

United States Department of Agriculture

Risk Management Agency

PO Box 419205 Kansas City, MO 64141-6205 July 2, 2007

INFORMATIONAL MEMORANDUM: PM-07-030

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: 2006 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 2006 Crop Year (CY). The prices for tobacco types shown below have been released as part of the Actuarial Data Master.

Type	Code	Crop	Average Price
		-	(\$/Pound)
11-14	229	Flue-Cured	\$1.50
21	230	Fire-Cured – VA	\$1.98
22-23	230	Fire-Cured – KY, TN	\$2.40
31	231	Burley	\$1.64
32	232	Maryland – MD	NA
32	232	Maryland – PA	\$1.50
35-36	233	Air-Cured – KY, TN	\$2.20
37	233	Air-Cured – VA (No Acreage)	NA
41	234	Cigar Filler	\$1.55
51*	235	Cigar Binder – CT, MA	\$6.59
54-55	235	Cigar Binder – WI	\$1.70**
61	236	Cigar Wrapper	\$21.00

* 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).

$$B1 = \$6.59$$
, $B2 = \$5.27$, $B3 = \$4.22$ $B4 = \$3.37$, $B5 = \$2.70$ $X1 = \$2.16$ $N1 = \$1.73$, $N2 = \$1.38$, $S = \$1.11$

** The current year's season average price for type 54/55 is not available, and therefore the 2006 price election is used because the support price is no longer applicable.

DISPOSAL DATE:

This Informational Memorandum is for transmitting information and the expiration date is December 31, 2007.