



Trends in the Global & US Tobacco Market

51TH Tobacco Workers Conference

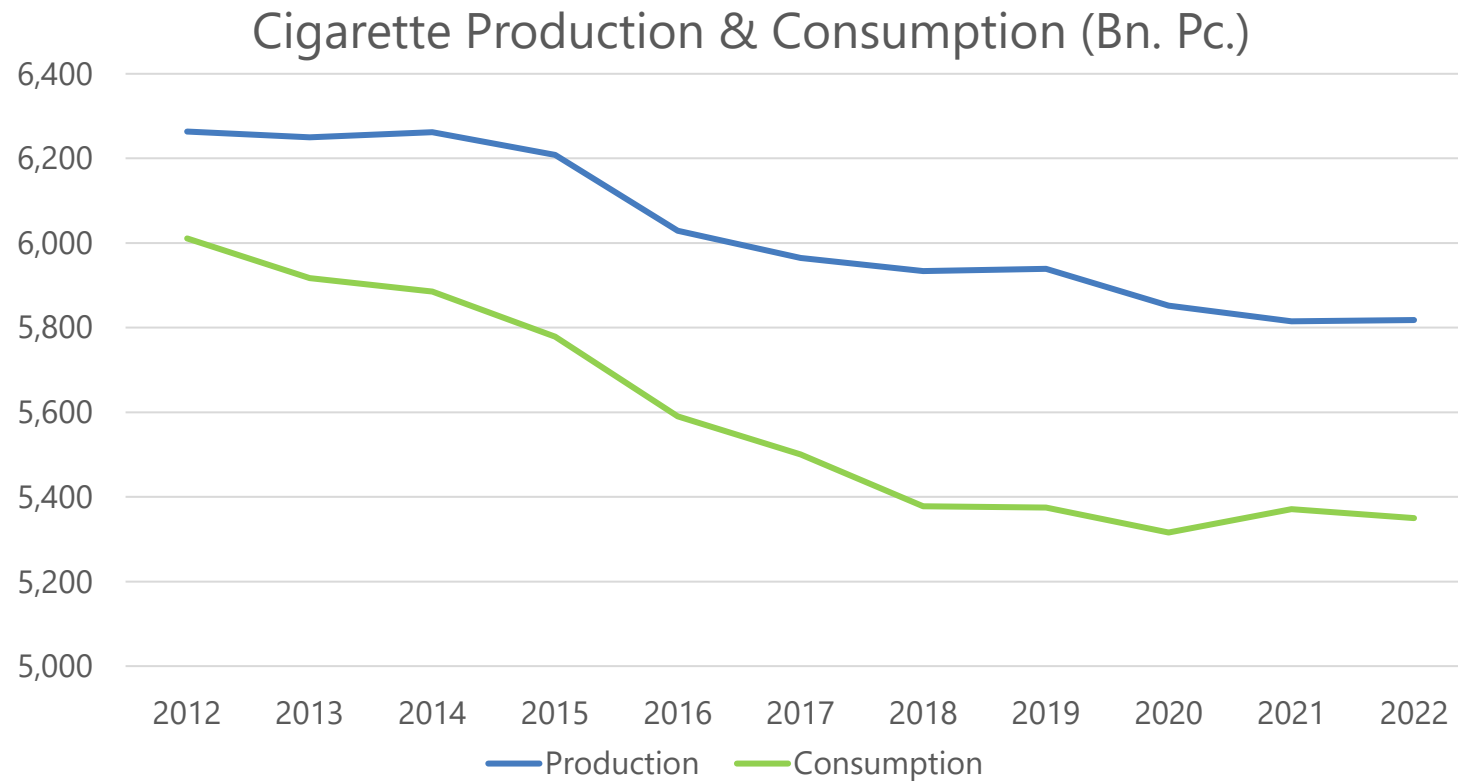
Knoxville, Tennessee

January 17, 2024

Darryl Jayson, Senior VP/Chief Analytics Officer - TMA

www.tma.org

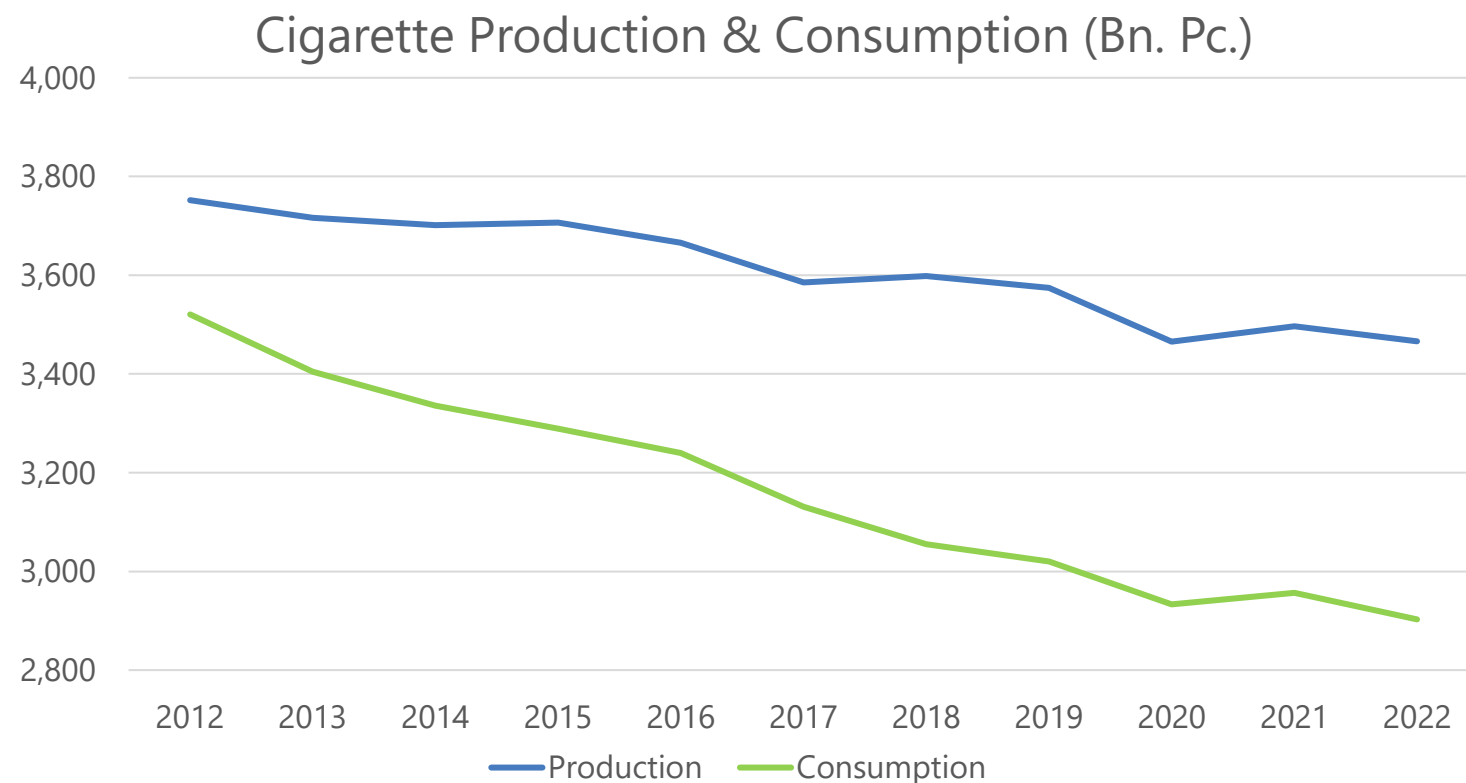
Global Cigarette Production & Consumption



- For the 10-year period (2012-2022), the global cigarette market has declined by **10.99%**.
- The compound annual rate of decline for the 2012-2022 period is **-1.05%**.

Source: TMA's World Cigarette Guide

Global [minus China] Cigarette Production & Consumption



- For the 10-year period (2012-2022), the global cigarette market, excluding China, has declined by **17.53%**.
- The compound annual rate of decline for the 2012-2022 period is **-1.74%**.

Source: TMA's World Cigarette Guide

China Cigarette Production & Consumption



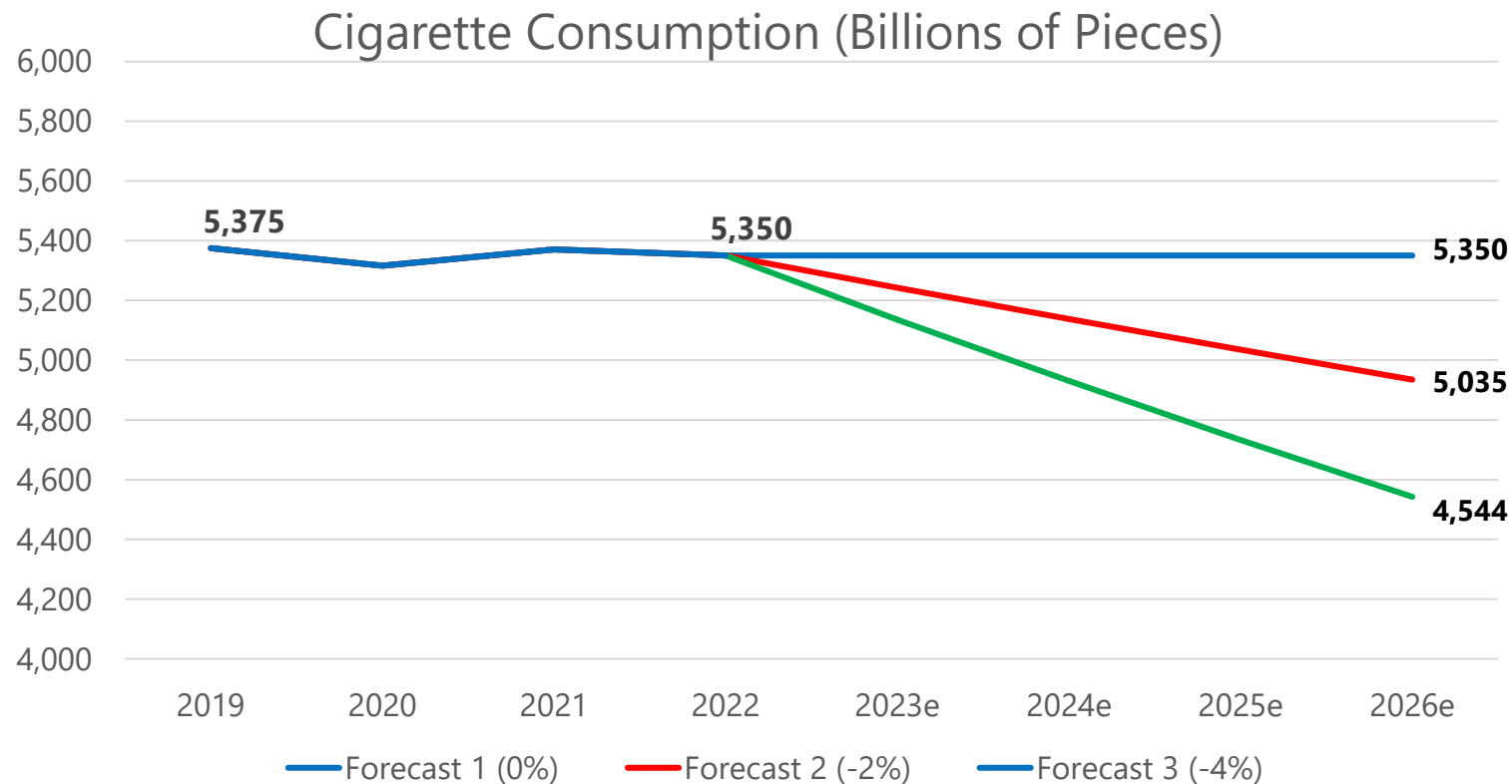
Cigarette Production & Consumption (Bn. Pc.)



- For the **10-year** period (2012-2022), China's cigarette market has declined by **1.75%**.
- The compound annual rate of decline for the 2012-2022 period is **0.16%**.
- For the **8-year** period (2014-2022), China's cigarette market has declined by **4.03%**.
- The compound annual rate of decline for the 2014-2022 period is **-0.46%**.

Source: TMA's World Cigarette Guide

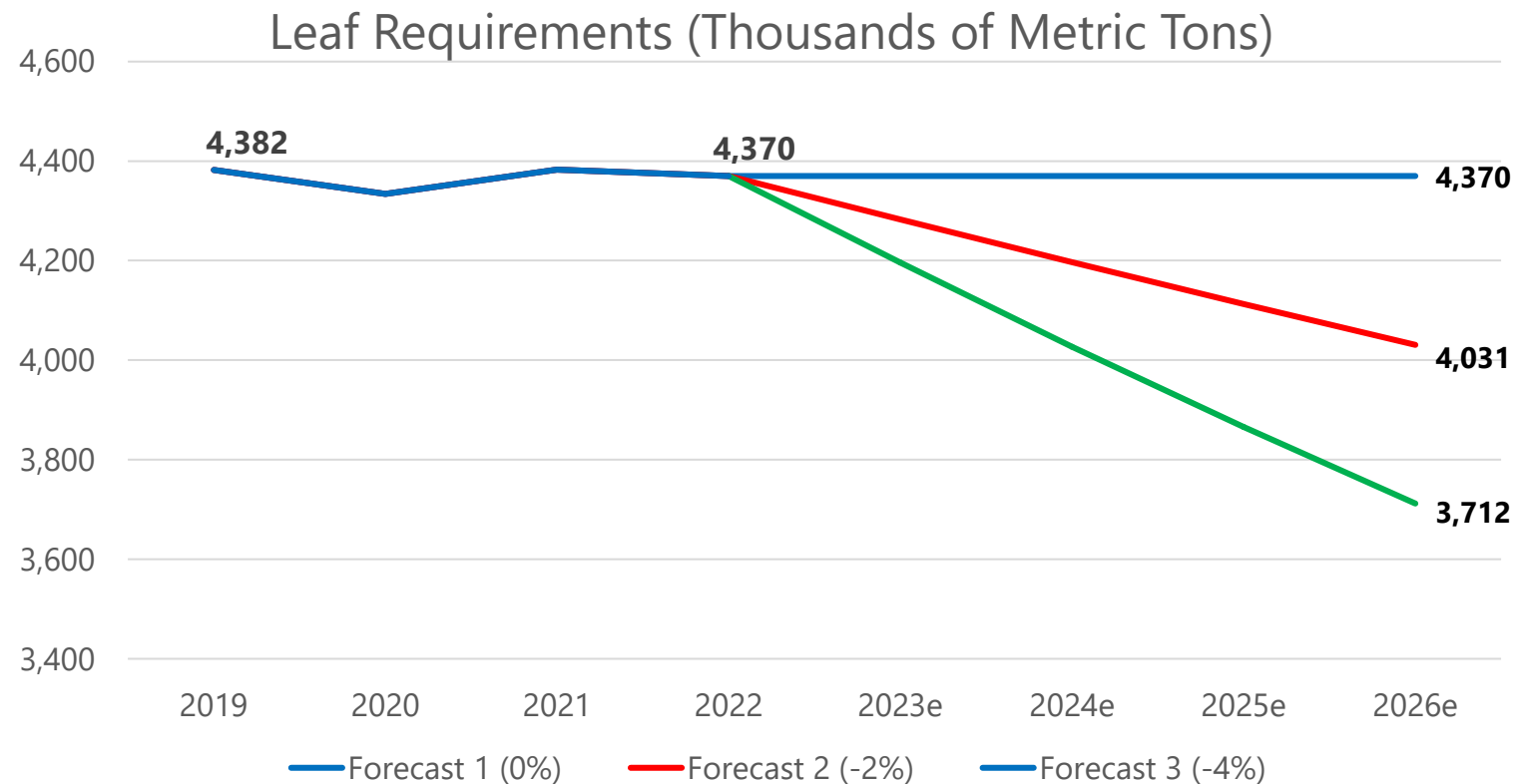
Global Cigarette Consumption Forecast



A 2% annual decline in global consumption could lead to a global market below 5 trillion pieces by 2027.

Source: TMA Estimate

Leaf Requirements Forecast



World: 1 cigarette contains 0.78 grams of leaf

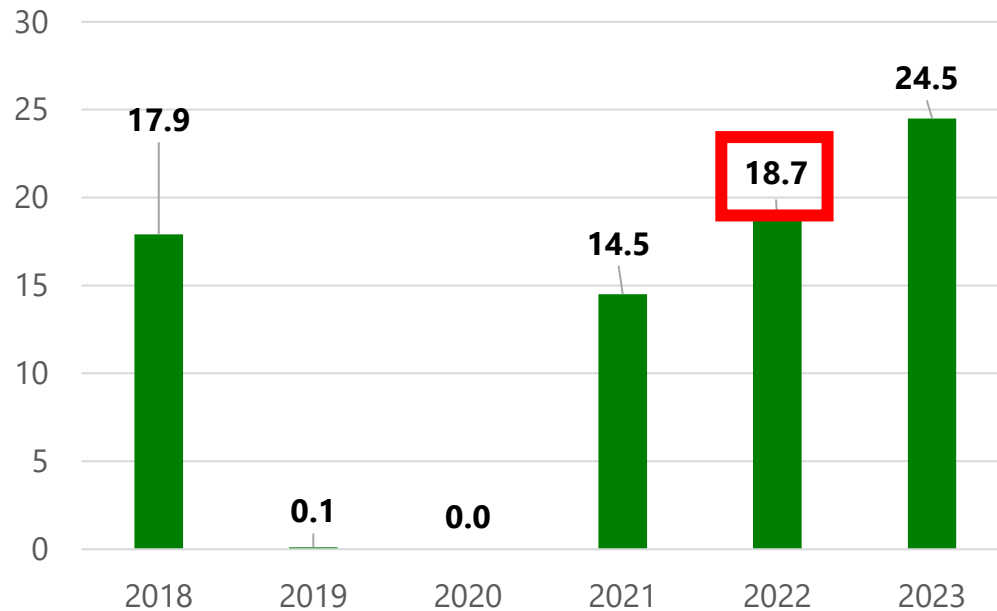
China: 1 cigarette contains 0.85 grams of leaf

Source: TMA Estimate

The U.S.-China Trade War's Effect on Flue-Cured Tobacco Leaf Trade



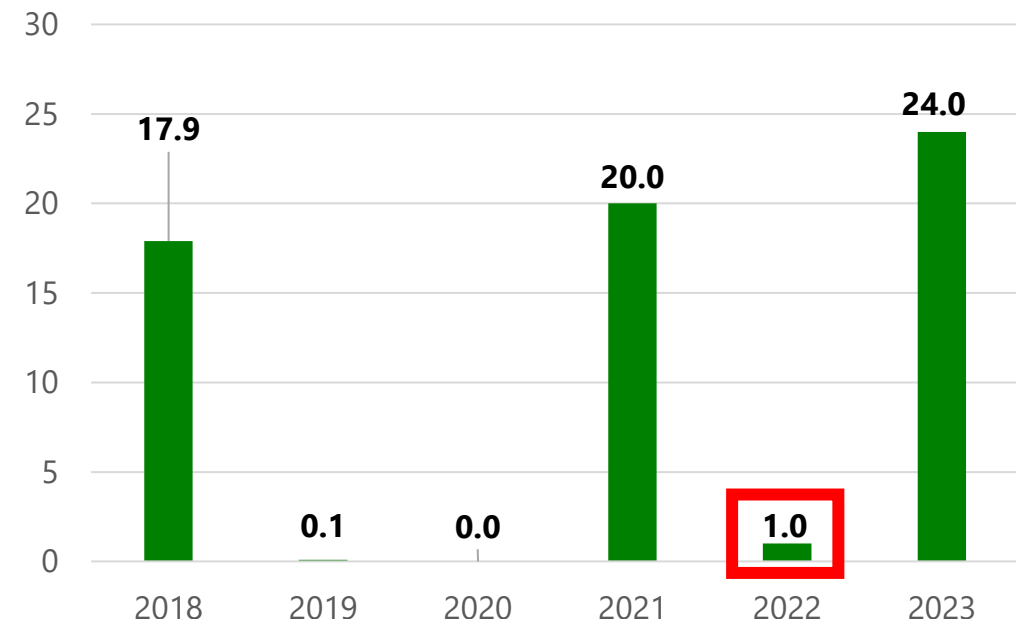
U.S. FC Leaf Exports to China (Mn. of Kg)



Source: TMA Tobacco Trade Barometer

Note: 2023 figure through October

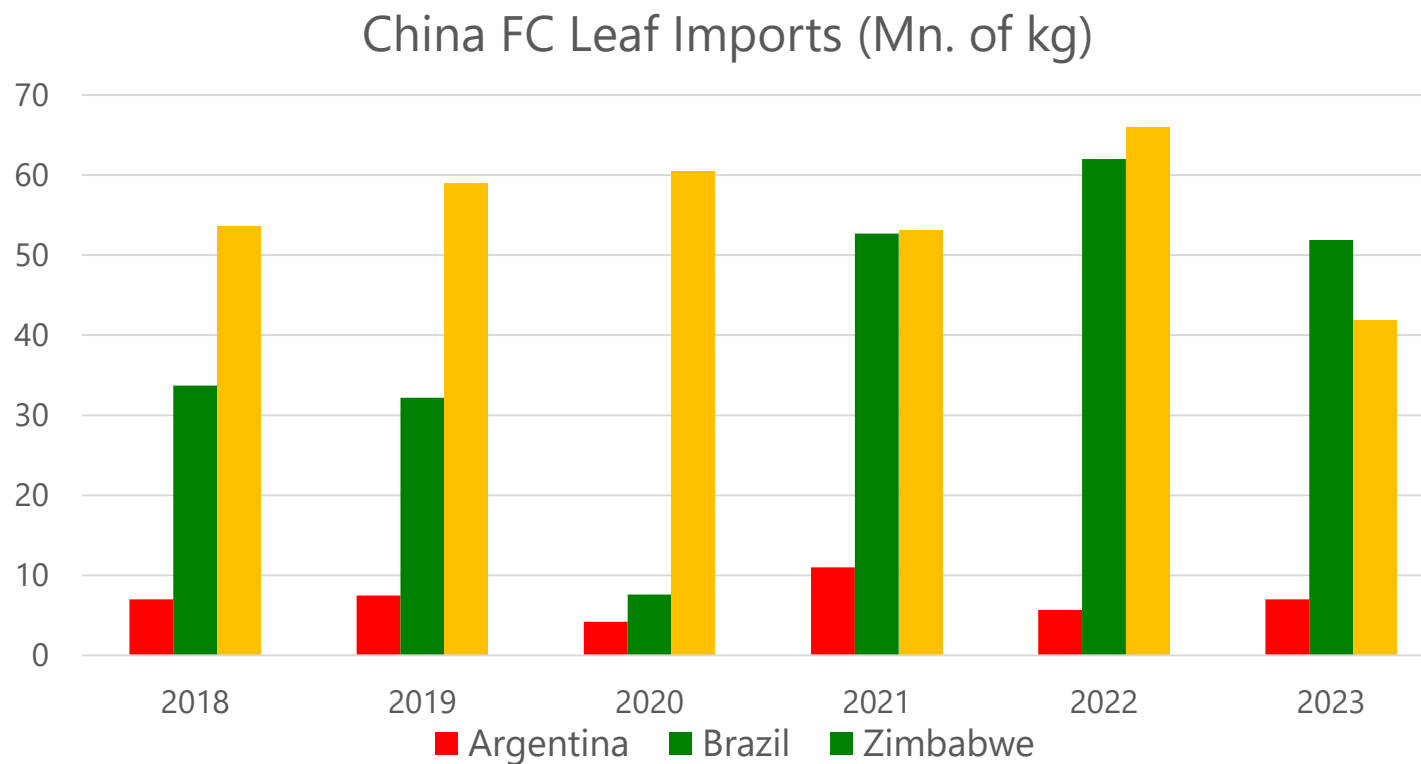
China FC Leaf Imports from U.S. (Mn. of Kg)



Source: China CNTC

Note: 2023 figure through June

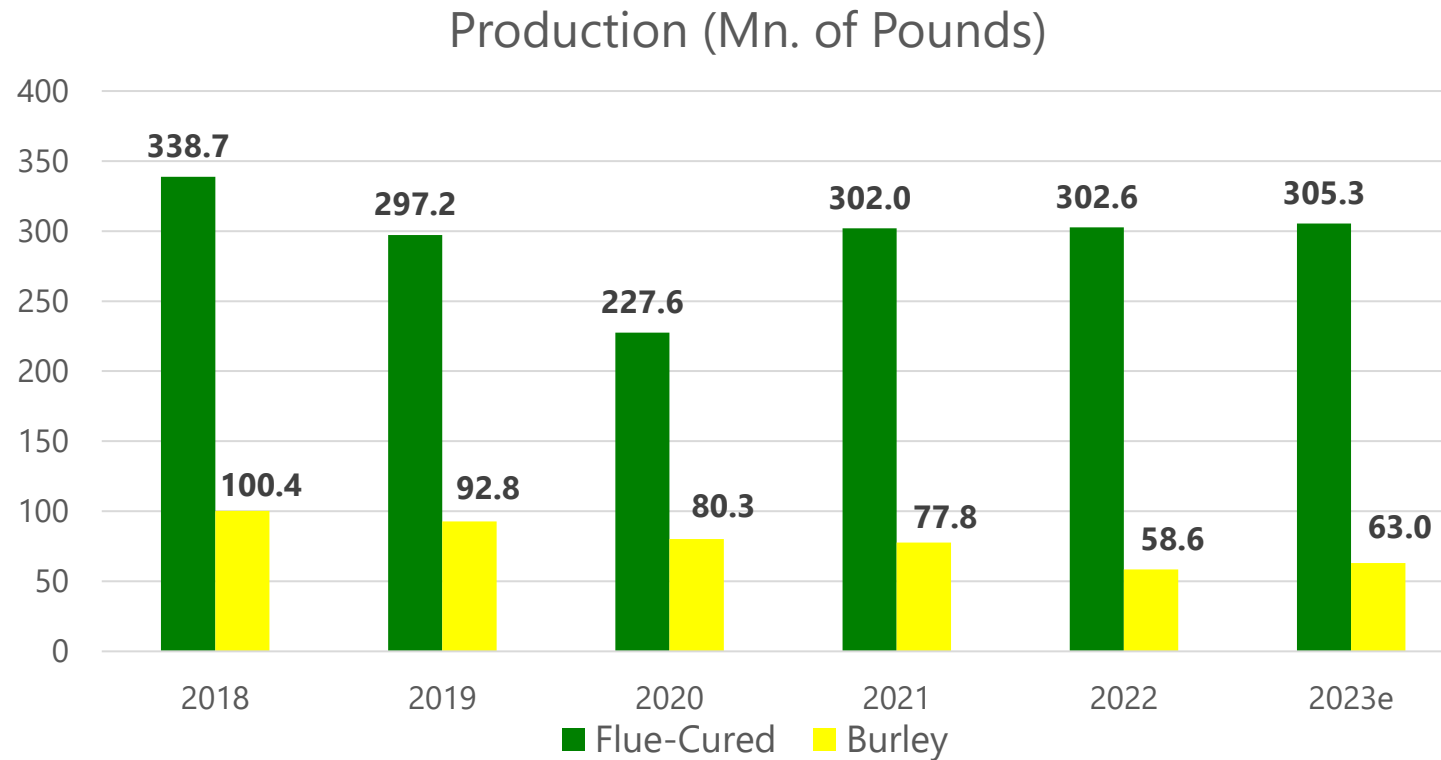
China's Flue-Cured Tobacco Leaf Imports



Source: China CNTC

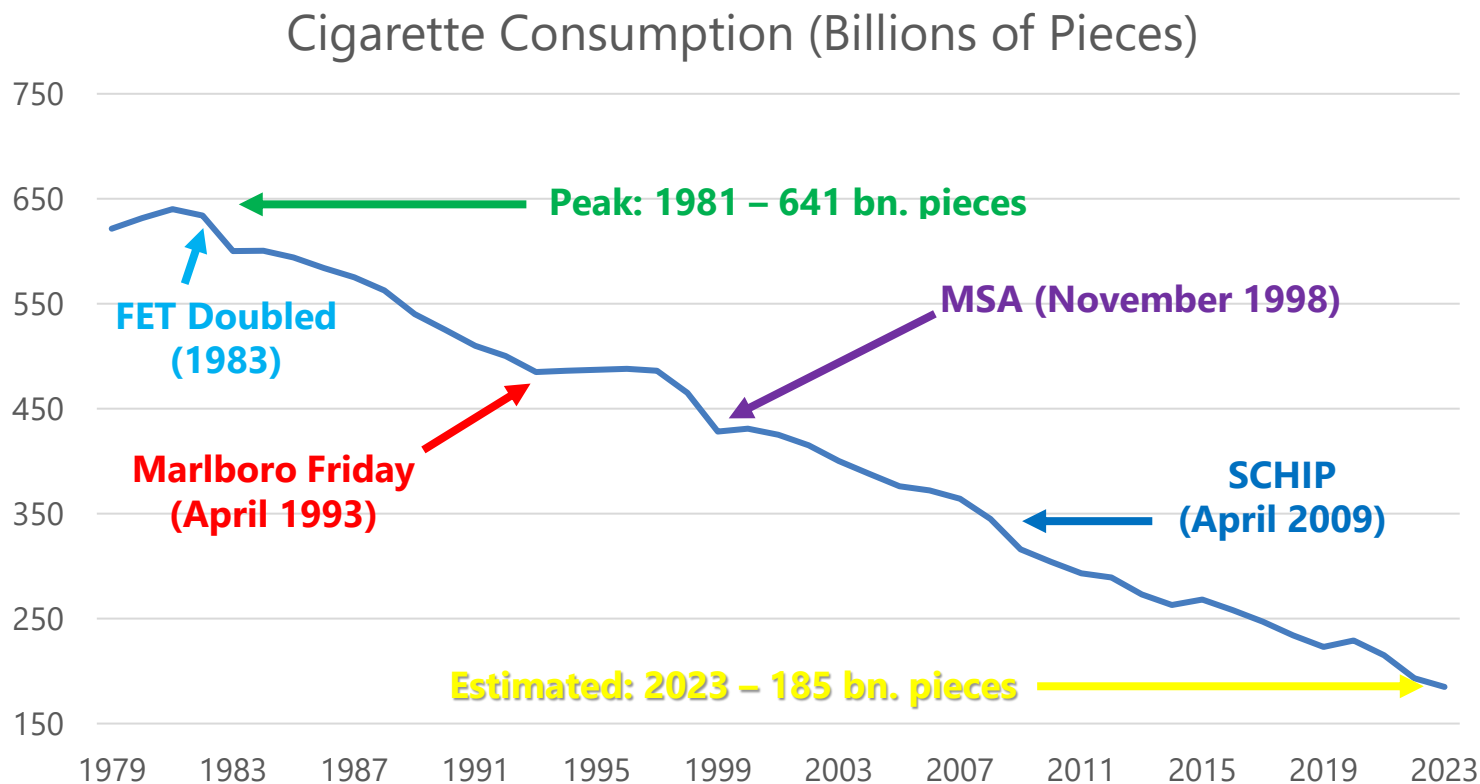
Note: 2023 figure through June

U.S. Flue-Cured and Burley Tobacco Leaf Production



Source: USDA-NASS

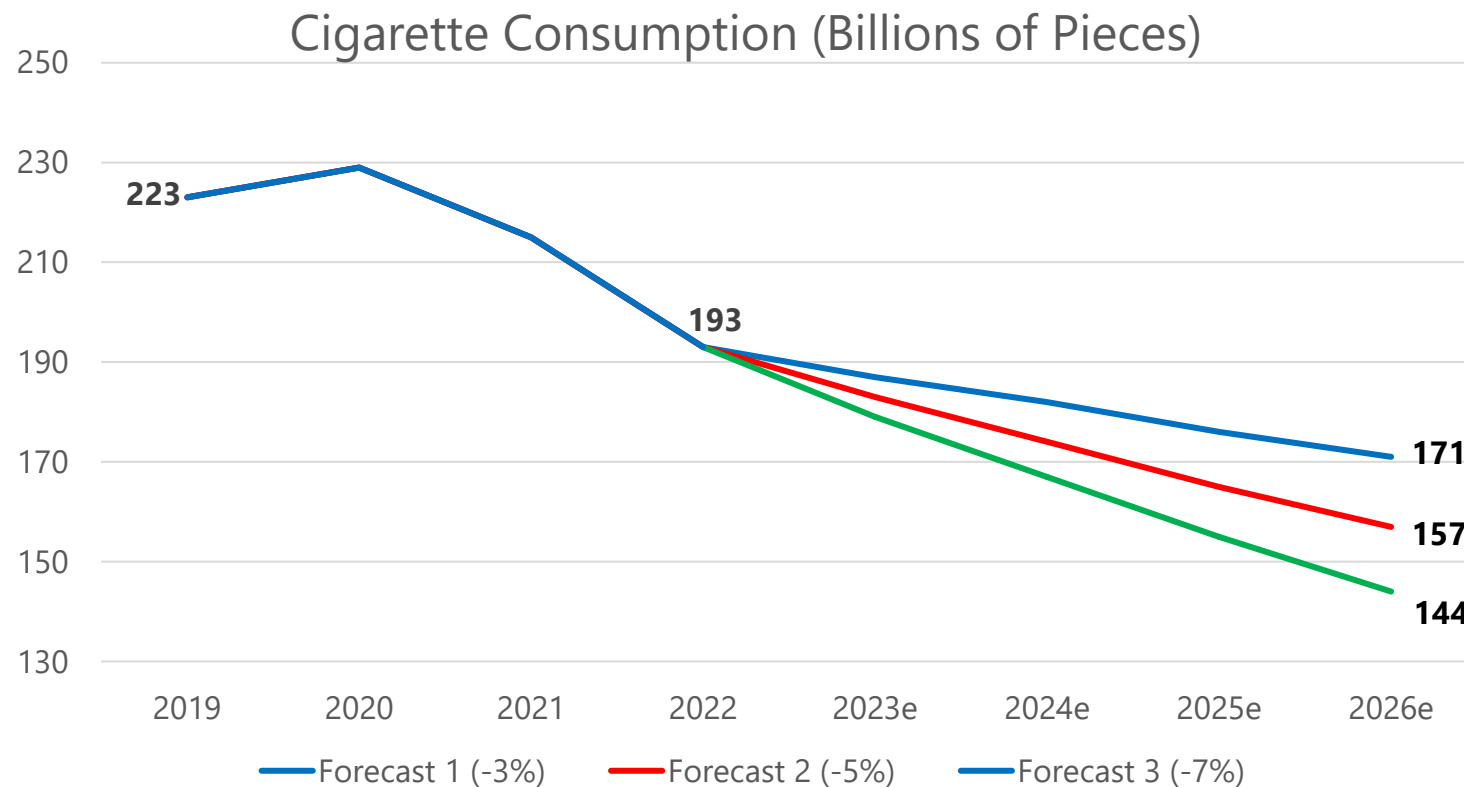
The U.S. Cigarette Market



- For the 41-year period (1981-2022), the U.S. cigarette market has declined by **71.16%**.
- The compound annual rate of decline for the 1981-2022 period is **-2.99%**.
- The compound annual rate of decline for the 1998-2022 period is **-3.77%**.
- The compound annual rate of decline for the 2010-2022 period is **-4.06%**.

Source: TMA's Tobacco USA

U.S. Cigarette Consumption Forecast



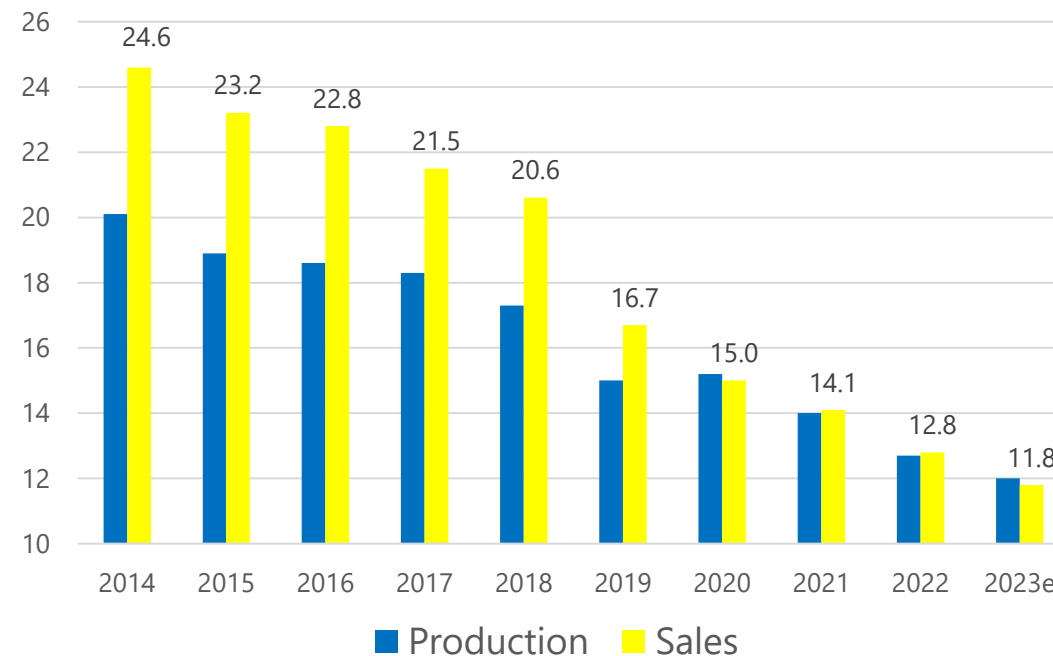
A 5% annual decline in forecasted ahead leads the U.S. to a 157 billion piece market in 2026.

Source: TMA Estimate

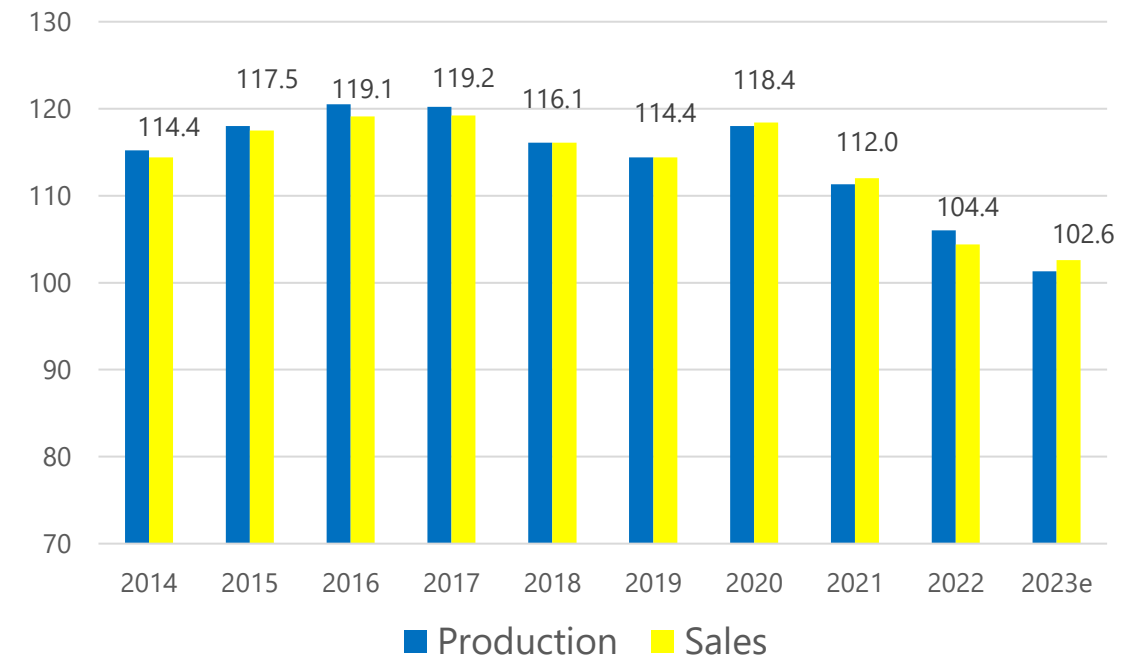
U.S. Smokeless Tobacco Markets



Chewing Tobacco (Mn. of pounds)

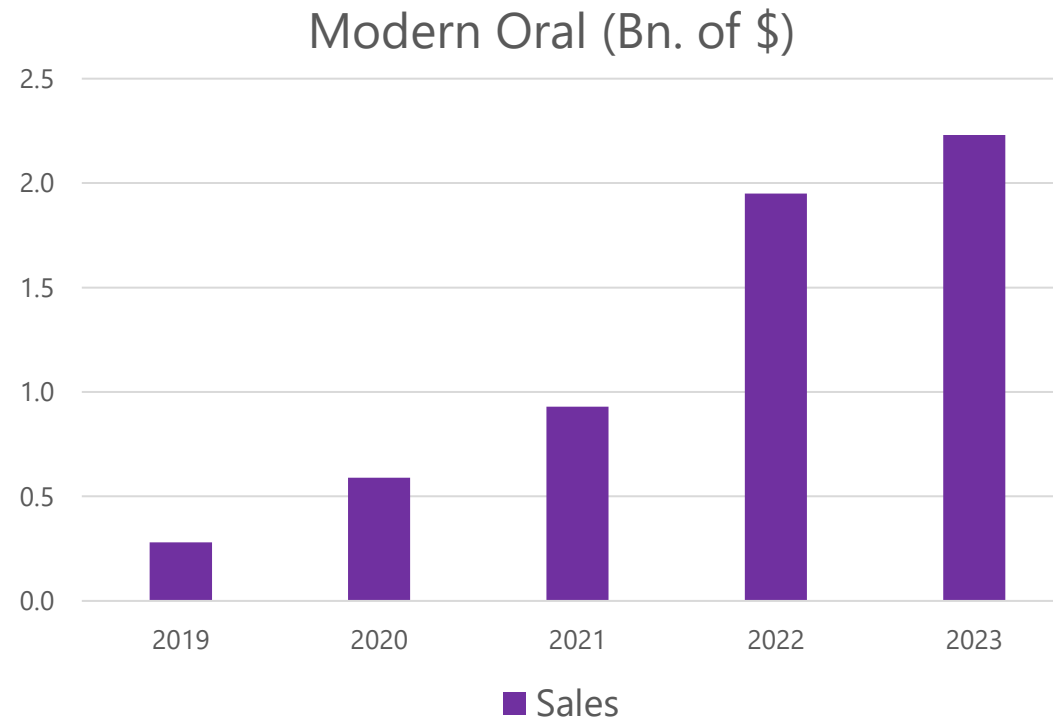


Moist Snuff (Mn. of pounds)



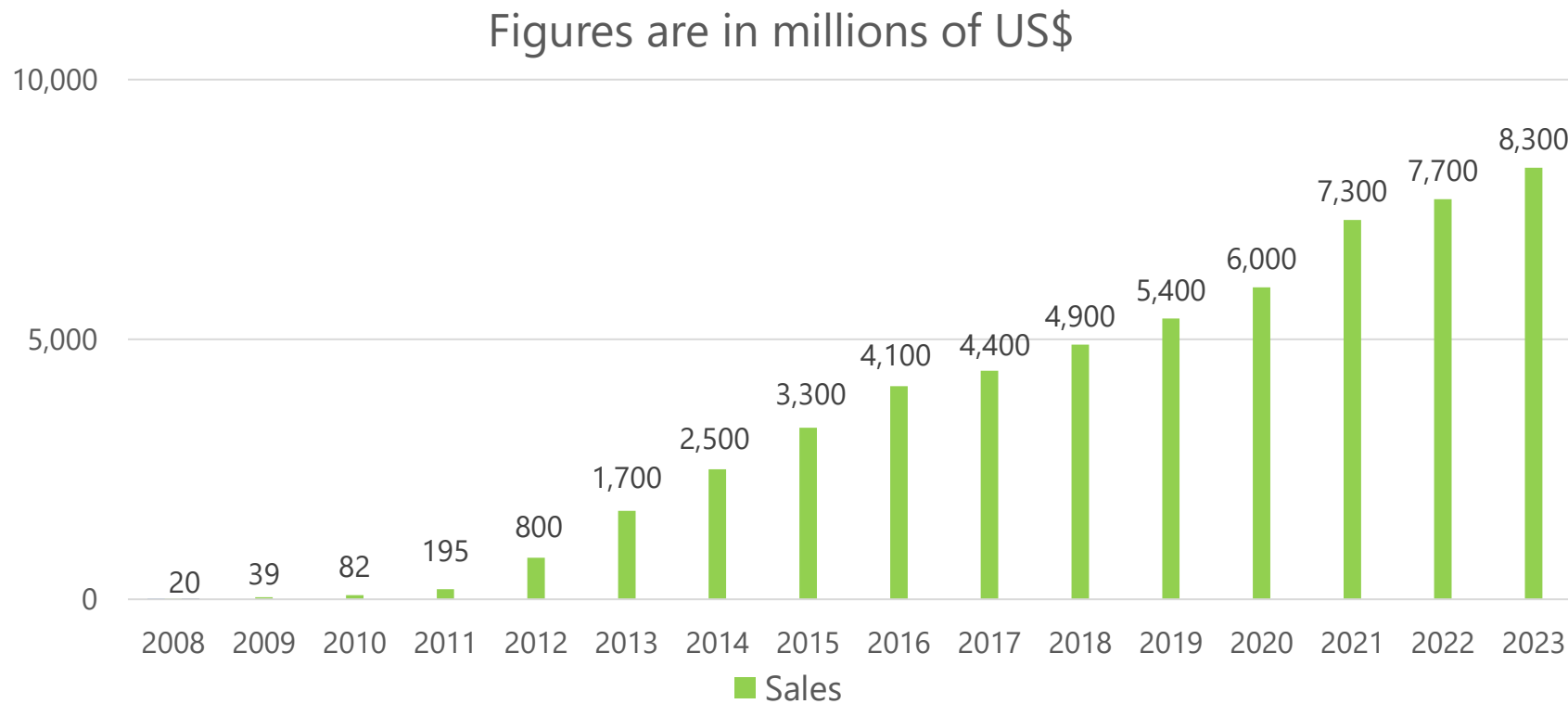
Source: TMA's Tobacco USA

U.S. Modern Oral Market



Source: Goldman Sachs (Nielsen)

The U.S. Vapor Product Market



Source: Multiple sources, TMA