VENEZUELAN MARKET DEFINITIONS AND ASSUMPTIONS

DUTY PAID MARKET (DP).

Comprises the cigarettes produced and consumed in Venezuela by both companies (Bigott and Catana). [redacted] pays the government legal excise of 50% of retail price. Please notice the Margarita Island Duty Free volume is also included in this market although it does not pay excise.

The information sources for these figures, on a weekly and a monthly basis are:

Bigott Sales: Official own sales data.

Catana Sales: Interchange data provided by Catana and reconfirmed by official Treasury Ministery data. (informally) ??

DUTY NOT PAID MARKET (DNP).

This is the volume of cigarettes produced in Venezuela, exported (mainly to Aruba) and re-entering Venezuela as transit plus transit cigarettes produced elsewhere (mainly Ecuador and Brazil).

The information sources for these figures are:

Bigott: Official own exports sales data (monthly).

Catana: Official Treasury Ministery data of Catana's exports sales (monthly).

Others: Estimated dispatches from Aruba to Maicao (Colombia) monthly.

[redacted]

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The assumptions to estimate the DNP Market are:

- 5% of Belmont HL exports re-enter Venezuela.
- 100% of Belmont SC and Consul exports re-enter.
- 90% of Astor SC (Catana) re-enter Venezuela.
- 100% of Fortuna SC (Catana) re-enter Venezuela.
- 50% of the dispatches of Other Brands (Belmont from Ecuador, Minister, etc) from Aruba to Maicao enter Venezuela as transit.

When were these assumptions last checked out?

TOTAL MARKET:

Is the total volume of cigarettes consumed in Venezuela and includes the Duty Paid Market plus the Duty Not Paid Market.

The volumes for June and July of 1992 are:

	JUNE	JULY
TOTAL MARKET	1736.3	1400.9
DUTY PAID MARKET	1135.9	1068.1
BIGOTT DP	751.3 (66%)	793.0 (74%)
CATANA DP	384.6 (34%)	275.1 (26%)
DUTY NOT PAID MARKET	600.4	332.8
BIGOTT DNP	347.3 (58%)	113.4 (34%)
CATANA DNP	190.1 (32%)	151.7 (46%)
OTHERS DNP	63.0 (10%)	67.7 (20%)

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