

ECONOMIC AND AGRICULTURAL CONDITIONS IN NORTH DAKOTA AND THE U.S.

October 2, 2026

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Regional Outreach Director



FEDERAL RESERVE BANK
OF MINNEAPOLIS

DISCLAIMER

The views expressed here are
the presenter's and not
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Federal Reserve Bank of
Minneapolis or the Federal
Reserve System.



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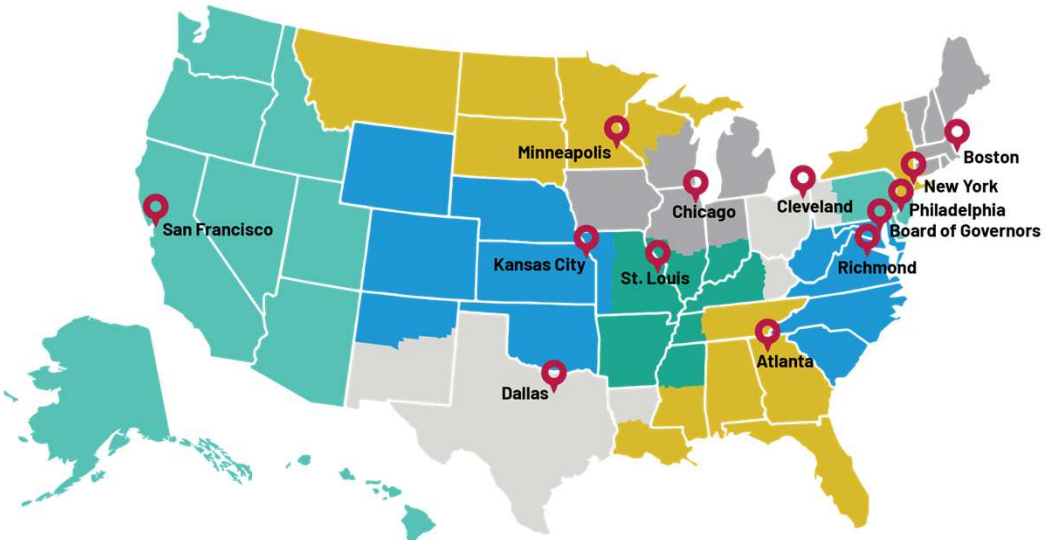
AGENDA

- **Federal Reserve Background**
- **Economic update**
 - Labor market dynamics
 - Inflation progress
 - The Fed's response
- **Regional economic conditions**
 - Agriculture
 - Business conditions



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ORGANIZATION OF THE FED

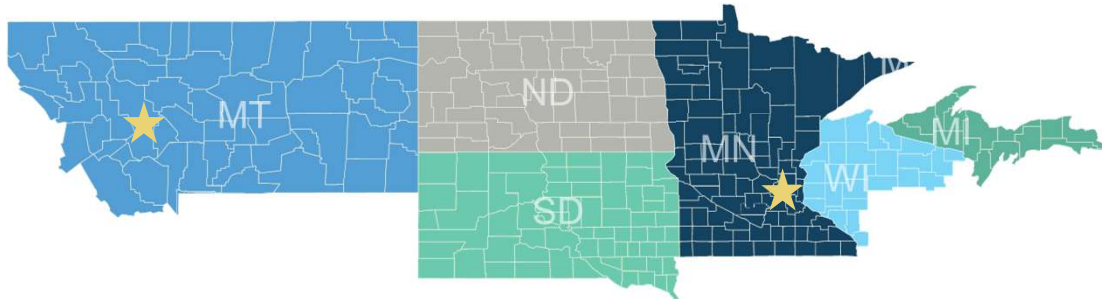




FEDERAL RESERVE BANK OF MINNEAPOLIS

FEDERAL RESERVE BANK OF MINNEAPOLIS

THE FED'S NINTH DISTRICT



THE FEDERAL RESERVE'S CONGRESSIONAL MANDATE

The Federal Reserve Act mandates that the Federal Reserve conduct monetary policy “so as to *promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.*”

Dual Mandate: maximum employment and price stability

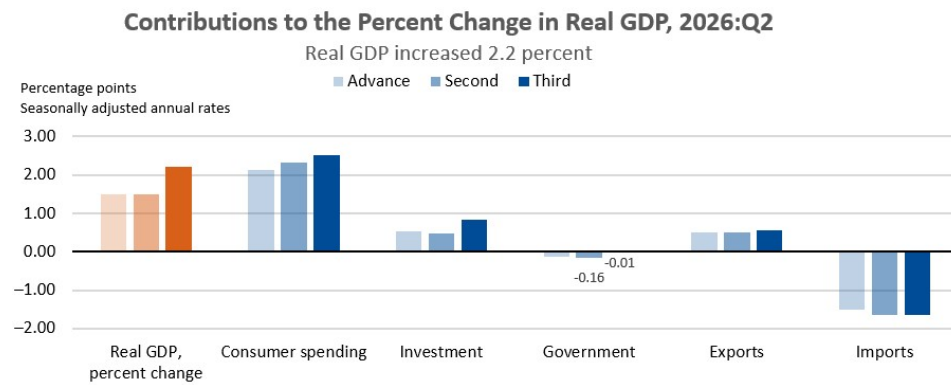




U.S. ECONOMIC UPDATE

NONCONFIDENTIAL // EXTERNAL

SOLID U.S. REAL GDP GROWTH IN Q2



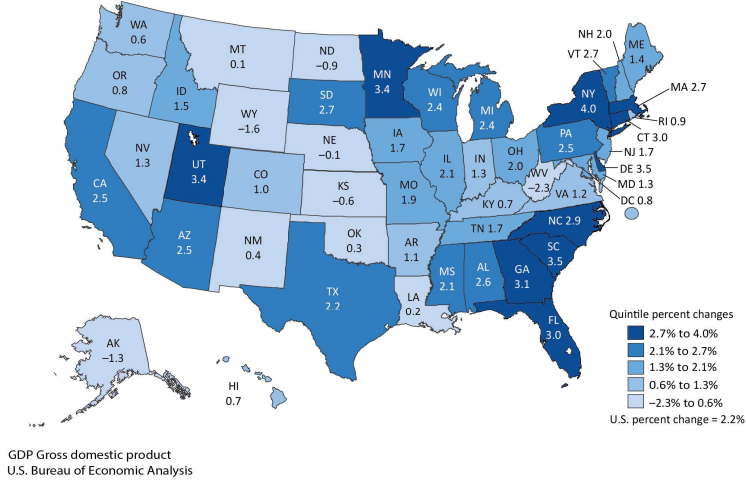
GDP Gross domestic product

Note. Imports are a subtraction in the calculation of GDP. An increase in imports results in a negative contribution to GDP, and a decrease in imports results in a positive contribution to GDP.
U.S. Bureau of Economic Analysis

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MODERATE U.S. REAL GDP GROWTH IN Q2

Real GDP: Percent Change at Annual Rate, 2026:Q1–2026:Q2



9

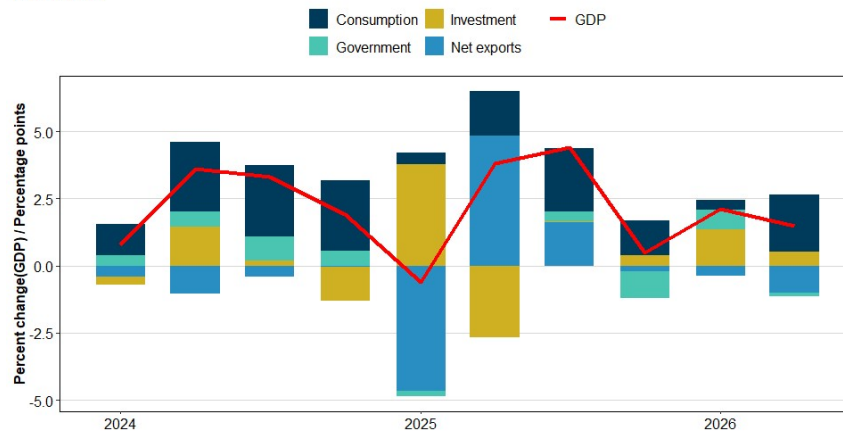


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MODERATE U.S. REAL GDP GROWTH IN Q2

Contributions to U.S. Real GDP

SA annual rates



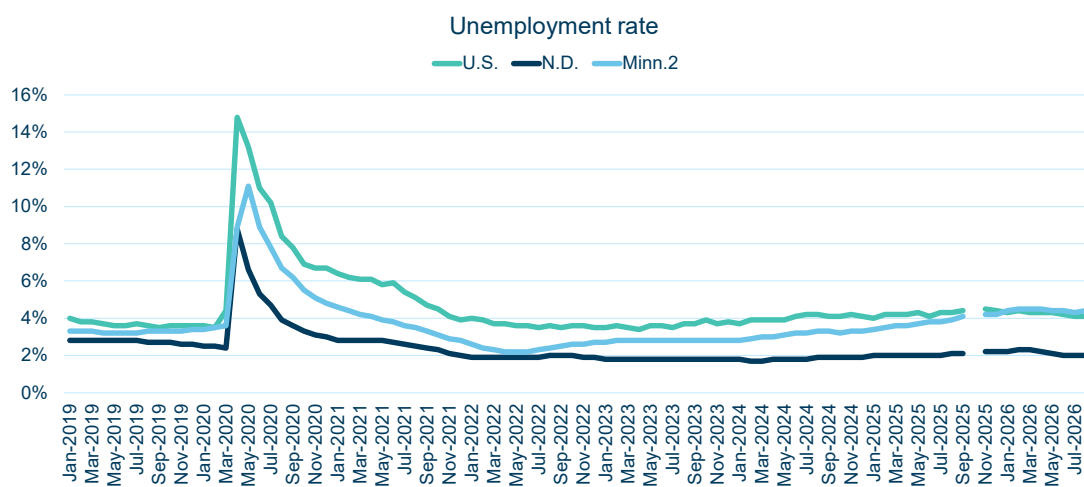
Source: Bureau of Economic Analysis

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EMPLOYMENT MANDATE

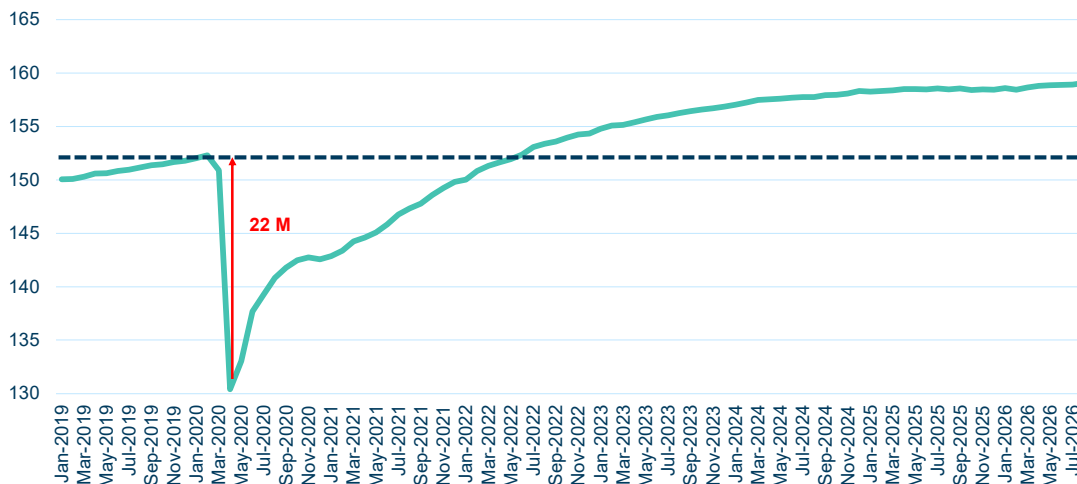
UNEMPLOYMENT LOW, STEADY RECENTLY



Source: Bureau of Labor Statistics

EMPLOYMENT HIGH, GROWTH CONTINUES

MILLIONS, LEVEL



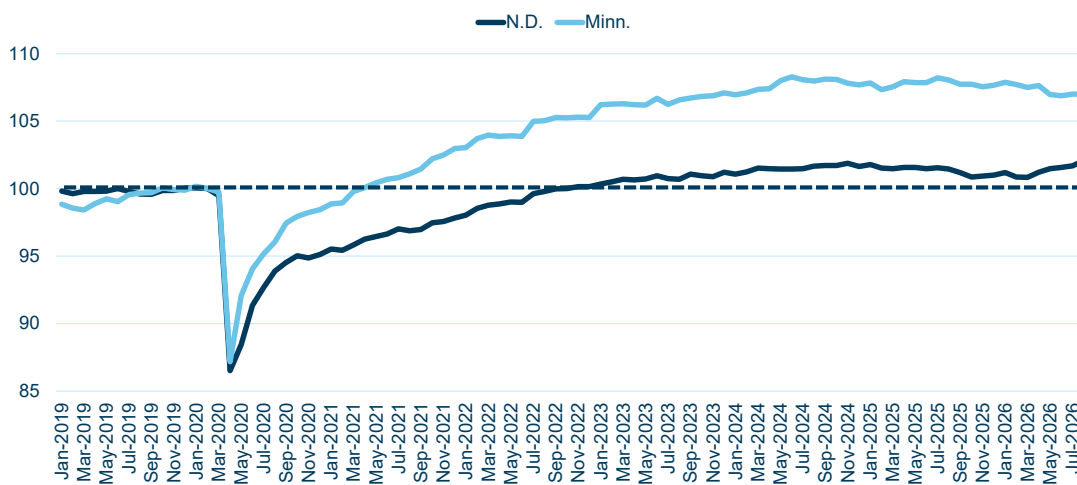
Source: Bureau of Labor Statistics



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N.D. EMPLOYMENT ACCELERATED RECENTLY

INDEX, FEB. 2020 = 100

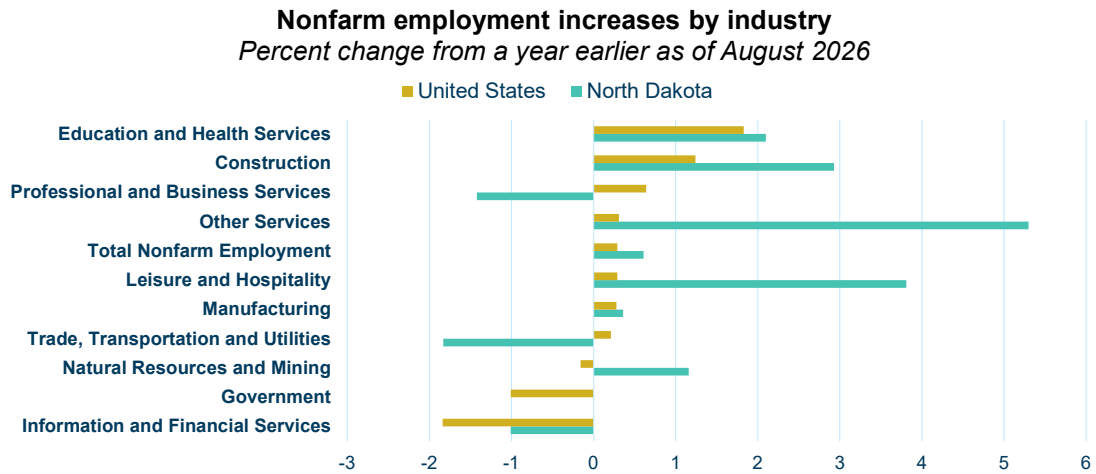


Source: Bureau of Labor Statistics



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EMPLOYMENT DECLINING IN SOME INDUSTRIES

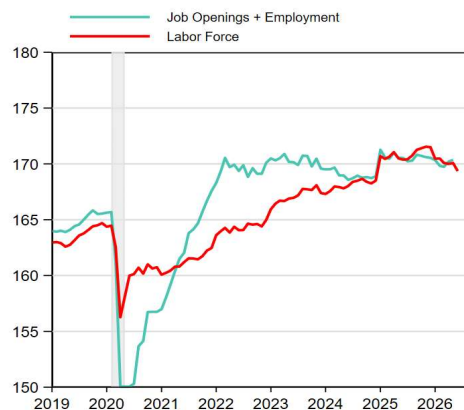


Source: Bureau of Labor Statistics



LABOR MARKET APPEARS BROADLY BALANCED

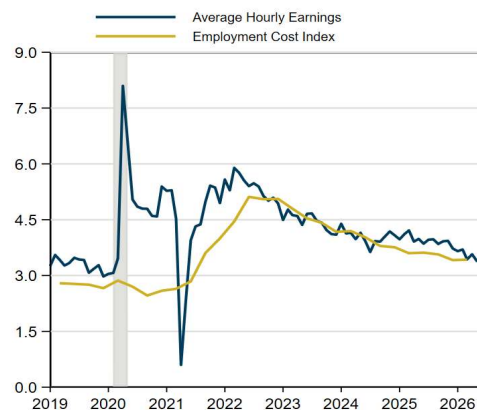
JOB-WORKERS GAP MILLIONS



Note: Job openings + employment is truncated at 150M for readability.
Source: Bureau of Labor Statistics.

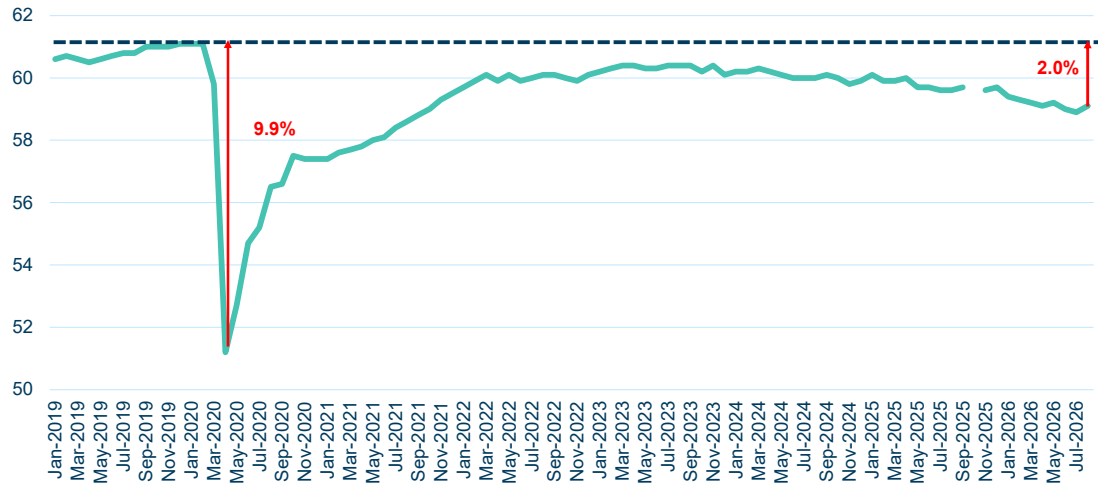
WAGES

12-MONTH PERCENT CHANGE



EMPLOYMENT-POPULATION RATIO

16+, PERCENT

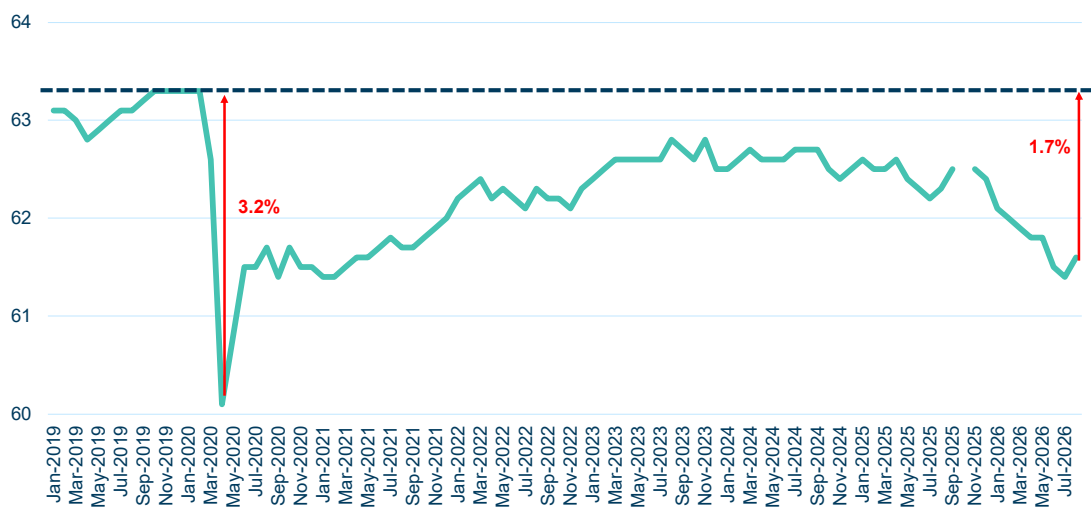


Source: Bureau of Labor Statistics



LABOR FORCE PARTICIPATION RATE

16+, PERCENT

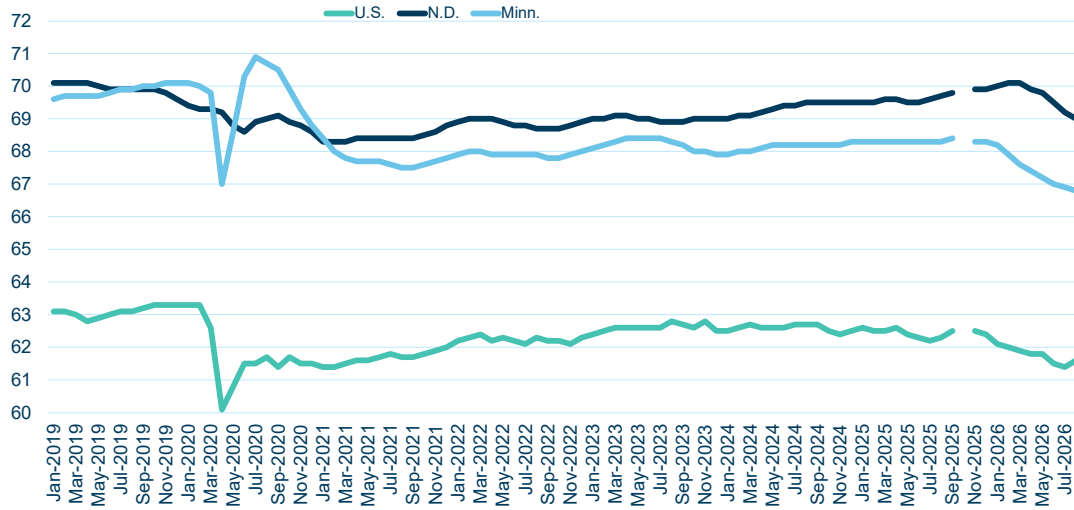


Source: Bureau of Labor Statistics



LABOR FORCE PARTICIPATION RATE

16+, PERCENT

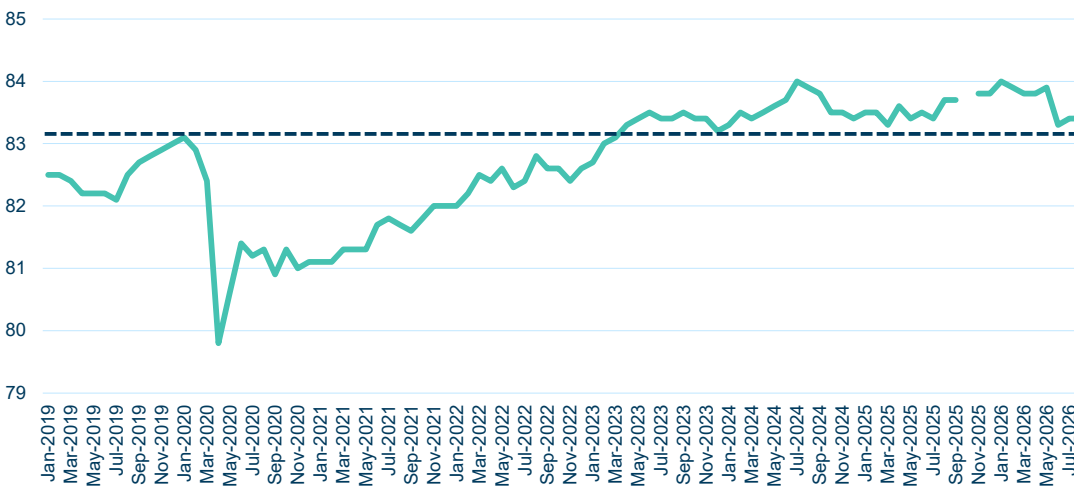


Source: Bureau of Labor Statistics



PRIME AGE LABOR FORCE PARTICIPATION RATE

AGE 25-54, PERCENT

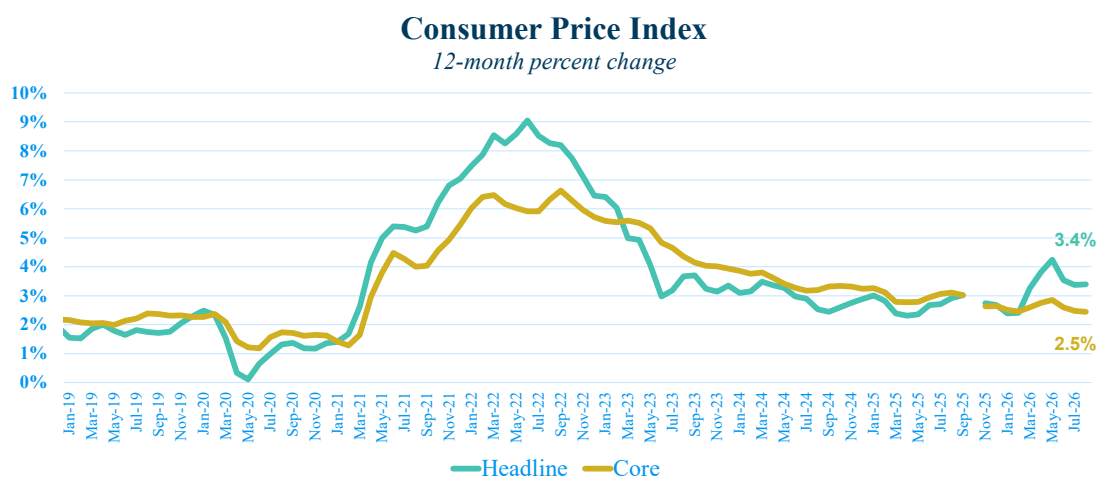


Source: Bureau of Labor Statistics



INFLATION MADATE

OVERALL INFLATION RATE JUMPED AFTER IRAN WAR

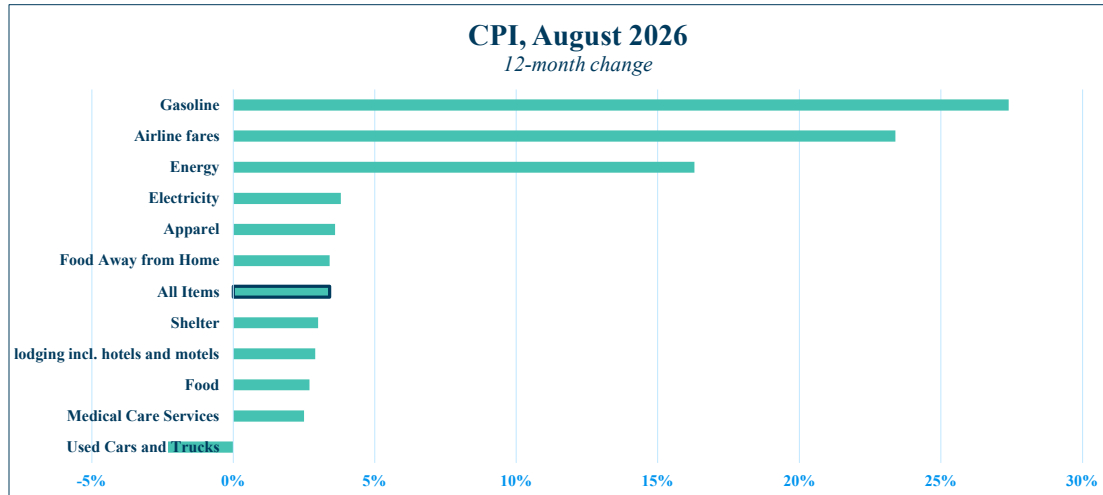


Source: Bureau of Labor Statistics



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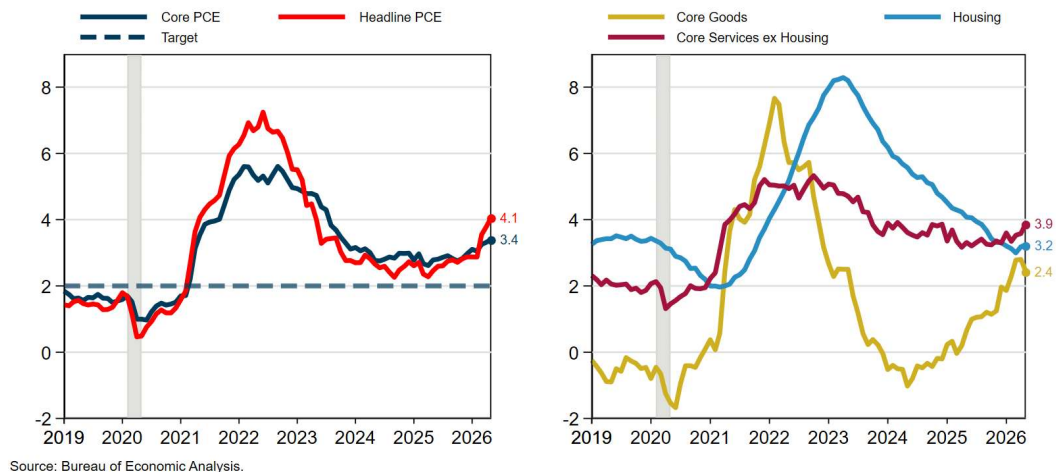
WHAT'S GOING UP/DOWN THE MOST?



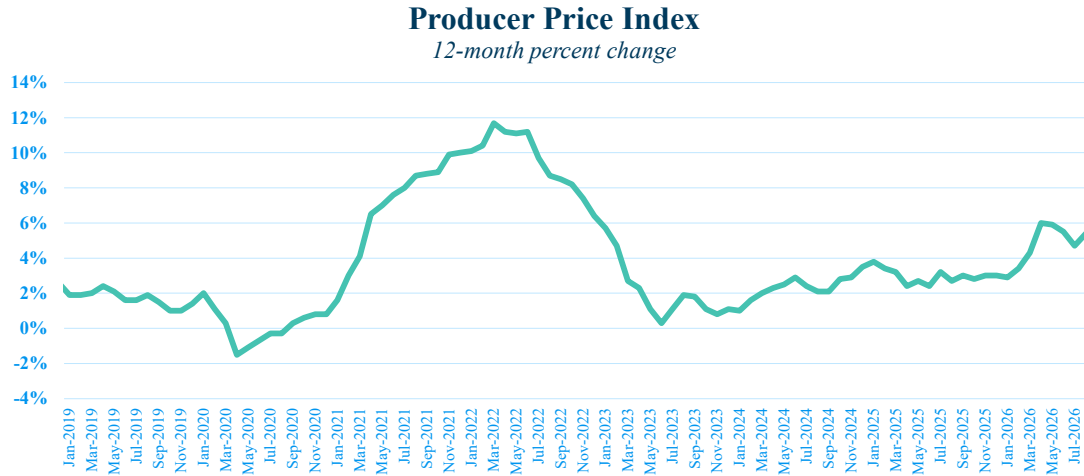
INFLATION HAS MOVED FURTHER ABOVE TARGET

PCE INFLATION

12-MONTH PERCENT CHANGE



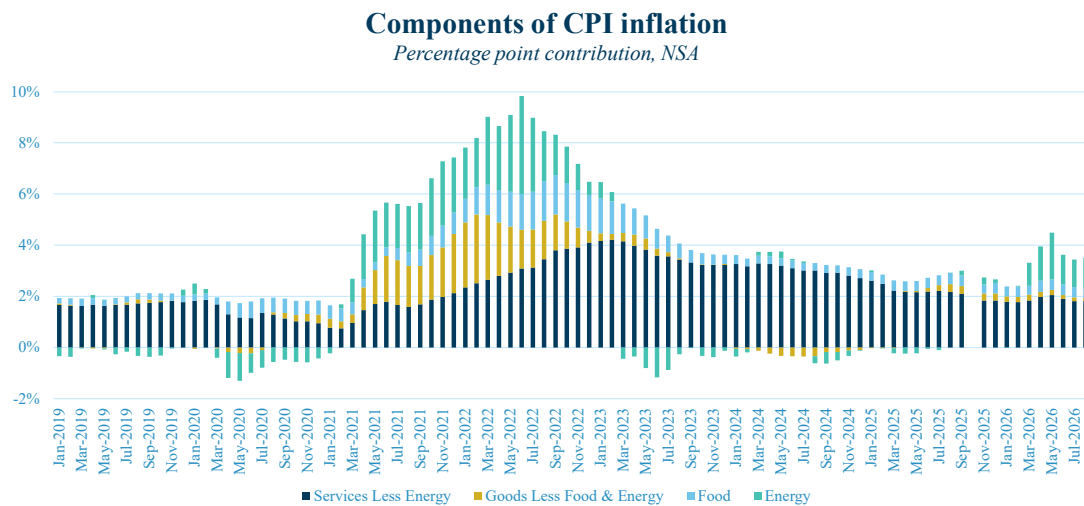
WHOLESALE PRICES SPIKING



Source: Bureau of Labor Statistics



ENERGY PUSHING INFLATION, GOODS STILL UP



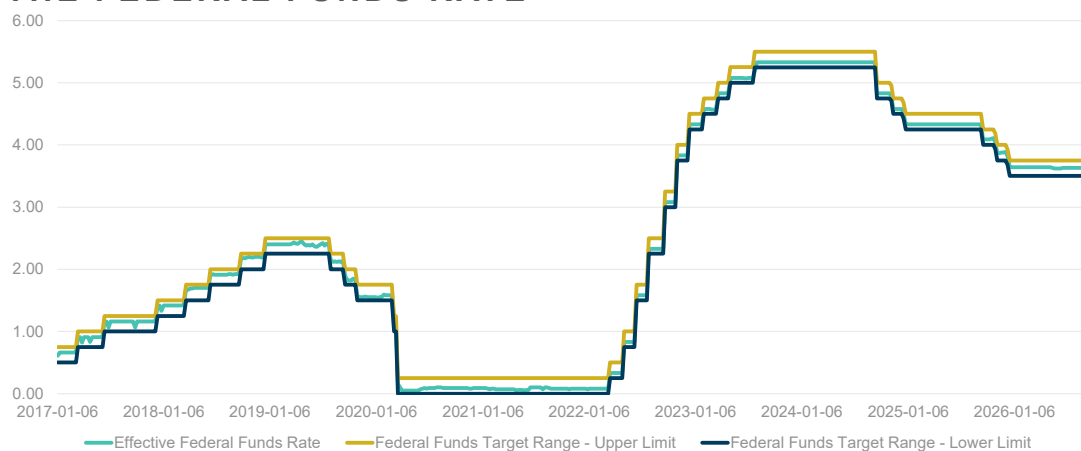
Source: Bureau of Labor Statistics



THE FED'S RESPONSE

FOMC RAISED RATES AT SEPTEMBER MEETING

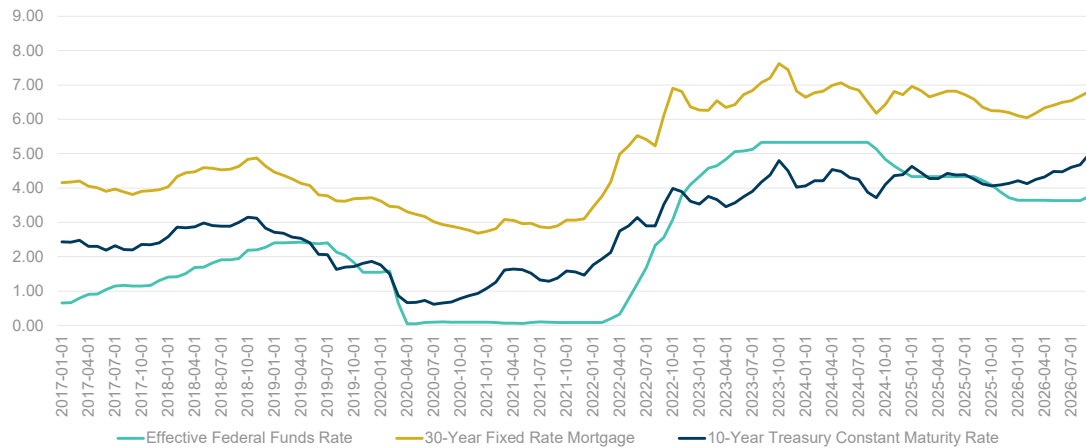
THE FEDERAL FUNDS RATE



Source: Board of Governors of the Federal Reserve System



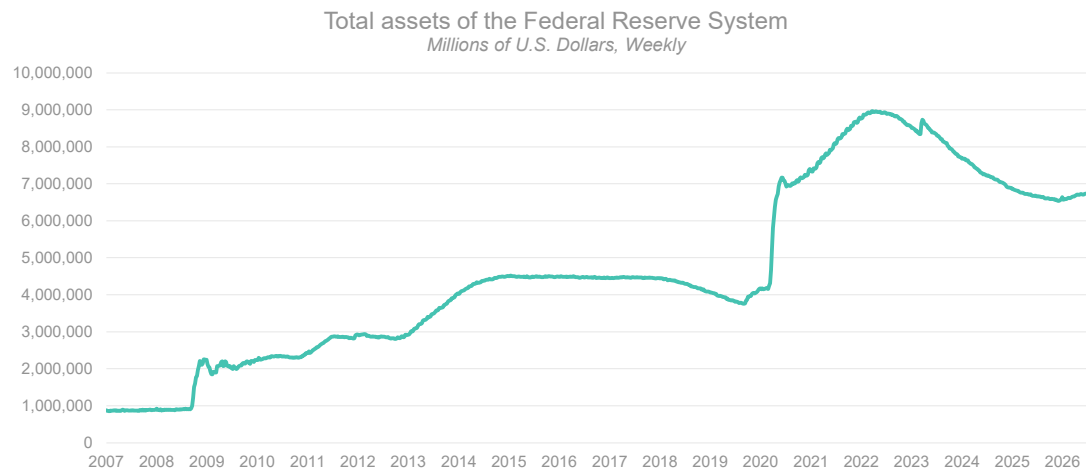
LONG-TERM UP SLIGHTLY RECENTLY



Source: Board of Governors of the Federal Reserve System



BALANCE SHEET NORMALIZATION CONTINUES

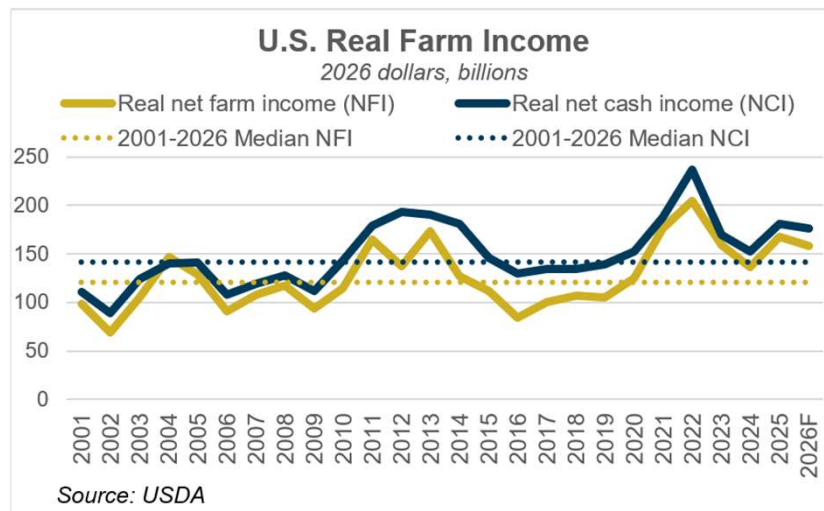


MARKET INFLATION EXPECTATIONS TICKED UP

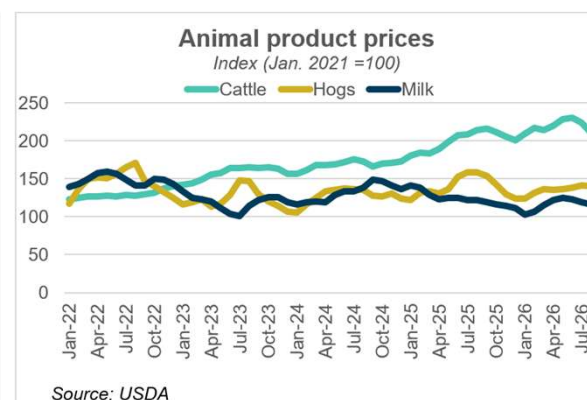
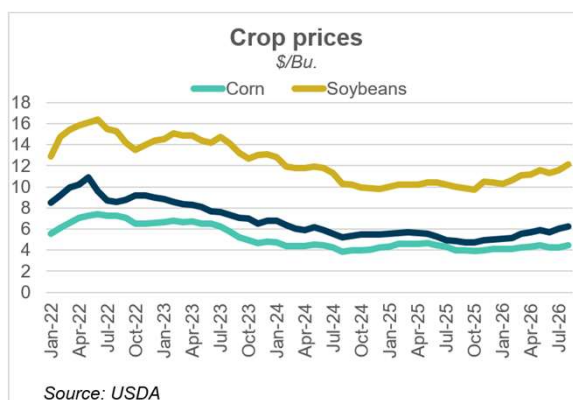


AGRICULTURAL CONDITIONS

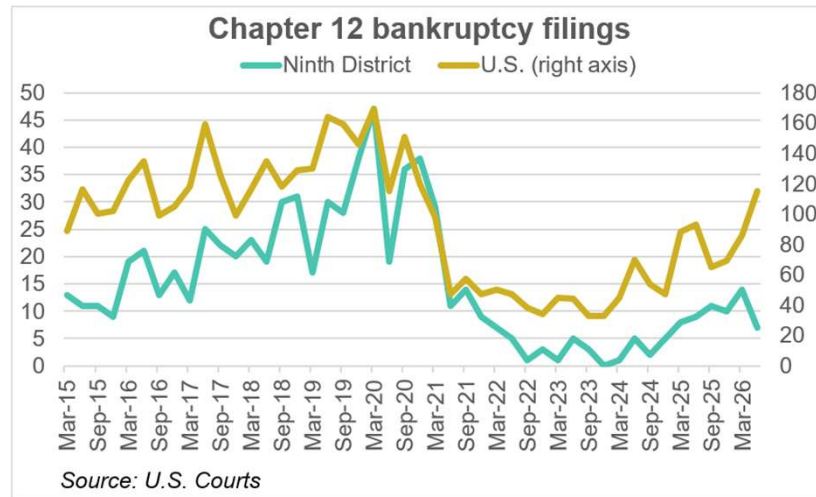
DECLINING INCOMES, BUT ABOVE 25-YEAR AVERAGE



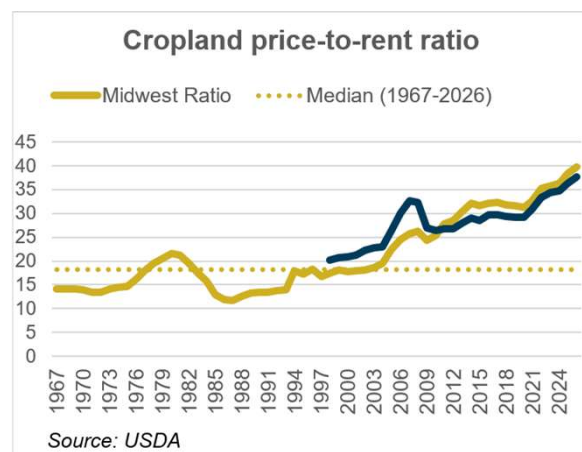
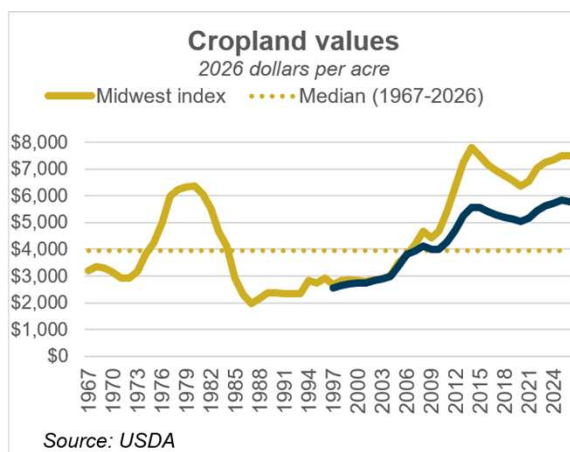
CROP PRICES RALLYING, ANIMAL PRODUCTS RETREATING



FARM BANKRUPTCIES TRENDING UP BUT STILL LOW



LAND VALUES KEEP CLIMBING, RENTS LESS SO



UPCOMING WEBINAR

Quarterly Ag Credit Survey
release

Nov. 13, 10:00 a.m.

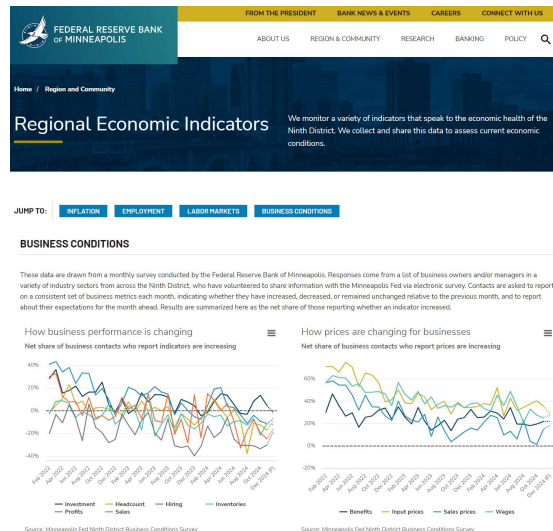
Register on [Minneapolisfed.org](https://minneapolisfed.org)



REGIONAL BUSINESS CONDITIONS

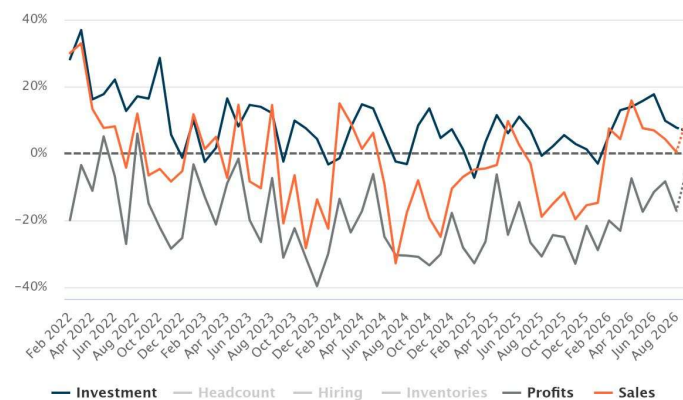
MINNEAPOLIS FED BUSINESS PULSE SURVEY

- Monthly business conditions survey, three years running
- Tracks a variety of business indicators and prices, looking one month back and forward
- Results published on minneapolisfed.org



BUSINESS CONDITIONS UP THIS YEAR

How business performance is changing
Net share of business contacts who report indicators are increasing



Source: Minneapolis Fed Ninth District Business Conditions Survey

Highcharts.com



EMPLOYMENT POSITIVE BUT SOFT

How business performance is changing

Net share of business contacts who report indicators are increasing



Source: Minneapolis Fed Ninth District Business Conditions Survey

Highcharts.com



PRICE PRESSURES UP, ESP. FOR INPUTS

How prices are changing for businesses

Net share of business contacts who report prices are increasing



Source: Minneapolis Fed Ninth District Business Conditions Survey

Highcharts.com

