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## Federal Reserve Says Farm Income Weaker in 1Q

OMAHA, Neb. (AP) - The Federal Reserve says farm income growth slowed across the Plains and western states in the first quarter as costs increased and the drought lingered.

The nation's central bank branch in Kansas City, Missouri, said Wednesday that the growth in farm income has slowed this year because farmers and ranchers are dealing with higher costs.

Bankers expect farm income to weaken further in the region over during the second quarter.

But land values continued to increase in the first quarter on top of several years of significant growth. Cropland values rose 20 percent over 2012, and ranchland values grew 14 percent.

The 10th Federal Reserve District covers Kansas, Nebraska, Oklahoma, Wyoming, Colorado, northern New Mexico and western Missouri.

Associated Press