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Rural Mainstreet Economy Falls to Five-Year Low *7 of 10 Bankers Favor President Trump's China Trade Steps*

October 2025 Survey Results at-a-Glance:

- The region's overall reading fell to its lowest level since May 2020.
- For the 17th time in the past 18 months, farmland prices sank below growth neutral.
- Farm equipment sales dropped below growth neutral for the 26th straight month.
- Approximately, 72% of bank CEOs gauge President Trump's approach toward Chinese trade as about right.
- Farm loan delinquency rates rose from a very low 1.1% in June of this year to 1.6% this month.
- Approximately, 84.6% of bankers support President Trump's calling for \$10 billion in support to U.S. farmers.
- Regional exports of agriculture and livestock to China plummeted by 85.7% for 2025, compared to the same period in 2024.

OMAHA, Nebraska (October 16, 2025) — For the eighth time in 2025, the overall Rural Mainstreet Index (RMI) sank below growth neutral 50.0, according to the monthly survey of bank CEOs in rural areas of a 10-state region dependent on agriculture and/or energy.

Overall: The region's overall reading for October fell to 34.6, its lowest level since May 2020, from 38.5 in September. The index ranges between 0 and 100, with a reading of 50.0 representing growth neutral.

"Weak agriculture commodity prices for grain producers continue to dampen economic activity in the 10-state region. While tariffs are producing higher economic volatility, 72% of bank CEOs gauge President Trump's approach toward Chinese trade as 'about right.' This is almost unchanged from April, when the same question was asked," said Ernie Goss, PhD, Jack A. MacAllister Chair in Regional Economics at Creighton University's [Heider College of Business](#).

According to Jeff Bonnett, President of Havana National Bank in Havana, Ill., "We are definitely experiencing the pains of the ag crisis (defined as a time of intense difficulty, trouble or danger)."

Farming and ranch land prices: For the 17th time in the past 18 months, farmland prices slumped below growth neutral. The region's farmland price dropped to 37.0 from 45.8 in September. "Elevated long-term interest rates, higher input costs and below breakeven grain prices put downward pressure on farmland prices," said Goss.

Jim Eckert, Executive Vice President and Trust Officer of Anchor State Bank in Anchor, Ill., said, "Harvest is well underway in our area of Central Illinois. Soybean yields are similar to the 2024 crop. Corn yields appear to be 5-10% lower than last year."

Farm loan delinquency rates rose from a very low 1.1% in June of this year to 1.6% this month.

Approximately, 84.6% of bankers support President Trump's calling for \$10 billion in support to U.S. farmers. "Current gain prices have pushed a high share of farmers' net cash flow into negative territory. While it will not cure the problem, it will help," said Goss.

Terry Engelken, Vice President at Washington State Bank in Washington, Iowa, said, "I would prefer that Trump work out a trade deal with China rather than providing the 10 billion in relief."

According to trade data from the International Trade Association (ITA), regional exports of agriculture goods and livestock for the first seven months of 2025, compared to the same period in 2024, fell from \$6.9 billion in 2024 to \$6.2 billion in 2025 for a decline of 10.3%. Regional exports of agriculture and livestock to China for the first seven months of 2025 sank to \$131.9 million, from \$915.4 million for the same period in 2024, for a downturn of 85.7%.

Farm equipment sales: The farm equipment sales index increased to a very weak 18.8 from 15.2 in September. "This is the 26th straight month that the index has fallen below growth neutral. High input costs, tighter credit conditions, low farm commodity prices and market volatility from tariffs are having negative impacts on purchases of farm equipment," said Goss.

Banking: The October loan volume index climbed to 72.0 from September's 70.0. The checking deposit index fell to 52.0 from 54.0 in September. The index for certificates of deposits (CDs) and other savings instruments dropped to 50.1 from 60.0 in September. Federal Reserve interest rate policies have boosted CD purchases above growth neutral for 35 straight months.

Hiring: The new hiring index for October sank to 44.0 from 48.0 in September. Job gains for non-farm employers have been soft for the last several months.

Confidence: Rural bankers remain pessimistic about economic growth for their area over the next six months. The October confidence index remained at September's 32.7.

Home and retail sales: October home sales slumped to 40.0 from September's 48.0. Regional retail sales were fragile with a reading of 36.0, which was up from 34.8 in September.

The survey represents an early snapshot of the economy of rural agriculturally- and energy-dependent portions of the nation. The Rural Mainstreet Index is a unique index that covers 10 regional states, focusing on approximately 200 rural communities with an average population of 1,300. The index provides the most current real-time analysis of the rural economy. Goss and the late Bill McQuillan, former Chairman of the Independent Community Banks of America, created the monthly economic survey and launched it in January 2006.

Below are the state reports:

Colorado: The state's Rural Mainstreet Index (RMI) for October fell to 38.3 from 39.5 in September. The farmland and ranchland price index for October dipped to 45.5 from September's 45.9. The state's new hiring index dropped to 47.8 from 48.8 in September. According to trade data from the ITA, Colorado exports of agriculture goods and livestock for 2025 year-to-date stood at \$214.5 million, down from \$226.7 million from the same period in 2024, or a 5.4% decline.

Illinois: The state's October Rural Mainstreet Index (RMI) increased to 39.7 from 24.8 in September. The farmland price index for October increased to 48.7 from 45.3 in September. The state's new hiring index for October rose to 49.3 from 36.8 in September. Illinois' year-to-date exports of agricultural goods and livestock reached \$1.6 billion in 2025 but was down 39.6% from \$2.7 billion in the same period of 2024, according to data from the ITA. Agriculture exports to China plunged 84.5% over the same period, highlighting a stark decline in that key market. According to Jeff Bonnett, President of Havana National Bank in Havana, "With commodity pricing for field corn and soybeans being below breakeven for a third consecutive year, our farm operators with diminishing equity in land and equipment are running out of borrowing capacity to cover operating losses."

Iowa: October's RMI for the state climbed to 37.7 from 30.3 in September. Iowa's farmland price index for October declined to 43.0 from September's 45.5. Iowa's new hiring index for October increased to 46.7 from 41.2 in September. Iowa's year-to-date exports of agricultural goods and livestock reached \$1.1 billion in 2025, up 19.4% from \$908.2 million in the same period of 2024, according to data from the ITA. This was in sharp contrast to Chinese exports, which plunged 81.1% over the same period, highlighting a stark decline in that key market.

Kansas: The Kansas RMI for October dropped to 37.1 from 44.6 in September. The state's farmland price index declined to 42.8 from September's 45.6. The new hiring index for Kansas rose to 46.6 from September's 43.8. Kansas' year-to-date exports of agricultural goods and livestock expanded to \$863.9 million in 2025, up from \$787.4 million in the same period of 2024, for a gain of 9.7%. In sharp contrast, farm exports to China plunged 93.5% over the same period, highlighting a stark decline for this key trading partner.

Minnesota: The October RMI for Minnesota was unchanged from September's 36.7. Minnesota's farmland price index increased to 46.1 from September's 45.1. The new hiring index for October climbed to 48.1 from 32.6 in September. Minnesota's year-to-date exports of agricultural goods and livestock sank to \$538.9 million in 2025, down 14.8% from \$632.3 million in the same period of 2024, according to data from the ITA. Minnesota farm exports to China plummeted 53.5% over the same period, highlighting the ongoing trade dispute with China.

Missouri: The October RMI for the state sank to 39.0 from September's 44.8. The farmland price index for October increased to 47.1 from September's 46.1. The state's new hiring gauge for October declined to 48.6 from 53.2 in September. Missouri's year-to-date exports of agricultural goods and livestock sank to \$488.0 million in 2025, falling 9.9% from \$541.5 million in the same period of 2024, according to data from the ITA. Missouri farm exports to China for 2025 fell by an even deeper 85.8%, from the same period in 2024.

Nebraska: The state's Rural Mainstreet Index for October increased to 39.6 from 38.5 in September. The state's farmland price index for October rose to 48.4 from 45.8 in September. Nebraska's new hiring index climbed to 49.2 from September's 48.0. Nebraska's year-to-date exports of agricultural goods and livestock expanded to \$754.7 million in 2025, up from \$510.8 million in the same period of 2024, for a gain of 47.8%. In sharp contrast, Nebraska farm exports to China plunged 92.4% over the same period, highlighting the dispute with this important trading partner.

North Dakota: The state's overall RMI for October sank to 38.7 from September's 52.2. The state's farmland price index slipped 46.1 from 46.4 in September. The state's new hiring index plummeted to 48.3 from 59.4 in September. North Dakota's year-to-date exports of agricultural goods and livestock fell to \$568.6 million in 2025 from \$591.5 million in the same period of 2024, for a fall of 3.9%. North Dakota farm exports to China plunged 83.5% over the same period, highlighting a stark decline in exports with this key trading partner.

South Dakota: The October RMI for South Dakota dropped to 38.4 from 44.4 in September. The state's farmland price index fell to 45.7 from September's 46.1. South Dakota's October new hiring index declined to 47.9 from September's 52.9. South Dakota's year-to-date exports of agricultural goods and livestock expanded to \$101.6 million in 2025, up 24.7% from \$81.3 million in the same period of 2024. Contrary to the rest of the region, South Dakota farm exports to China advanced 48.3% over the same period.

Wyoming: The October overall RMI for Wyoming rose slightly to 36.8 from 36.4 in September. The October farmland and ranchland price index sank to 42.0 from 45.8 in September. Wyoming's new hiring index was unchanged from September's 46.3. Wyoming's year-to-date exports of agricultural goods and livestock expanded to \$5.2 million in 2025, up 162.5% from \$2.0 million in the same period of 2024. Wyoming recorded almost no exports of agriculture and livestock to China in 2024 and 2025.

Tables 1 and 2 summarize the survey findings. Next month's survey results will be released on the third Thursday of the month, November 20, 2025.

Table 1: Rural Mainstreet Economy Last 2 Months & One Year Ago: (index > 50 indicates expansion)			
	Oct. 2024	Sept. 2025	Oct. 2025
Area Economic Index	35.2	38.5	34.6
Loan Volume	73.1	70.0	72.0
Checking Deposits	63.7	54.0	52.0
Certificates of Deposit and Savings Instruments	63.5	60.0	50.1
Farmland Prices	38.5	45.8	37.0
Farm Equipment Sales	18.8	15.2	18.8
Home Sales	46.3	48.0	40.0
Hiring	50.0	48.0	44.0
Retail Business	36.0	34.8	36.0
Confidence Index (area economy six months out)	29.6	32.7	32.7

Table 2: The Rural Mainstreet Economy, October 2025				
	Percentage of Bankers Reporting			
	The Tariffs Should Be More Severe	Current Approach is About Right		He Should Pull Back on China Tariffs
Regarding Trump’s imposition of tariffs on China:	0%	72%		28%
	Percentage of Bankers Reporting			
	No Opinion	No		Yes
President Trump is considering \$10 billion in farmer support. Do you support this action?	7.5%	7.9%		84.6%
	Percentage of Bankers Reporting			
	Little or No Change	1% to 4% Higher	5% to 10% Higher	Greater than 10%
Farm loan delinquency rates for your bank over the past six months are:	72.0%	20%	4.0%	4.0%

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