



# fed LETTER

Colorado ★ Kansas ★ Missouri ★ Nebraska ★ New Mexico ★ Oklahoma ★ Wyoming

JUNE 2007

FEDERAL RESERVE BANK of KANSAS CITY

## MANUFACTURING SURVEY AVAILABLE

The [monthly manufacturing survey](#) for the Tenth Federal Reserve District was released May 31. The survey asks plant managers about a variety of manufacturing indicators. The information is compiled into a snapshot of manufacturing in the District.

Growth in District manufacturing activity eased slightly in May but remained solid, and expectations for future factory activity were not as strong as in the past two months. The price indexes in the survey climbed higher, largely as a result of increasing energy prices, particularly gasoline.

## SURVEY OF AGRICULTURAL CREDIT CONDITIONS RELEASED

The quarterly [Survey of Agricultural Credit Conditions](#) for the Tenth Federal Reserve District was released May 14. The results of this survey of agricultural banks in the District summarize several indicators of farm financial conditions.

Fueled by high crop prices, District farmland values surged at a pace not seen since the 1980s, according to the survey.

## LATEST *ECONOMIC* *REVIEW* AVAILABLE

The second quarter issue of [\*Economic Review\*](#) is now available, featuring the three articles below.

“The Role of Small and Large Businesses in Economic Development” by Kelly Edmiston explores whether promoting entrepreneurship and small businesses makes more sense as an economic development strategy.

“Risk Management and Nonbank Participation in the U.S. Retail Payments System” by Richard J. Sullivan explores how risks have changed in the U.S. retail payments system as electronic payment networks have evolved and nonbank service providers have become widespread.

In “A Guide to Aggregate House Price Measures” Jordan Rappaport suggests there is no one “best” measure of housing prices because the three methodologies analysts commonly use each has conceptual advantages and disadvantages.

## HOLIDAY REMINDER

The Federal Reserve will be closed Wednesday, July 4, 2007, for Independence Day. The FRB Services Web site features a [full listing](#) of all holidays observed by the Federal Reserve.

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## REGULATORY DEVELOPMENTS

### *Notice of proposed class action settlements*

On May 7, the Federal Reserve issued [Supervision and Regulation \(SR\)/Consumer Affairs \(CA\) Letter 07-7/07-2](#) to provide guidance to banking organizations under its supervision of requirements for filing notice of proposed settlements of class action litigation.

The Class Action Fairness Act of 2005 requires financial institutions that are defendants in class action litigation to file with their primary federal banking regulator (and, in the case of state-chartered institutions, with their state banking supervisor) a notice of any proposed settlement of such litigation if any of the matters alleged in the action are subject to regulatory or supervision by such agencies. Within 10 days after the filing of a proposed class action settlement agreement with the court, any defendant financial institution covered by the law and supervised by the Federal Reserve should send notice of the proposed settlement to the general counsel at the responsible Federal Reserve Bank.

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### *More regulatory developments*

To see more regulatory developments, go to the [Banking Information page](#) on our Web site and click “Regulations/Guidance” in the left column.

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