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| --- | --- | --- | --- | --- |
| Table 1: Rural Mainstreet Economy Last Two Months and One Year Ago: (index > 50 indicates expansion) | | | | |
|  | Jan. 2016 | Dec. 2016 | Jan. 2017 | |
| Area economic index | 34.8 | 42.9 | 42.8 | |
| Loan volume | 55.4 | 78.5 | 52.4 | |
| Checking deposits | 55.5 | 57.1 | 71.9 | |
| Certificates of deposit and savings instruments | 42.3 | 38.1 | 43.9 | |
| Farmland prices | 23.9 | 26.8 | 33.8 | |
| Farm equipment sales | 7.0 | 16.3 | 16.7 | |
| Home sales | 43.3 | 46.4 | 52.5 | |
| Hiring | 51.2 | 51.2 | 52.5 | |
| Retail business | 32.7 | 45.1 | 39.1 | |
| Confidence index (area economy six months out) | 29.4 | 43.9 | 42.7 | |
|  |  |  |  |  |

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| Table 2:  The Rural Mainstreet Economy, January 2017 | | | | | | |
|  | Percentage of bankers reporting | | | | | |
|  | First Quarter  2017 | | Second Quarter  2017 | Second half  2017 |  |  |
| When do you expect the Federal Reserve to next raise interest rates? | 15.0% | | 65.0% | 20% |  |  |
|  | | | | | | |
|  | Percentage of bankers reporting | | | | | |
|  | Low Agriculture commodity prices | Labor shortages | | Shifting  Regulation |  |  |
| What is the biggest challenge or threat to your local economy for 2017? | 87.8% | 9.8% | | 2.4% |  |  |
|  | | | | | | |
|  | Percentage of bankers reporting | | | | | |
|  | Rising loan defaults | Rising regulatory costs | | Competition from Farm Credit/Credit unions | Falling farmland values | Low loan demand |
| What do you expect to be the biggest economic challenge for rural community banks for 2017? | 31.7% | 29.3% | | 22.0% | 7.3% | 9.7% |
|  |  |  |  |  |  |  |