

Incorporating Special Topics at the Kansas City Fed

8th Annual Conference of Central Bank
Business Surveys and Liaison Programmes

November 27-29, 2017

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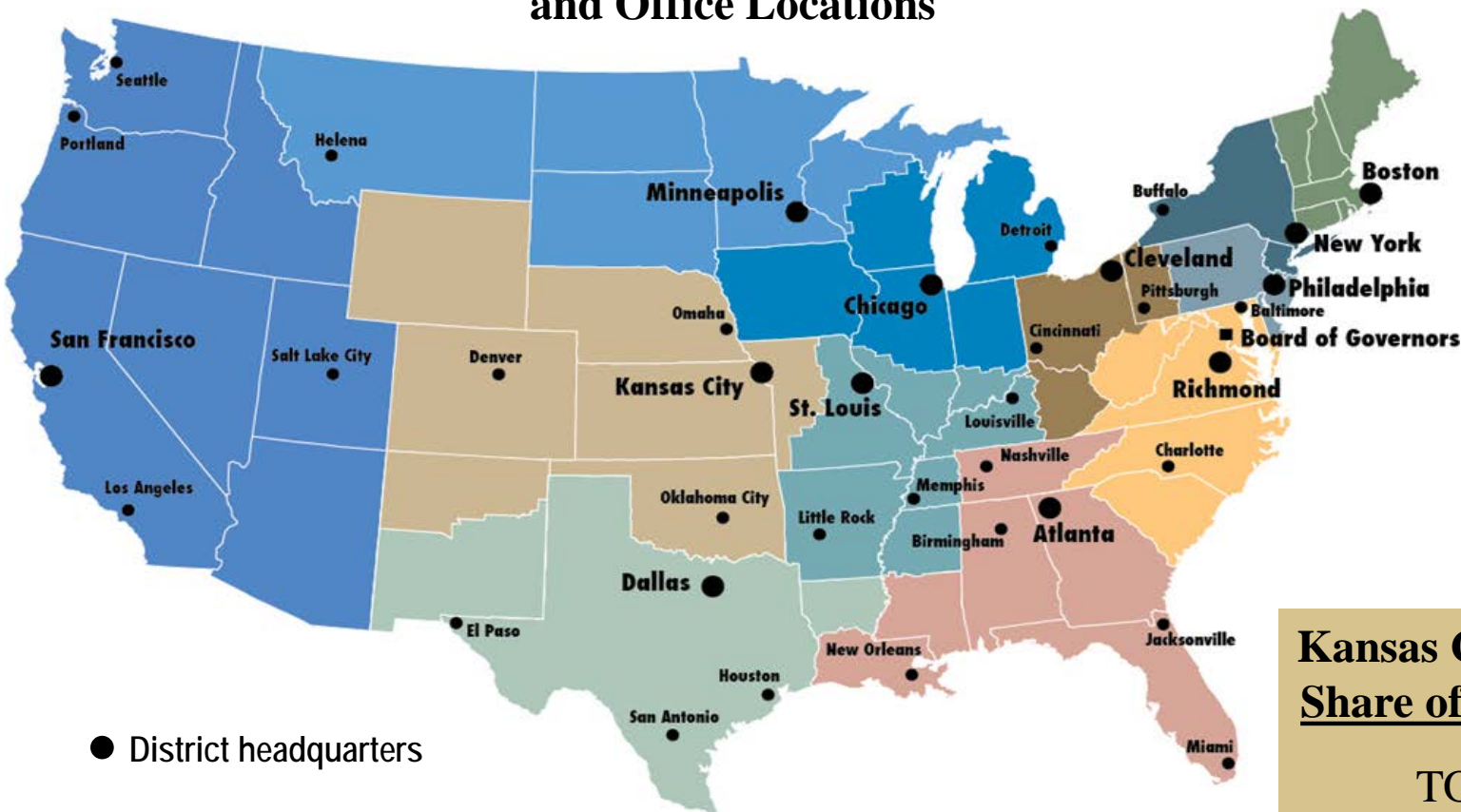
Vice President and Oklahoma City Branch Executive



FEDERAL RESERVE BANK *of* KANSAS CITY

Kansas City Fed District and Key Industries

Federal Reserve Districts and Office Locations



Kansas City Fed District Share of U.S. GDP, 2016

TOTAL: 7%

Mining: 17%

Agriculture: 12%

Transportation: 9%

KC Fed Business Intelligence Gathering Methods, Including for Special Topics

Regular online industry panel surveys

- ❑ Monthly: Manufacturing (since 1994) & Services (since 2014)
- ❑ Quarterly: Agriculture (since 1980) & Energy (since 2014)
- ❑ Supplemental contacts for Federal Reserve Beige Book report
- ❑ Firms are asked both up/down diffusion index questions and special questions

Board of Director meetings and business roundtables

- ❑ These occur roughly monthly at all four Kansas City Fed offices
- ❑ Typically include 7 to 9 participants from either a cross-section of industries (board meetings and local area meetings) or a specific industry
- ❑ Participants are asked to share about general trends at their firm as well as any insights they may have on a provided special topic of interest to the Fed

Process for Selecting Special Topics and How Results Are Ultimately Used

Special topic questions can come from:

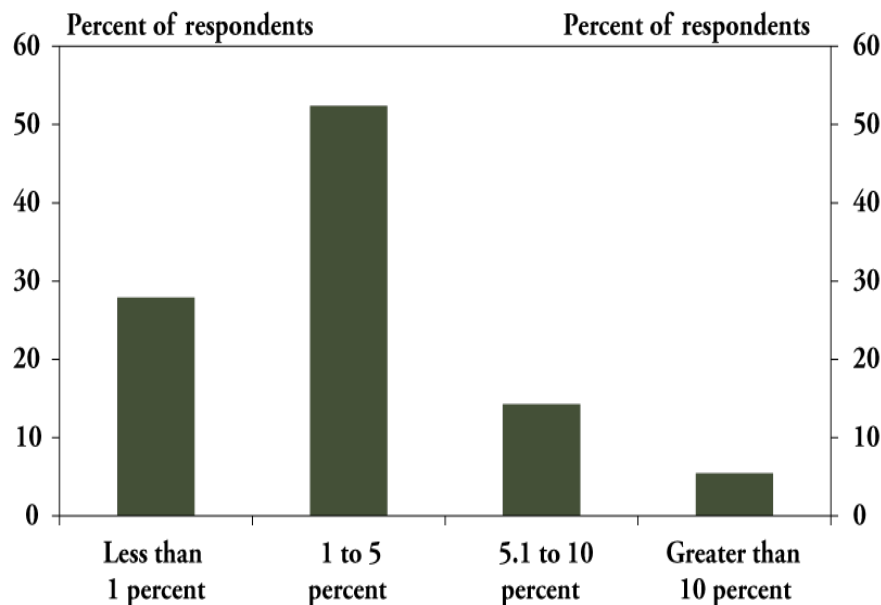
- ❑ KC Fed President Esther George ahead of FOMC meetings
- ❑ Occasionally the Fed's Board of Governors to all Reserve Banks
- ❑ Otherwise, via coordination between the manager of the survey/meeting and researchers in the KC Fed Research Dept.

Special topic question results can be used:

- ❑ As inputs into Pre-FOMC briefings or the Fed's Beige Book
- ❑ Charts in public releases of our surveys and for public speeches
- ❑ To help identify or inform longer-term research projects

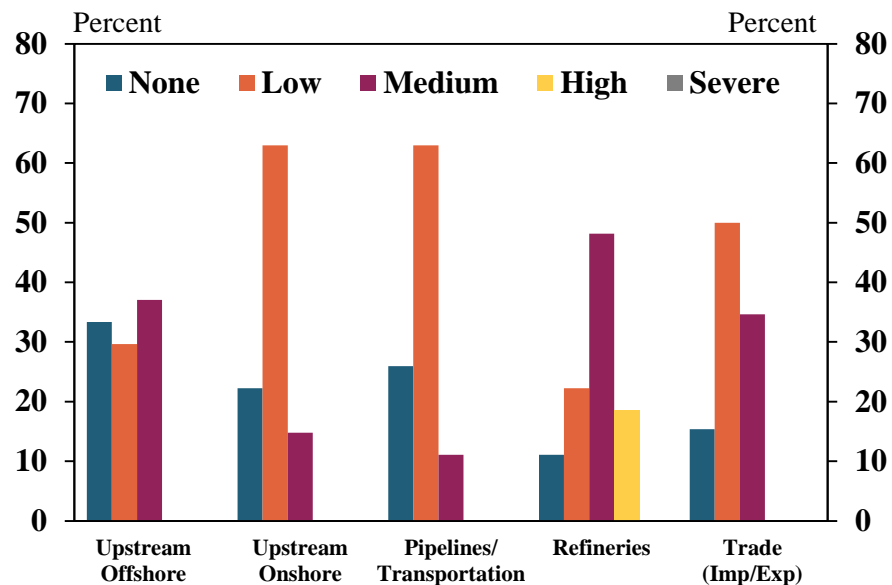
Charts of Recent Special Topic Questions

“What percent of your farm borrowers plan to sell mid-to long-term assets before the end of the year in an effort to improve available working capital or make loan payments?”



Source: KCFRB Agricultural Credit Survey

“What is your estimated severity of impact from Hurricane Harvey on each segment of the oil and gas industry?”



Source: KCFRB Energy Survey

Additional Recent Special Topic Questions

Manufacturing and Services Surveys

- *“Has your firm found it more difficult to hire qualified workers recently? If so, how has your recruiting strategy shifted as a result?”*

Board Meetings and Business Roundtables

- *“What are the main factors affecting your outlook for prices in your firm, industry, or region? Do firms feel they can pass along increases in wages and input prices?”*