

NORTHWESTERN Banker Newsletter

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1974 Credit Demand and Interest Outlook

"Our analysis indicates that we will see interest rates tending lower during 1974, with only a modest decline in long-term rates, but a much steeper downward movement in short-term rates."

This was the prediction made by Nicholas J. De Lenoardis, vice president, bond department, money market division of The First National Bank of Chicago during the 27th Annual Conference for Bank Correspondents held by The First late last month.

Here are excerpts from Mr. De Lenoardis' presentation.

"In the Government sector, I would like to suggest that by the end of 1974, we could see 90-day U.S. Treasury Bills down to a 5% to 5-1/2% level, with U.S. Agency securities in the 3 to 5-year maturity range yielding 6-1/4% to 6-1/2%, and long-term U.S. Government obligations at 6-7/8% to 7% — in this latter category, I am specifically thinking of the seven and one-halves due in 1993 and the seven's of 1998.

"The tax exempt market should do well during 1974, and by year end the index for long-term issues should register between 4-1/2% to 4-3/4%, which is down from the levels of this year.

"As for the private sector, it is expected that 90-day commercial paper, by the end of 1974, will be ranging between 6% to 6-1/2%, and that AAA corporate bonds will be around 7-1/4 to 7-1/2% — however, during the first half of the year, when we anticipate that a significant portion of the new financing will take place, a level of 7-3/4% is very likely.

"Unfortunately, I must conclude on a note of caution — if we are unable to bring

inflation under control, the prospects for a reduction in interest rates will diminish significantly, especially in the long-term sector."

Open American Indian National Bank In Washington

The American Indian National Bank, the first institution of its kind, has opened for business at 1701 Pennsylvania Avenue, N.W. in the nation's capital.



Opening the American Indian National Bank, first bank devoted to serving the Indian community across the nation, at 1701 Pennsylvania Ave., N.W., Washington, D.C. on Nov. 15 is Miss Indian America XX Maxine Norris, Papago from Casa Grande, Ariz. Looking on, left to right: W. W. Keeler (Cherokee), AINB board chmn.; Barney Old Coyote (Crow), AINB pres.; Marvin L. Franklin, Asst. to the Secretary of the Interior (Indian Affairs); and General George Olmsted, chmn. & pres., of International Bank. International Bank assisted in the organization of AINB and will provide continuing management consultant services under a five-year contract.

The new bank is the keystone of an envisioned national Indian financial structure

that will eventually encompass banking operations, venture capital, industrial capital and insurance services to Indians throughout the United States. It is the end result of several years of effort on the part of Indian leaders of many tribes and communities, interested agencies of the Federal government, and International Bank, a Washington-based financial services organization which developed the specific concept for the organization of the bank and will provide continuing consultant assistance.

The authorized capital stock of AINB is 500,000 shares with a par value of \$5. Only Indians may purchase stock in the bank. Tribes, organizations and individuals are being invited to buy shares. AINB will offer a full range of banking services, including checking accounts, savings accounts, and certificates of deposit for individuals, corporations, organizations and institutions, together with a wide variety of loans tailored to the needs of the borrower. In loan programs AINB will deal primarily, though not exclusively, with Indian tribes and groups.

W. W. Keeler, principal chief of the Cherokee Nation of Oklahoma and former board chairman of Phillips Petroleum Company, was elected first chairman of AINB. Barney Old Coyote, president, is a member of the Crow tribe and professor of economics at Montana State University.

NORTH DAKOTA

MAYVILLE: W. C. (Wally) Martz has been named assistant vice president of The Goose River Bank, according to L. C. Kempf, bank president. Mr. Martz comes to Mayville from Grand Forks where he was associated with the Red River National Bank and Trust Co.

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IOWA NEWS

CORALVILLE: The application of uniBank & Trust Company to open a bank office in Iowa City has been denied by the state banking board.

DES MOINES: Controlling interest in Capital City State Bank has been sold by Rolfe Wagner, chairman of the executive committee, and his associates to Ed Langley, Omaha, a well-known Nebraska banker and attorney, and his associates. Mr. Langley is a former Nebraska director of banking. No personnel changes are planned. Capital City Bank had assets of \$60,080,560 on September 28.

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National Bank of Waterloo

GLENWOOD: John T. (Jack) Patrick, 37, former vice president of the Houghton State Bank, Red Oak, has been elected president of the Mills County State Bank by its board of directors.

MAQUOKETA: Keith Cueno has been named installment loan officer and Don Henningsen has been named head of the farm department at the Jackson State Bank & Trust.

NEBRASKA NEWS

The following Nebraska banks have received approval to open auxiliary teller offices at the locations noted:

Beatrice — First National B&T, at 1902 East Court Street.

Columbus — First National B&T, n.w. corner of 23rd St. & 18th Ave.

Fremont — Fremont Natl., at 1152 E. 16th St.

Fremont — First State, s.w. corner of Military Ave. & Williams Ave.

Hastings — First Natl., at 815 N. Marion Rd.

Lincoln — Union B&T, at lots 8, 9 & 10, block 18, Normal addition.

Omaha — Omaha Natl., at 4818 S. 108th St.

Omaha — West Omaha Natl., at s.w. corner of 90th & Maple.

GRAND ISLAND: The First National Bank has announced the following promotions: Eldene E. Zamzow to vice president-installment loan officer; Ronald D. Meade to vice president-commercial loan officer; and Stephen M. Beachler to vice president-correspondent banking; Deryl E. Bayne to assistant vice president-operations officer; Robert J. Moses to assistant vice president-installment loan of-

ficer and Bernice Glass to assistant vice president-operations officer.

HUMBOLDT: Funeral services were held recently for Otto Kotouc, Sr., 88, Humboldt banker and former member of the Nebraska Legislature. He was chairman of the board of the Home State Bank & Trust Co., and was president of the Nebraska Bankers Association in 1935-36.

LINCOLN: The application by the Lincoln Bank South for permission to establish a detached auxiliary teller office at lot 7 and 8, block 3, Normal addition, has been denied.

OMAHA: F. Phillips Giltner, president of the First National Bank, has been appointed to the board of the Nebraska Association of Commerce & Industry, headquartered in Lincoln.

ILLINOIS NEWS

BOURBONNAIS: A permit to organize has been issued to establish the Bank of Bourbonnais at 510 Convent Street. Total capitalization of the new bank will be \$850,000, consisting of \$340,000 in capital, \$340,000 in surplus and \$170,000 in reserves. The 34,000 shares will have a par value of \$10 each.

Organizers include: Robert L. Bell, Bourbonnais; Leonard L. DeLonais, Paul D. Lovell and Willis G. Maltby, all of Bradley; Thomas A. Nutting, Momence, and A. Vernon Ruder, Manteno.

CHICAGO: Theodore S. Henderson has been named vice president and comptroller at Seaway National Bank.

CHICAGO: National Boulevard Bank has announced the promotions of Kenneth A. Lindstrom to vice president, cashier, and secretary, and Everett J. Lockenvitz to vice president.

CHICAGO: Yuhki Oikawa has been named vice president of First Pacific Bank of Chicago.

CHICAGO: Barry F. Preston has been elected vice president, commercial loan division B at the Exchange National Bank.

CHICAGO: Raymond C. Salm was elected president and Jack Ehlebracht executive vice president of First Commercial Bank.

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CHICAGO: Fred D. O'Donnell has joined Old Orchard Bank & Trust Co. as vice president and manager of the commercial banking department.

EFFINGHAM: A charter has been issued for the organization of the Crossroads Bank at 2001-2003 S. Banker. Total capitalization of the new bank will be \$1 million, consisting of \$400,000 in capital, \$400,000 in surplus, and \$200,000 in reserves. The 40,000 shares have a par value of \$10 each. Lucian K. Bare of Effingham is the bank's president. Directors include: Robert D. Anderson, Mr. Bare, Charles F. Keller, Clyde L. Martin and N. Clyde Oberlin, all of Effingham; Harry Burton, Edgewood, and Robert B. Lamkin, Watson.

LISLE: Leonard P. Ponte has been promoted to vice president of the Bank of Lisle. Mr. Ponte, formerly assistant vice president, will continue to serve as cashier.

MOUNT PROSPECT: Charles V. Shostrom has been elected vice president in the commercial loan department at Mount Prospect State Bank, according to Richard D. Padula, bank president.

WORTH: Gene C. Lode has been named assistant cashier, installment loans, at Worth Bank and Trust, according to Russell D. Boyer, executive vice president.

MINNESOTA NEWS

ALEXANDRIA: L. H. Gaugert, president, First National Bank, has announced the following staff changes: Arthur M. Mehr, assistant vice president and cashier; Merlyn D. Stensrude, assistant cashier; Robert F. Krattenmaker, new accounts officer; Lorraine Clayton, assistant auditor, and Dwaine Schipper, installment loan officer.

BUFFALO LAKE: Norm Rippentrop has been elected vice president of the State Bank.

COON RAPIDS: The name of the First

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State Bank of Coon Rapids has been changed to First Mid America State Bank of Coon Rapids. Capital stock was increased from \$125,000 to \$750,000 by stock dividend.

HANSKA: A. E. Anderson has been promoted to executive vice president and Franz L. Helling to cashier of the State Bank of Hanska.

MANKATO: The Security State Bank has increased its capital stock from \$200,000 to \$250,000 by sale of new stock.

ST. PAUL: Oliver K. Walkingstick was recently appointed an installment loan officer of the Midway National Bank.

SPRINGFIELD: G. M. (Mike) Pieschel has been elected president of the Farmers & Merchants State Bank. He fills the vacancy caused by the death of N. V. (Vernie) Swanbeck on November 3.

STILLWATER: John C. Jewell has been appointed trust officer of the First National Bank.

THIEF RIVER FALLS: An amendment has been authorized changing the name of the Northwestern State Bank of Thief River Falls to First Northwestern State Bank of Thief River Falls.

NORTH DAKOTA NEWS

FARGO: J. Bruce Jacobson has been elected vice president of The First National Bank and Trust Company. Jon Goodman has joined the installment loan department and Harley Danielson, the marketing department.

FARGO: Charles A. Nelson has joined The Merchants National Bank and Trust Company as assistant secretary and trust farm manager.

MOORHEAD: Kenneth D. Fladgard has joined the staff of Moorhead State Bank as vice president. Previously he had been associated for 16 years with the National Bank of South Dakota, Sioux Falls.

SOUTH DAKOTA NEWS

The South Dakota Bankers Association will hold its annual Bank Management Conference at the Staurolite Inn in Brookings on December 7.

SIOUX FALLS: Western Bank has announced the election of Tom C. Asmussen and Charles A. Fodness as loan officers in the home loan department.

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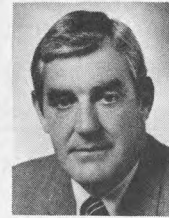
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BANK FOR SALE

First State Bank, Battle Creek, Iowa. To settle estate and Trust sale to be held 10 A.M., January 21, 1974, at Ida County Court House, Ida Grove, Iowa. For further information contact Sam S. Killinger, Vice President & Senior Trust Officer, Farmers Loan & Trust Co., P.O. Box 57, Sioux City, Iowa 51101, phone 712/255-7926, or Dave Crary, Attorney at Law, Holstein, Iowa, phone 712/268-4552.

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POSITION AVAILABLE

Good opening for young man with some operations experience. Excellent chance for country banking career in an \$18 million growing bank in Southwest Iowa. Town of 6,000 population. Salary open. All replies confidential. Write Box OEB, c/o **NORTHWESTERN BANKER**, 306 - 15th St., Des Moines, Iowa 50309.

POSITION AVAILABLE

Opportunity for young banker to start in credit department of one of Iowa's larger banks. Credit experience desirable, but not necessary. Opportunity to advance into commercial lending. Send resume in confidence to Box TCB, c/o **NORTHWESTERN BANKER**, 306 Fifteenth Street, Des Moines, Ia. 50309.

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Rocky Mountain States bank of 10MM needs a managing officer with title of president. Great growth potential. Generous salary and fringes. Write Box MFR, c/o **NORTHWESTERN BANKER**, 306 Fifteenth Street, Des Moines, Iowa 50309.

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