.6	0.0	0.0	
1998	0.1	0.1	0.0	170.9	136.0	8.7	7.1	
1999	0.1	0.1	0.0	159.4	138.0	21.6	13.9	
2000	0.1	0.0	0.1	180.0	138.0	4.0	2.4	
2001	0.2	0.2	0.0	168.6	139.2	38.0	24.7	
2002	0.1	0.1	0.0	177.8	142.9	1.2	1.0	
2003	0.1	0.1	0.0	170.7	145.8	1.2	1.5	
2004	0.2 3/	0.2 3/	0.0 3/	147.6	145.8	26	20.6	
2005					4/			

* = Negligible. 1/ Marketing year beginning October 1. 2/ September 1 Crop Production estimate used for acreage, yield, and marketings. 3/ Estimate.

4/ Price supports terminated beginning in 2005.

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

Cigar leaf (types 41-61) is classified according to its traditional use: filler, binder, and wrapper. Most cigar wrapper is exported for use in cigars, but loose leaf chewing tobacco takes most of the filler and binder. Some binder is also used in smoking tobacco. Exports of filler and binder are negligible.

Cigar Leaf Production Slips in 2005

Cigar leaf production in 2005 (September 1 crop estimate) fell 32 percent, and is projected at 8.9 million pounds, 4.4 million pounds below last season. Acreage is down 32 percent. Yield projections are 36 pounds per acre below last season's. Wrapper acreage is up by 30 acres to 1,200 acres, while filler acreage slipped by 500 acres, after falling nearly that much last season. Many growers of seedleaf filler in Pennsylvania may have switched to burley this season, and filler production is expected to be about 2.9 million pounds, a 31-percent decline. Connecticut Valley Binder acreage was down by only 20 acres to 2,400 acres. Production data are no longer collected for Wisconsin binder leaf. Last season, 1,810 acres were harvested. This season, production of Northern Wisconsin type 55 has nearly disappeared. Some Southern Wisconsin type 54 is being produced.

Filler Disappearance Projected To Slide in 2004

During the first 9 months of the marketing year (October 2004-June 2005), disappearance of filler tobacco reached 3.5 million pounds, compared with 4.4 million during the same period last season. Yearend disappearance is expected to approach 5.0 million pounds.

Binder Disappearance Slips in 2004

During the first 9 months of the 2003 season (October 2004-June 2005), disappearance of binder leaf is projected to gain 7 percent compared with last season. Both Connecticut Valley Binder and Wisconsin Binder disappearance decreased. For the 2003 season, disappearance of binder leaf is expected to exceed 7 million pounds. Connecticut Binder usually accounts for about a third of total binder disappearance.

Wrapper Disappearance Recovers

Estimated yearend disappearance for 2004 (July 2004-June 2005) is projected at 1.6 million pounds, up 65,000 pounds from the previous season. For 2004, supplies are expected to increase by 100,000 pounds as low beginning stocks combine with higher production. Wrapper production in 2005 is slightly lower at 1.8 million pounds and stocks are higher, supplies in 2005 are expected to rise from 2.2 to 2.5 million pounds.

Table 26--Cigar tobacco, types 41-61: Domestic supplies, disappearance, and season-average prices, 1995-2005 (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)									
1995	4.8	2,150	10.3	20.5	30.8	11.8		*	145.0
1996	4.8	2,140	10.3	17.9	28.2	15.0	15.0	*	155.0
1997	4.9	2,200	10.8	13.2	24.0	11.0	11.0	*	160.0
1998	4.5	2,100	9.5	13.0	22.1	10.7	10.7	*	130.0
1999	3.2	1,850	5.9	11.4	17.3	7.8	7.8	*	130.0
2000	2.4	2,100	5.0	9.5	14.6	2.5	2.5	*	6/
2001	2.0	2,060	4.1	12.1	16.2	4.0	4.0	*	165.0
2002	2.1	2,100	4.4	12.3	16.7	6.0	6.0	*	145.0
2003	2.4	2,200	5.3	10.7	15.9	6.2	6.2	*	140.0
2004 2/	1.8	2,300	4.1	9.7	13.9	4.7	4.7	*	145.0
2005 3/	1.3	2,200	2.9	9.2	12.1				
Connecticut Valley binder (types 51-52)									
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	2.9	0.4	628.0
1997	2.0	1,783	3.6	1.2	4.8	2.8	2.2	0.6	741.4
1998	2.4	1,539	3.6	2.1	5.7	2.2	1.4	0.8	549.9
1999	2.5	1,668	4.2	3.5	7.7	4.9	4.6	0.3	741.4
2000	0.9	1,189	1.1	2.8	3.8	1.5	1.2	0.3	549.9
2001	2.1	1,786	3.8	2.3	6.1	4.3	4.1	0.2	558.9
2002	2.2	1,828	4.0	1.8	5.8	3.8	2.4	1.4	536.9
2003	2.4	1,429	3.4	2.1	5.5	3.9	2.7	1.2	358.4
2004 2/	2.4	1,557	3.8	1.6	5.3	4.2	2.0	2.2	230.9
2005 3/	2.4	1,744	4.2	1.2	5.4				
Southern Wisconsin binder (type 54)									
1995	1.9	2,375	4.5	--	--	--	--	--	145.0
1996	1.9	1,900	3.6	--	--	--	--	--	148.0
1997	1.8	2,330	4.2	--	--	--	--	--	150.0
1998	1.5	2,180	3.3	--	--	--	--	--	149.0
1999	0.9	2,530	2.3	--	--	--	--	--	148.0
2000	0.7	2,500	1.8	--	--	--	--	--	150.0
2001	1.2	2,535	3.0	--	--	--	--	--	165.0
2002	1.2	2,740	3.2	--	--	--	--	--	175.0
2003	1.4	2,480	3.5	--	--	--	--	--	175.0
2004 2/	1.4	1,960	2.7	--	--	--	--	--	175.0
2005 8/									

See footnotes at end of table.

Continued--

Table 26--Cigar tobacco, types 41-61: Domestic supplies, disappearance, and season-average prices, 1995-2005 (farm-sales weight)

Crop year 1/	Acreage harvested 1,000 acres	Yield per acre Pounds	Supply			Disappearance			Avg. price per pound to growers Cents
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
Northern Wisconsin binder (type 55)									
1995	0.9	1,985	1.7	--	--	--	--	--	145.0
1996	1.0	1,600	1.6	--	--	--	--	--	150.0
1997	0.8	1,995	1.5	--	--	--	--	--	152.0
1998	0.6	1,745	1.0	--	--	--	--	--	149.0
1999	0.3	1,952	0.6	--	--	--	--	--	145.0
2000	0.2	1,865	0.4	--	--	--	--	--	150.0
2001	0.3	1,860	0.6	--	--	--	--	--	152.0
2002	0.3	2,145	0.7	--	--	--	--	--	175.0
2003	0.4	1,865	0.8	--	--	--	--	--	173.0
2004 2/	0.4	1,950	0.8	--	--	--	--	--	175.0
2005 8/									
Total Wisconsin binder (types 54-55)									
1995	2.8	2,254	6.2	24.6	30.8	9.0	9.0	0.0	145.0
1996	2.9	1,799	5.2	21.7	26.9	9.1	8.9	0.2	148.6
1997	2.6	2,231	5.7	17.8	23.5	7.3	6.9	0.4	150.5
1998	2.1	2,063	4.3	16.2	20.4	6.1	5.0	1.1	149.0
1999	1.2	2,388	2.8	27.9	33.8	4.4	3.4	1.0	149.0
2000	0.9	2,348	2.3	24.6	30.8	5.2	4.2	1.0	155.0
2001	1.5	2,397	3.6	9.7	13.3	4.6	4.4	0.2	165.0
2002	1.5	2,632	3.8	8.7	12.5	4.4	4.3	0.1	175.0
2003	1.8	2,338	4.3	8.1	12.4	3.8	1.3	2.5	175.0
2004 2/	1.8	1,956	3.5	8.6	12.2	2.9	0.7	2.2	174.6
2005 3/	8/	8/	8/						
Total Cigar binder (types 51-55)									
1995	4.0	2,165	8.7	1.4	34.6	11.3	11.3	*	213.7
1996	4.4	1,792	8.1	26.1	35.2	12.3	12.0	*	321.4
1997	4.9	2,032	8.8	22.9	28.2	11.9	11.1	0.6	375.4
1998	4.4	1,783	7.9	19.9	29.2	8.3	6.4	1.0	334.7
1999	3.7	1,876	7.0	31.4	41.5	9.3	8.1	1.3	342.7
2000	1.8	1,787	3.3	27.3	34.6	6.7	5.4	1.3	263.3
2001	1.5	2,397	3.6	9.7	13.3	4.6	4.4	0.2	367.3
2002	1.5	2,632	3.8	8.7	12.5	4.4	4.3	0.1	360.8
2003	4.2	1,824	7.6	10.2	17.9	7.6	5.1	2.5	256.1
2004 2/	4.2	1,728	7.3	10.2	17.5	7.1	4.9	2.2	358.4
2005 3/	2.4	1,744	4.2	10.4					
Connecticut Valley shade-grown (type 61)									
1995	1.3	1,582	2.0	2.1	4.1	1.8	0.4	1.4	4/
1996	1.4	1,473	2.1	2.3	4.4	2.4	0.2	2.0	4/
1997	1.7	1,431	2.4	2.0	4.4	2.3	0.2	2.1	4/
1998	1.7	1,413	2.4	2.0	4.5	3.2	0.5	2.7	4/
1999	1.9	1,951	3.6	1.3	4.9	4.1	1.1	3.0	4/
2000	1.3	1,472	1.8	0.8	2.6	1.5	0.2	1.3	2,530.0
2001	1.3	1,605	1.8	1.1	2.9	1.1	0.3	0.8	2,300.0
2002	1.0	1,201	1.2	1.8	2.9	2.2	1.5	0.8	4/
2003	1.1	1,164	1.2	0.7	1.9	1.6	1.1	0.5	4/
2004 2/	1.2	1,597	1.9	0.4	2.2	1.6	0.8	0.8	4/
2005 3/	1.2	1,538	1.8	0.6	2.5				
Grand total cigar tobacco (types 41-61)									
1995	9.8	2,149	21.0	48.5	68.4	24.9	23.1	1.8	178.3 6/
1996	10.7	1,905	20.4	43.5	63.1	28.9	24.7	4.2	231.7 6/
1997	11.2	2,015	22.5	34.1	55.5	23.4	20.3	3.1	266.9 6/
1998	10.6	1,857	19.7	33.3	52.7	22.3	17.6	4.6	222.9 6/
1999	8.7	1,892	16.5	30.4	47.0	21.2	16.9	4.3	245.1 6/
2000	5.5	1,852	10.2	25.8	36.0	10.7	8.0	2.6	1,070.8
2001	6.9	1,964	13.3	25.3	38.6	14.0	12.9	1.2	559.7 6/
2002	6.7	1,997	13.4	24.6	38.0	16.4	14.3	2.1	452.4 6/
2003	7.7	1,850	14.2	21.6	35.7	15.4	12.5	3.0	417.1 6/
2004 2/	7.2	1,850	13.3	20.3	33.6	13.4	10.4	3.0	208.1 6/
2005 3/	4.9	1,814	8.9	20.2	29.1				

* = Negligible. ** = Not applicable. -- = Not available. 1/ October 1 for types 41-55; July 1 for type 61. 2/ Estimate. 3/ September 1 harvest intentions. 4/ Growers of type 61 no longer provide price information. 5/ Subsequent years negligible. 6/ Does not include type 61. 7/ Ohio filler type 41 price not available as there is no production and stocks are negligible. 9/ Data no longer reported in Crop Production Report.

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

Table 27--Cigarettes: Estimated world output and exports, specified countries, annual 1994-2004 1/

Country	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	% change 2003-04
	Billions										Percent
Production:											
China	1,735.0	1,700.3	1,683.6	1,683.5	1,674.7	1,698.5	1,701.0	1,709.5	1,793.0	1,793.0	0
United States	746.5	758.0	719.6	679.7	606.6	594.6	562.8	532.0	500.0	495.0	-1
United Kingdom	156.0	170.3	170.2	163.5	155.0	126.1	126.1	133.0	107.9	105.0	-3
Germany	221.0	193.3	182.0	181.9	204.8	206.8	213.8	212.5	205.2	185.0	-10
France	46.4	46.4	45.0	43.3	42.4	44.2	44.7	38.0	40.8	29.0	-29
Italy	50.2	51.5	51.9	50.7	45.1	38.2	37.7	39.4	40.8	29.0	-29
Other EU	286.6	296.2	310.3	315.5	447.3	320.7	311.1	322.1	282.6	272.5	-4
Total European Union 2/	760.2	757.7	759.4	755.0	763.9	736.0	733.5	745.0	677.3	620.5	-8
USSR 3/	333.5	356.2	390.5	394.0	423.5	377.0	374.0	390.0	385.0	380.0	-1
Japan	262.8	271.0	254.6	267.1	263.2	258.0	256.2	229.0	219.0	215.9	-1
Brazil	173.7	182.3	182.8	170.0	111.4	104.9	109.4	106.7	96.7	96.7	0
Other	1,567.3	1,655.4	1,660.1	1,631.4	1,711.2	1,840.1	1,905.9	1,890.3	1,991.3	1,929.4	-3
Total	5,579.0	5,680.9	5,650.6	5,580.8	5,554.4	5,609.1	5,642.8	5,602.5	5,662.3	5,530.5	-2
Exports:											
United States	231.1	243.9	217.0	201.3	151.4	148.3	133.9	127.4	121.5	118.7	-2
Bulgaria	60.9	40.1	25.7	15.4	11.0	8.7	8.7	7.6	2.4	3.2	33
United Kingdom	84.8	136.7	108.1	125.5	100.3	111.0	100.5	72.4	68.1	65.0	-5
Switzerland	26.6	27.1	23.3	23.4	23.4	23.4	23.4	23.4	23.4	23.4	0
Germany	85.0	81.6	69.7	69.4	85.2	90.7	105.8	105.2	105.6	90.0	-15
Netherlands	82.2	116.0	118.0	103.7	105.1	101.6	137.6	135.0	104.8	100.0	-5
Belgium-Luxembourg	11.6	14.9	14.1	14.0	11.8	9.8	8.2	8.2	8.2	8.2	0
Hong Kong	74.3	79.6	45.9	35.2	25.3	28.2	27.8	28.5	28.1	29.0	3
Singapore	50.2	59.3	70.1	53.3	58.7	58.7	58.7	58.7	55.0	55.0	0
Other	275.3	295.1	290.6	307.6	260.4	262.2	215.6	237.8	341.3	268.7	-21
Total	982.0	1,094.3	982.5	948.7	832.7	842.6	820.3	804.3	858.5	761.2	-11

1/ Estimates included in absence of reasonable data. 2002 preliminary. 2/ Prior to 1996, excludes Austria, Sweden, and Finland--new members effective January 1, 1995.

3/ Former Soviet Union. Includes Papyrosa.

Compiled from USDA, FAS, Foreign Agriculture Circular, FT 8-00, August 2001.

Table 28--Estimated leaf used for cigarettes by kinds of tobacco, 1960-2004

Calendar year	Farm-sales weight				Unstemmed-processing weight					
	Flue-cured	Burley	Maryland	Total domestic	Flue-cured	Burley	Maryland	Imported	Total	
	Million pounds									
1960-64	742	455	16	1,213	661	404	16	123	1,204	
1965-69	666	477	21	1,164	594	426	21	150	1,191	
1970-74	623	459	19	1,101	556	410	19	186	1,171	
1975-79	594	464	21	1,079	529	414	21	268	1,232	
1980-84	480	424	25	930	428	379	25	374	1,207	
1985-89	457	375	24	856	408	336	24	403	1,171	
1990	532	397	21	950	475	354	21	378	1,228	
1991	484	408	16	908	432	364	16	422	1,234	
1992	463	348	16	827	413	310	16	520	1,259	
1993	416	331	13	760	371	296	13	549	1,229	
1994	434	353	12	799	391	317	12	447	1,218	
1995	475	368	12	855	427	331	12	467	1,237	
1996	464	314	12	790	418	282	12	545	1,257	
1997	452	317	13	783	407	286	12	563	1,267	
1998	403	268	7	677	362	241	6	477	1,087	
1999	344	223	6	572	309	200	5	487	1,002	
2000	348	177	6	530	313	159	5	497	974	
2001	338	188	4	530	304	169	4	490	967	
2002	287	136	4	427	259	123	3	528	912	
2003	268	108	5	381	241	97	4	447	790	
2004 1/	281	75	5	360	253	68	4	514	838	
	Pounds per 1,000 cigarettes									
1960-64	1.396	.854	.030	2.280	1.242	.761	.030	.231	2.264	
1965-69	1.174	.840	.037	2.051	1.048	.751	.036	.264	2.098	
1970-74	1.026	.755	.031	1.812	.916	.674	.031	.305	1.926	
1975-79	.871	.680	.031	1.582	.777	.607	.030	.392	1.806	
1980-84	.689	.609	.036	1.334	.615	.544	.036	.539	1.734	
1985-89	.672	.552	.036	1.258	.600	.493	.036	.593	1.722	
1990	.750	.559	.030	1.339	.670	.499	.030	.533	1.732	
1991	.697	.587	.023	1.306	.622	.522	.023	.608	1.777	
1992	.641	.484	.022	1.147	.575	.431	.022	.723	1.751	
1993	.629	.501	.020	1.150	.561	.448	.020	.831	1.859	
1994	.670	.502	.017	1.188	.598	.448	.017	.616	1.679	
1995	.636	.493	.016	1.145	.572	.444	.016	.626	1.658	
1996	.615	.416	.016	1.047	.554	.374	.016	.722	1.666	
1997	.626	.439	.018	1.083	.563	.395	.016	.779	1.753	
1998	.583	.389	.010	.982	.525	.350	.009	.691	1.575	
1999	.567	.367	.010	.944	.510	.330	.009	.804	1.653	
2000	.584	.297	.010	.892	.526	.268	.009	.835	1.638	
2001	.601	.334	.007	.943	.541	.301	.006	.871	1.719	
2002	.540	.256	.007	.803	.486	.230	.006	.992	1.714	
2003	.536	.217	.009	.762	.483	.195	.008	.896	1.582	
2004 1/	.478	.128	.008	.613	.430	.115	.007	.875	1.426	
Continued	Percent distribution									
	Percent									
1960-64	61.2	37.5	1.3	100.0	54.9	33.6	1.3	10.2	100.0	
1965-69	57.2	41.0	1.8	100.0	49.9	35.8	1.8	12.6	100.0	
1970-74	56.6	41.7	1.7	100.0	47.6	35.0	1.6	15.8	100.0	
1975-79	55.0	43.0	2.0	100.0	43.0	33.6	1.7	21.7	100.0	
1980-84	51.6	45.6	2.7	100.0	35.4	31.4	2.1	31.1	100.0	
1985-89	53.4	43.8	2.8	100.0	34.9	28.6	2.1	34.5	100.0	
1990	56.0	41.7	2.2	100.0	38.7	28.8	1.7	30.8	100.0	
1991	53.3	44.9	1.8	100.0	35.0	29.4	1.4	34.2	100.0	
1992	55.9	42.2	1.9	100.0	32.8	24.6	1.2	41.3	100.0	
1993	54.7	43.6	1.7	100.0	30.2	24.1	1.0	44.7	100.0	
1994	56.4	42.2	1.4	100.0	35.6	26.7	1.0	36.7	100.0	
1995	55.5	43.1	1.4	100.0	34.5	26.8	1.0	37.7	100.0	
1996	58.8	39.7	1.5	100.0	33.2	22.5	1.0	43.4	100.0	
1997	57.8	40.5	1.7	100.0	32.1	22.5	0.9	44.4	100.0	
1998	59.4	39.6	1.0	100.0	33.3	22.2	0.6	43.9	100.0	
1999	60.0	38.9	1.1	100.0	30.9	20.0	0.5	48.6	100.0	
2000	65.5	33.3	1.1	100.0	32.1	16.3	0.6	51.0	100.0	
2001	63.8	35.5	0.8	100.0	31.5	17.5	0.4	50.6	100.0	
2002	67.3	31.9	0.8	100.0	28.4	13.4	0.3	57.8	100.0	
2003	70.4	28.4	1.2	100.0	30.5	12.3	0.5	56.6	100.0	
2004 1/	77.9	20.8	1.2	100.0	30.1	8.1	0.5	61.3	100.0	

1/ Subject to revision.

Source: Economic Research Service, ERS, USDA.

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