

April
2026

THE MAINSTREET ECONOMIC REPORT

A monthly survey of community bank CEOs, and chief loan officers

Rural Mainstreet Index Falls Below Growth Neutral Again: Conflict in Iran Creating Significant Volatility in Ag Sector

March-at-a-Glance:

- The overall RMI dropped below growth neutral for March to its lowest level since October 2025.
- Weakness in the farm sector is spilling over into the business community with approximately 27.2% of bankers reporting that small businesses in their area were experiencing declines in business activity.
- After falling below growth neutral for January and February, the March farm and ranchland index rose to 50.2 from 45.5 in February.
- The 2026 Iran conflict has created significant volatility in the agricultural sector, primarily impacting agricultural equipment sales, with the index falling below growth neutral for the 31st straight month.
- More than half, or 52.4%, indicated no change or declines in delinquency rates, with 47.6 percent reporting that loan delinquency rates increased modestly.

**(Continued next page)
(Tables on final page)**



Welcome to Creighton’s April Bank CEO Report covering March 2026 survey results. The overall March reading from bank CEOs and bank executives in 10 Rural Mainstreet States sank below growth neutral for the 13th time since January 2025. Bank executives reported improving farmland prices with ag equipment sales declined for the 31st straight month. Thank you for your input. Ernie.

Population Migration Spotlights Winning and Losing States, 2023-24

The latest interstate migration data confirm a familiar pattern: Americans continue to move toward lower-tax “attractor” states and away from higher-tax “detractor” states. What has changed is the tempo—migration flows have cooled from the surge seen during the pandemic.

Table 1 compares migration rates per 10,000 residents with state tax collections as a share of GDP. Over the period analyzed, the median in-migration rate among attractor states was 252 per 10,000 residents, while the median out-

migration rate among detractor states was 226. A handful of states stand out. North Carolina, Oklahoma and Tennessee posted the strongest net gains, combining above-median in-migration with below-median out-migration. At the other end of the spectrum, Connecticut, Massachusetts, Nebraska and New Mexico recorded weaker performance, with in-migration below the median and out-migration above it.

The tax picture aligns closely with these movements. States with lower overall tax burdens tend to draw new residents, while higher-tax states are more likely to see people leave. Ernie Goss.

Table 1: Top and bottom states in-migration (attractor) and out-migration (detractor) per 10,000 in population

	Migration Per 10,000 population			Net migration per 10,000 population			
	Attract (In)	Detract (out)	Tax rate	Bottom 10 states	Biggest net losers	Net	Taxes as % of GDP
Median	252	226	5.98%	1	Alaska	-140	2.40%
Big winners (high in-migration & low out-migration)				2	New Jersey	-68	6.88%
North Carolina	272	218	5.21%	3	New York	-65	6.31%
Oklahoma	261	178	5.20%	4	South Dakota	-64	3.65%
Tennessee	267	216	4.95%	5	California	-64	7.87%
	Median tax rate		5.21%	6	Illinois	-64	6.72%
Big losers (low in-migration & high out-migration)				7	Massachusetts	-42	6.31%
Nebraska	247	240	4.15%	8	Colorado	-42	3.88%
Massachusetts	214	255	6.31%	9	New Mexico	-36	10.87%
Connecticut	225	239	7.69%	10	Iowa	-29	4.68%
New Mexico	249	285	10.87%		Median	-64	6.31%
	Median tax rate		7.00%				
				Top 10 states	Biggest net winners	Net	Taxes as % GDP
				42	North Carolina	54	5.21%
				43	Idaho	62	7.44%
				44	Maine	62	7.44%
				45	Arizona	73	4.58%
				46	Oklahoma	83	5.20%
				47	North Dakota	95	6.70%
				48	South Carolina	101	5.82%
				49	Wyoming	110	4.99%
				50	Nevada	126	6.19%
				51	Vermont	146	11.97%
					Median	89	6.01%

Source: U.S. Census Bureau, population migration 2023-24; U.S. Census tax collection; U.S. BEA GDP

BULLISH NEWS

- U.S. economy added 178,000 jobs for February (well above expectations).
- The New York Federal Reserve estimates Q1 GDP growth to come in at an OK 2.4% (annualized). Atlanta Fed's Q1 GDP forecast is 1.3%.
- Average hourly earnings for all private workers rose by 3.5% in March from 12 months earlier to \$37.38 per hour.
- The Case-Shiller National House Price Index rose for a 6th straight month by 1.3% for the 12 months ending in January. Adjusted for inflation, housing prices actually fell by 1.5%.

➤ ISM's & Creighton's March manufacturing readings climbed above growth neutral.

BEARISH NEWS

- In February, the Congressional Budget Office estimated the federal deficit would be 5.8% of the nation's entire economic output in 2026, rising to 6.7% by 2036, well above the 3.8% average over the past 50 years.
- Chapter 12 farm bankruptcies for 2025 rose by 46% from 2024.
- 30-year mortgage rates have risen by 25 basis points (¼%) since Jan. 1, 2026 due to fears of rising inflation.

Main\$street on Your Street



According to the latest monthly survey of bank CEOs in rural areas of a 10-state region dependent on agriculture and/or energy, the overall Rural Mainstreet Index (RMI) dropped below growth neutral for March to its lowest level since October 2025.

Overall: The region's overall reading for March plummeted to 40.9 from February's 47.9. This marks the 13th time since January 2025 that the index has moved below the growth neutral threshold. The index ranges between 0 and 100, with a reading of 50.0 representing growth neutral.

Weakness in farm commodity prices and elevated agriculture input costs are spilling over into the business community. Approximately, 27.2% of bankers reported that small businesses in their area were experiencing declines in business activity.

Farming and ranchland prices: After falling below growth neutral for January and February, the March farm and ranchland index rose to 50.2 from 45.5 in February. Farm and ranchland prices have been holding up much better than farm income.

Jim Eckert, Executive VP and Trust Officer of Anchor State Bank in Anchor, Illinois, reported that "Recent rains in our area have improved farmers' moods, but subsoil moisture is very low, and timely rains will be needed to raise the 2026 crops."

According to trade data from the International Trade Association (ITA), regional exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, increased by 3.0%. However, compared to the first month of 2024, the regional export of agriculture goods and livestock for the first month of 2026 sank by 20.5%.

Farm equipment sales: The March farm equipment sales index increased to a very weak 28.6 from 16.7 in February. This is the 31st straight month that the index has fallen below growth neutral. "The 2026 conflict in Iran has created even more volatility in the agricultural sector, primarily impacting agricultural equipment sales by tightening farmer operating margins, increasing input costs and shifting farmer planting decisions.

Banking: The March loan volume index soared to 78.6 from February's 54.3. The checking deposit index climbed to 64.3 from 60.9 in February. The

region's index for certificates of deposits (CDs) increased to 52.4 from 50.0 in February.

Despite weak farm income, farm loan delinquency rates remained well contained with more than half, or 52.4%, indicating no change or even declines in delinquency rates, with 47.6% reporting that loan delinquency rates increased modestly.

Hiring: The new hiring index for March increased to 49.9 from February's 49.1. Job gains for non-farm rural employers have remained soft for the last several months. In March, 27.3% of bankers reported small businesses in their area were contracting, with 68.2% remaining stable and only 4.5% indicating small business expansion.

According to Jeff Bonnett, CEO of Havana National Bank in Havana, Illinois, "The communities we serve are totally dependent on the Ag economy. That said, our small businesses on Main Street are suffering along with our grain producers. We are now in our fourth year of tough local economic times due to this sustained downturn in the Ag economy."

Confidence: Rural bankers remain pessimistic about economic growth for their area over the next six months. The March confidence index plunged to 29.5 from 45.8 in February, which was the highest reading since March 2022. In spite of \$12 billion of federal farm support, weak grain prices, higher input prices and expected negative farm cash flows continued to weigh on banker confidence.

Home and retail sales: March home sales advanced to 54.5 from 43.2 in February. Regional retail sales improved slightly to 43.2 from 42.1 in February.

Below are the state reports:

Colorado: The state's Rural Mainstreet Index (RMI) for March dropped to 40.1 from 47.0 in February. The farm and ranchland price index for March improved to 49.5 from February's 44.9. The state's new hiring index increased to 49.4 from 48.5 in February. According to trade data from the ITA, Colorado exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by

GOSS EGGS

RECENT DUMB

Economic Steps, Inactions, and/or Lies

“Subwoofers, Gun Shots, And a Dead Duck”

My daughter, who spent all of her working life in New York and California, jettisoned Port Hueneme, California with her dog Wilbur in tow for what was supposed to be a respite from California scheming to Denver dreaming.

But instead, bad California legislation accompanied her to the “mile high” city as Colorado launched a California look alike Section 8 Housing Bill. The new Colorado bill mandated that all landlords accept Section 8 housing vouchers in lieu of cash and make it a fair housing violation to refuse subsidized Section 8 housing applicants. Additionally, the new law sets a \$20 late fee cap (i.e. less than 1%) on Section 8 renters, which is a bit more than your typical late fee on a book at your local library.

As a result, what was a relatively peaceful arrival, turned into a nightmare with the nightly sounds of throbbing subwoofers blasting the neighborhood with sounds that only an unemployed teen, high school dropout could enjoy. In addition to the sounds of a pounding stereo, nightly gun shots now dot her evenings. However, the crowning blow was when one of her neighbors hammered a duck to death with a shovel on the apartment grounds. As a result, she uprooted Wilbur for a more upscale apartment in the city. Unfortunately, a social worker’s pay does not go very far with her rent now consuming about 45% of her take home pay. What starts in California should stay in California. Ernie Goss

4 OF 5 GOSS EGGS



53.6%. Compared to the first month of 2024, the Colorado exports of agriculture and livestock for the first month of 2026 sank by 5.6%.

Illinois: The state’s March Rural Mainstreet Index (RMI) sank to 39.1 from 45.8 in February. The farm and ranchland price index for March climbed to 48.3 from February’s 43.8. The state’s new hiring index for March rose to 48.1 from February’s 47.3. According to trade data from the ITA, Illinois exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 25.0%. Compared to the first month of 2024, the Illinois exports of agriculture and livestock for the first month of 2026 sank by 50.2%.

Iowa: March’s RMI for the state sank to 39.7 from 46.5 in February. Iowa’s farm and ranchland price index for March rose to 51.0 from February’s 44.4. Iowa’s new hiring index for March advanced to 48.7 from 47.9 in February. According to trade data from the ITA, Iowa exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, expanded by 108.4%. Compared to the first month of 2024, the Iowa exports of agriculture and livestock for the first month of 2026 climbed by 44.3%.

Kansas: The Kansas RMI for March declined to 40.3 from 47.2 in February. The state’s farm and ranchland price index climbed to 49.6 from February’s 45.1. The new hiring index for Kansas increased to 49.5 from 48.7 in February. According to trade data from the ITA, Kansas exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, expanded by 118.3%. Compared to the first month of 2024, the Kansas exports of agriculture and livestock for the first month of 2026 climbed by 47.9%.

Minnesota: The March RMI for Minnesota dropped to 42.2 from February’s 49.4. Minnesota’s farm and ranchland price index rose to 52.1 from 47.2 in February. The new hiring index for March increased to 52.2 from 51.4 in February. According to trade data from the ITA, Minnesota exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, expanded by 0.5%. However, compared to the first month of 2024, the Minnesota exports of agriculture and livestock for the first month of 2026 sank by 16.0%.

Missouri: The March RMI for the state decreased to 45.3 from 53.0 in February. The farm and ranchland price index for March improved to 55.9 from February’s 50.7. The state’s new hiring gauge for March rose to 55.6 from February’s 54.7. According to trade data from the ITA, Missouri exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 21.4%. Compared to the first month of 2024, the Missouri exports of agriculture and livestock for the first month of 2026 sank by 39.8%.

Nebraska: The state’s March RMI advanced to 52.8 from 43.1 in February. Nebraska’s new hiring index climbed to 47.3 from 46.5 in February.

According to trade data from the ITA, Nebraska exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 1.6%. Compared to the first month of 2024, the Nebraska exports of agriculture and livestock for the first month of 2026 sank by 10.1%.

North Dakota: The state’s overall RMI for March decreased to 40.0 from 46.9 in February. The state’s farm and ranchland price index for March rose to 48.8 from 44.2 in February. The state’s new hiring index climbed to 49.2 from 48.4 in February. According to trade data from the ITA, North Dakota exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 36.2%. Compared to the first month of 2024, the North Dakota exports of agriculture and livestock for the first month of 2026 sank by 45.9%.

South Dakota: The March RMI for South Dakota sank to 40.3 from February’s 47.2. The state’s farm and ranchland price index expanded to 49.9 from 45.2 in February. South Dakota’s March new hiring index improved to 49.5 from 48.7 in February. According to trade data from the ITA, South Dakota exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 82.2%. Compared to the first month of 2024, the South Dakota exports of agriculture and livestock for the first month of 2026 sank by 39.9%.

Wyoming: The overall RMI for Wyoming for March slumped to 39.4 from February’s 46.2. The March farm and ranchland price index rose to 48.8 from 44.2 in February. Wyoming’s new hiring index increased to 48.4 from February’s 47.6. According to trade data from the ITA, Wyoming exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, expanded by 56.1%. Compared to the first month of 2024, the Wyoming exports of agriculture and livestock for the first month of 2026 soared by 629.2%.

Tables 1 and 2 summarize the survey findings. Next month’s survey results will be released on the third Thursday of the month, April 16, 2026.



KEEP AN EYE ON

1. The Federal Reserve Open Market Committee (FOMC) meets on April 28/29. Listen for Powell to identify changes to the Fed's bond buying (formerly QE). The Fed is buying approximately \$50 billion per month. These purchases are intended to put a lid on long-term interest rates.

2. Keep an eye on the U.S. estimated U.S. budget deficit. The President has requested a \$1.5 trillion defense budget for fiscal 2027. He also proposed a 10% reduction in non-defense spending. He will get his defense expansion but not his spending cut. Thus the U.S. will looking at a post-Covid record budget deficit.

3. The personal consumption expenditures (PCE) was released this morning (i.e. after this newsletter was put together). It is a very consequential release. Any value above 2.8% YOY is a problem.

THE OUTLOOK. National Association of Business Economics (March).

"The March 2026 NABE Outlook Flash Survey, fielded just two weeks after the March 2026 NABE Outlook Survey, shows the economic outlook has shifted quickly and meaningfully," said NABE President Greg Daco, "The majority of respondents now expects recent geopolitical developments to reduce 2026 GDP growth and push headline and core inflation higher this year and into 2027. The outlook for interest rates has fractured in turn, with panelists' views now nearly evenly split between no cuts, one cut, and two cuts this year. That rapid deterioration in sentiment sits against the initial March survey that had already told a cautionary tale: the share of forecasters viewing risks as skewed to the downside had jumped sharply from 48% in November to 77%, driven by a broadening of geopolitical conflicts."

The Creighton Portfolio Practicum, led by Professor Melissa Woodley, Ph.D.

Established in 1992, Portfolio Practicum is a two-semester course in which the Heider College of Business' top seniors apply what they have learned in the classroom to invest \$9.5 million of Creighton University endowment funds. These student managers are responsible for overseeing the Creighton University Student Portfolio (CUSP). Adhering to the principles of value investing, the CUSP Fund remains one of the largest equity portfolios managed entirely by university students. Table 1 lists recent buys and sells of CUSP.

Table 1: January 2026 - March 2026 (CUSP stock buys and sells)

Buys						
Freeport McMoran	CRH Plc	Eaton Corp.	Waste Management	Net Ease	WalMart	Cosco
Sells						
Eagle Material	Graphic Packaging	Herc Holdings	FedEx	Electronic Arts	Kroger	

BANKER READING ROOM

"USDA Cuts 2025 Farm Income as Weakness Persists into 2026,"

Key Takeaways

>USDA projects net farm income will slip lower in 2026 and remain roughly \$48 billion (24%) below the record highs reached in 2022, underscoring a generational downturn in the farm economy.

>Strength in the beef market masks broader financial weakness across most commodity sectors.

>USDA's latest update dramatically rewrites the 2025 story, cutting net farm income by roughly \$25 billion from last fall and revealing a much weaker rebound.

>Production expenses continue to climb to record highs while low commodity prices strain farm finances, and rising debt levels leave farmers unable to absorb ongoing losses.

At the same time, USDA revised 2025 production expenses higher, to \$473.1 billion, while adjusting direct government payments lower, to about \$30.5 billion, roughly \$10 billion below earlier expectations. Together, these revisions suggest the farm economy is experiencing a generational downturn rather than a temporary slowdown. Outside of the cattle sector, most commodity markets are weakening.

<https://tinyurl.com/37jwr8b4>

STATISTIC(S) OF THE MONTH

\$37,172

When they graduate, the average student loan borrower has \$37,172 in student loans, up from just \$17,172 in 2012.



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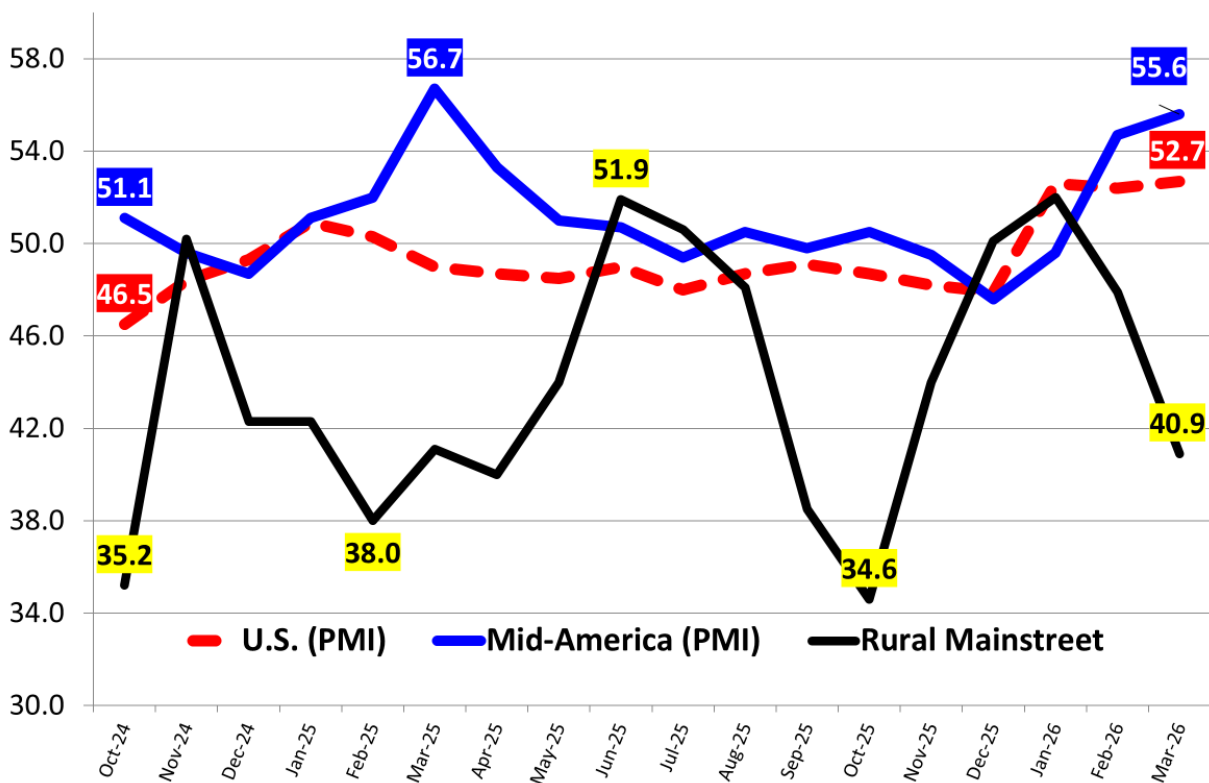
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This month's survey results will be released on the third Thursday of the month.

Economic Indicators for U.S., Rural Mainstreet, & Mid-America

Creighton & U.S. PMIs, last 18 months (50.0 = Growth Neutral)



SURVEY RESULTS

Table 1: Rural Mainstreet Economy Last 2 Months & One Year Ago: (index > 50 indicates expansion)			
	March 2025	Feb. 2026	March 2026
Area Economic Index	41.1	47.9	40.9
Loan Volume	77.8	54.3	78.6
Checking Deposits	50.0	60.9	64.3
Certificates of Deposit and Savings Instruments	55.6	50.0	52.4
Farmland Prices	38.9	45.5	50.2
Farm Equipment Sales	20.8	16.7	28.6
Home Sales	42.6	43.2	54.5
Hiring	53.7	49.1	49.9
Retail Business	40.4	42.1	43.2
Confidence Index (area economy six months out)	30.4	45.8	29.5

Table 2: The Rural Mainstreet Economy, March 2026						
	Percentage of Bankers Reporting					
	Decreasing	No Change		Increasing Moderately	Increasing Significantly	
What changes have you observed in loan defaults or delinquencies?	4.8%	47.6%		47.1%	0.5%	
	Percentage of Bankers Reporting					
	Significant Decline	Moderate Decline	Stable	Moderate Growth	Strong Expansion	
How are small businesses in your community performing?	4.6%	22.7%	68.2%	0.4%	4.1%	
	Percentage of Bankers Reporting					
	Agriculture	Manufacturing	Energy	Services/Retail	Construction	Government/Health/Education
What sectors of your local economy are currently driving growth?	45.5%	0.0%	0.0%	4.6%	36.4%	13.5%