

Presentation to the National Agricultural Credit Committee,
Chicago, Illinois, September 22, 1975, by Emanuel Melichar,
Senior Economist, Division of Research and Statistics,
Board of Governors of the Federal Reserve System

Outline

- A. In terms of purchasing power, net farm income declined to a relatively low level in the first half of 1975 (p. 1).
- B. In addition, when one takes into account the reduction in the purchasing power of the dollar, the farming sector experienced a large real capital loss in 1974. Nationally, land prices did not quite keep up with the rate of general price inflation affecting farm families, and there was a real capital loss of \$25 billion on the livestock inventory (pp. 2-3).
- C. These developments were reflected in farm loan experience during the first half of 1975. Increases in outstanding farm debt reflected not only continued new loan demand, but also slower collections, increased renewals, and reportedly more refinancing of short-term loans into mortgage debt (p. 4).
- D. At PCA's, where outstanding loans on June 30 were 18 per cent above a year earlier (p. 5), perhaps one-third of that increase may be attributed to a below-normal rate of collections during the preceding 12 months (p. 6). The rate of new lending was up only slightly from the level of 1974 (p. 7).
- E. At Federal Land Banks, outstanding loans on June 30 were 23 per cent higher than a year earlier (p. 8), but repayments during the preceding 12 months were barely above the year-earlier level (p. 9). New lending activity continued high (p. 10), but some of it reportedly represented refinancing of short-term debt.

Table 7

Total Net Farm Income
(millions of dollars)

	<u>Current dollars</u>	<u>1910-14 dollars*</u>
1960	11518	3972
61	11952	4107
62	12049	4084
63	11746	3942
64	10456	3485
1965	12852	4200
66	13895	4411
67	12225	3797
68	12127	3620
69	14011	3992
1970	13787	3767
71	14194	3716
72	18171	4531
73	33099	7455
74	26072	5024
1975 first half ***	19750	3508

* Deflated by the USDA index of prices
paid by farmers for family living
items, 1910-14 = 1.00

*** Seasonally-adjusted annual rate

Excerpt from "Capital Gains in the U.S. Farming Sector, Nominal and Real, 1940-1974," by Emanuel Melichar and Marian Sayre, paper presented at the annual meeting of the American Agricultural Economics Association, The Ohio State University, Columbus, August 11, 1975

In 1971 both nominal and real capital gains rose sharply, and then in 1972 and 1973 they reached unprecedented levels whether measured in current or, as in Table 3, in constant dollars. Over the 35-year period covered by the study, these three years are among the top five years of real gains. In 1972 and 1973, real gains approximately equalled net farm income--a considerable feat since by 1973 net income had itself risen to 136 per cent of its 1971 level. In nominal terms, capital gains were roughly twice as large as net farm income in both 1972 and 1973.

This record was sharply reversed in 1974. In spite of continuing large nominal gains, the farming sector experienced its largest real capital loss of the 35-year period (in constant dollars, though, the loss in 1946 was larger). As in most previous years of real losses, real estate contributed a negative figure. In 1974, however, this meant that a 14 per cent rise in land prices had failed to keep pace with price increases on living items purchased by farm families! The big negative item in 1974, however, was the real capital loss of \$25 billion on the livestock inventory. Thus 1974 resembled a combination of 1946, when rapid general price inflation also exceeded the rise in land prices, and 1952, when a large livestock loss also occurred. Obviously, the 1974 real loss was concentrated among livestock farmers, and in particular among beef and dairy producers. Finally, it is noteworthy that the total real loss in 1974 was substantially reduced by a real gain of \$13 billion on the outstanding farm debt.

In looking over the entire period spanned by this study, it can be subdivided into periods which summarize the cyclical behavior of capital gains relative to net income. The summary below is calculated from data in constant dollars (Table 3) and thus is fairly comparable over time.

Period	Capital gains as a percentage of total net farm income			
	Nominal		Real	
	Method A	Method B	Method A	Method B
World War II.....1940-45.....	59	57	21	19
World War II aftermath.....1946-49.....	27	28	-14	-13
Korean War.....1950-51.....	83	84	35	36
Korean War aftermath.....1952-54.....	-19	-20	-18	-19
Capacity readjustment.....1955-60.....	49	48	35	33
Capacity stabilized.....1961-67.....	65	65	43	43
Farm recession, inflation...1968-70.....	66	66	2	2
Farm boom, inflation.....1971-73.....	185	186	92	93
Farm recession, inflation...1974.....	130	131	-50	-49

Very generally, years of high and rising net farm income have coincided with years of high or rising real capital gains, and vice versa. Thus "total returns" to the farming sector have fluctuated more widely than income alone. Reference to this pattern may be helpful in explaining why the farming sector reaches the extreme peaks of euphoria and depths of despair that it has alternately exhibited.

Federal Reserve Bank of Chicago - -

September 5, 1975

Agricultural Letter



Number 1342

AGRICULTURAL LENDING ACTIVITY in district states varied considerably among banks and agencies of the nation's farm credit system this year. At the end of June non-real estate farm loans outstanding at district member banks were 3 percent above the year-earlier level, while farm mortgage loans at district member banks were up nearly 9 percent. In comparison, outstanding loans at Production Credit Associations in district states—the short- and intermediate-term lending arm of the farm credit system—were up 25 percent, while district Federal Land Bank outstandings were up 24 percent.

Nationwide, PCA outstandings were up 18 percent at midyear, while FLB outstandings were 23 percent larger. Based on the more detailed national reports for PCAs and FLBs, it appears that loan renewals and slow loan repayments—as opposed to new lending activity—accounted for a large proportion of the rise in outstandings. Nationwide, PCA loan renewals rose 26 percent above the year-earlier level during the first half, while collections rose less than 8 percent. New money loaned was up only 5 percent.

Much the same pattern was evident at FLBs during the first half of this year. Repayments on FLB loans barely kept pace with the year-earlier level, while refinanced FLB loans were up more than one-third from a year earlier. New money loaned by FLBs during the first half was up 15 percent from the same period a year ago. However, reports from banks and other lenders whose customers suffered livestock and crop losses last year suggest a significant portion of the rise in new money loaned by FLBs may represent refinancing of loans previously held by other lenders.

The evidence of substantial increases in loan renewals and slow loan repayments in 1975 no doubt reflects the poor crop harvests of last year and prolonged livestock losses. Under these conditions many farmers were unable to generate the cash receipts necessary to service their debt repayment schedules. Many of these problems, however, will likely diminish during the second half, reflecting prospects for strong livestock prices and recent strengthening in crop prices.

Life insurance companies have moderated farm mortgage lending activity this year. Although farm mortgages outstanding at major life insurance companies were 8 percent above the year-earlier level at the end of May, outstanding mortgage commitments were down by more than one-third. The sharply reduced volume of outstanding commitments reflects a

43 percent year-to-year decline in new commitments extended during the first five months of this year and a 23 percent rise in takedowns on commitments.

Interest rates on farm loans at PCAs dropped substantially in recent months, while at district banks rates have declined only marginally. As of midyear, rates at PCAs averaged 8.7 percent, down from just under 10 percent at the beginning of 1975 and 9.6 a year ago. FLB rates averaged 8.8 percent, unchanged from January and about 60 basis points above one year earlier. A midyear survey of district agricultural banks found interest rates on farm real estate loans averaging 8.9 percent, while those charged on feeder cattle loans averaged 8.8 percent. A year ago both rates averaged about 8.6 percent and then rose to a high of just over 9 percent in October.

Emergency loans provided victims of natural disasters by the Farmers Home Administration will be available on more liberal terms following the recent signing of a bill amending the Consolidated Farm and Rural Development Act. Liberalizing provisions in the bill include boosting the maximum repayment schedules for operating loans from five to 20 years, authorization to provide loans in an amount exceeding actual production losses—but at prevailing market rates of interest rather than at the 5 percent ceiling retained on loans covering actual losses—and authorization to lend on a less than fully secured basis when a disaster has depreciated the value of assets available to serve as supporting collateral. The bill, however, restricts eligible borrowers to those not able to secure credit elsewhere.

Gary L. Benjamin
Agricultural Economist

AGRICULTURAL CREDIT CONFERENCE

The 29th annual Illinois Bankers Agricultural Credit Conference will be held at the Ramada Inn in Champaign on September 17-18, 1975. For more information contact the Illinois Bankers Association, 188 West Randolph Street, Chicago, Illinois 60601.

SEPTEMBER 8, 1975

TABLE 211.1

PRODUCTION CREDIT ASSOCIATIONS
LOANS OUTSTANDING
(END OF MONTH)

	AMOUNT			BORROWERS			AVERAGE SIZE		
	MILLIONS OF DOLLARS			PERCENTAGE CHANGE FROM PREVIOUS			DOLLARS		
	END OF MONTH	CHANGE FROM PREVIOUS MONTH	YEAR	THOUSANDS	PERCENTAGE CHANGE FROM PREVIOUS YEAR	PERCENTAGE CHANGE FROM PREVIOUS YEAR	PERCENTAGE CHANGE FROM PREVIOUS YEAR		
1974-JAN...	7794.9	-50.2	1196.3	-0.7	18.1	310.6	0.9	25095.	17.1
-FEB...	7951.6	150.8	1203.1	2.0	17.8	314.0	1.0	25323.	16.6
-MAR...	8205.5	253.9	1241.9	3.2	17.8	318.9	1.3	25731.	16.3
-APR...	8505.1	299.6	1346.2	3.7	18.8	323.3	1.9	26306.	16.6
-MAY...	8831.0	325.8	1530.2	3.8	21.0	326.7	2.3	27030.	18.3
-JUN...	9090.8	259.8	1593.1	2.9	21.2	329.3	2.5	27605.	18.3
-JUL...	9280.4	189.6	1798.4	2.1	24.0	330.5	2.8	28080.	20.7
-AUG...	9370.6	90.2	1792.2	1.0	23.6	330.8	3.1	28331.	19.9
-SEP...	9431.7	61.1	1749.1	0.7	22.8	330.6	3.3	28531.	18.8
-OCT...	9329.8	-101.9	1693.4	-1.1	22.2	327.8	3.5	28459.	18.0
-NOV...	9243.8	-86.1	1660.5	-0.9	21.9	325.1	5.5	28433.	15.5
-DEC...	9501.8	258.0	1648.7	2.8	21.0	323.8	3.8	29344.	16.5
1975-JAN...	9546.6	44.8	1751.8	0.5	22.5	330.5	6.4	28889.	15.1
-FEB...	9743.6	197.0	1792.0	2.1	22.5	330.9	5.4	29445.	16.3
-MAR...	10011.0	267.4	1805.5	2.7	22.0	333.6	4.6	30010.	16.6
-APR...	10230.0	219.0	1724.9	2.2	20.3	334.7	3.5	30568.	16.2
-MAY...	10471.5	241.5	1640.6	2.4	18.6	337.2	3.2	31053.	14.9
-JUN...	10712.4	240.9	1621.6	2.3	17.8	338.5	2.8	31646.	14.6
-JUL...	10812.7	100.3	1532.3	0.9	16.5	338.8	2.5	31913.	13.6

Exhibit D-1



SEPTEMBER 8, 1975

TABLE 213.3

PRODUCTION CREDIT ASSOCIATIONS
RENEWALS AND COLLECTIONS
TWELVE-MONTH MOVING TOTAL

Exhibit D-2

	RENEWALS						COLLECTIONS				
	MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF			MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF LOANS OUT-STANDING*	
		MONTH	YEAR	LOANS OUT-STANDING*	LOANS MADE	COLLECT. & RENEWALS		MONTH	YEAR		
1974-JAN...	3964.0	1.5	12.3	54.0	29.8	32.8	8125.1	3.0	22.5	110.7	
-FEB...	3996.7	0.8	12.1	53.7	29.8	32.8	8206.8	1.0	22.1	110.3	
-MAR...	4025.2	0.7	12.4	53.4	29.8	32.8	8241.4	0.4	20.5	109.3	
-APR...	4076.4	1.3	12.3	53.3	29.6	32.8	8360.5	1.4	21.2	109.4	
-MAY...	4116.3	1.0	13.4	53.1	29.4	33.1	8320.5	-0.5	18.4	107.3	
-JUN...	4123.6	0.2	13.9	52.3	29.5	33.3	8267.4	-0.6	16.3	104.9	
-JUL...	4172.0	1.2	14.0	52.0	29.5	33.8	8166.6	-1.2	13.0	101.9	
-AUG...	4158.7	-0.3	11.8	50.9	29.4	33.8	8140.1	-0.3	11.1	99.7	
-SEP...	4193.0	0.8	12.0	50.4	29.5	33.8	8217.4	0.9	12.0	98.8	
-OCT...	4242.4	1.2	12.3	50.1	29.8	34.0	8236.7	0.2	9.6	97.3	
-NOV...	4281.9	0.9	12.0	49.8	30.3	34.4	8153.3	-1.0	4.8	94.8	
-DEC...	4377.6	2.2	12.1	50.1	30.5	34.6	8273.4	1.5	4.8	94.7	
1975-JAN...	4468.4	2.1	12.7	50.3	30.9	35.4	8169.7	-1.3	0.5	92.0	
-FEB...	4604.9	3.1	15.2	51.0	31.5	36.0	8173.1	0.0	-0.4	90.6	
-MAR...	4744.4	3.0	17.9	51.7	32.2	36.8	8140.0	-0.4	-1.2	88.7	
-APR...	4868.3	2.6	19.4	52.2	32.7	37.1	8247.0	1.3	-1.4	88.5	
-MAY...	4955.6	1.8	20.4	52.3	33.0	37.2	8353.9	1.3	0.4	88.2	
-JUN...	5018.1	1.3	21.7	52.2	32.9	36.9	8564.9	2.5	3.6	89.2	
-JUL...	5046.6	0.6	21.0	51.8	32.9	36.7	8713.4	1.7	6.7	89.5	

* AVERAGE OUTSTANDING LOANS DURING THE PRECEDING 12 MONTHS (AVERAGE OF END-OF-MONTH DATA).



SEPTEMBER 8, 1975

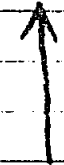
TABLE 212.3

PRODUCTION CREDIT ASSOCIATIONS
 LOANS MADE AND NEW LOANS
 TWELVE-MONTH MOVING TOTAL

	LOANS MADE					NEW LOANS				
	MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF		MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF	
		MONTH	YEAR	LOANS OUT-STANDING*	COLLECTIONS		MONTH	YEAR	LOANS OUT-STANDING*	COLLECTIONS
1974-JAN...	13299.5	2.1	24.9	181.2	163.7	9335.5	2.3	31.2	127.2	114.9
-FEB...	13418.7	0.9	24.2	180.4	163.5	9422.1	0.9	30.1	126.6	114.8
-MAR...	13518.0	0.7	23.4	179.3	164.0	9492.8	0.8	28.3	125.9	115.2
-APR...	13789.9	2.0	23.6	180.4	164.9	9713.5	2.3	29.0	127.1	116.2
-MAY...	13978.3	1.4	23.8	180.2	168.0	9862.0	1.5	28.6	127.2	118.5
-JUN...	13996.2	0.1	22.6	177.5	169.3	9872.5	0.1	26.6	125.2	119.4
-JUL...	14151.9	1.1	21.4	176.5	173.3	9979.9	1.1	24.8	124.5	122.2
-AUG...	14136.4	-0.1	18.1	173.1	173.7	9977.8	-0.0	20.9	122.2	122.6
-SEP...	14205.7	0.5	16.9	170.8	172.9	10012.7	0.4	19.0	120.4	121.8
-OCT...	14219.1	0.1	14.7	168.1	172.6	9976.7	-0.4	15.7	117.9	121.1
-NOV...	14146.5	-0.5	11.5	164.4	173.5	9864.6	-1.1	11.3	114.7	121.0
-DEC...	14359.0	1.5	10.2	164.3	173.6	9981.4	1.2	9.4	114.2	120.6
1975-JAN...	14445.1	0.6	8.6	162.7	176.8	9976.7	-0.0	6.9	112.4	122.1
-FEB...	14625.3	1.2	9.0	162.1	178.9	10020.4	0.4	6.4	111.0	122.6
-MAR...	14744.0	0.8	9.1	160.7	181.1	9999.6	-0.2	5.3	109.0	122.8
-APR...	14899.1	1.1	8.0	159.8	180.7	10030.8	0.3	3.3	107.6	121.6
-MAY...	15004.3	0.7	7.3	158.5	179.6	10048.7	0.2	1.9	106.1	120.3
-JUN...	15256.4	1.7	9.0	158.8	178.1	10238.3	1.9	3.7	106.6	119.5
-JUL...	15340.2	0.5	8.4	157.5	176.1	10293.6	0.5	3.1	105.7	118.1

Exhibit D-3

* AVERAGE OUTSTANDING LOANS DURING THE PRECEDING 12 MONTHS (AVERAGE OF END-OF-MONTH DATA).



SEPTEMBER 10, 1975

TABLE 221.1

FEDERAL LAND BANKS
LOANS OUTSTANDING
(END OF MONTH)

	AMOUNT					NUMBER		AVERAGE SIZE	
	MILLIONS OF DOLLARS			PERCENTAGE CHANGE FROM PREVIOUS		THOUSANDS	PERCENTAGE CHANGE FROM LAST YEAR	DOLLARS	PERCENTAGE CHANGE FROM LAST YEAR
	OUT-STANDING	CHANGE FROM PREVIOUS		MONTH	YEAR				
		MONTH	YEAR						
1973-JAN...	9231.9	140.2	1261.2	1.5	15.8	407.6	0.8	22652.	14.9
-FEB...	9367.3	135.4	1328.7	1.5	16.5	407.9	0.8	22966.	15.6
-MAR...	9567.6	200.3	1428.4	2.1	17.6	409.0	1.0	23395.	16.4
-APR...	9739.2	171.6	1501.0	1.8	18.2	409.7	1.1	23769.	17.0
-MAY...	9918.8	179.6	1576.3	1.8	18.9	410.8	1.2	24148.	17.5
-JUN...	10077.5	158.7	1651.8	1.6	19.6	411.7	1.3	24478.	18.1
-JUL...	10209.0	131.5	1691.7	1.3	19.9	412.2	1.4	24767.	18.2
-AUG...	10384.6	175.6	1753.3	1.7	20.3	413.0	1.5	25144.	18.6
-SEP...	10524.9	140.3	1776.2	1.4	20.3	413.6	1.5	25444.	18.5
-OCT...	10696.1	171.2	1838.8	1.6	20.8	414.3	1.8	25818.	18.7
-NOV...	10820.7	124.6	1848.9	1.2	20.6	414.5	1.8	26103.	18.5
-DEC...	10947.1	126.4	1855.4	1.2	20.4	414.8	1.8	26393.	18.3
1974-JAN...	11104.6	157.5	1872.7	1.4	20.3	414.3	1.7	26804.	18.3
-FEB...	11248.6	144.0	1881.3	1.3	20.1	414.8	1.7	27117.	18.1
-MAR...	11466.8	218.2	1899.2	1.9	19.8	415.9	1.7	27571.	17.8
-APR...	11692.7	226.0	1953.5	2.0	20.1	414.3	1.1	28221.	18.7
-MAY...	11940.5	247.7	2021.6	2.1	20.4	419.3	2.1	28479.	17.9
-JUN...	12176.5	236.0	2099.0	2.0	20.8	421.3	2.3	28902.	18.1
-JUL...	12433.2	256.7	2224.2	2.1	21.8	423.1	2.6	29385.	18.6
-AUG...	12660.3	227.1	2275.7	1.8	21.9	424.8	2.9	29803.	18.5
-SEP...	12876.6	216.3	2351.7	1.7	22.3	426.4	3.1	30197.	18.7
-OCT...	13074.0	197.4	2377.8	1.5	22.2	427.4	3.2	30586.	18.5
-NOV...	13267.4	193.5	2446.7	1.5	22.6	428.2	3.3	30986.	18.7
-DEC...	13456.4	189.0	2509.2	1.4	22.9	429.2	3.5	31349.	18.8
1975-JAN...	13656.1	199.7	2551.5	1.5	23.0	430.0	3.8	31758.	18.5
-FEB...	13879.7	223.6	2631.1	1.6	23.4	431.6	4.1	32156.	18.6
-MAR...	14179.2	299.5	2712.4	2.2	23.7	433.5	4.2	32711.	18.6
-APR...	14441.0	261.8	2748.3	1.8	23.5	435.1	5.0	33190.	17.6
-MAY...	14692.9	251.9	2752.4	1.7	23.1	436.9	4.2	33627.	18.1
-JUN...	14938.3	245.4	2761.8	1.7	22.7	438.6	4.1	34061.	17.8
-JUL...	15144.8	206.5	2711.6	1.4	21.8	440.0	4.0	34420.	17.1

Exhibit E-1



SEPTEMBER 10, 1975

TABLE 223.3

FEDERAL LAND BANKS
REFINANCING AND REPAYMENTS
TWELVE-MONTH MOVING TOTAL

	REFINANCING OF FEDERAL LAND BANK LOANS					REPAYMENTS				
	MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF		MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PER- CENTAGE OF LOANS OUT- STANDING*	
		MONTH	YEAR	LOANS OUT- STANDING*	LOANS CLOSED		MONTH	YEAR		
1973-JAN...	456.5	3.2	34.7	5.4	19.3	651.1	4.9	26.2	7.7	
-FEB...	471.9	3.4	37.8	5.5	19.1	664.7	2.1	26.4	7.7	
-MAR...	492.5	4.4	43.1	5.7	19.0	675.1	1.6	24.3	7.7	
-APR...	510.9	3.7	49.0	5.8	18.9	692.0	2.5	26.4	7.8	
-MAY...	529.4	3.6	52.4	5.9	18.8	705.0	1.9	24.9	7.9	
-JUN...	544.9	2.9	57.0	6.0	18.7	714.9	1.4	23.8	7.9	
-JUL...	545.3	0.1	51.5	5.9	18.4	728.6	1.9	25.3	7.9	
-AUG...	559.7	2.6	51.0	6.0	18.3	739.9	1.6	24.8	7.9	
-SEP...	551.7	-1.4	41.3	5.8	18.0	745.1	0.7	24.4	7.8	
-OCT...	550.4	-0.2	33.6	5.7	17.5	750.8	0.8	22.8	7.8	
-NOV...	549.7	-0.1	30.8	5.6	17.4	767.4	2.2	23.9	7.8	
-DEC...	530.0	-3.6	19.8	5.3	16.7	783.8	2.1	26.2	7.9	
1974-JAN...	528.6	-0.3	15.8	5.2	16.5	805.4	2.8	23.7	8.0	
-FEB...	521.8	-1.3	10.6	5.1	16.2	818.3	1.6	23.1	8.0	
-MAR...	516.4	-1.0	4.9	4.9	15.9	824.6	0.8	22.2	7.9	
-APR...	516.2	-0.0	1.0	4.9	15.6	831.2	0.8	20.1	7.8	
-MAY...	519.5	0.7	-1.9	4.8	15.4	829.4	-0.2	17.6	7.7	
-JUN...	525.9	1.2	-3.5	4.8	15.2	824.9	-0.5	15.4	7.6	
-JUL...	548.0	4.2	0.5	4.9	15.2	830.5	0.7	14.0	7.5	
-AUG...	543.1	-0.9	-3.0	4.8	14.9	828.6	-0.2	12.0	7.3	
-SEP...	558.4	2.8	1.2	4.9	14.9	827.7	-0.1	11.1	7.2	
-OCT...	568.7	1.8	3.3	4.9	15.0	838.2	1.3	11.7	7.2	
-NOV...	575.6	1.2	4.7	4.8	15.0	823.4	-1.8	7.3	6.9	
-DEC...	601.3	4.5	13.4	5.0	15.3	830.5	0.9	6.0	6.9	
1975-JAN...	617.6	2.7	16.8	5.0	15.4	836.3	0.7	3.8	6.8	
-FEB...	640.3	3.7	22.7	5.1	15.6	826.8	-1.1	1.0	6.6	
-MAR...	660.4	3.1	27.9	5.2	15.7	820.3	-0.8	-0.5	6.5	
-APR...	679.8	3.0	31.7	5.3	16.0	818.4	-0.2	-1.5	6.3	
-MAY...	688.2	1.2	32.5	5.2	16.1	823.6	0.6	-0.7	6.3	
-JUN...	701.8	2.0	33.4	5.2	16.3	832.8	1.1	1.0	6.2	
-JUL...	704.6	0.4	28.6	5.2	16.6	839.6	0.8	1.1	6.2	

Exhibit E-2

* AVERAGE OUTSTANDING LOANS DURING THE PRECEDING 12 MONTHS (AVERAGE OF END-OF-MONTH DATA).



SEPTEMBER 10, 1975

TABLE 224.3

FEDERAL LAND BANKS
NEW MONEY LOANED
TWELVE-MONTH MOVING TOTAL

	MILLIONS OF DOLLARS	PERCENTAGE CHANGE FROM PREVIOUS		AS PERCENTAGE OF	
		MONTH	YEAR	LOANS OUT- STANDING*	LOANS CLOSED
1973-JAN...	1912.4	6.5	49.8	22.5	80.7
-FEB...	1993.4	4.2	52.5	23.2	80.9
-MAR...	2103.5	5.5	57.5	24.1	81.0
-APR...	2193.0	4.3	61.3	24.8	81.1
-MAY...	2281.4	4.0	62.4	25.5	81.2
-JUN...	2366.7	3.7	66.2	26.0	81.3
-JUL...	2420.3	2.3	67.1	26.2	81.6
-AUG...	2493.3	3.0	64.6	26.6	81.7
-SEP...	2521.3	1.1	59.5	26.5	82.0
-OCT...	2589.5	2.7	57.6	26.8	82.5
-NOV...	2616.4	1.0	52.0	26.7	82.6
-DEC...	2639.2	0.9	47.0	26.5	83.3
1974-JAN...	2678.1	1.5	40.0	26.5	83.5
-FEB...	2699.6	0.8	35.4	26.3	83.8
-MAR...	2723.8	0.9	29.5	26.1	84.1
-APR...	2784.8	2.2	27.0	26.3	84.4
-MAY...	2851.1	2.4	25.0	26.5	84.6
-JUN...	2923.9	2.6	23.5	26.8	84.8
-JUL...	3054.7	4.5	26.2	27.5	84.8
-AUG...	3104.3	1.6	24.5	27.5	85.1
-SEP...	3179.4	2.4	26.1	27.7	85.1
-OCT...	3216.0	1.2	24.2	27.6	85.0
-NOV...	3270.1	1.7	25.0	27.5	85.0
-DEC...	3339.7	2.1	26.5	27.7	84.7
1975-JAN...	3387.8	1.4	26.5	27.6	84.6
-FEB...	3457.9	2.1	28.1	27.7	84.4
-MAR...	3532.7	2.2	29.7	27.8	84.3
-APR...	3566.6	1.0	28.1	27.6	84.0
-MAY...	3576.1	0.3	25.4	27.2	83.9
-JUN...	3594.6	0.5	22.9	26.8	83.7
-JUL...	3551.2	-1.2	16.3	26.1	83.4

* AVERAGE OUTSTANDING LOANS DURING THE PRECEDING 12 MONTHS (AVERAGE OF END-OF-MONTH DATA).

Exhibit E-3

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