



AGRICULTURAL FINANCE DATABOOK

Fourth Quarter 1990

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Division of Research and Statistics
Board of Governors of the Federal Reserve System
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Nicholas A. Walraven and John Rosine

General Information

The Agricultural Finance Databook is a compilation of various data on current developments in agricultural finance. Large portions of the data come from regular surveys conducted by the Board of Governors of the Federal Reserve System or Federal Reserve Banks. Other portions of the data come from the quarterly call report data of commercial banks or from the reports of other financial institutions involved in agricultural lending. When the current issue went to press, data from the survey of terms of bank lending were available for the fourth quarter of 1990; the other data generally were available only through the third quarter of 1990.

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SECTION I: FARM DEBT OUTSTANDING (including farm households)

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SOURCES OF DATA:

The sources of the data in this section are: quarterly reports of condition, all insured commercial banks; the quarterly information statements of the Farm Credit System; "Gross Flow of Mortgage Loans in the United States," American Council of Life Insurance; and "Report 616," Farmers Home Administration, U.S. Department of Agriculture. The farm debt series on a USDA basis is from the Economic Research Service. The data are not seasonally adjusted.

The quarterly data shown here for commercial banks, life insurance companies, and the Farmers Home Administration are virtually the same as those reported annually in the USDA accounts that include the debt of farm households (as well as the debt of farm businesses). By contrast, the numbers shown here for the Farm Credit System differ somewhat from those shown in the USDA accounts, owing to adjustments by the USDA to allow for loans that are not for agricultural purposes.

Recent developments:

At the end of the third quarter of 1990, the volume of farm loans held by the major institutional lenders was about 1/2 percent below the level of a year earlier; this year-to-year rate of decline was a little smaller than the figure reported in the previous quarter. The reduction in outstanding loans, relative to a year earlier, continued to be concentrated in the loans held by the Farmers Home Administration. Excluding the FmHA, the loan volume of the institutional lenders was about 3-1/4 percent above the level of a year earlier. The volume of loans held by life insurance companies rose almost 11-1/2 percent over the year. In addition, the volume of farm loans held by commercial banks was up more than 5 percent from the level of a year earlier, with roughly similar percentage gains in the real estate and nonreal estate categories. The Farm Credit System saw its volume of real estate loans fall about 3-1/2 percent over the year; however, the system's volume of nonreal estate farm loans increased more than 7 percent over the same period.

TABLE I.A

FARM DEBT OUTSTANDING: DATA REPORTED BY THE MAJOR FARM LENDING INSTITUTIONS
(END OF QUARTER)

	TOTAL	REAL ESTATE DEBT					NONREAL ESTATE DEBT				MEMO: FARM DEBT HELD BY MAJOR FARM LENDING INSTITUTIONS, USDA BASIS
		TOTAL	INSURED COMMERCIAL BANKS	FARM CREDIT SYSTEM	LIFE INSURANCE COMPANIES	FARMERS HOME ADMINIS- TRATION	TOTAL	INSURED COMMERCIAL BANKS	FARM CREDIT SYSTEM	FARMERS HOME ADMINIS- TRATION	
I.A1 AMOUNT, END OF QUARTER, BILLIONS OF DOLLARS											
1987 Q4...	123.8	68.8	14.5	34.3	9.9	10.1	55.1	29.0	9.9	16.1	122.0
1988 Q1...	121.4	67.9	14.7	33.6	9.7	10.0	53.4	28.1	9.5	15.9	***
Q2...	124.1	67.7	15.2	33.0	9.6	9.9	56.4	30.3	10.1	16.0	***
Q3...	124.2	67.8	15.3	33.0	9.6	9.8	56.4	30.8	9.8	15.8	***
Q4...	120.6	66.9	15.4	32.2	9.7	9.6	53.8	29.8	9.3	14.7	118.5
1989 Q1...	118.2	65.9	15.8	31.1	9.5	9.6	52.3	28.4	9.3	14.6	***
Q2...	121.2	65.9	16.3	30.6	9.5	9.4	55.3	30.7	10.0	14.6	***
Q3...	122.0	65.8	16.5	30.5	9.5	9.3	56.2	31.5	10.2	14.4	***
Q4...	118.4	65.2	16.6	30.2	9.6	8.7	53.2	30.8	10.0	12.4	116.5
1990 Q1...	116.3	65.1	16.8	29.9	9.8	8.6	51.2	29.3	9.7	12.1	***
Q2...	119.6	65.2	17.1	29.6	10.1	8.5	54.4	31.9	10.5	11.9	***
Q3...	121.5	65.7	17.3	29.4	10.6	8.3	55.8	33.2	11.0	11.7	***
I.A2 PERCENTAGE OF TOTAL SPECIFIED DEBT, END OF QUARTER											
1987 Q4...	***	100.0	21.0	49.9	14.4	14.6	100.0	52.7	18.0	29.2	***
1988 Q1...	***	100.0	21.7	49.4	14.2	14.7	100.0	52.6	17.7	29.7	***
Q2...	***	100.0	22.4	48.8	14.1	14.7	100.0	53.6	17.9	28.4	***
Q3...	***	100.0	22.6	48.7	14.1	14.5	100.0	54.6	17.4	28.0	***
Q4...	***	100.0	23.1	48.1	14.5	14.4	100.0	55.4	17.2	27.3	***
1989 Q1...	***	100.0	24.0	47.1	14.4	14.5	100.0	54.3	17.8	27.9	***
Q2...	***	100.0	24.7	46.5	14.4	14.3	100.0	55.5	18.1	26.4	***
Q3...	***	100.0	25.1	46.3	14.5	14.2	100.0	56.1	18.2	25.7	***
Q4...	***	100.0	25.5	46.4	14.7	13.3	100.0	57.9	18.8	23.3	***
1990 Q1...	***	100.0	25.8	46.0	15.0	13.2	100.0	57.3	19.0	23.7	***
Q2...	***	100.0	26.3	45.4	15.4	13.0	100.0	58.7	19.4	21.9	***
Q3...	***	100.0	26.4	44.8	16.1	12.7	100.0	59.5	19.7	20.9	***

TABLE I.B

FARM DEBT OUTSTANDING: DATA REPORTED BY THE MAJOR FARM LENDING INSTITUTIONS

	REAL ESTATE DEBT						NONREAL ESTATE DEBT				MEMO: FARM DEBT HELD BY MAJOR FARM LENDING INSTITUTIONS, USDA BASIS
	TOTAL	INSURED COMMERCIAL BANKS	FARM CREDIT SYSTEM	LIFE INSURANCE COMPANIES	FARMERS HOME ADMINIS- TRATION	TOTAL	INSURED COMMERCIAL BANKS	FARM CREDIT SYSTEM	FARMERS HOME ADMINIS- TRATION		
I.B1 PERCENT CHANGE FROM PREVIOUS QUARTER											
1987 Q4...	-2.4	-0.9	2.4	-2.2	-1.8	0.0	-4.1	-5.2	-5.6	-1.1	***
1988 Q1...	-2.0	-1.2	1.9	-2.3	-2.4	-1.1	-2.9	-3.2	-4.5	-1.4	***
Q2...	2.3	-0.3	3.0	-1.5	-0.8	-0.4	5.6	7.6	6.8	1.1	***
Q3...	0.0	0.1	1.2	-0.0	0.1	-1.0	-0.1	1.7	-3.1	-1.5	***
Q4...	-2.9	-1.4	0.5	-2.6	0.8	-2.5	-4.6	-3.1	-5.7	-6.9	***
1989 Q1...	-2.0	-1.4	2.7	-3.5	-1.7	-0.4	-2.8	-4.7	0.3	-0.7	***
Q2...	2.5	-0.1	3.0	-1.4	0.0	-1.2	5.8	8.2	7.5	-0.0	***
Q3...	0.7	-0.1	1.2	-0.5	0.2	-1.2	1.6	2.5	2.6	-1.0	***
Q4...	-3.0	-1.0	0.9	-0.8	0.9	-6.8	-5.3	-2.2	-2.1	-14.4	***
1990 Q1...	-1.8	-0.2	0.7	-1.1	1.8	-0.9	-3.7	-4.7	-3.2	-1.8	***
Q2...	2.9	0.3	2.2	-1.1	3.0	-1.9	6.2	8.7	8.7	-1.7	***
Q3...	1.6	0.7	1.1	-0.5	5.3	-1.4	2.7	4.1	4.1	-2.3	***
I.B2 PERCENTAGE CHANGE FROM SAME QUARTER OF PREVIOUS YEAR											
1987 Q4...	-6.5	-6.2	13.9	-12.6	-9.9	-2.7	-7.0	-6.9	-14.1	-2.1	-6.4
1988 Q1...	-4.3	-4.7	12.1	-10.4	-7.4	-3.0	-3.8	-2.3	-9.1	-3.1	***
Q2...	-3.1	-3.8	9.6	-8.2	-7.4	-2.6	-2.2	-0.5	-4.9	-3.6	***
Q3...	-2.1	-2.3	8.6	-5.9	-4.8	-2.3	-1.8	0.4	-6.7	-2.9	***
Q4...	-2.6	-2.8	6.7	-6.3	-2.3	-4.7	-2.4	2.6	-6.8	-8.6	-2.8
1989 Q1...	-2.6	-2.9	7.5	-7.5	-1.6	-4.1	-2.2	1.0	-2.0	-8.0	***
Q2...	-2.4	-2.7	7.6	-7.3	-0.8	-4.9	-2.0	1.5	-1.5	-9.0	***
Q3...	-1.8	-2.9	7.6	-7.8	-0.7	-5.1	-0.4	2.4	4.4	-8.6	***
Q4...	-1.9	-2.5	8.0	-6.0	-0.6	-9.3	-1.1	3.3	8.3	-15.9	-1.8
1990 Q1...	-1.7	-1.3	5.9	-3.6	2.9	-9.8	-2.1	3.4	4.5	-16.9	***
Q2...	-1.3	-1.0	5.1	-3.4	6.0	-10.5	-1.6	3.9	5.6	-18.3	***
Q3...	-0.4	-0.2	5.0	-3.4	11.4	-10.7	-0.6	5.5	7.2	-19.3	***

SECTION II: AMOUNT AND CHARACTERISTICS OF FARM LOANS MADE BY COMMERCIAL BANKS

TABLES:

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SOURCES OF DATA:

These data on the farm loans made by commercial banks are derived from quarterly sample surveys conducted by the Federal Reserve System during the first full week of the second month of each quarter. Data obtained from the sample are expanded into national estimates for all commercial banks, which are shown in the following tables.

Before August 1989, the farm loan survey was part of a broader survey of the terms of lending by a sample of 340 commercial banks. A subset of 250 banks was asked for information regarding agricultural lending, and about 150 typically reported at least one farm loan.

Beginning in August of 1989, the data are being drawn from a new, redesigned sample of 250 banks that is no longer part of the broader survey. In the new sample, banks are stratified according to their volume of farm lending; previously, they had been stratified according to the volume of total loans. As before, however, the sample data are being expanded into national estimates for all commercial banks. In the November 1990 survey, about 210 banks reported at least one farm loan, and the number of sample loans totaled almost 5000, more than twice the number typically reported in the quarterly surveys that were done before the sample was redesigned.

In both the previous survey and the new one, the national estimates exhibit variability due to sampling error. This variability is particularly evident in data on average maturity, which are greatly affected by the occasional appearance of large loans with either very long or very short maturities. In addition, the breakdown of national estimates into those for large banks and small banks may be affected somewhat by the new sampling procedures that were implemented in August 1989; apparent shifts in the data as of that date therefore should be treated with caution.

SECTION II: (CONTINUED)

More detailed results from each quarterly survey are published in Table 5 of Statistical Release E.2, "Survey of Terms of Bank Lending," for which a mailing list is maintained by Publications Services, Mail Stop 138, Federal Reserve Board, Washington, D.C., 20551. Starting with the August 1986 survey, farm loans secured by real estate are included in the data shown in Statistical Release E.2, whereas such loans are excluded from the tabulations presented here.

RECENT DEVELOPMENTS:

Results from the two most recent quarterly surveys (conducted in August and November of 1990) were heavily influenced by the terms of lending on some unusually large farm loans. The size of these loans has been in the range of \$10 to \$20 million, and the loans have had maturities of one or two days. Although it probably is still too early to read too much into the recurrence of such loans, they do seem to be cropping up more frequently in the recent surveys, and may signal a shift in the type of credit demanded by agricultural borrowers. Apart from these large loans (which, by purpose of loan, show up mainly in the "other" category), the volume of new lending appeared to rise in the fourth quarter, paced by strong growth in the volume of loans for feeder livestock.

The estimated number of loans made by all commercial banks was 2.77 million at an annual rate in the fourth quarter, and 2.63 million for all of 1990; the figure for the year was about the same as the number for 1989. The interest rates on nonreal estate farm loans (Table II.E) were down about 1 percentage point in 1990, to an annual average of 11.4 percent; rates fell in 1990 for all categories of loans. Although the average rate was pulled down by relatively low rates on the aforementioned large loans, rates for smaller loans fell as well. As shown in the second-to-last column of Table II.G, almost three-fourths of the loans made in the mid-November survey week carried an effective interest rate between 11.0 percent and 12.9 percent; a similar proportion of loans had fallen in this same range in the August 1990 survey. When weighted by the amount of the loan, the distribution of loans skews towards lower interest rates. This reflects, in part, the large loans mentioned earlier, but also it reflects the lower interest rates offered frequently for larger loans.

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.A

AMOUNT OF LOANS MADE (BILLIONS OF DOLLARS)

	BY PURPOSE OF LOAN						BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER	FARM	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER
				CURRENT OPERATING EXPENSES	MACHINERY AND EQUIPMENT							
ANNUAL AMOUNT OF LOANS MADE												
1979.....	52.7	16.8	4.9	18.7	4.2	8.0	8.7	8.5	17.3	18.2	11.1	41.6
1980.....	60.0	16.1	4.6	24.1	4.8	10.1	8.5	9.7	18.1	23.8	11.9	48.1
1981.....	61.1	12.7	4.3	27.3	4.7	11.4	8.3	9.5	18.0	25.3	12.8	48.3
1982.....	66.0	13.6	4.5	28.1	5.4	13.4	7.9	9.8	18.2	30.0	21.7	44.3
1983.....	67.3	12.1	5.9	31.1	6.1	11.9	8.4	9.0	17.5	32.4	18.6	48.7
1984.....	60.8	10.7	6.5	26.5	4.4	12.2	8.9	7.8	17.6	26.5	15.8	45.0
1985.....	52.1	8.6	5.2	22.6	4.4	11.3	7.2	7.4	13.5	24.0	14.9	37.3
1986.....	48.5	10.4	4.5	23.2	2.4	8.0	6.0	6.9	13.2	22.3	12.6	35.9
1987.....	49.6	13.2	3.4	22.5	2.3	8.3	5.7	6.8	12.6	24.5	17.1	32.5
1988.....	48.2	10.0	4.6	24.3	1.9	7.4	5.2	6.4	12.9	23.7	15.9	32.3
1989.....	51.6	12.9	6.0	24.3	2.0	6.4	6.1	7.7	14.4	23.4	19.6	32.0
1990.....	74.7	22.0	5.5	26.6	2.3	18.3	6.1	7.3	15.9	45.3	44.2	30.5
AMOUNT OF LOANS MADE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER, ANNUAL RATE												
1988 Q4...	38.1	10.7	5.4	14.7	1.1	6.1	3.7	4.9	10.8	18.7	14.1	24.0
1989 Q1...	41.2	11.7	3.1	19.1	1.8	5.4	4.8	5.6	10.0	20.7	17.0	24.2
Q2...	62.7	11.8	5.2	35.8	1.8	8.1	7.4	9.3	15.6	30.4	18.8	43.9
Q3...	47.7	11.4	5.7	22.3	2.5	5.8	6.7	8.0	14.8	18.2	18.4	29.4
Q4...	54.8	16.8	10.0	20.0	1.7	6.3	5.6	7.6	17.2	24.4	24.2	30.6
1990 Q1...	62.1	18.4	7.3	24.6	3.3	8.5	5.3	6.5	16.9	33.3	29.4	32.6
Q2...	59.9	15.9	3.5	23.9	2.2	14.4	6.8	8.1	13.6	31.4	33.2	26.7
Q3...	81.4	20.6	3.6	32.8	1.3	23.1	6.0	7.1	12.8	55.5	54.8	26.6
Q4...	95.4	33.1	7.7	25.0	2.3	27.4	6.4	7.6	20.3	61.2	59.4	36.0

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.B

NUMBER OF LOANS MADE (MILLIONS)

	BY PURPOSE OF LOAN						BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER
ANNUAL NUMBER OF LOANS MADE												
1979.....	3.42	0.52	0.31	1.75	0.43	0.41	2.37	0.59	0.37	0.08	0.18	3.24
1980.....	3.40	0.50	0.29	1.76	0.45	0.39	2.23	0.66	0.41	0.10	0.18	3.22
1981.....	3.39	0.39	0.26	2.01	0.38	0.34	2.23	0.65	0.41	0.10	0.17	3.21
1982.....	3.30	0.33	0.26	2.06	0.30	0.35	2.14	0.67	0.40	0.09	0.22	3.08
1983.....	3.41	0.37	0.32	2.00	0.39	0.32	2.32	0.60	0.38	0.11	0.20	3.21
1984.....	3.44	0.34	0.29	2.06	0.35	0.35	2.42	0.53	0.40	0.09	0.18	3.26
1985.....	2.96	0.34	0.23	1.77	0.36	0.27	2.06	0.51	0.30	0.09	0.18	2.78
1986.....	2.55	0.30	0.17	1.66	0.17	0.24	1.71	0.46	0.29	0.08	0.20	2.34
1987.....	2.38	0.39	0.13	1.54	0.14	0.19	1.57	0.46	0.27	0.08	0.20	2.18
1988.....	2.21	0.29	0.11	1.45	0.14	0.21	1.42	0.43	0.28	0.07	0.23	1.99
1989.....	2.60	0.30	0.20	1.73	0.16	0.20	1.67	0.52	0.31	0.09	0.36	2.23
1990.....	2.63	0.32	0.24	1.69	0.19	0.19	1.70	0.49	0.35	0.09	0.44	2.20
NUMBER OF LOANS MADE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER, ANNUAL RATE												
1988 Q4...	1.64	0.33	0.09	1.00	0.09	0.12	1.02	0.33	0.22	0.06	0.18	1.46
1989 Q1...	2.01	0.24	0.12	1.31	0.16	0.17	1.33	0.38	0.23	0.07	0.21	1.80
Q2...	3.13	0.28	0.22	2.25	0.15	0.24	2.06	0.64	0.32	0.11	0.33	2.80
Q3...	2.78	0.26	0.19	1.95	0.19	0.20	1.84	0.55	0.32	0.07	0.48	2.30
Q4...	2.47	0.44	0.29	1.40	0.15	0.19	1.47	0.52	0.39	0.09	0.45	2.02
1990 Q1...	2.37	0.30	0.23	1.38	0.25	0.20	1.48	0.42	0.36	0.10	0.40	1.97
Q2...	2.81	0.26	0.26	1.90	0.21	0.19	1.86	0.56	0.31	0.08	0.52	2.29
Q3...	2.59	0.25	0.16	1.87	0.13	0.18	1.73	0.48	0.29	0.09	0.42	2.17
Q4...	2.77	0.45	0.33	1.61	0.17	0.21	1.73	0.51	0.43	0.11	0.41	2.36

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.C

AVERAGE SIZE OF LOANS MADE (THOUSANDS OF DOLLARS)

	BY PURPOSE OF LOAN						BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER
ANNUAL AVERAGE SIZE OF LOANS MADE												
1979.....	15.4	32.4	15.9	10.7	9.8	19.4	3.7	14.4	46.7	220	61.5	12.8
1980.....	17.7	32.3	15.8	13.7	10.7	25.8	3.8	14.7	43.9	239	66.3	14.9
1981.....	18.0	32.6	16.6	13.6	12.3	33.8	3.7	14.7	43.5	255	73.0	15.0
1982.....	20.0	41.5	17.5	13.6	17.6	38.9	3.7	14.6	46.1	326	97.8	14.4
1983.....	19.7	32.5	18.2	15.5	15.6	37.1	3.6	14.8	46.3	294	92.0	15.2
1984.....	17.7	31.8	21.9	12.9	12.5	34.8	3.7	14.7	43.8	291	88.1	13.8
1985.....	17.6	25.7	22.5	12.8	12.4	42.1	3.5	14.4	45.5	255	82.0	13.4
1986.....	19.0	35.0	25.8	14.0	13.6	32.9	3.5	14.9	44.9	280	62.0	15.3
1987.....	20.8	33.8	26.3	14.6	16.1	44.6	3.6	14.7	46.5	320	85.5	14.9
1988.....	21.8	34.1	40.6	16.7	13.9	34.7	3.7	14.8	45.2	320	70.0	16.3
1989.....	19.9	42.7	29.5	14.1	12.1	32.2	3.6	14.7	45.9	272	53.7	14.4
1990.....	28.4	69.7	22.7	15.7	11.9	94.3	3.6	14.8	46.1	488	100.7	13.9
AVERAGE SIZE OF LOANS MADE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER, ANNUAL RATE												
1988 Q4...	23.2	32.6	59.3	14.6	12.3	50.0	3.6	14.5	48.7	288	80.0	16.4
1989 Q1...	20.5	49.1	25.5	14.5	11.0	32.0	3.6	15.1	43.4	296	80.9	13.5
Q2...	20.1	42.7	24.4	15.9	12.3	34.0	3.6	14.6	48.5	275	57.8	15.7
Q3...	17.2	44.2	30.0	11.4	13.6	29.2	3.6	14.5	46.5	252	38.5	12.7
Q4...	22.2	38.3	34.5	14.3	11.0	33.4	3.8	14.8	44.5	266	54.0	15.2
1990 Q1...	26.2	61.2	32.0	17.7	13.0	42.0	3.6	15.3	47.5	324	73.8	16.6
Q2...	21.3	62.0	13.8	12.6	10.5	77.5	3.6	14.3	44.3	409	63.6	11.7
Q3...	31.5	82.0	22.1	17.6	10.2	128.3	3.5	14.7	44.0	651	130.3	12.3
Q4...	34.4	73.0	23.6	15.5	13.4	130.3	3.7	15.0	47.8	572	143.4	15.3

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.D

AVERAGE MATURITY OF LOANS MADE (MONTHS)

	BY PURPOSE OF LOAN							BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER	
ANNUAL AVERAGE MATURITY													
1979.....	7.1	5.9	6.8	6.0	14.2	8.7	7.7	8.3	7.8	5.5	5.3	7.6	
1980.....	7.2	6.2	7.1	6.6	13.5	6.7	6.8	7.0	7.1	7.6	6.6	7.3	
1981.....	6.0	5.5	6.5	5.6	11.1	5.2	6.2	6.4	6.0	5.8	5.4	6.2	
1982.....	6.5	5.1	7.0	7.1	8.4	5.4	6.0	7.0	6.6	6.4	6.0	6.7	
1983.....	8.9	5.5	8.1	10.4	10.6	7.8	7.0	8.1	8.1	10.0	6.1	9.9	
1984.....	7.7	5.0	6.6	7.8	12.6	8.1	7.0	7.5	7.7	8.0	7.0	7.9	
1985.....	8.0	6.1	7.8	7.3	13.4	8.8	6.7	7.7	9.1	7.9	6.9	8.4	
1986.....	8.0	5.8	6.3	7.6	21.0	8.8	6.8	8.0	9.8	7.1	5.5	8.8	
1987.....	8.4	5.5	7.7	7.6	22.8	12.1	7.5	8.1	9.3	8.3	5.9	9.3	
1988.....	8.7	6.4	4.7	8.5	19.8	10.9	7.1	9.2	10.2	7.7	8.1	8.8	
1989.....	8.1	6.8	7.4	7.2	18.7	11.8	7.4	8.3	9.3	7.1	7.8	8.2	
1990.....	7.5	6.0	8.8	7.5	21.9	6.4	7.4	9.2	11.9	4.9	4.7	10.2	
MATURITY OF LOANS MADE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER, ANNUAL RATE													
1988 Q4...	7.2	6.2	3.9	7.0	32.4	7.4	6.1	8.0	9.5	5.5	5.1	8.0	
1989 Q1...	9.7	7.4	6.6	8.7	21.4	15.7	8.4	10.4	12.3	7.0	6.8	10.7	
Q2...	7.9	6.2	6.8	7.3	18.5	11.2	8.0	8.8	9.5	6.3	8.8	7.7	
Q3...	7.9	6.5	8.3	6.1	17.8	13.3	6.5	7.7	8.1	8.5	8.3	7.7	
Q4...	7.5	7.0	7.4	6.8	17.4	8.1	6.8	6.8	8.5	7.1	7.2	7.6	
1990 Q1...	10.8	6.3	8.5	11.6	23.7	11.9	8.3	10.2	16.3	7.6	6.8	13.0	
Q2...	10.0	6.2	10.6	9.7	19.2	11.8	8.7	10.7	12.6	8.3	8.2	11.3	
Q3...	5.4	5.0	9.2	4.5	25.1	4.7	6.6	7.5	9.2	3.0	2.9	8.3	
Q4...	5.5	6.4	8.2	5.3	20.3	3.4	6.2	8.2	9.4	3.3	3.3	8.2	

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.E

AVERAGE EFFECTIVE INTEREST RATE ON LOANS MADE

	BY PURPOSE OF LOAN							BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER	
ANNUAL AVERAGE INTEREST RATE													
1979.....	11.9	12.1	11.7	11.8	11.2	12.1	11.1	11.4	11.5	12.8	13.6	11.4	
1980.....	15.2	15.6	14.6	15.3	14.4	15.3	14.7	14.7	14.9	15.9	16.2	15.0	
1981.....	18.5	18.6	18.4	18.4	17.9	18.6	18.0	18.2	18.2	18.9	19.8	18.1	
1982.....	16.7	15.9	16.3	16.9	17.1	16.9	17.0	16.8	17.0	16.4	16.1	17.0	
1983.....	13.5	13.6	13.8	13.5	14.3	12.8	14.2	14.1	14.0	13.0	12.1	14.1	
1984.....	14.1	13.7	14.3	14.2	14.6	14.0	14.6	14.3	14.3	13.7	13.1	14.4	
1985.....	12.8	12.5	12.7	13.0	13.7	12.1	13.7	13.2	13.2	12.1	11.2	13.4	
1986.....	11.5	11.1	11.9	11.5	12.2	11.2	12.4	12.0	11.8	10.8	9.6	12.1	
1987.....	10.6	10.7	10.2	10.8	11.5	9.5	11.6	11.3	11.1	9.9	9.2	11.3	
1988.....	11.2	10.9	11.9	11.2	11.7	10.7	11.7	11.6	11.4	10.8	10.2	11.6	
1989.....	12.5	12.3	12.4	12.6	12.8	12.3	12.8	12.7	12.7	12.2	12.1	12.7	
1990.....	11.4	11.5	12.0	11.7	12.3	10.7	12.5	12.4	12.1	10.9	10.9	12.3	
AVERAGE RATE ON LOANS MADE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER, ANNUAL RATE													
1988 Q4...	11.6	11.6	11.7	11.6	12.1	11.3	12.1	11.9	12.0	11.1	11.1	11.8	
1989 Q1...	12.3	12.2	12.2	12.4	12.5	12.1	12.5	12.3	12.6	12.1	12.1	12.4	
Q2...	12.9	12.9	12.8	12.9	13.2	12.8	13.1	12.9	13.2	12.7	12.8	13.0	
Q3...	12.5	12.0	12.6	12.7	12.9	12.2	13.0	12.9	12.6	12.0	12.0	12.8	
Q4...	12.1	12.2	12.2	12.0	12.4	12.1	12.7	12.5	12.3	11.8	11.6	12.5	
1990 Q1...	11.8	11.4	11.7	12.1	12.2	11.5	12.6	12.4	12.2	11.3	11.2	12.3	
Q2...	11.8	11.6	12.2	12.0	12.4	11.5	12.5	12.3	12.1	11.4	11.4	12.3	
Q3...	10.9	11.5	12.4	11.1	12.4	9.8	12.6	12.4	12.1	10.3	10.2	12.3	
Q4...	11.5	11.6	12.2	11.7	12.3	10.9	12.5	12.3	12.0	11.1	11.0	12.2	

ESTIMATES FROM THE QUARTERLY SAMPLE SURVEY OF BANK NONREAL ESTATE LOANS TO FARMERS
TABLE II.F

PERCENTAGE OF LOANS MADE WITH A FLOATING INTEREST RATE

	BY PURPOSE OF LOAN						BY SIZE OF LOAN (\$1,000s)				BY SIZE OF BANK	
	ALL LOANS	FEEDER LIVE-STOCK	OTHER LIVESTOCK	OTHER CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER
ANNUAL PERCENTAGE OF LOANS MADE												
1979.....	16.7	16.5	17.1	15.8	7.3	23.8	3.1	6.2	9.7	34.7	66.4	3.4
1980.....	21.5	19.8	17.7	21.0	11.2	32.7	6.9	12.1	12.9	37.2	74.6	8.4
1981.....	29.0	33.3	21.6	31.5	14.9	28.5	15.5	17.7	21.7	42.9	80.0	15.5
1982.....	39.2	47.8	30.2	43.0	15.5	31.4	24.3	25.6	29.7	53.4	65.6	26.3
1983.....	43.1	47.8	28.7	48.1	17.6	44.3	25.6	29.1	34.9	55.9	77.7	29.9
1984.....	38.9	41.2	32.3	41.7	24.3	39.5	23.8	31.3	29.0	52.7	71.1	27.6
1985.....	45.3	61.4	44.9	43.0	19.6	47.3	27.6	31.5	42.0	56.6	77.1	32.6
1986.....	53.4	60.5	34.8	57.2	30.9	50.6	40.6	41.8	48.2	63.7	71.9	47.0
1987.....	59.5	51.6	69.6	62.1	55.5	62.1	48.5	45.6	54.4	68.5	77.6	49.9
1988.....	61.4	65.3	39.5	63.8	54.9	63.2	49.3	51.5	60.8	67.0	79.1	52.6
1989.....	61.0	71.4	40.0	59.7	32.9	73.6	50.4	49.6	58.5	69.1	83.6	47.2
1990.....	65.2	76.8	61.6	68.3	40.0	51.2	53.6	59.2	66.0	67.5	69.4	59.3
AVERAGE PERCENTAGE DURING FIRST FULL WEEK OF SECOND MONTH OF QUARTER												
1988 Q4...	62.9	61.8	17.4	78.4	68.1	66.8	51.3	53.2	60.5	69.1	74.8	55.9
1989 Q1...	68.8	82.9	30.0	67.4	40.1	75.6	45.8	52.4	69.4	78.3	88.6	55.0
Q2...	51.6	66.0	18.2	49.7	26.9	66.0	56.3	45.9	50.6	52.7	80.3	39.3
Q3...	65.7	69.5	46.2	69.5	30.7	78.3	51.9	58.2	63.9	75.6	87.1	52.3
Q4...	61.8	68.5	51.0	59.1	35.1	77.2	44.5	42.9	54.6	76.8	80.1	47.4
1990 Q1...	71.6	78.3	47.5	73.0	41.7	85.3	50.2	57.8	69.6	78.8	85.0	59.5
Q2...	74.6	77.5	50.4	73.0	47.1	84.2	55.7	63.2	65.2	85.7	88.0	58.0
Q3...	61.5	72.4	76.3	60.3	46.3	52.0	53.9	66.2	73.9	58.9	60.6	63.4
Q4...	58.4	78.3	73.3	69.6	27.4	22.5	53.9	49.7	58.5	59.9	59.3	56.9

Table II.G

PERCENTAGE DISTRIBUTION OF NONREAL ESTATE FARM LOANS MADE BY BANKS,¹
BY EFFECTIVE INTEREST RATE

Effective interest rate (percent)	November												Memo: Percentage Distribution of Number of Loans, 1990	
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	November	August
All loans.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 6.0.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.0 to 6.9.....	-	-	-	-	-	-	-	1	-	-	-	-	-	-
7.0 to 7.9.....	-	-	-	-	-	-	6	1	-	-	-	-	-	-
8.0 to 8.9.....	-	-	-	-	-	-	12	11	-	-	-	-	-	-
9.0 to 9.9.....	1	-	-	-	-	-	16	11	15	5	1	3	1	1
10.0 to 10.9...	7	-	-	3	8	1	7	13	17	25	10	36	10	9
11.0 to 11.9...	10	-	-	6	5	3	13	29	25	41	29	24	35	33
12.0 to 12.9...	15	3	-	6	17	12	21	25	27	20	41	30	37	39
13.0 to 13.9...	35	10	-	15	20	24	33	2	4	7	17	5	14	15
14.0 to 14.9...	13	21	-	17	36	32	7	1	-	2	2	1	3	2
15.0 to 15.9...	4	28	2	37	13	22	1	-	-	-	-	-	-	-
16.0 to 16.9...	6	27	5	13	1	5	-	-	-	-	-	-	-	-
17.0 to 17.9...	5	7	20	3	-	1	-	-	-	-	-	-	-	-
18.0 to 18.9...	3	3	31	1	-	-	-	-	-	-	-	-	-	-
19.0 to 19.9...	-	-	23	1	-	-	-	-	-	-	-	-	-	-
20.0 to 20.9...	-	-	13	-	-	-	-	-	-	-	-	-	-	-
21.0 to 21.9...	-	-	5	-	-	-	-	-	-	-	-	-	-	-
22.0 to 22.9...	-	-	1	-	-	-	-	-	-	-	-	-	-	-
23.0 to 23.9...	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24.0 to 24.9...	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25.0 and over..	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Percentage distribution of the total dollar amount of nonreal estate farm loans of \$1,000 or more made by insured commercial banks during the week covered by the survey, which is the first full business week of the month specified.

Data are estimates from the Federal Reserve survey of terms of bank lending to farmers. Percentages may not add to 100 because of rounding.

SECTION III: SELECTED STATISTICS FROM THE QUARTERLY REPORTS OF CONDITION OF COMMERCIAL BANKS

TABLES:

Commercial banks:

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III.B Estimated net charge-offs of nonreal estate farm loans at insured commercial banks.....	18

Agricultural banks:

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III.G Loan-deposit ratios at agricultural banks.....	23
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SOURCES OF DATA:

The data in tables III.A through III.G are prepared using data from the quarterly reports of condition and income for commercial banks. Delinquencies and charge-offs of nonreal estate farm loans for the nation as a whole (table III.A and table III.B) are estimated from reports of banks that hold more than 90 percent of total nonreal estate farm loans. Banks that do not report delinquencies of agricultural loans are assumed to have the same delinquency rates as those that report.

Examination of total lending at banks that have a high exposure to agricultural loans provides an alternative perspective on the agricultural lending situation. Agricultural banks in table III.C through table III.H are those that have a proportion of farm loans (real estate plus nonreal estate) to total loans that is greater than the unweighted average at all banks. The estimate of this average was 16.25 percent in September of 1990.

Failures of banks (table III.H) are obtained from news releases of the Federal Deposit Insurance Corporation, with agricultural banks defined, as above, by the amount of farm loans relative to total loans that they hold.

SECTION III: (continued)

Recent Developments.

The volume of delinquent farm nonreal estate loans (table III.A) edged down further in the third quarter of 1990. These delinquencies amounted to 3.2 percent of nonreal estate farm loans, well below the rate of delinquency for all loans at banks. Total net charge-offs of farm loans (table III.B) were very small for the nation through September as substantial net recoveries in California largely offset sizeable net charge-offs in Texas and small net charge-offs in most other states. Fewer than one in twelve agricultural banks had nonperforming loans that amounted to more than 5 percent of total loans (table III.C), and the proportion of banks that had large amounts of net charge-offs fell compared to a year earlier (table III.D).

Data through September suggest that agricultural banks have been earning profits at about the same rate as in the last three or four years, a rate that has been higher than that earned by nonagricultural banks (table III.F). The ratio of loans to deposits at agricultural banks in the third quarter of 1990 (table III.G) was about the same as it was a year earlier, and this ratio remained quite low by historical standards. The ratios at agricultural banks in the Kansas City and Dallas Federal Reserve Districts remained well below the ratios in other districts. Failures of agricultural banks were rare in 1990 (table III.H), and the data in tables III.I and III.D suggest that the episode of widespread failures of these banks seen in 1984 through 1988 has run its course.

TABLE III.A

ESTIMATED DELINQUENT FARM NONREAL ESTATE LOANS
INSURED COMMERCIAL BANKS

SEPTEMBER 30															
BILLIONS OF DOLLARS								AS PERCENTAGE OF OUTSTANDING FARM PRODUCTION LOANS							
NONPERFORMING								NONPERFORMING							
PAST DUE 30 TO 89 DAYS		PAST DUE 90 DAYS			NON- ACCRUAL	MEMO: RESTRUCTURED LOANS IN COMPLIANCE	PAST DUE 30 TO 89 DAYS		PAST DUE 90 DAYS			NON- ACCRUAL	MEMO: RESTRUCTURED LOANS IN COMPLIANCE		
TOTAL	ACCRUING	TOTAL	ACCRUING	TOTAL			ACCRUING	TOTAL	ACCRUING	TOTAL	ACCRUING				
1984.....		2.7	0.6	2.1	0.5	1.6	NA		6.4	1.4	5.0	1.2	3.8	NA	
1985.....		3.5	0.7	2.9	0.6	2.2	NA		8.8	1.7	7.1	1.5	5.6	NA	
1986.....		3.1	0.5	2.6	0.5	2.1	0.4		9.2	1.6	7.7	1.4	6.2	1.2	
1987.....		2.1	0.3	1.8	0.3	1.5	0.5		6.7	1.0	5.7	0.9	4.8	1.6	
1988.....		1.5	0.3	1.2	0.2	1.0	0.5		4.9	0.9	4.0	0.6	3.4	1.6	
1989.....		1.2	0.3	0.9	0.2	0.7	0.4		3.7	1.1	2.7	0.5	2.2	1.4	
1990.....		1.0	0.4	0.7	0.1	0.5	0.4		3.2	1.1	2.0	0.4	1.6	1.1	
1987 Q3...		2.1	0.3	1.8	0.3	1.5	0.5		6.7	1.0	5.7	0.9	4.8	1.6	
Q4...		1.9	0.5	1.4	0.2	1.2	0.5		6.5	1.7	4.8	0.7	4.2	1.7	
1988 Q1...		2.0	0.5	1.5	0.3	1.2	0.5		7.1	2.0	5.2	1.0	4.2	1.7	
Q2...		1.7	0.3	1.3	0.2	1.1	0.5		5.5	1.0	4.5	0.7	3.7	1.7	
Q3...		1.5	0.3	1.2	0.2	1.0	0.5		4.9	0.9	4.0	0.6	3.4	1.6	
Q4...		1.4	0.4	1.0	0.1	0.9	0.5		4.5	1.2	3.3	0.5	2.9	1.6	
1989 Q1...		1.6	0.5	1.0	0.2	0.8	0.5		5.5	1.9	3.5	0.6	2.9	1.6	
Q2...		1.4	0.4	1.0	0.2	0.8	0.5		4.4	1.3	3.2	0.6	2.5	1.5	
Q3...		1.2	0.3	0.9	0.2	0.7	0.4		3.8	1.1	2.7	0.5	2.2	1.4	
Q4...		1.1	0.4	0.7	0.1	0.6	0.4		3.7	1.3	2.3	0.5	1.9	1.4	
1990 Q1...		1.4	0.6	0.8	0.2	0.6	0.4		4.8	2.1	2.7	0.7	2.0	1.3	
Q2...		1.1	0.4	0.8	0.2	0.6	0.4		3.5	1.2	2.4	0.5	1.8	1.2	
Q3...		1.0	0.4	0.7	0.1	0.5	0.4		3.2	1.1	2.0	0.4	1.6	1.1	

Data are estimates of the national totals for farm nonreal estate loans. After 1984, estimates are based on reports from banks that hold more than 90 percent of such loans. Earlier, only large banks that held about one-fourth of such loans reported nonaccrual and renegotiated farm loans; for other banks, estimates of delinquent farm loans are based on a study of delinquent total loans at these banks.

TABLE III.B

ESTIMATED NET CHARGE-OFFS OF NONREAL ESTATE FARM LOANS
INSURED COMMERCIAL BANKS*

	ESTIMATED AMOUNT MILLIONS OF DOLLARS					CHARGE-OFFS AS A PERCENTAGE OF SUCH LOANS OUTSTANDING				
	ANNUAL TOTAL	Q1	Q2	Q3	Q4	ANNUAL TOTAL	Q1	Q2	Q3	Q4
1985.....	1300.00	200	320	255	525	3.28	0.51	0.84	0.64	1.34
1986.....	1195.00	235	360	230	370	3.38	0.66	1.07	0.67	1.10
1987.....	503.00	173	133	57	140	1.61	0.55	0.46	0.19	0.46
1988.....	128.00	28	39	24	37	0.44	0.10	0.14	0.10	0.12
1989.....	91.00	10	26	15	40	0.29	0.03	0.09	0.05	0.13
1990.....	**	-5	19	10	**	**	-0.02	0.06	0.03	**

*Data are estimates of the national charge-offs of farm nonreal estate loans based on reports from banks that hold more than 90 percent of the outstanding national volume of such loans. Additional uncertainty of the estimates arises because small banks report only charge-offs of 'agricultural' loans as defined by each bank for its internal purposes. Banks first reported these data on the March 1984 Report of Income.

TABLE III.C

DISTRIBUTION OF AGRICULTURAL BANKS BY RELATIVE NONPERFORMING LOANS*

NONPERFORMING LOANS AS A PERCENTAGE OF TOTAL LOANS								
PERCENTAGE DISTRIBUTION, SEPTEMBER 30								
	TOTAL	UNDER 2.0	2.0 TO 4.9	5.0 TO 9.9	10.0 TO 14.9	15.0 TO 19.9	20.0 AND OVER	
1984.....	100.0	46.2	33.0	15.8	3.7	0.8	0.4	
1985.....	100.0	36.7	34.6	20.6	5.2	1.9	0.9	
1986.....	100.0	33.9	32.8	23.2	6.6	2.2	1.4	
1987.....	100.0	43.0	33.3	17.0	4.9	1.3	0.5	
1988.....	100.0	54.0	31.3	12.0	2.1	0.4	0.3	
1989.....	100.0	61.7	27.6	8.5	1.6	0.4	0.2	
1990.....	100.0	66.6	24.8	7.3	1.0	0.2	0.0	
1987 Q3...	100.0	43.0	33.0	17.0	4.9	1.3	0.5	
Q4...	100.0	50.3	30.6	14.4	3.3	0.9	0.3	
1988 Q1...	100.0	49.1	30.8	15.7	3.2	0.9	0.4	
Q2...	100.0	51.7	31.9	13.1	2.4	0.6	0.3	
Q3...	100.0	54.0	31.3	12.0	2.1	0.4	0.3	
Q4...	100.0	59.0	28.9	9.7	1.9	0.4	0.2	
1989 Q1...	100.0	57.6	29.3	10.6	1.9	0.4	0.2	
Q2...	100.0	60.2	29.3	8.3	1.5	0.6	0.2	
Q3...	100.0	61.7	27.6	8.5	1.6	0.4	0.2	
Q4...	100.0	65.8	25.1	7.6	1.2	0.2	0.1	
1990 Q1...	100.0	61.9	26.8	9.2	1.5	0.5	0.2	
Q2...	100.0	65.4	25.0	8.0	1.3	0.3	0.1	
Q3...	100.0	66.6	24.8	7.3	1.0	0.2	0.0	

* Nonperforming loans are loans in nonaccrual status or past due 90 days or more. Renegotiated or restructured loans in compliance with the modified terms are not included. Agricultural banks are defined in the introduction to section III.

TABLE III.D

DISTRIBUTION OF AGRICULTURAL BANKS BY RELATIVE NET CHARGE-OFFS*

NET CHARGE-OFFS AS A PERCENTAGE OF TOTAL LOANS								
PERCENTAGE DISTRIBUTION								
	TOTAL	UNDER 0.10	0.10 TO 0.49	0.50 TO 0.99	1.00 TO 2.49	2.50 TO 4.99	5.00 AND OVER	
1984.....	100.0	18.5	23.6	20.0	23.9	9.2	4.8	
1985.....	100.0	10.6	14.5	18.0	30.2	16.1	10.5	
1986.....	100.0	9.7	13.4	15.5	30.7	18.0	12.6	
1987.....	100.0	19.4	20.6	18.5	25.4	11.0	5.1	
1988.....	100.0	31.8	25.7	17.2	17.3	5.8	2.2	
1989.....	100.0	36.0	28.1	16.5	14.1	3.9	1.4	
YEAR-TO-DATE PERCENTAGE DISTRIBUTION								
1988 Q3...	100.0	46.0	25.3	13.3	10.7	3.6	1.3	
Q4...	100.0	31.8	25.7	17.2	17.3	5.8	2.2	
1989 Q1...	100.0	75.6	17.3	3.7	2.9	0.4	0.2	
Q2...	100.0	59.9	24.7	8.0	5.6	1.5	0.4	
Q3...	100.0	50.6	26.0	12.0	8.7	2.1	0.7	
Q4...	100.0	36.0	28.1	16.5	14.1	3.9	1.4	
1990 Q1...	100.0	77.2	16.3	3.8	2.2	0.4	0.1	
Q2...	100.0	61.8	24.2	7.9	4.9	1.0	0.3	
Q3...	100.0	53.2	26.7	10.5	7.4	1.7	0.3	

* Net charge-offs are charge-offs less recoveries for all loans (both agricultural and nonagricultural) in the year indicated. Agricultural banks are defined in the introduction to section III.

TABLE III.E

DISTRIBUTION OF AGRICULTURAL BANKS BY RATIO OF NONPERFORMING LOANS TO TOTAL CAPITAL*

NONPERFORMING LOANS AS A PERCENTAGE OF TOTAL CAPITAL												
PERCENTAGE DISTRIBUTION, SEPTEMBER 30												
	ALL BANKS	UNDER 25	25 TO 49	50 TO 74	75 TO 99	100 TO 124	125 TO 149	150 TO 174	175 TO 199	200 AND OVER***		
1986.....		100.0	67.5	19.6	6.0	3.2	1.1	0.8	0.4	0.3	1.0	
1987.....		100.0	76.9	14.8	4.2	1.9	0.8	0.4	0.2	0.2	0.7	
1988.....		100.0	85.4	10.0	2.4	1.0	0.5	0.2	0.2	0.1	0.3	
1989.....		100.0	89.2	7.6	1.6	0.6	0.4	0.1	0.1	0.1	0.3	
1990.....		100.0	90.9	6.9	1.5	0.3	0.1	0.1	0.1	0.0	**	
1988 Q3...		100.0	85.4	10.0	2.4	1.0	0.5	0.2	0.2	0.1	0.3	
Q4...		100.0	87.5	8.4	2.1	0.7	0.4	0.2	0.2	0.1	0.3	
1989 Q1...		100.0	87.0	8.5	2.2	0.7	0.4	0.4	0.1	0.1	0.3	
Q2...		100.0	88.6	7.9	1.7	0.6	0.3	0.2	0.2	0.1	0.4	
Q3...		100.0	89.2	7.6	1.6	0.6	0.4	0.1	0.1	0.1	0.3	
Q4...		100.0	90.1	7.6	1.1	0.6	0.1	0.1	0.1	0.1	0.3	
1990 Q1...		100.0	89.0	8.1	1.6	0.6	0.3	**	0.1	0.1	0.2	
Q2...		100.0	90.1	7.4	1.5	0.4	0.2	0.1	0.1	0.1	0.1	
Q3...		100.0	90.9	6.9	1.5	0.3	0.1	0.1	0.1	0.0	**	

* Total primary and secondary capital items that are available at the end of the period specified. Agricultural banks are defined in the introduction to section III.

** Less than 0.05 percent.

*** Includes banks with negative capital.

TABLE III.F

SELECTED MEASURES OF FINANCIAL PERFORMANCE OF AGRICULTURAL AND OTHER BANKS*

	NET INCOME AS A PERCENTAGE OF AVERAGE EQUITY AT AGRICULTURAL BANKS (PERCENTAGE DISTRIBUTION)							AVERAGE RATE OF RETURN TO EQUITY		RATE OF RETURN TO ASSETS		NET CHARGE-OFFS AS PERCENTAGE OF TOTAL LOANS		AVERAGE CAPITAL RATIO (PERCENT)		
	ALL BANKS	NEGATIVE	0	5	10	15	20	25	AGRI- CULTURAL BANKS	OTHER SMALL BANKS	AGRI- CULTURAL BANKS	OTHER SMALL BANKS	AGRI- CULTURAL BANKS	OTHER SMALL BANKS	AGRI- CULTURAL BANKS	OTHER SMALL BANKS
			TO	TO	TO	TO	TO	AND OVER								
1979.....	100	1	2	8	36	38	12	3	15	14	1.2	1.0	0.2	0.3	9.0	8.5
1980.....	100	1	2	9	33	35	14	5	16	14	1.3	1.0	0.3	0.4	9.2	8.6
1981.....	100	2	3	12	33	32	13	6	15	13	1.2	0.9	0.4	0.4	9.2	8.6
1982.....	100	4	5	15	33	28	11	4	14	12	1.1	0.9	0.7	0.6	9.3	8.5
1983.....	100	7	7	18	36	24	7	2	11	12	1.0	0.9	0.9	0.7	9.4	8.4
1984.....	100	13	9	23	36	15	3	1	8	12	0.7	0.8	1.2	0.6	9.5	8.5
1985.....	100	18	11	22	33	13	3	1	6	11	0.5	0.8	2.1	0.8	9.6	8.5
1986.....	100	19	14	27	28	9	2	1	5	8	0.4	0.6	2.3	1.1	9.5	8.4
1987.....	100	13	13	31	31	9	2	1	8	8	0.7	0.6	1.3	0.9	9.8	8.8
1988.....	100	9	9	30	36	12	3	2	10	9	0.9	0.7	0.7	0.7	9.9	8.8
1989.....	100	5	7	29	38	14	4	3	11	10	1.0	0.8	0.6	0.7	10.1	9.0
QUARTERLY																
-----YEAR TO DATE-----																
1988 Q3...	100	**	**	**	**	**	**	**	8	7	0.8	0.6	0.5	0.5	10.3	8.9
Q4...	100	**	**	**	**	**	**	**	10	9	0.9	0.7	0.7	0.7	9.9	8.8
1989 Q1...	100	**	**	**	**	**	**	**	3	3	0.3	0.3	0.1	0.1	10.2	8.9
Q2...	100	**	**	**	**	**	**	**	6	6	0.6	0.4	0.2	0.3	10.4	9.1
Q3...	100	**	**	**	**	**	**	**	9	8	0.9	0.7	0.3	0.4	10.4	9.1
Q4...	100	**	**	**	**	**	**	**	11	10	1.0	0.8	0.6	0.7	10.1	9.0
1990 Q1...	100	**	**	**	**	**	**	**	3	3	0.3	0.2	0.1	0.1	10.2	9.0
Q2...	100	**	**	**	**	**	**	**	6	5	0.5	0.4	0.2	0.3	10.2	9.0
Q3...	100	**	**	**	**	**	**	**	9	7	0.8	0.6	0.3	0.5	10.3	9.1

*Agricultural and other banks are defined in the introduction to section III; small banks have less than 500 million dollars in assets.

Total primary and secondary capital (items that are available at the end of the period specified) are measured as a percentage of total assets.

Quarterly data in the lower panel are cumulative through the end of the quarter indicated and, for periods of less than a year, are not comparable to the annual data in the upper panel.

TABLE III.G

AVERAGE LOAN-DEPOSIT RATIOS AT AGRICULTURAL BANKS IN SELECTED FEDERAL RESERVE DISTRICTS*

SEPTEMBER 30

	U.S.		CLEVELAND		ATLANTA		CHICAGO		ST. LOUIS		MINNE- APOLIS		KANSAS CITY		DALLAS		SAN FRANCISCO		AVERAGE FARM LOAN RATIO
	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	NUMBER OF BANKS	LOANS TO DEPOSITS	
1985.....	4937	0.593	13	0.677	31	0.750	207	0.588	1285	0.575	608	0.567	883	0.628	1370	0.582	333	0.600	16.89
1986.....	4801	0.550	11	0.709	29	0.744	186	0.602	1249	0.522	591	0.538	860	0.566	1330	0.523	350	0.572	16.25
1987.....	4594	0.543	115	0.632	172	0.619	1189	0.523	569	0.541	822	0.544	1281	0.507	350	0.550	62	0.677	16.02
1988.....	4403	0.555	97	0.660	159	0.614	1131	0.539	530	0.571	787	0.557	1233	0.519	381	0.535	61	0.657	16.12
1989.....	4266	0.565	85	0.666	150	0.599	1075	0.566	504	0.577	772	0.583	1211	0.520	387	0.509	59	0.675	16.17
1990.....	4149	0.563	81	0.681	153	0.612	1023	0.563	511	0.594	749	0.587	1164	0.516	389	0.477	60	0.714	16.25
1988 Q3...	4403	0.555	97	0.660	159	0.614	1131	0.539	530	0.571	787	0.557	1233	0.519	381	0.535	61	0.657	16.12
Q4...	4344	0.538	96	0.637	144	0.585	1111	0.529	500	0.549	778	0.532	1239	0.512	392	0.506	62	0.637	15.72
1989 Q1...	4317	0.537	92	0.648	149	0.600	1100	0.535	773	0.548	773	0.540	1229	0.508	396	0.479	62	0.624	15.47
Q2...	4321	0.557	94	0.665	161	0.604	1085	0.555	499	0.569	778	0.575	1223	0.514	391	0.495	62	0.682	16.00
Q3...	4266	0.565	85	0.666	150	0.599	1075	0.566	504	0.577	772	0.583	1211	0.520	387	0.509	59	0.675	16.17
Q4...	4181	0.544	84	0.641	138	0.588	1055	0.548	477	0.558	758	0.552	1196	0.511	393	0.481	57	0.637	15.87
1990 Q1...	4177	0.536	81	0.648	151	0.592	1037	0.541	487	0.549	756	0.557	1191	0.497	398	0.468	54	0.622	15.63
Q2...	4196	0.553	85	0.672	161	0.612	1033	0.554	495	0.569	755	0.583	1183	0.506	401	0.468	60	0.714	16.08
Q3...	4149	0.563	81	0.681	153	0.612	1023	0.563	511	0.594	749	0.587	1164	0.516	389	0.477	60	0.714	16.25

*The loan-deposit ratio is defined as total loans divided by total deposits. Agricultural banks are defined in the introduction to section III.

TABLE III.H

FAILURES OF AGRICULTURAL BANKS*
SEPTEMBER 30

	NUMBER OF FAILURES				ANNUAL TOTAL
	Q1	Q2	Q3	Q4**	
1982.....	2	3	3	3	11
1983.....	1	1	2	3	7
1984.....	3	7	10	12	32
1985.....	12	21	17	18	68
1986.....	14	14	21	16	65
1987.....	22	19	12	16	69
1988.....	11	6	12	7	36
1989.....	5	7	5	5	22
1990.....	3	5	6	3	17

*Data exclude banks assisted to prevent failure. Industrial banks and mutual savings banks also are excluded. Agricultural banks are defined in the introduction to section III.

**Data for the fourth quarter and year end 1990 are preliminary.

SECTION IV: FEDERAL RESERVE BANK QUARTERLY SURVEYS OF FARM CREDIT CONDITIONS AND FARM LAND VALUES

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SOURCES OF DATA:

Data are from quarterly surveys of agricultural credit conditions at commercial banks conducted at the end of each quarter by five Federal Reserve Banks. Each of these banks issues a more detailed quarterly report on its survey results, available from its Research Department at the address given below. The five surveys differ in subject matter covered (as is evident in the tables), wording of basically similar questions, and type of banks covered. Most of the differences in wording are reflected in the use of different column headings on the two pages of each table. The states included in each district are indicated in the table headings; states that fall only partly within a given district are marked with asterisks. Important differences in the type of banks surveyed are noted below.

Federal Reserve Bank of Chicago, Box 834, Chicago, Illinois, 60690

The sample includes member banks at which farm loans represented 25 percent or more of total loans as of June 1972 (a 10 percent standard is used for banks in the state of Michigan). The sample has undergone periodic review and has included roughly 900 banks in recent quarters.

Federal Reserve Bank of Kansas City, Federal Reserve P.O. Station, Kansas City Missouri 64198

The sample chosen originally in 1976 consisted of 188 banks selected from among banks at which farm loans constituted 50 percent or more of total loans, with appropriate representation of all farm areas. In recent quarters, the sample has included about 150 banks.

Section IV: (continued)Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota 55480

Before 1987, the sample provided a cross-section of banks of all sizes that were engaged in farm lending. Members of the Upper Midwest Agricultural Credit Council formed the core of the survey panel. Beginning in 1987, the sample was redrawn to include only banks at which farm loans represented 25 percent or more of total loans. Currently the sample includes 325 banks and in recent quarters the rate of responses has averaged roughly 50 percent.

Federal Reserve Bank of Dallas, Station K, Dallas, Texas 75222

The sample is stratified regionally and includes banks at which farm loans are relatively important or which hold a major portion of bank loans in their region. The sample was enlarged in the first quarter of 1985 and was redrawn in the second quarter of 1989. About 300 banks have been responding to the survey in recent quarters.

Federal Reserve Bank of Richmond, Richmond, Virginia 23261

The sample selected in 1975 consisted of 43 banks of all sizes. Banks with the larger amounts of farm loans were sampled more heavily.

RECENT DEVELOPMENTS:

The Reserve Bank surveys that were completed around the end of the third quarter of 1990 showed continued stability in agricultural credit conditions.

Loan demand was reported to be still on a moderate uptrend. More specifically, in all of the districts, the number of banks reporting an increase in the demand for farm loans outnumbered those reporting decreases (Table IV.A), and further moderate gains in loan demand were anticipated in most districts in the fourth quarter (Table IV.B).

Agricultural banks appear to have ample funds available for farm lending. Loan-to-deposit ratios in the third quarter were little changed from those of the previous quarter; these ratios also were little changed from those of a year earlier. The number of respondents who characterized their ratios as being lower than desired continued to greatly outnumber those who viewed their loan-to-deposit ratios as being too high. A large majority of the respondents say that they are actively seeking new farm accounts. Only a very small fraction of the respondents report having refused or reduced a farm loan because of a shortage of loanable funds.

Section IV: (continued)

In some of the districts, repayment rates on farm loans were not quite as rapid as in previous quarters; nonetheless, the percentages of banks reporting that repayment rates were slow generally remains quite low by historical standards.

The Reserve Bank surveys indicate that the interest rates on farm loans (Table IV.D) changed little in the third quarter of 1990. In most districts, the rates on farm loans were about 1/4 percentage point below the levels of a year earlier.

Land prices, on average, still appeared to be trending up at the end of the third quarter, but at a slower rate than in previous quarters. In most districts, the year-to-year gains were in a range of 4 to 5 percent. Slightly stronger year-to-year gains were reported in the Kansas City district. In the Dallas district, however, land prices in the third quarter are reported to have been moderately below the levels of a year earlier.

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS

TABLE IV.A

FARM NONREAL ESTATE LENDING EXPERIENCE COMPARED WITH A YEAR EARLIER
(PERCENTAGE OF BANKS REPORTING)

	DEMAND FOR LOANS			FUND AVAILABILITY			LOAN REPAYMENT RATE			RENEWALS OR EXTENSIONS			COLLATERAL REQUIRED		
	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER
IV.A1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS															
1988 Q3...	18	45	37	9	66	24	22	68	10	14	63	23	0	77	22
Q4...	15	43	42	5	67	28	29	54	17	14	57	28	1	78	22
1989 Q1...	11	39	50	11	63	26	27	62	11	11	61	28	0	73	26
Q2...	11	41	49	15	63	22	18	72	10	11	68	21	1	79	20
Q3...	13	50	37	13	65	22	12	70	18	15	70	15	0	81	18
Q4...	17	48	35	6	64	30	11	54	34	28	59	12	1	83	16
1990 Q1...	15	45	40	6	63	31	10	59	31	29	61	11	1	81	18
Q2...	18	46	36	5	65	30	5	71	24	22	72	6	0	87	12
Q3...	16	52	32	6	66	28	5	76	19	22	74	4	0	84	16
IV.A2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY) AGRICULTURAL BANKS															
1988 Q3...	22	60	18	9	59	32	5	63	32	26	66	7	1	69	29
Q4...	22	52	26	5	60	36	4	60	36	27	67	6	1	75	25
1989 Q1...	17	56	27	4	63	33	3	67	29	25	71	4	1	72	27
Q2...	15	56	28	10	63	27	9	71	20	13	78	9	0	75	25
Q3...	11	53	36	10	64	26	14	70	16	11	78	11	0	80	20
Q4...	11	53	36	9	63	28	21	63	16	11	65	24	1	82	16
1990 Q1...	13	55	32	7	66	27	14	67	19	13	72	15	1	80	19
Q2...	17	53	31	8	59	34	5	75	20	17	78	5	2	82	17
Q3...	11	59	31	8	68	24	12	72	16	14	74	13	0	85	15
IV.A3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)															
1988 Q3...	21	46	32	12	55	33	13	61	26	27	58	15	0	46	54
Q4...	21	49	30	8	50	42	11	60	30	31	56	13	0	51	49
1989 Q1...	25	47	27	5	51	44	10	58	22	27	64	9	0	54	46
Q2...	28	47	26	8	55	37	15	68	17	18	66	16	0	56	44
Q3...	20	52	28	10	57	33	15	71	14	17	65	18	0	61	39
Q4...	20	54	26	5	61	33	23	61	16	16	61	23	0	57	43
1990 Q1...	16	54	30	7	60	33	22	68	10	13	65	22	0	59	41
Q2...	18	56	25	8	61	31	17	73	10	13	73	14	1	62	37
Q3...	17	53	30	13	58	29	23	67	9	13	64	24	4	52	44

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.A

FARM NONREAL ESTATE LENDING EXPERIENCE COMPARED WITH NORMAL CONDITIONS
(PERCENTAGE OF BANKS REPORTING)

	DEMAND FOR LOANS			FUND AVAILABILITY			LOAN REPAYMENT RATE			RENEWALS OR EXTENSIONS			COLLATERAL REQUIRED		
	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER
IV.A4 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SD, WI*)															
1988 Q3...	12	67	21	***	***	***	29	61	10	8	81	11	***	***	***
Q4...	18	69	12	***	***	***	19	65	16	13	77	10	***	***	***
1989 Q1...	14	64	22	***	***	***	13	75	12	16	71	13	***	***	***
Q2...	4	70	26	***	***	***	17	82	1	20	71	9	***	***	***
Q3...	6	75	20	***	***	***	16	80	5	12	81	7	***	***	***
Q4...	5	85	10	***	***	***	22	70	8	9	80	11	***	***	***
1990 Q1...	4	78	18	***	***	***	25	70	5	12	68	20	***	***	***
Q2...	7	78	15	***	***	***	10	82	8	16	70	14	***	***	***
Q3...	10	76	14	***	***	***	19	78	3	16	78	6	***	***	***
IV.A5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)															
1988 Q3...	18	64	18	0	77	23	5	82	14	18	77	5	5	68	27
Q4...	21	68	11	4	82	14	4	71	25	21	75	4	0	75	25
1989 Q1...	21	66	14	14	72	14	3	83	14	28	69	3	0	69	31
Q2...	14	69	17	10	76	14	0	89	11	14	82	4	0	71	29
Q3...	19	67	15	12	65	23	4	82	15	19	78	4	4	85	12
Q4...	19	69	12	4	64	32	4	77	19	15	81	4	4	84	12
1990 Q1...	21	68	11	11	68	21	11	79	11	18	79	4	4	74	22
Q2...	25	68	7	7	82	11	7	93	0	7	86	7	1	62	37
Q3...	12	72	16	12	72	16	8	76	16	21	71	8	4	60	36

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS

TABLE IV.B

FARM NONREAL ESTATE LOAN VOLUME EXPECTED DURING THE NEXT QUARTER, COMPARED WITH VOLUME OF LOANS MADE A YEAR EARLIER
(PERCENTAGE OF BANKS REPORTING)

	TOTAL			FEEDER CATTLE			DAIRY			CROP STORAGE			OPERATING			FARM MACHINERY		
	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER
IV.B1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS																		
1988 Q3...	18	48	34	30	56	14	18	76	6	42	43	15	13	42	44	37	45	18
Q4...	8	45	47	16	70	13	14	77	9	33	57	10	5	31	64	17	50	33
1989 Q1...	9	40	51	25	62	13	15	78	7	33	59	8	6	28	66	14	49	37
Q2...	10	53	37	22	69	9	13	80	7	28	65	6	9	46	45	15	58	27
Q3...	16	57	27	21	67	12	14	78	8	19	62	20	20	57	24	9	45	46
Q4...	12	51	37	13	70	17	11	77	11	25	63	11	13	45	43	8	38	54
1990 Q1...	12	50	38	20	60	20	13	77	11	23	71	6	13	46	41	6	41	53
Q2...	15	58	27	20	70	10	12	81	7	21	72	7	17	56	27	8	51	40
Q3...	14	58	28	20	66	14	16	78	6	12	58	30	15	62	23	8	47	45
IV.B2 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)																		
1988 Q3...	20	61	19	24	54	22	21	72	6	18	71	11	20	50	30	28	51	22
Q4...	15	66	20	23	57	20	16	79	5	15	76	9	14	52	33	19	58	23
1989 Q1...	22	55	23	29	53	17	16	80	4	19	76	5	16	54	31	19	61	20
Q2...	24	52	24	31	55	14	18	76	5	24	71	5	16	54	30	25	58	17
Q3...	18	66	16	23	59	18	20	75	5	21	70	9	15	63	22	22	64	14
Q4...	15	59	25	23	65	12	12	82	6	17	76	7	12	54	34	24	63	13
1990 Q1...	17	59	25	22	62	16	19	76	5	17	80	3	11	58	31	20	62	17
Q2...	18	61	22	25	64	12	15	79	6	22	70	8	15	61	24	27	63	10
Q3...	21	55	23	26	58	16	15	79	7	18	74	8	16	54	30	22	64	14
IV.B3 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)																		
1988 Q3...	15	70	15	6	89	6	21	68	11	25	60	15	10	67	24	18	55	27
Q4...	10	80	10	9	87	4	32	68	0	24	68	8	11	71	18	14	68	18
1989 Q1...	8	77	15	21	79	0	26	74	0	23	77	0	10	69	21	10	66	24
Q2...	17	62	21	12	85	4	24	76	0	24	76	0	3	72	24	10	69	21
Q3...	24	64	12	17	83	0	44	57	0	20	64	16	11	70	19	26	63	11
Q4...	12	64	24	9	87	4	21	79	0	17	83	0	8	65	27	15	62	23
1990 Q1...	23	65	12	20	80	0	28	72	0	24	72	4	15	67	19	19	67	15
Q2...	11	85	4	12	85	4	26	70	4	27	65	8	7	82	11	11	71	18
Q3...	17	78	4	9	87	4	18	82	0	5	81	14	4	83	13	17	67	17

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.B (CONTINUED)

EXPECTED DEMAND FOR FARM LOANS DURING NEXT QUARTER,
COMPARED WITH NORMAL DEMAND
(PERCENTAGE OF BANKS REPORTING)

	SHORT-TERM NONREAL ESTATE LOANS			INTERMEDIATE-TERM NONREAL ESTATE LOANS			DEBT EXTENSION OR REFINANCING		
	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER
IV.B4 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SD, WI*)									
1987 Q3...	23	71	6	20	72	8	14	80	6
Q4...	19	70	10	17	74	9	18	73	9
1988 Q1...	13	74	13	14	75	12	15	80	6
Q2...	11	65	24	21	65	14	12	61	26
Q3...	13	69	18	24	69	7	7	68	25
Q4...	11	56	32	12	80	8	7	82	11
1989 Q1...	6	64	30	5	80	14	10	82	9
Q2...	3	82	16	11	82	7	11	83	6
Q3...	7	81	13	10	80	10	7	81	12
Q4...	3	82	16	7	78	16	2	88	10
1990 Q1...	0	80	19	4	86	10	5	81	13
Q2...	4	86	10	4	83	12	12	80	8
Q3...	8	76	16	9	81	11	9	78	13

1985

1985

Mo/8

could be...
with...

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.C

AVERAGE LOAN-TO-DEPOSIT RATIO AND OTHER INDICATORS OF RELATIVE CREDIT AVAILABILITY (PERCENTAGE OF BANKS REPORTING)

	AVERAGE LOAN-TO- DEPOSIT RATIO, END OF QUARTER PERCENT	LOAN/DEPOSIT RATIO IS			REFUSED OR REDUCED A FARM LOAN BECAUSE OF A SHORTAGE OF LOANABLE FUNDS	ACTIVELY SEEKING NEW FARM LOAN ACCOUNTS	NUMBER OF FARM LOAN REFERRALS TO							
		LOWER THAN DESIRED	AT DESIRED LEVEL	HIGHER THAN DESIRED			CORRESPONDENT BANKS				NONBANK AGENCIES			
							COMPARED WITH A YEAR EARLIER				COMPARED WITH A YEAR EARLIER			
						NONE	LOWER	SAME	HIGHER	NONE	LOWER	SAME	HIGHER	
IV.C1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS														
1989 Q1...	54	68	22	11	***	***	***	***	***	***	***	***	***	***
Q2...	56	66	22	12	***	***	***	***	***	***	***	***	***	***
Q3...	57	62	28	10	***	***	***	***	***	***	***	***	***	***
Q4...	56	65	26	9	***	***	***	***	***	***	***	***	***	***
1990 Q1...	55	67	25	7	***	***	***	***	***	***	***	***	***	***
Q2...	56	68	25	7	***	***	***	***	***	***	***	***	***	***
Q3...	57	65	27	8	***	***	***	***	***	***	***	***	***	***
IV.C2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY) AGRICULTURAL BANKS														
1989 Q1...	49	81	12	8	3	71	75	23	70	7	65	21	67	11
Q2...	51	82	7	11	2	69	78	25	75	1	65	21	75	4
Q3...	51	79	7	14	4	70	78	21	75	4	74	21	73	6
Q4...	51	79	7	14	5	67	76	18	76	6	72	19	75	6
1990 Q1...	50	81	9	10	4	71	74	15	78	7	67	15	74	11
Q2...	51	82	7	11	2	68	77	13	83	4	68	12	79	9
Q3...	52	82	4	14	1	69	77	16	81	3	71	14	78	8
IV.C3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA, NM*, TX)														
1989 Q1...	46	***	***	***	1	***	***	12	79	8	***	15	75	9
Q2...	48	***	***	***	3	***	***	18	75	7	***	18	75	6
Q3...	49	***	***	***	4	***	***	16	72	12	***	11	80	9
Q4...	47	***	***	***	2	***	***	16	74	10	***	17	68	15
1990 Q1...	45	***	***	***	2	***	***	19	76	5	***	15	75	10
Q2...	45	***	***	***	3	***	***	21	72	8	***	19	75	6
Q3...	47	***	***	***	4	***	***	17	74	9	***	11	76	13

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.C

AVERAGE LOAN-TO-DEPOSIT RATIO AND OTHER INDICATORS OF RELATIVE CREDIT AVAILABILITY (PERCENTAGE OF BANKS REPORTING)

	AVERAGE LOAN-TO- DEPOSIT RATIO, END OF QUARTER PERCENT	LOAN/DEPOSIT RATIO IS			REFUSED OR REDUCED A FARM LOAN BECAUSE OF A SHORTAGE OF LOANABLE FUNDS	ACTIVELY SEEKING NEW FARM LOAN ACCOUNTS	NUMBER OF FARM LOAN REFERRALS TO							
		LOWER THAN DESIRED	AT DESIRED LEVEL	HIGHER THAN DESIRED			CORRESPONDENT BANKS				NONBANK AGENCIES			
							COMPARED WITH NORMAL NUMBER				COMPARED WITH NORMAL NUMBER			
		NONE	LOWER	SAME	HIGHER	NONE	LOWER	SAME	HIGHER	NONE	LOWER	SAME	HIGHER	
IV.C4 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SD, WI*)														
1989 Q1...	50	56	41	3	6	***	34	10	55	1	34	8	56	2
Q2...	53	54	45	1	3	***	35	5	59	0	31	6	61	2
Q3...	55	43	52	5	3	***	34	5	59	2	32	6	57	5
Q4...	55	43	48	9	3	***	34	4	60	3	29	3	63	5
1990 Q1...	52	49	47	4	3	***	32	3	63	2	30	2	63	4
Q2...	55	43	51	6	6	***	34	7	56	3	35	8	52	4
Q3...	55	40	55	5	2	***	30	7	62	1	31	7	58	4
IV.C5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)														
1989 Q1...	80	14	50	36	7	55	77	4	19	0	60	0	36	4
Q2...	79	10	62	28	3	66	82	4	15	0	64	4	32	0
Q3...	80	22	56	22	4	63	84	4	12	0	71	8	21	0
Q4...	76	32	56	12	0	69	73	4	23	0	62	12	27	0
1990 Q1...	76	32	57	11	0	68	84	4	12	0	65	8	27	0
Q2...	77	19	74	7	4	75	84	0	16	0	67	4	29	0
Q3...	77	26	61	13	0	80	87	0	13	0	77	5	18	0

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.D

INTEREST RATES ON FARM LOANS

MOST COMMON INTEREST RATE ON FARM LOANS (AVERAGE, PERCENT)						AVERAGE INTEREST RATE EXPECTED DURING THE NEXT QUARTER COMPARED WITH AVERAGE RATES IN THE CURRENT QUARTER (PERCENTAGE OF BANKS REPORTING)								
FEEDER CATTLE LOANS	OTHER OPERATING LOANS	SHORT- TERM NONREAL ESTATE	INTER- MEDIATE NONREAL ESTATE	LONG-TERM REAL ESTATE LOANS	SHORT-TERM NONREAL ESTATE LOANS			INTERMEDIATE-TERM NONREAL ESTATE LOANS			LONG-TERM REAL ESTATE LOANS			
					LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	
IV.D1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS														
1989 Q1...	12.5	12.5	***	***	11.7	***	***	***	***	***	***	***	***	***
Q2...	12.4	12.4	***	***	11.5	***	***	***	***	***	***	***	***	***
Q3...	12.1	12.2	***	***	11.3	***	***	***	***	***	***	***	***	***
Q4...	12.0	12.0	***	***	11.1	***	***	***	***	***	***	***	***	***
1990 Q1...	11.9	11.9	***	***	11.1	***	***	***	***	***	***	***	***	***
Q2...	11.9	11.9	***	***	11.1	***	***	***	***	***	***	***	***	***
Q3...	11.9	11.9	***	***	11.1	***	***	***	***	***	***	***	***	***
IV.D2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK) AGRICULTURAL BANKS														
1989 Q1...	12.6	12.6	***	12.6	12.0	***	***	***	***	***	***	***	***	***
Q2...	12.5	12.4	***	12.5	11.9	***	***	***	***	***	***	***	***	***
Q3...	12.4	12.3	***	12.4	11.7	***	***	***	***	***	***	***	***	***
Q4...	12.3	12.1	***	12.2	11.6	***	***	***	***	***	***	***	***	***
1990 Q1...	12.2	12.1	***	12.1	11.5	***	***	***	***	***	***	***	***	***
Q2...	12.1	12.0	***	12.1	11.4	***	***	***	***	***	***	***	***	***
Q3...	12.1	12.0	***	12.1	11.4	***	***	***	***	***	***	***	***	***

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.D

INTEREST RATES ON FARM LOANS

MOST COMMON INTEREST RATE ON FARM LOANS (AVERAGE, PERCENT)							AVERAGE INTEREST RATE EXPECTED DURING THE NEXT QUARTER COMPARED WITH AVERAGE RATES IN THE CURRENT QUARTER (PERCENTAGE OF BANKS REPORTING)								
FEEDER CATTLE LOANS	OTHER OPERATING LOANS	SHORT- TERM NONREAL ESTATE	INTER- MEDIATE NONREAL ESTATE	LONG-TERM REAL ESTATE LOANS	SHORT-TERM NONREAL ESTATE LOANS			INTERMEDIATE-TERM NONREAL ESTATE LOANS			LONG-TERM REAL ESTATE LOANS				
					LOWER	SAME	HIGHER	LOWER	SAME	HIGHER	LOWER	SAME	HIGHER		
IV.D3 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SD, WI*)															
1989 Q1...	***	***	12.8	12.9	12.2	7	29	63	7	31	62	8	36	56	
Q2...	***	***	12.7	12.9	12.1	43	55	2	42	54	3	42	56	1	
Q3...	***	***	12.5	12.5	11.9	30	68	2	28	70	2	29	69	2	
Q4...	***	***	12.4	12.3	11.7	49	50	1	44	56	1	46	54	0	
1990 Q1...	***	***	12.3	12.3	11.5	8	83	9	8	80	12	8	80	11	
Q2...	***	***	12.3	12.3	11.6	18	79	3	17	81	3	17	80	4	
Q3...	***	***	12.3	12.3	11.7	11	77	12	11	77	12	8	82	10	
IV.D4 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)															
1989 Q1...	13.3	13.5	***	13.6	13.2	***	***	***	***	***	***	***	***	***	
Q2...	13.2	13.3	***	13.3	12.9	***	***	***	***	***	***	***	***	***	
Q3...	13.0	13.0	***	13.1	12.7	***	***	***	***	***	***	***	***	***	
Q4...	12.9	12.9	***	12.9	12.7	***	***	***	***	***	***	***	***	***	
1990 Q1...	12.7	12.8	***	12.9	12.6	***	***	***	***	***	***	***	***	***	
Q2...	12.7	12.8	***	12.8	12.4	***	***	***	***	***	***	***	***	***	
Q3...	12.6	12.7	***	12.7	12.5	***	***	***	***	***	***	***	***	***	
IV.D5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)															
1989 Q1...	12.8	12.7	***	12.9	12.7	***	***	***	***	***	***	***	***	***	
Q2...	12.6	12.5	***	12.6	12.5	***	***	***	***	***	***	***	***	***	
Q3...	11.9	12.3	***	12.4	12.3	***	***	***	***	***	***	***	***	***	
Q4...	12.2	12.1	***	12.2	11.8	***	***	***	***	***	***	***	***	***	
1990 Q1...	12.0	12.0	***	12.1	12.0	***	***	***	***	***	***	***	***	***	
Q2...	12.2	12.0	***	12.0	11.9	***	***	***	***	***	***	***	***	***	
Q3...	12.0	12.0	***	12.1	11.9	***	***	***	***	***	***	***	***	***	

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.E

TRENDS IN FARM REAL ESTATE VALUES AND LOAN VOLUME

	MARKET VALUE OF GOOD FARMLAND										EXPECTED TREND IN FARM REAL ESTATE LOAN VOLUME DURING THE NEXT QUARTER, COMPARED TO YEAR EARLIER (PERCENTAGE OF BANKS)			
	PERCENTAGE CHANGE DURING QUARTER				PERCENTAGE CHANGE FROM A YEAR EARLIER				TREND EXPECTED DURING THE NEXT QUARTER (PERCENTAGE OF BANKS)			LOWER	SAME	HIGHER
	ALL	DRY- LAND	IRRI- GATED	RANCH- LAND	ALL	DRY- LAND	IRRI- GATED	RANCH- LAND	DOWN	STABLE	UP			
IV.E1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS														
1989 Q1...	3	***	***	***	10	***	***	***	4	73	24	15	56	30
Q2...	1	***	***	***	9	***	***	***	3	77	20	17	63	19
Q3...	2	***	***	***	8	***	***	***	1	67	32	11	65	24
Q4...	1	***	***	***	6	***	***	***	2	70	29	11	60	29
1990 Q1...	3	***	***	***	5	***	***	***	2	71	28	6	66	28
Q2...	1	***	***	***	6	***	***	***	0	75	25	12	66	22
Q3...	1	***	***	***	4	***	***	***	3	73	24	12	68	20
IV.E2 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)														
1989 Q1...	6	***	***	***	16	***	***	***	0	69	31	22	70	7
Q2...	-0	***	***	***	11	***	***	***	0	69	31	21	72	7
Q3...	11	***	***	***	21	***	***	***	0	93	7	28	64	8
Q4...	-4	***	***	***	13	***	***	***	0	73	27	16	76	8
1990 Q1...	14	***	***	***	21	***	***	***	4	68	29	23	69	8
Q2...	-11	***	***	***	8	***	***	***	7	86	7	22	70	7
Q3...	6	***	***	***	4	***	***	***	4	80	16	22	65	13
IV.E3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)														
1989 Q1...	***	-1	2	-2	***	-2	5	-9	***	***	***	25	65	10
Q2...	***	0	2	-1	***	-3	3	-8	***	***	***	32	61	7
Q3...	***	-0	4	-0	***	-3	5	-7	***	***	***	28	61	10
Q4...	***	0	-3	-1	***	-1	5	-4	***	***	***	26	65	9
1990 Q1...	***	-0	-2	-3	***	0	2	-5	***	***	***	25	64	11
Q2...	***	0	-0	-2	***	-0	-0	-6	***	***	***	34	56	10
Q3...	***	-1	1	1	***	-1	-4	-5	***	***	***	29	64	6

FEDERAL RESERVE BANK QUARTERLY SURVEYS OF AGRICULTURAL CREDIT CONDITIONS AT COMMERCIAL BANKS
TABLE IV.E

TRENDS IN FARM REAL ESTATE VALUES AND LOAN VOLUME

MARKET VALUE OF GOOD FARMLAND										EXPECTED DEMAND FOR FARM REAL ESTATE LOANS DURING THE NEXT QUARTER, COMPARED WITH NORMAL (PERCENTAGE OF BANKS)				
	PERCENTAGE CHANGE DURING QUARTER			PERCENTAGE CHANGE FROM A YEAR EARLIER			TREND EXPECTED DURING THE NEXT QUARTER (PERCENTAGE OF BANKS)			LOWER	SAME	HIGHER		
	DRY-ALL LAND	IRRI-GATED LAND	RANCH-LAND	DRY-ALL LAND	IRRI-GATED LAND	RANCH-LAND	DOWN	STABLE	UP					
IV.E4 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY)														
1989 Q1...	***	4	5	4	***	11	14	10	***	***	***	***	***	***
Q2...	***	1	1	2	***	10	11	10	***	***	***	***	***	***
Q3...	***	0	2	-0	***	8	11	8	***	***	***	***	***	***
Q4...	***	2	1	5	***	8	9	11	***	***	***	***	***	***
1990 Q1...	***	2	1	-0	***	5	5	7	***	***	***	***	***	***
Q2...	***	2	2	4	***	7	6	8	***	***	***	***	***	***
Q3...	***	0	1	-2	***	7	5	6	***	***	***	***	***	***
IV.E5 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SC, WI*)														
1989 Q1...	***	8	2	10	***	7	5	5	***	***	***	10	74	15
Q2...	***	4	5	2	***	6	4	3	***	***	***	9	85	6
Q3...	***	-4	-8	-1	***	6	3	5	***	***	***	4	75	21
Q4...	***	-2	8	-5	***	6	6	5	***	***	***	12	75	13
1990 Q1...	***	7	1	8	***	5	5	3	***	***	***	3	84	13
Q2...	***	5	5	2	***	5	5	4	***	***	***	10	83	7
Q3...	***	-5	-9	-2	***	5	4	3	***	***	***	7	84	9