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Survey Indicates Economic Slowdown in Region

A new survey of bankers suggests the economy is slowing down in rural areas of 10 Midwest and Western states because of drought conditions.

The overall economic index dropped into negative territory at 47.9 in June from May's 56.7. Any score below 50 on the index, which ranges from 1 to 100, suggests contraction in the months ahead.

The survey covers parts of Colorado, Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota and Wyoming. It focuses on communities with 1,300 residents, on average.

Creighton University economist Ernie Goss says the drought is hard on farmers, livestock producers and ethanol plants in the region.

The confidence index collapsed to 40.9 in June from May's strong 58.5. That suggests bankers aren't confident in the economy over the next six months.

Associated Press