



**For Immediate Release**  
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## **FCA Board Receives Report on Cost-of-Production Trends for Grain and Soybean Producers**

McLEAN, Va., Feb. 8, 2018 — At its monthly meeting today, the Farm Credit Administration board received a report on cost-of-production trends for grain and soybean producers. According to the report, production costs per acre have not declined as much as crop prices have declined. Fortunately for producers, strong yields have helped support their incomes.

The decline in fertilizer costs and cash rents accounts for most of the decline in production costs in several midwestern states. However, although cash rents have been declining in some states, these declines have been slow. Finally, rising interest rates are posing a risk to farmland values and farmers' cash flow.

### **Closed Session**

During the closed session, the FCA board received a periodic report from the Office of Secondary Market Oversight.

### **Notational Votes**

Since the Jan. 11 FCA board meeting, the following notational vote has occurred. Notational votes are actions taken by the FCA board between board meetings.

On Jan. 25, the board voted to adopt a proposed rule to amend the definition of the "eligible master netting agreement" in the final rule on margin and capital requirements for covered swap entities. The proposed rule would also clarify that swaps entered into before the applicable compliance date would not become subject to the margin requirements if the swaps are amended solely to comply with the requirements of the qualified financial contracts rules of the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency. For more information, see the [news release issued jointly by FCA and four other agencies](#) earlier this week.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac) that was established in 1988. The System's borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA board are Dallas P. Tonsager, board chairman and CEO, Jeffery S. Hall, and Glen R. Smith. FCA news releases are available on the web at [www.fca.gov](http://www.fca.gov).