



United States
Department of
Agriculture

Risk
Management
Agency

Beacon Facility
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June 12, 2008

INFORMATIONAL MEMORANDUM: PM-08-027

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ Tim B. Witt
Deputy Administrator

SUBJECT: 2007 Season Average Market Prices for Tobacco

The season average market prices referenced in the Guaranteed Tobacco Crop Provisions (99-071) are listed below. These prices are used for loss adjustment for the 2007 Crop Year (CY). The prices for tobacco types shown below will be released as part of the Actuarial Data Master by the close of business today.

Type	Code	Crop	Average Price (\$/Pound)
11-14	229	Flue-Cured	\$1.53
21	230	Fire-Cured – VA	\$2.04
22-23	230	Fire-Cured – KY	\$2.40
22-23	230	Fire- Cured –TN	\$2.42
31	231	Burley	\$1.60
32	232	Maryland – MD	\$1.57 **
32	232	Maryland – PA	\$1.35 **
35-36	233	Air-Cured – KY, TN	\$2.20
37	233	Air-Cured – VA (No Acreage)	NA
41	234	Cigar Filler	\$1.65
51*	235	Cigar Binder – CT, MA	\$6.58
54-55	235	Cigar Binder – WI	\$1.65 **
61	236	Cigar Wrapper	\$21.70***



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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- * The prices below are computed discount market prices for type 51 grades and are used for quality adjustment, in accordance with Guaranteed Tobacco Crop Provisions (99-071) section 12(d).

B1 = \$6.58, B2 = \$5.26, B3 = \$4.21 B4 = \$3.37, B5 = \$2.70
X1 = \$2.16 N1 = \$1.72, N2 = \$1.38, S = \$1.10

- ** The current year's season average price for types 32 and 54/55 are not available, and therefore the 2007 price elections are used because the support price is no longer applicable.

- *** The type 61 price is for the 2006 CY, which is the latest reported NASS price.

DISPOSAL DATE:

This Informational Memorandum is for transmitting information and the expiration date is December 31, 2008.