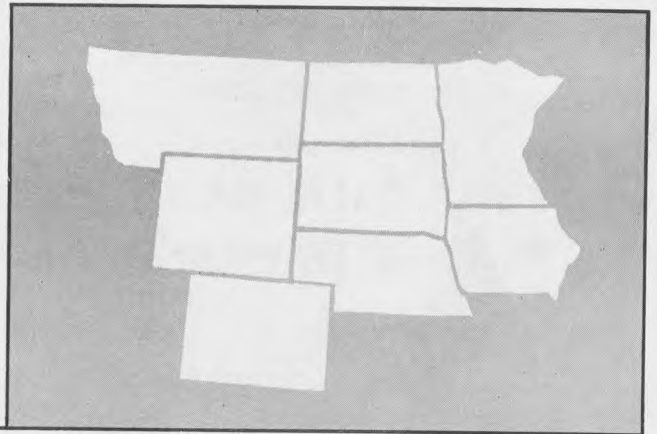


# NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1000

Des Moines, Iowa

November 7, 1966

## USDA Raises CCC Certificate Rate

The U. S. Department of Agriculture, in response to recent changes in the money market, has raised the interest rate payable on Commodity Credit Corporation certificates to 5.7%.

The certificates, issued to banks participating in the financing of 1966 crop price support loans, had borne an interest rate of 5.2%.

U.S.D.A. officials also report that the Department is considering revisions of its regulations which would allow banks to buy the certificates directly from the Commodity Credit Corporation.

The higher rate, which became effective late last month, included no retroactive provision for banks which had previously invested funds in 1966 crop price support loans. The interest rate on investments is 4.9% through last July 31, 5.2% through October 21 and 5.7% thereafter.

While certificates outstanding at the end of September totaled only \$205 million, officials expect the amount to rise in coming months. Eligible farmers who hold the certificates, as evidence of crop price support loans, may convert them to cash at participating banks. The loans are normally for short maturities--usually eight or nine months.

The \$205 million outstanding in certificates at the end of Septem-

ber compared to pooled loans totaling \$1.37 billion at that time. A month earlier, \$188 million in certificates outstanding compared with a loan total of \$1.4 billion. Both figures traditionally rise during the autumn and winter months. Last February, financial institutions held nearly \$690 million in C.C.C. certificates.

### BULLETINS...

**LINCOLN:** Several local banks, in response to the recent trend, have announced an increase to 5% in interest rates paid on three-month certificates of deposit. Several Omaha and other eastern Nebraska banks had earlier announced rate increases. Banks which had publicly announced the increase, at press time, included National Bank of Commerce Trust and Savings, First National Bank and Trust, City National Bank and Union Bank and Trust.

### NATIONAL NEWS

**BAL HARBOUR:** The annual convention of the Bank PRMA began here yesterday. The meeting will continue through Thursday.

**CHICAGO:** The Chicago Mercantile Exchange will sponsor a Livestock and Meat Futures Study Conference

at the La Salle Hotel here November 30. The conference will emphasize the recent adaptation of futures trading to livestock and the new dimension it has added to the credit and finance operation of the livestock industry.

**CHICAGO:** The ABA Mid-Winter Trust Conference will be held at the Drake Hotel here Thursday and Friday, November 17 and 18.

**CHICAGO:** Philip R. Clarke, 77, formerly chairman of the board of the City National Bank and Trust Company, director of the United States Steel Corporation and Montgomery Ward, died recently. In 1964, he organized a syndicate to purchase the Cleveland Indians baseball team. In 1921, he raised \$1.2 million for Japanese relief following the Yokohama earthquake.

**DAYTON, OHIO:** Robert M. Hohenbrink has been appointed manager and Thomas J. Hime has been named assistant manager at the Northridge Branch of the Third National Bank and Trust Company.

**NEW ORLEANS:** The 42nd annual convention of NABAC got underway here Sunday. Jack T. Conn, newly-elected ABA president and chairman, Fidelity National Bank, Okla-

(Continued on back page)

The myriad tools of modern banking  
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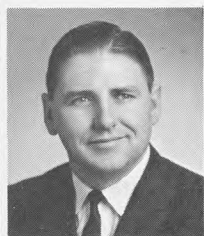
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**IOWA NEWS**

**AMES:** A conference concerning "Alternatives for Balancing Future World Food Production and Needs" begins with registration at 8 a.m. tomorrow in the Memorial Union, Iowa State University. The three-day meeting will feature addresses by experts in government, industry and education from throughout the nation.

**CRAWFORDSVILLE:** Peoples Savings Bank has doubled its capital stock from \$32,000 to \$64,000.

**DES MOINES:** Thomas H. Bachman has been elected executive vice president at East Des Moines National Bank. Mr. Bachman had been

vice president in charge of the installment loan department and public relations. D. H. Taylor, president of Taylor Refrigerator Company, Des Moines, and Midwest Refrigerated Equipment Company, Independence, has been elected a member of the bank's board of directors.

**IOWA CITY:** A bank parking lot office certificate has been issued to Hawkeye State Bank, according to the State of Iowa Department of Banking.

**ROLAND:** Roland State Bank has increased its capital stock from \$50,000 to \$100,000.

**TITONKA:** Titonka Savings Bank has increased its capital stock by \$60,000, bringing capital to \$120,000.

**WEST BRANCH:** First State Bank of West Branch has increased its capital stock from \$100,000 to \$150,000.

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**NEBRASKA NEWS**

The two agricultural seminars sponsored by the Nebraska Bankers Association were held as scheduled last week in North Platte and Lincoln. Details of the meetings will be reported by Editor Ben Haller in the December issue of *Northwestern Banker*.

**NEHAWKA:** Funeral services were held recently in Plattsmouth for

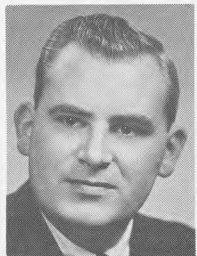
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**GORDON DODGE**

Walter J. Wunderlich, 75, president of the Nehawka Bank for 45 years.

**MINNESOTA NEWS**

**BLUE EARTH:** The board of directors of the Blue Earth State Bank have announced the purchase of adjoining property for future bank expansion. Two leased buildings, located on the property, will be used in the future development although alteration plans are not yet definite.

**FERGUS FALLS:** Charles D. Angus, Starbuck, has joined the Fergus Falls National Bank as an agricultural representative. For the past seven years, he had been a branch manager for Production Credit Association in Starbuck.

**HUTCHINSON:** John R. Swanson, 25, has joined the staff of the Citizens Bank here as an assistant cashier. He will assume duties in the installment loan department.

**INTERNATIONAL FALLS:** The city's newest financial institution, International State Bank, has opened for business in its new building. Nearly 200 persons visited the bank at an open house celebration arranged for bankers from throughout the state.

**LAKEFIELD:** Wayne Schultze, formerly cashier, has been elected vice president and cashier at Farmers State Bank here. Mr. Schultze joined the bank in 1957 as an assistant cashier. The bank has also raised to 5% the interest rate paid on time certificates.

**MANKATO:** Terry E. Enge has been appointed assistant cashier at First National Bank of Mankato. Mr. Enge joined the bank as a teller in 1964.

**MINNEAPOLIS:** Keith M. Barnett, 55, vice president, Northwestern National Bank of Minneapolis and head of the bank's correspondent banking department, died shortly after his return from the American Bankers Association convention in San Francisco. He had arrived by air and was being driven home by friends when he died of an

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## IOWA-DES MOINES NATIONAL BANK

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apparent heart attack. Details appear in the November issue of *Northwestern Banker*.

**NEW PRAGUE:** Donald Nordlie, vice president, Freeborn National Bank, Albert Lea, has resigned that post to accept a position as vice president at the First National Bank of New Prague. Mr. Nordlie had been associated with the Albert Lea bank for approximately 10 years.

**ROSEAU:** Ground has been broken for the new \$100,000 building which will house the Citizens State Bank of Roseau. The building will rise on a site formerly occupied by a hotel and a service station. The all-modern brick structure will include six teller windows and a drive-in teller window, according to President Robert Foley.

**SILVER BAY:** James Haug, associated with the Grafton (N.D.) National Bank for the past two years, has joined the Silver Bay State Bank as an assistant cashier. He had worked in the bookkeeping department and as a teller in the North Dakota bank.

**WHITE BEAR LAKE:** A hearing on a proposal to charter a new bank in White Bear Lake has been continued to Thursday, January 12, according to the Minnesota Banking Division. Application for the charter was submitted by David B. Trach and Stanley B. Korengold, both of St. Louis Park. The application lists proposed capital of \$400,000 for the bank which would be located in the White Bear Shopping Center on Highway 61. The application was submitted August 15 and the hearing was originally set for October 11.

### NORTH DAKOTA NEWS

**DICKINSON:** Richard L. Parten, 34, has joined the First National Bank of Dickinson as a vice president. Prior to joining the bank, Mr. Parten served five years as a senior loan specialist with the Small Business Administration. Prior to that time, he was an assistant bank examiner with the FDIC in North Dakota and Montana.

**HATTON:** Eugene C. Anderson, 45, president, Farmers and Merchants National Bank, has been awarded the Governor's Outstanding Leadership award in competition with 27 other community leaders in a contest sponsored by the North Dakota Economic Development Commission.

### COLORADO NEWS

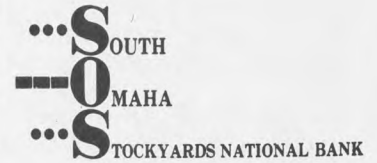
**DENVER:** Construction of the new building for the Denver Branch, Federal Reserve Bank of Kansas City, was scheduled to begin last week, following the awarding of the awarding of more than \$5.6 million in contracts. The new four-level building will be built facing on 16th street between Arapahoe and Curtis streets. Construction is expected to require approximately two years.

**LAFAYETTE:** Horace E. Davis, a senior bank examiner in the Colo-



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rado Bank Commission, has retired following 14 years of service with the department.

### In The November Issue Of... The NORTHWESTERN BANKER

A detailed article in the November issue of *Northwestern Banker*, scheduled for distribution this week, takes a look at decreasing liquidity in the nation's commercial banks, reviews the reasons for it and suggests means of combatting low-quality, low-liquidity trends.

An article of particular importance to personnel in smaller banks is that which discusses the impact of an interest-sensitive public on the country bank.

Full reports on the American Bankers Association convention in San Francisco, the Iowa Bankers Association convention in Des Moines, the 1966 series of Nebraska Group Meetings and results of the North Dakota group meetings are also reported in this issue.

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**SOUTH DAKOTA NEWS**

**PIERRE:** The Capitol Avenue branch of the Pierre National Bank has opened its doors for business.

**RAPID CITY:** Willis Brown, publisher of the Rapid City Journal, has been elected to the board of directors of the First National Bank of The Black Hills.

**NATIONAL NEWS**

(Continued from front page)

homa City, and Charles E. She-walter, senior vice president and controller, Commerce Trust Com-pany, Kansas City, will be among the speakers.

**NEW YORK:** New York City was obliged to pay an interest rate of 4.759%--the highest rate it has been charged in 34 years--to bor-row \$123 million recently. There was a single non-competitive bid for the borrowing made by a syndi-cate headed by the Chase Manhattan Bank and the First National City Bank. In May, 1932, the city had paid 5.5% and, in January of the same year, had paid 6%.

**NEW YORK:** Cornelius D. Howland has been appointed executive vice president of Chase International Investment Corporation, the foreign financing subsidiary of the Chase Manhattan Bank, N.A. Mr. Howland is well known to bankers through-out the nation due to his previous assignment in the national division of the bank's correspondent depart-ment.

**PHILADELPHIA:** In an address prepared for presentation at the

annual convention of the Mortgage Bankers Association of America, President Ewart W. Goodwin pre-dicted that more money would be available for mortgage lending by mid-1967. "Another shift of empha-sis in the investment market seems probable," he said, and the avail-ability of mortgage funds will be "much enhanced."

**ST. LOUIS:** First National Bank last week held its 20th annual Con-ference of Bank Correspondents at the Sheraton-Jefferson Hotel here.

**WASHINGTON, D.C.:** Interest rates on conventional home mortgages continued their rise to all-time highs in September, according to the Federal Home Loan Bank Board. New home mortgages averaged 6.22%, up 4 points from August and up 47 points from September, 1965.

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