



AGRICULTURAL FINANCE DATABOOK

Second Quarter 1991

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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 second quarter of 1991; the other data generally were available only through the first quarter of 1991.

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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 exclude loans extended to borrowers other than farmers. (The total volume of loans held by the Farm Credit System also includes loans to cooperatives, which are not included either in the figures shown here or in the USDA tabulations of farm debt.)

Recent developments:

The volume of farm loans held by the major institutional lenders appears to have increased about 2-1/2 percent over the year ending in the first quarter of 1991. This marks the second quarter in a row in which the year-to-year change in outstandings has been positive. Loan volume had declined in each of the six preceding years. Year-to-year gains have been apparent in the past two quarters among all of the reporting institutional lenders other than the Farmers Home Administration, which still is experiencing a rapid decline in loan volume. (The figure shown for life insurance companies in the first quarter of 1991 is an estimate; actual first-quarter data for the companies are not available.)

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

1988 Q1...	121.4	67.9	14.7	33.6	9.7	10.0	53.4	28.1	9.5	15.9	***
1988 Q2...	124.1	67.7	15.2	33.0	9.6	9.9	56.4	30.3	10.1	16.0	***
1988 Q3...	124.2	67.8	15.3	33.0	9.6	9.8	56.4	30.8	9.8	15.8	***
1988 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	***
1989 Q2...	121.2	65.9	16.3	30.6	9.5	9.4	55.3	30.7	10.0	14.6	***
1989 Q3...	122.0	65.8	16.5	30.5	9.5	9.3	56.2	31.5	10.2	14.4	***
1989 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...	116.2	65.1	16.8	29.9	9.3	8.6	51.2	29.3	9.7	12.1	***
1990 Q2...	119.6	65.2	17.1	29.6	10.1	8.5	54.4	31.9	10.5	11.9	***
1990 Q3...	121.5	65.7	17.3	29.4	10.6	8.3	55.8	33.2	11.0	11.7	***
1990 Q4...	119.3	65.5	17.2	29.4	10.8	8.1	54.3	32.9	10.7	10.7	***
1991 Q1...	119.3	65.4	17.8	29.1	10.5	8.0	53.9	32.0	11.3	10.6	***

I.A2 PERCENTAGE OF TOTAL SPECIFIED DEBT, END OF QUARTER

1988 Q1...	***	100.0	21.7	49.4	14.2	14.7	100.0	52.6	17.7	29.7	***
1988 Q2...	***	100.0	22.4	48.8	14.1	14.7	100.0	53.6	17.9	28.4	***
1988 Q3...	***	100.0	22.6	48.7	14.1	14.5	100.0	54.6	17.4	28.0	***
1988 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	***
1989 Q2...	***	100.0	24.7	46.5	14.4	14.3	100.0	55.5	18.1	26.4	***
1989 Q3...	***	100.0	25.1	46.3	14.5	14.2	100.0	56.1	18.2	25.7	***
1989 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	***
1990 Q2...	***	100.0	26.3	45.4	15.4	13.0	100.0	58.7	19.4	21.9	***
1990 Q3...	***	100.0	26.4	44.8	16.1	12.7	100.0	59.5	19.7	20.9	***
1990 Q4...	***	100.0	26.3	44.9	16.4	12.3	100.0	60.6	19.7	19.7	***
1991 Q1...	***	100.0	27.3	44.4	16.1	12.2	100.0	59.4	21.0	19.6	***

TABLE I.B

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

	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.B1 PERCENT CHANGE FROM PREVIOUS QUARTER												
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	***	
Q4...	-1.5	-0.4	-0.6	-0.1	1.4	-3.3	-2.7	-0.9	-2.8	-8.0	***	
1991 Q1...	-0.4	-0.1	3.6	-1.2	-2.3	-0.8	-0.8	-2.8	5.9	-1.4	***	
I.B2 PERCENTAGE CHANGE FROM SAME QUARTER OF PREVIOUS YEAR												
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	***	
Q4...	1.2	0.4	3.5	-2.7	11.9	-7.3	2.1	6.9	6.5	-13.3	***	
1991 Q1...	2.6	0.5	6.5	-2.8	7.4	-7.2	5.3	9.1	16.5	-12.9	***	

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 May 1991 survey, about 225 banks reported at least one farm loan, and the number of sample loans totaled almost 5500, 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 Statistical Release E.2A, "Survey of Terms of Bank Lending to Farmers," 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.2A and its predecessor E.2, whereas such loans are excluded from the tabulations presented here.

RECENT DEVELOPMENTS:

As in the past several quarters, the survey results in the second quarter were influenced by the terms of lending on several unusually large loans. The size of these loans generally has fallen in the range of \$10 million to \$20 million, although one loan in the current survey was much larger; the loans also have been characterized by very short maturities. According to the survey respondents, this type of loan is from business accounts that are balanced at the end of each day: Surpluses are invested overnight, and deficits are covered by overnight loans. In the survey, the categories of loans that have been most affected by these accounts are "feeder livestock" and "other".

The estimated number of nonreal estate farm loans made by all commercial banks in the second quarter was 2.78 million at an annual rate, roughly the same as a year ago (Table II.B). The average effective interest rate on nonreal estate farm loans (Table II.E) was 9.8 percent; this rate was down about 1/2 percentage point from the level of the previous quarter and 3 percentage points from the most recent peak in this series, which came in the spring of 1989. After falling sharply in the first quarter, interest rates on loans for feeder livestock declined further in the second quarter, and rates for farm machinery loans fell as well. In contrast, rates on loans for operating expenses held steady and those for other livestock rose. Rates on loans for other purposes fell, but as discussed earlier, this category was affected by several very large loans. The range of effective interest rates on loans made in the May survey is somewhat wider than in past surveys (Table II.G), with about 40 percent of the volume of loans being extended at rates of less than 9 percent.

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 CURRENT OPERATING EXPENSES	FARM MACHINERY AND EQUIPMENT	OTHER	1 to 9	10 to 24	25 to 99	100 and over	LARGE	OTHER	
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													
1989 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	
1991 Q1...	96.8	25.5	9.8	28.3	2.4	30.8	5.8	6.6	16.9	67.5	59.1	37.7	
Q2...	88.3	18.6	3.6	26.7	2.6	36.7	6.8	8.2	13.5	59.8	63.5	24.8	

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													
1989 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	
1991 Q1...	2.45	0.42	0.25	1.37	0.19	0.22	1.56	0.44	0.34	0.12	0.45	2.00	
Q2...	2.78	0.28	0.20	1.93	0.17	0.20	1.84	0.56	0.30	0.08	0.54	2.24	

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	10	25	100	LARGE	OTHER
							to 9	to 24	to 99	and over		
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												
1989 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
1991 Q1...	39.4	60.8	39.8	20.6	12.3	139.4	3.7	14.9	49.5	583	130.2	18.9
Q2...	31.7	66.5	18.0	13.8	15.7	179.2	3.7	14.6	44.3	771	117.2	11.1

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												
1989 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
1991 Q1...	6.5	6.4	8.3	7.8	19.7	3.5	8.3	8.5	12.6	4.1	3.0	10.3
Q2...	7.8	6.3	8.1	7.9	22.6	7.1	8.3	8.8	11.3	6.7	6.8	9.6

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	10	25	100	LARGE	OTHER
								to 9	to 24	to 99	and over		
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													
1989 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	
1991 Q1...	10.4	10.7	10.9	10.7	12.0	9.5	11.9	11.8	11.4	9.8	9.6	11.6	
Q2...	9.8	10.3	11.5	10.7	11.4	8.6	11.6	11.4	10.7	9.2	9.1	11.5	

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 CATTLE	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 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													
1989 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	
1991 Q1...	61.1	82.2	82.1	69.2	39.3	31.3	51.3	65.2	68.5	59.7	57.5	66.8	
Q2...	72.5	85.8	59.9	69.2	34.0	72.1	51.5	58.9	65.7	78.2	81.1	50.4	

Table II.G

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

Effective interest rate (percent)	May												Memo: Percentage Distribution of Number of Loans, Feb 1991 May 1991		
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991			
All loans.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 6.0.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.0 to 6.9.....	-	-	-	-	-	-	-	-	-	-	-	1	1	-	-
7.0 to 7.9.....	-	-	-	-	-	-	1	1	1	-	-	11	9	-	-
8.0 to 8.9.....	-	-	-	-	-	-	6	11	10	-	-	30	14	-	4
9.0 to 9.9.....	-	1	-	1	-	5	12	21	20	-	1	17	23	12	21
10.0 to 10.9...	-	-	-	6	-	7	11	23	27	5	8	9	14	26	28
11.0 to 11.9...	-	-	-	7	1	11	33	22	23	8	33	22	26	33	26
12.0 to 12.9...	1	1	-	28	12	24	22	19	15	39	39	8	10	21	15
13.0 to 13.9...	4	1	-	31	26	31	13	3	3	34	14	2	2	6	5
14.0 to 14.9...	9	1	-	15	36	13	2	-	-	8	5	-	-	1	-
15.0 to 15.9...	7	10	2	10	21	7	-	-	-	4	-	-	-	-	-
16.0 to 16.9...	11	22	12	-	2	1	-	-	-	1	-	-	-	-	-
17.0 to 17.9...	35	19	45	1	-	-	-	-	-	-	-	-	-	-	-
18.0 to 18.9...	18	21	29	-	-	-	-	-	-	-	-	-	-	-	-
19.0 to 19.9...	9	10	9	-	-	1	-	-	-	-	-	-	-	-	-
20.0 to 20.9...	3	10	1	1	-	-	-	-	-	-	-	-	-	-	-
21.0 to 21.9...	1	4	-	-	-	-	-	-	-	-	-	-	-	-	-
22.0 to 22.9...	1	2	-	-	-	-	-	-	-	-	-	-	-	-	-
23.0 to 23.9...	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
24.0 to 24.9...	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25.0 and over..	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Percentage distribution of the estimated 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

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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 15.93 percent in March of 1991.

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) in March 1991 was slightly below the level of the same period of the previous year. Delinquencies of these loans amounted to 4.2 percent of all nonreal estate farm loans, well below the rate of delinquency for all loans at smaller nonagricultural banks, which was about 4.8 percent at the end of the first quarter. Net charge-offs of farm nonreal estate loans (table III.B) were a bit above the same period in 1990, but charge-offs remained quite low compared to the average for the past several years. Looking past the seasonal pickup in problem loans, it appears that the proportion of agricultural banks with large amounts of problem loans continued to diminish: At the end of the first quarter, fewer than one in ten agricultural banks had nonperforming loans that amounted to more than 5 percent of total loans, while one in eight suffered this level of difficulty a year earlier (table III.C). An examination of the distribution of net charge-offs at agricultural banks (table III.D) also supports the overall picture of improvement from a year earlier.

Data through the first quarter of 1991 suggest that agricultural banks earned profits at about the same rate as in the first quarter of 1990, while profits of small nonagricultural banks edged down (table III.F). The main contributor to the relatively better performance of agricultural banks relative to other banks was a small provision for loan losses, reflecting the relatively low rate of charge-offs at agricultural banks that may be seen in the table. The ratio of loans to deposits at agricultural banks at the end of the first quarter of 1991 (table III.G) was slightly higher than it was a year earlier; this ratio has moved up slowly since 1986, but remains quite low by historical standards. As in the past few quarters, the ratios at agricultural banks in the Kansas City and Dallas Federal Reserve Districts remained well below the ratios in other districts; however, the ratio appeared to be turning up in the Kansas City district. Failures of agricultural banks were increasingly rare through the first quarter of 1991 (table III.H).

TABLE III.A

ESTIMATED DELINQUENT FARM NONREAL ESTATE LOANS
INSURED COMMERCIAL BANKS

MARCH 31

BILLIONS OF DOLLARS

AS PERCENTAGE OF OUTSTANDING FARM PRODUCTION LOANS

	NONPERFORMING						MEMO: RESTRUCTURED LOANS IN COMPLIANCE	NONPERFORMING					
	PAST DUE 30 TO 89 DAYS		PAST DUE 90 DAYS		NON- ACCRUAL	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	
1985.....	3.8	1.3	2.5	0.7	1.8	NA	10.1	3.5	6.6	1.8	4.8	NA	
1986.....	4.7	1.4	3.3	0.8	2.5	NA	14.0	4.2	9.8	2.3	7.5	NA	
1987.....	3.0	0.8	2.2	0.5	1.7	0.4	10.4	2.7	7.7	1.6	6.1	1.5	
1988.....	2.0	0.5	1.5	0.3	1.2	0.5	7.1	2.0	5.2	1.0	4.2	1.7	
1989.....	1.6	0.5	1.0	0.2	0.8	0.5	5.5	1.9	3.5	0.6	2.9	1.6	
1990.....	1.4	0.6	0.8	0.2	0.6	0.4	4.8	2.1	2.7	0.7	2.0	1.3	
1991.....	1.3	0.6	0.7	0.2	0.5	0.4	4.2	2.0	2.2	0.6	1.6	1.1	
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	
Q4...	1.0	0.4	0.6	0.1	0.5	0.4	3.1	1.3	1.9	0.3	1.6	1.1	
1991 Q1...	1.3	0.6	0.7	0.2	0.5	0.4	4.2	2.0	2.2	0.6	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
1986.....	1195	235	360	230	370	3.36	0.66	1.07	0.67	1.10
1987.....	503	173	133	57	140	1.60	0.55	0.46	0.19	0.46
1988.....	128	28	39	24	37	0.46	0.10	0.14	0.10	0.12
1989.....	91	10	26	15	40	0.27	0.03	0.09	0.05	0.13
1990.....	51	-5	19	10	28	0.20	-0.02	0.06	0.03	0.08
1991.....	**	12	**	**	12	**	0.04	**	**	0.04

*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, MARCH 31							
	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
1985.....	100.0	38.4	33.7	19.9	5.2	1.9	1.0
1986.....	100.0	31.6	32.0	24.2	7.5	3.0	1.8
1987.....	100.0	35.9	32.7	21.4	6.8	2.3	1.0
1988.....	100.0	49.1	30.8	15.7	3.2	0.9	0.4
1989.....	100.0	57.6	29.3	10.6	1.9	0.4	0.2
1990.....	100.0	61.9	26.8	9.2	1.5	0.5	0.2
1991.....	100.0	65.1	25.5	7.7	1.4	0.2	0.1
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
Q4...	100.0	69.6	22.7	6.4	1.0	0.2	0.0
1991 Q1...	100.0	65.1	25.5	7.7	1.4	0.2	0.1

* 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	
1990.....	100.0	40.2	29.3	15.3	11.8	2.7	0.8	
YEAR-TO-DATE PERCENTAGE DISTRIBUTION								
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	
Q4...	100.0	40.2	29.3	15.3	11.8	2.7	0.8	
1991 Q1...	100.0	78.6	16.2	3.6	1.3	0.2	0.1	

* 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, MARCH 31										
	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***
1985.....	100.0	68.7	19.4	6.4	2.4	1.2	0.8	0.5	0.4	0.6
1986.....	100.0	64.7	20.5	7.2	3.4	1.7	0.6	0.5	0.2	0.8
1987.....	100.0	71.3	17.3	5.9	2.4	1.1	0.3	0.3	0.1	0.7
1988.....	100.0	81.2	12.3	3.3	1.3	0.7	0.4	0.2	0.1	0.5
1989.....	100.0	87.0	8.5	2.2	0.7	0.4	0.4	0.1	0.1	0.3
1990.....	100.0	89.0	8.1	1.6	0.6	0.3	**	0.1	0.1	0.2
1991.....	100.0	89.6	8.2	1.3	0.4	0.2	0.1	0.0	0.1	**
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	**
Q4...	100.0	91.6	6.6	1.0	0.4	0.1	0.1	0.0	0.0	0.0
1991 Q1...	100.0	89.6	8.2	1.3	0.4	0.2	0.1	0.0	0.1	**

* 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 4	TO 9	TO 14	TO 19	TO 24	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
1990.....	100	5	8	33	38	13	3	1	11	8	1.0	0.7	0.4	0.7	9.9	9.0
QUARTERLY																
-----YEAR TO DATE-----																
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
Q4...	100	**	**	**	**	**	**	**	11	8	1.0	0.7	0.4	0.7	9.9	9.0
1991 Q1...	100	**	**	**	**	**	**	**	3	2	0.3	0.2	0.1	0.2	10.1	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*

MARCH 31

	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	
1986.....	4830	0.555	130	0.579	195	0.590	1236	0.524	573	0.527	870	0.587	1358	0.545	357	0.573	59	0.694	15.93
1987.....	4644	0.515	117	0.594	167	0.573	1192	0.490	556	0.509	845	0.520	1300	0.487	372	0.538	56	0.659	15.68
1988.....	4478	0.526	103	0.623	155	0.599	1152	0.504	520	0.527	803	0.521	1271	0.503	381	0.518	59	0.643	15.51
1989.....	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
1990.....	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
1991.....	4076	0.547	77	0.656	139	0.607	1010	0.567	476	0.562	748	0.579	1160	0.514	390	0.441	60	0.676	15.93
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
Q4...	4068	0.548	77	0.649	135	0.595	1009	0.563	477	0.566	743	0.559	1171	0.511	385	0.460	57	0.699	15.92
1991 Q1...	4076	0.547	77	0.656	139	0.607	1010	0.567	476	0.562	748	0.579	1160	0.514	390	0.441	60	0.676	15.93

*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*

	NUMBER OF FAILURES				ANNUAL TOTAL
	Q1	Q2	Q3	Q4	
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
1991.....	2	2	**	**	**

*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.

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

TABLES:

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SOURCES OF DATA:

Data are from quarterly surveys of agricultural credit conditions at commercial banks. These surveys are conducted at the end of each quarter by five Federal Reserve Banks. Each of the 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. The latest survey results reflected the responses of about 400 banks.

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 130 to 140 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. In recent quarters roughly 140 banks have been responding to the survey.

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 230 banks responded to the survey in the most recent quarter.

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:

Results from the Reserve Bank surveys that were completed around the end of the first quarter of 1991 suggest that the demand for farm loans is on a moderate uptrend, but respondents to the surveys also continue to indicate that ample funds are available to accommodate the growth in farm loan demand. Average loan-to-deposit ratios have changed little over the past few quarters and continue to be characterized by a large share of the respondents as being lower than desired.

Repayment rates on farm loans appear to have slowed a little in recent quarters, perhaps because of lower prices for some farm commodities. The slowdown is most evident in the survey data for the Minneapolis district, where more than a third of the respondents characterized first-quarter repayment rates as being slower than normal. In the other districts, roughly 10 to 25 percent of the respondents say that repayment rates are either slower than they were a year ago or slower than normal. These percentages are small relative to the numbers seen in the first half of the 1980s. In the Minneapolis survey, for example, the proportion of respondents who said that repayment rates were slower than normal peaked in the first quarter of 1982, at 86 percent. Readings above 50 percent were common for the other districts as well in the first half of the 1980s.

Section IV: (continued)

The Reserve Bank surveys indicate that the interest rates on farm loans (Table IV.D) moved down a step in the first quarter of 1991. In most districts, the rates on farm loans were about 1/2 to 3/4 percentage point below the levels of a year earlier.

Land prices at the end of the first quarter of 1991 were up moderately from the levels of a year earlier in the Chicago, Kansas City, and Minneapolis districts. Prices in the Dallas and Richmond districts were down moderately from those 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															
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
Q4...	18	48	34	7	62	31	18	64	18	19	64	17	0	83	17
1991 Q1...	14	44	42	8	56	36	19	65	16	15	64	21	1	78	22
IV.A2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY) AGRICULTURAL BANKS															
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
Q4...	12	55	33	6	66	27	18	68	15	14	71	15	0	85	15
1991 Q1...	14	57	29	6	65	29	12	77	11	8	81	10	0	83	17
IV.A3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)															
1989 Q1...	25	47	27	5	51	44	10	68	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
Q4...	23	49	29	7	61	32	20	66	14	13	64	23	1	57	42
1991 Q1...	23	44	33	5	59	36	25	61	14	13	64	24	0	57	42

~~22.7~~ 22.7 ~~32.7~~ 32.7 30.7 ~~47~~ 58.6 13.5 68.7 19.2 17.2 71.6 11.13 0 59.8 40.2
 54.7 32.6 58.6 4.7

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*)															
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	***	***	***
Q4...	6	82	11	***	***	***	29	70	1	11	70	19	***	***	***
1991 Q1...	5	77	17	***	***	***	34	63	3	9	73	18	***	***	***
IV.A5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)															
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
Q4...	25	63	13	13	75	13	13	75	13	21	67	13	0	58	42
1991 Q1...	19	62	19	5	76	19	14	81	5	14	67	19	0	67	33

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																	
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
Q4...	15	52	33	16	71	13	25	70	6	21	57	23	9	42	49	20	53	27
1991 Q1...	10	45	45	19	65	16	22	70	9	22	66	12	10	36	54	17	49	34
IV.B2 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)																		
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
Q4...	21	56	24	25	62	13	18	76	6	23	73	4	17	54	29	25	60	14
1991 Q1...	19	58	23	22	63	14	22	75	4	20	75	4	14	58	28	20	62	17
IV.B3 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)																		
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
Q4...	23	68	9	27	68	5	24	71	5	25	70	5	13	74	13	26	61	13
1991 Q1...	20	60	20	21	68	11	30	65	5	29	71	0	15	70	15	15	75	10

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*)									
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
Q4...	8	69	23	9	81	10	11	68	20
1991 Q1...	5	72	23	12	82	6	6	83	12

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	NONE	LOWER	SAME	HIGHER	
IV.C1 SEVENTH (CHICAGO) FEDERAL RESERVE DISTRICT (IL*, IN*, IO, MI*, WI*) AGRICULTURAL BANKS														
1989 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	***	***	***	***	***	***	***	***	***	***
Q4...	57	64	28	8	***	***	***	***	***	***	***	***	***	***
1991 Q1...	56	67	26	7	***	***	***	***	***	***	***	***	***	***
IV.C2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY) AGRICULTURAL BANKS														
1989 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
Q4...	52	81	5	14	4	72	72	9	81	10	60	9	78	13
1991 Q1...	52	83	7	10	1	71	72	10	81	9	61	9	78	13
IV.C3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA, NM*, TX)														
1989 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
Q4...	45	***	***	***	4	***	***	19	74	7	***	13	74	13
1991 Q1...	42	***	***	***	2	***	***	16	72	12	***	16	70	14

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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 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
Q4...	56	36	56	8	4	***	27	5	64	3	28	3	65	4
1991 Q1...	54	38	54	7	2	***	24	4	69	2	21	6	68	5
IV.C5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)														
1989 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
Q4...	76	26	65	9	0	74	75	0	25	0	63	5	32	0
1991 Q1...	73	40	55	5	0	71	83	0	17	0	71	6	24	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	INTER- MEDIATE	LONG-TERM	SHORT-TERM			INTERMEDIATE-TERM			LONG-TERM				
		NONREAL ESTATE	NONREAL ESTATE	REAL ESTATE LOANS	NONREAL	ESTATE	LOANS	NONREAL	ESTATE	LOANS	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 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	***	***	***	***	***	***	***	***		
Q4...	11.8	11.8	***	***	10.9	***	***	***	***	***	***	***	***		
1991 Q1...	11.4	11.4	***	***	10.6	***	***	***	***	***	***	***	***		
IV.D2 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK) AGRICULTURAL BANKS															
1989 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	***	***	***	***	***	***	***	***		
Q4...	12.0	11.8	***	11.9	11.2	***	***	***	***	***	***	***	***		
1991 Q1...	11.6	11.5	***	11.6	10.8	***	***	***	***	***	***	***	***		

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 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
Q4...	***	***	12.3	12.2	11.6	60	39	1	61	35	4	52	45	4
1991 Q1...	***	***	11.9	11.9	11.2	29	67	4	24	73	3	***	***	***
IV.D4 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)														
1989 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	***	***	***	***	***	***	***	***	***
Q4...	12.7	12.7	***	12.8	12.5	***	***	***	***	***	***	***	***	***
1991 Q1...	11.8	12.2	***	12.2	11.9	***	***	***	***	***	***	***	***	***
IV.D5 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)														
1989 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	***	***	***	***	***	***	***	***	***
Q4...	11.9	11.9	***	12.0	11.8	***	***	***	***	***	***	***	***	***
1991 Q1...	11.5	11.5	***	11.7	11.6	***	***	***	***	***	***	***	***	***

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 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 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
Q4...	0	***	***	***	4	***	***	***	11	77	12	22	62	16
1991 Q1...	1	***	***	***	2	***	***	***	8	82	11	19	58	23
IV.E2 FIFTH (RICHMOND) FEDERAL RESERVE DISTRICT (MD, NC, SC, VA, WV*)														
1989 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
Q4...	-2	***	***	***	5	***	***	***	17	71	13	36	59	5
1991 Q1...	4	***	***	***	-4	***	***	***	5	76	19	21	79	0
IV.E3 ELEVENTH (DALLAS) FEDERAL RESERVE DISTRICT (LA*, NM*, TX)														
1989 Q3...	***	-0	4	-0	***	-3	5	-7	***	***	***	28	61	10
Q4...	***	0	-3	-2	***	-1	5	-5	***	***	***	26	65	9
1990 Q1...	***	0	-1	-1	***	0	3	-5	***	***	***	25	64	11
Q2...	***	-0	-1	-1	***	-0	-0	-5	***	***	***	34	56	10
Q3...	***	-1	1	-2	***	-1	-3	-7	***	***	***	29	64	6
Q4...	***	-2	-0	-2	***	-3	-1	-6	***	***	***	34	59	7
1991 Q1...	***	1	4	-1	***	-2	4	-6	***	***	***	28	62	8

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0.1 2.2 2.9

91.5 5.5 2.6

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

	MARKET VALUE OF GOOD FARMLAND									TREND EXPECTED DURING THE NEXT QUARTER (PERCENTAGE OF BANKS)			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			
	ALL	DRY- LAND	IRRI- GATED	RANCH- LAND	ALL	DRY- LAND	IRRI- GATED	RANCH- LAND	DOWN				STABLE	UP	
IV.E4 TENTH (KANSAS CITY) FEDERAL RESERVE DISTRICT (CO, KS, MO*, NE, NM*, OK, WY)															
1989 Q3...	***	0	2	-0	***	8	11	8	***	***	***	***	***	***	
Q4...	***	2	1	4	***	8	8	11	***	***	***	***	***	***	
1990 Q1...	***	1	1	-0	***	5	5	7	***	***	***	***	***	***	
Q2...	***	3	2	4	***	7	6	8	***	***	***	***	***	***	
Q3...	***	0	1	-2	***	7	5	6	***	***	***	***	***	***	
Q4...	***	1	1	0	***	6	6	2	***	***	***	***	***	***	
1991 Q1...	***	-0	2	1	***	5	7	3	***	***	***	***	***	***	
IV.E5 NINTH (MINNEAPOLIS) FEDERAL RESERVE DISTRICT (MI*, MN, MT, ND, SC, WI*)															
1989 Q3...	***	***	***	***	***	6	3	5	***	***	***	4	75	21	
Q4...	***	***	***	***	***	6	6	5	***	***	***	12	75	13	
1990 Q1...	***	***	***	***	***	5	5	3	***	***	***	3	84	13	
Q2...	***	***	***	***	***	5	5	4	***	***	***	10	83	7	
Q3...	***	***	***	***	***	5	4	3	***	***	***	7	84	9	
Q4...	***	***	***	***	***	2	3	2	***	***	***	15	79	7	
1991 Q1...	***	***	***	***	***	4	3	3	***	***	***	10	82	8	