

Jason Henderson
Vice President and Branch Executive
Federal Reserve Bank of Kansas City – Omaha Branch
www.kansascityfed.org/omaha
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Financial Opportunities in Nebraska

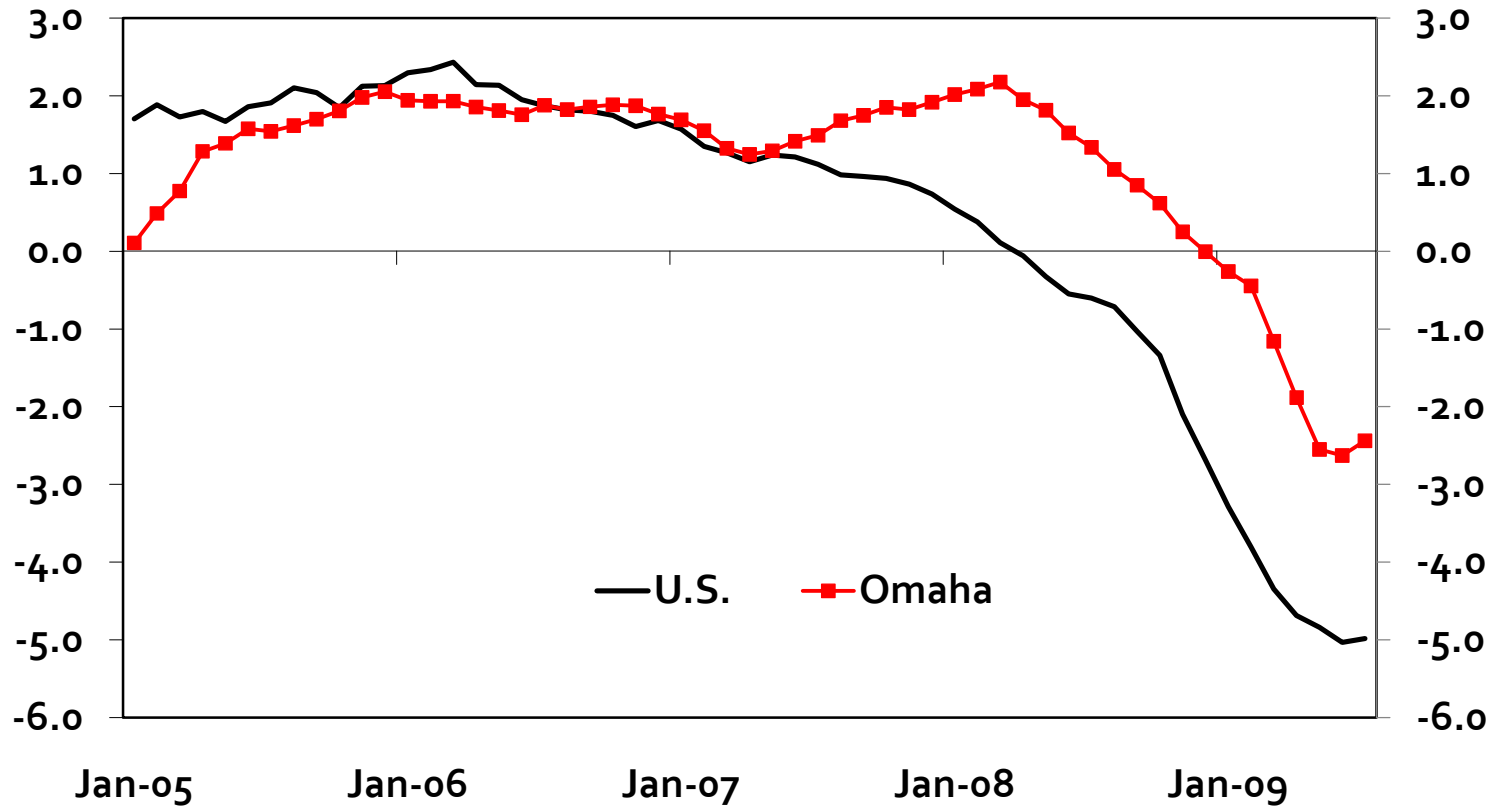


The views expressed are those of the author and do not necessarily reflect the opinions of the Federal Reserve Bank of Kansas City or the Federal Reserve System.

Nebraska's economy is performing better than the nation as a whole.

Private Non-Farm Employment Growth

Percent change year-over-year (three-month moving average)

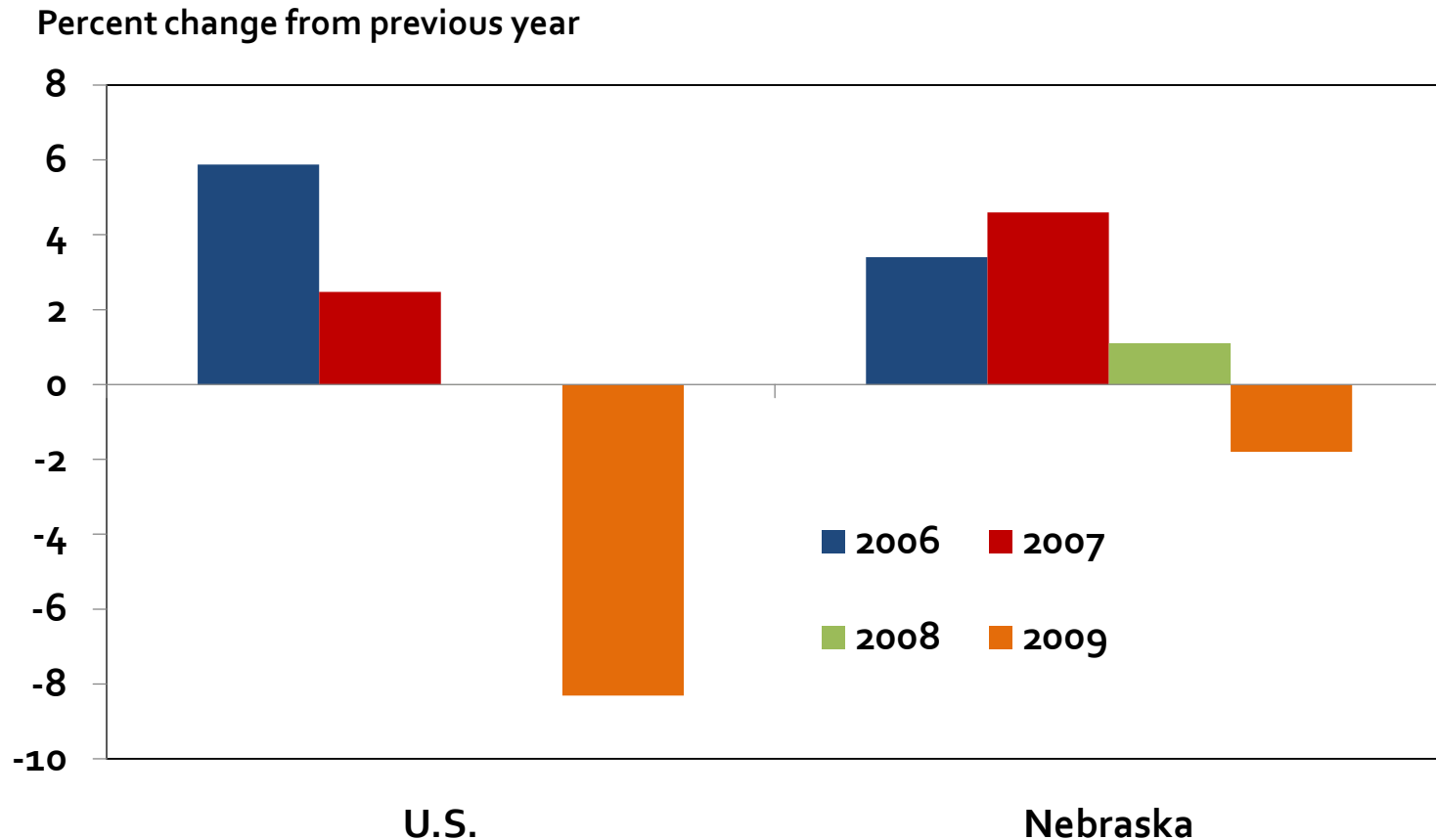


Source: Bureau of Labor Statistics



Will Santa bring a rebound in consumer spending for Christmas?

General Sales and Use Taxes



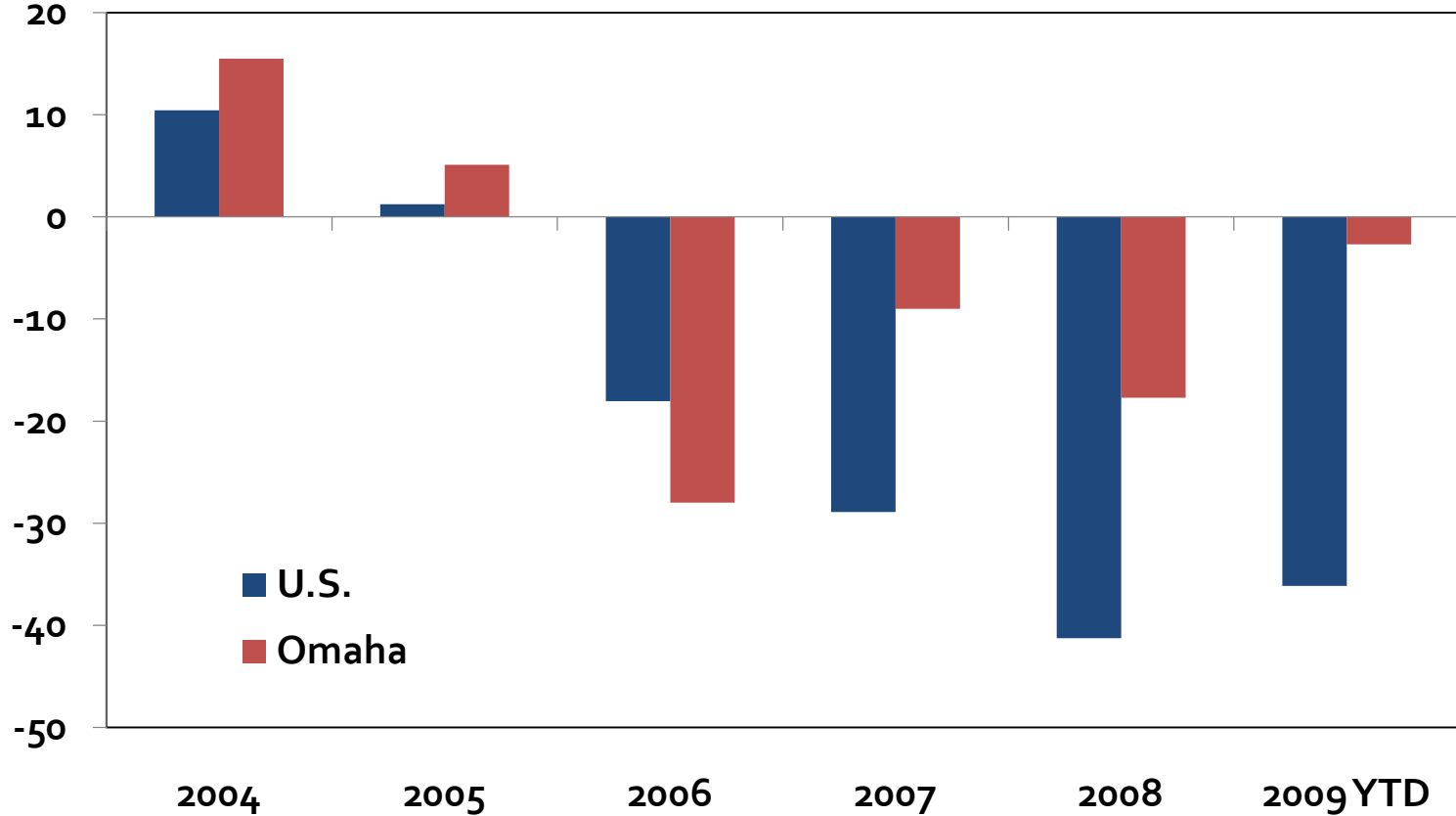
Source: U.S. Census Bureau, Nebraska Department of Revenue
2009 data are first quarter



Housing may be nearing a bottom in Omaha.

Single-Family Building Permits

Percent change from previous year (3-month moving average)



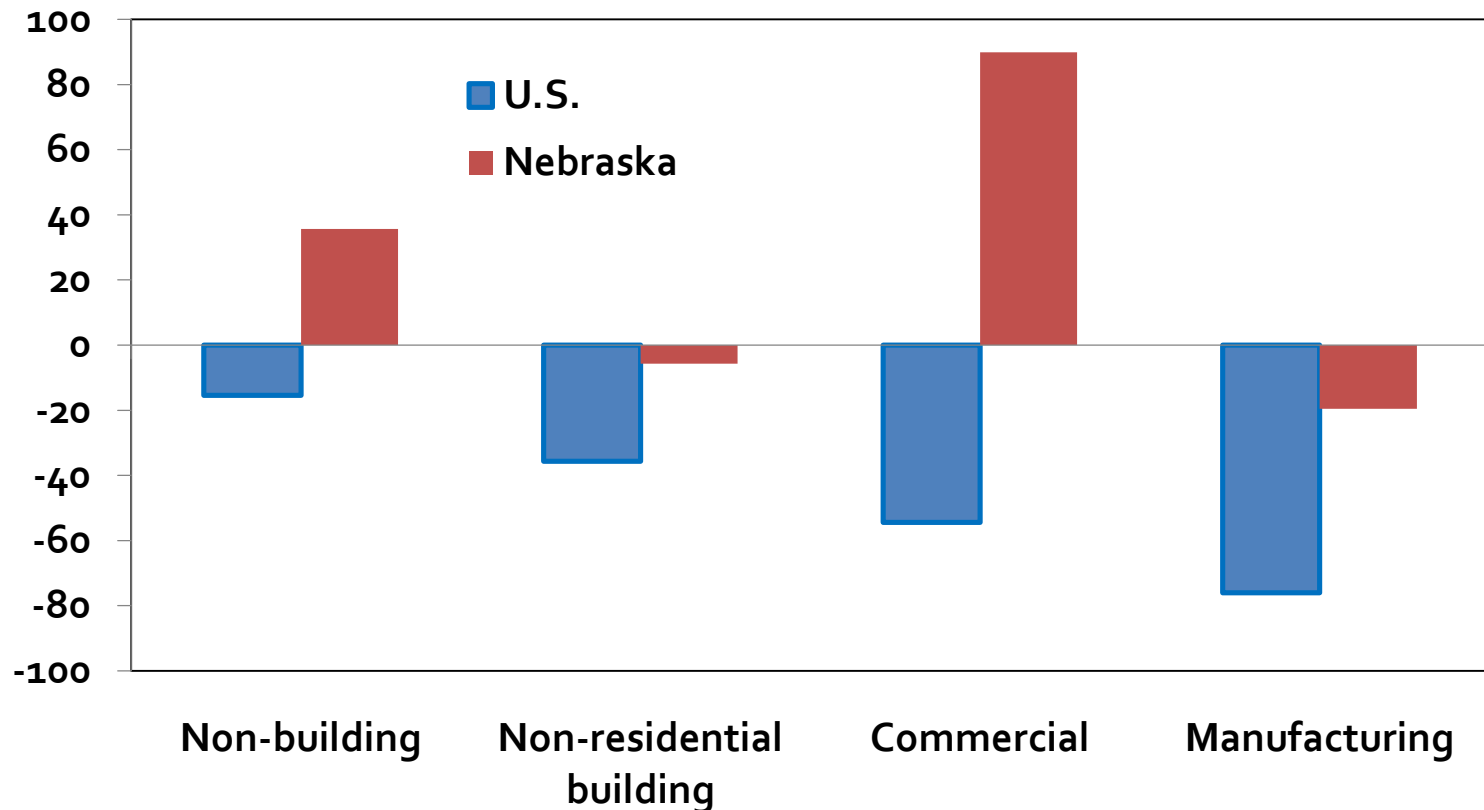
Source: U.S. Census Bureau



Nebraska's activity is holding up better than the nation as a whole, but risks remain.

Value of Non-residential Construction (YTD through second quarter)

Percent change from a year ago

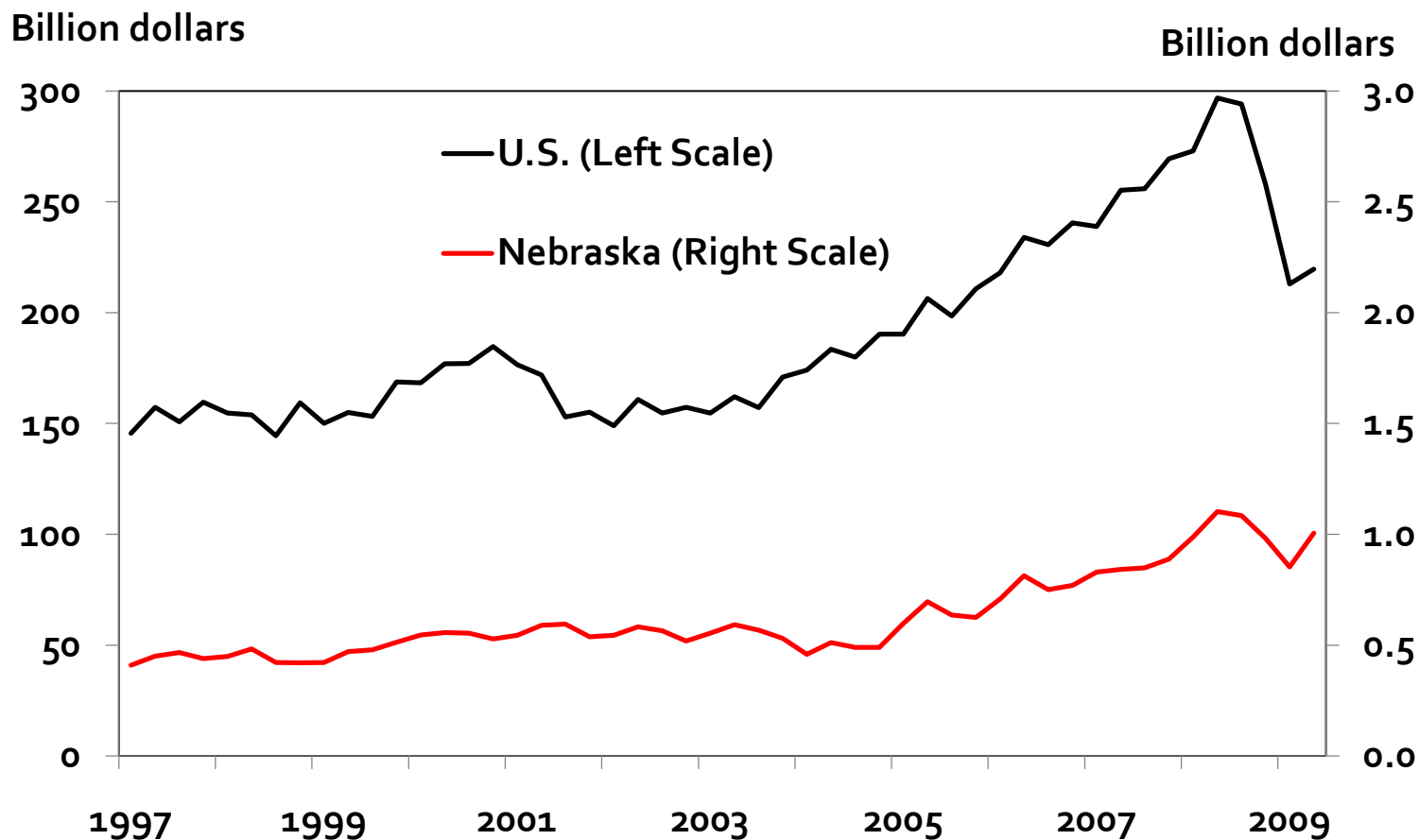


Source: F.W. Dodge



After contracting in 2008, could export activity improve further in 2009?

Manufactured Exports



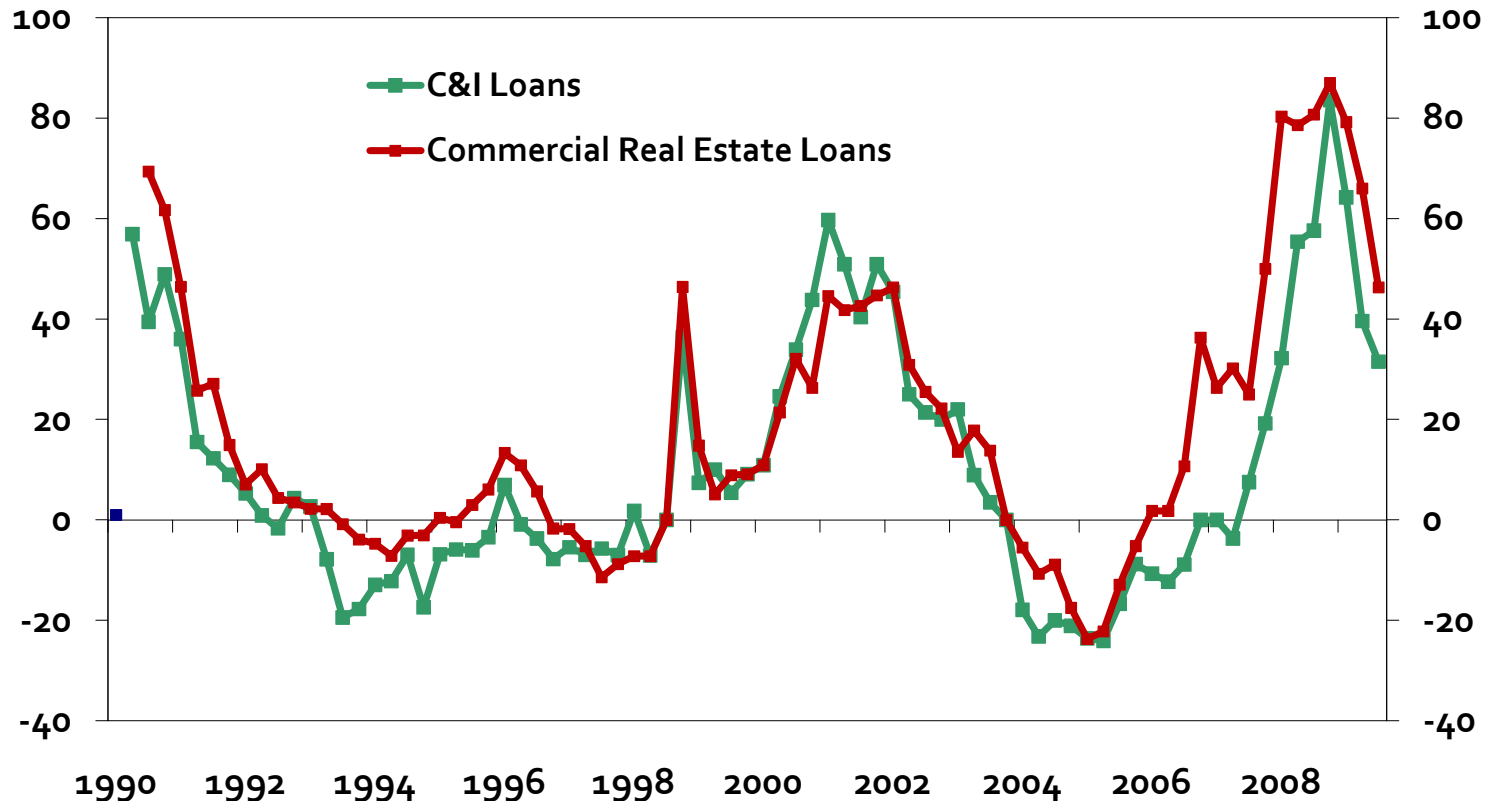
Source: WISERTrade



The move to tighter credit standards is beginning to ease.

Net Percent of Domestic Banks Tightening Credit Standards

Percent



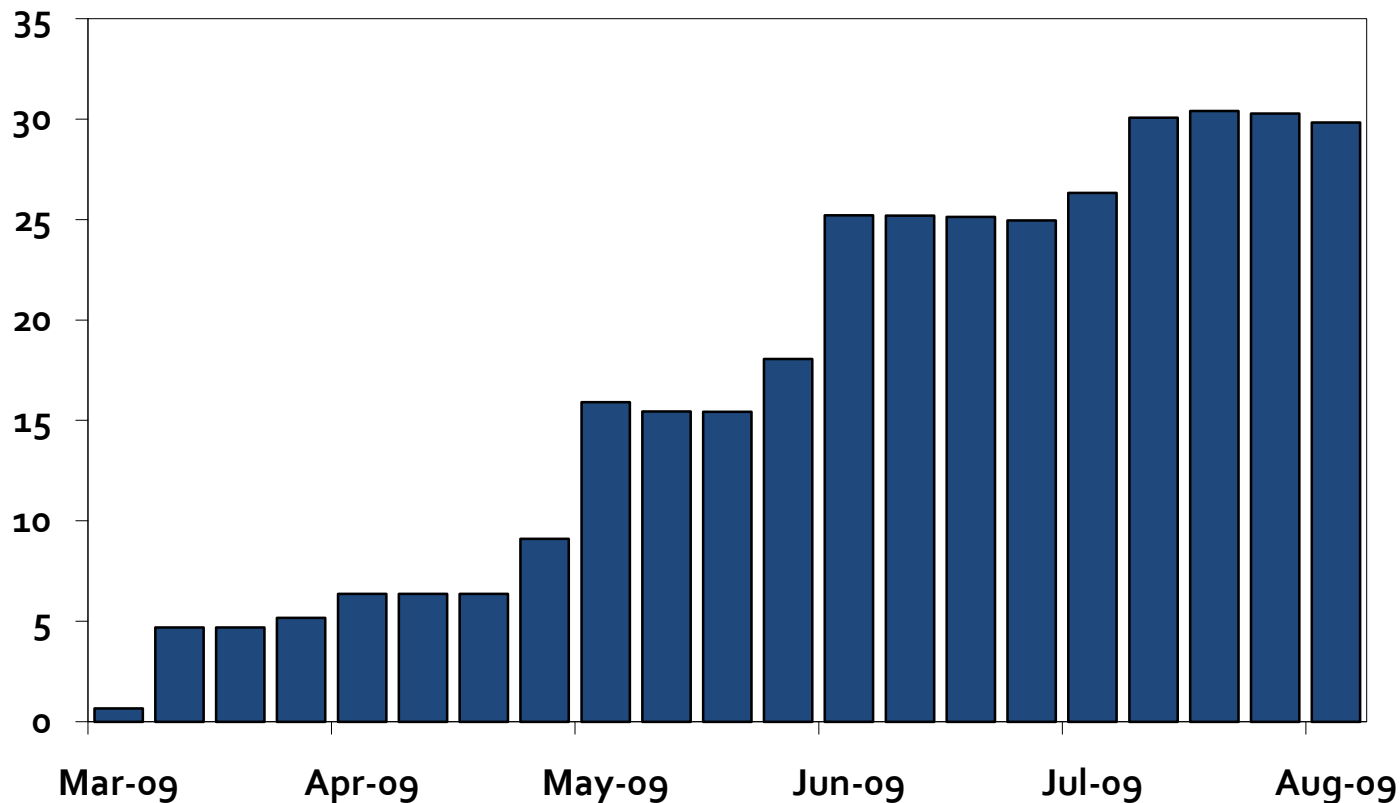
Source: Federal Reserve Board of Governors



To stimulate the secondary market, the Federal Reserve is buying securities under TALF.

Term Asset-Backed Securities Loan Facility (TALF) Purchases

Billions of Dollars



Source: Federal Reserve Board of Governors



Conclusions

- **The recession is ending in Nebraska.**
- **How strong will the recovery be?**
 - **Will Santa bring stronger consumer spending?**
 - **Will exports strengthen further?**
 - **How thin is the commercial construction pipeline?**
- **Financial constraints should ease in the future.**
- **The recovery is underway in Nebraska, but headwinds remain.**



For More Information

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