

## **Community Depository Institutions Advisory Council Meeting**

**Federal Reserve Bank of New York  
33 Liberty Street, New York, New York  
October 14, 2016**

### **Agenda**

11:00 am Presentations to the Council Members:

- National Economic Outlook (Richard Peach, Macroeconomic and Monetary Studies)
- Regional Economic Outlook (Jason Bram, Regional Analysis)

12:30 pm Discussion of questions posed by the Board of Governors over lunch

**Community Depository Institutions Advisory Council**  
**Discussion Questions**  
**October 14, 2016 Meeting**  
**Federal Reserve Bank of New York**

1. **Current Banking Conditions:**

What is the Council's view of the current condition of, and the outlook for, loan markets and financial markets generally? Please describe any significant changes in the creditworthiness of applicants for loans, loan demand, and lending standards in general.

- a. **Small Business Lending:** Has credit availability for, and demand for credit from, small businesses changed significantly? Have lending standards for these borrowers changed?
- b. **Commercial Real Estate Lending:** Have there been any changes in the Council's view of challenges in the commercial real estate market since the beginning of the year? How are commercial real estate loans performing compared to your expectations?
- c. **Construction Lending:** What is the Council's view of the availability of credit for construction and development projects? Have Council members seen any changes in the demand for construction loans since the beginning of the year?
- d. **Home Mortgage Lending:** What changes have you seen in the mortgage market since the beginning of the year? Is a trend developing among community banks to increase, decrease, or cease home mortgage originations, and if so, what are the likely causes for and effects of this trend?
- e. **Consumer Lending:** What changes have you seen in consumer lending?
- f. **Agricultural Lending:** Have there been any changes in agricultural lending?
- g. **Deposits:** Have Council members seen any changes in local deposit markets?

2. **Economic Discussion:**
  - a. **Overall Economic Conditions:** How do Council members assess overall economic conditions in their regions?
  - b. **Particular Indicators:**
    - i. **Inflation:** Are the prices of products and services rising more or less quickly (or declining more) than in the recent past? Are the prices for the products and services you purchase rising more or less quickly?
    - ii. **Housing:** How have house prices changed in recent months? Have there been any changes in housing activity overall in your region?
    - iii. **Labor Markets:** How have the labor markets in which you operate changed in recent months? In particular, assess the degree of job loss (how much and in which industries). What changes to wages have Council members observed in the past year?
    - iv. **Consumer Confidence:** Is the Council seeing signs of improved consumer confidence? What is the outlook for consumer credit losses?
3. **Innovation and Community Banking:** What are the most important innovations currently affecting banking practices, business models, and lines of business for both community banks and their competitors outside the banking system, which are popularly known as “fintechs”? What challenges for compliance with safety and soundness, anti- money-laundering, or consumer protection regulations are presented when community banks adopt innovations or partner with fintechs? What are the barriers, such as costs or regulatory concerns, for community banks seeking to meet the needs of their customers through innovations or fintech partnerships?
4. **Examination Practices:** Have Council members experienced problems with recent examinations? In particular, have examination practices constrained access to credit by creditworthy borrowers? What steps can be taken to address the Council’s concerns?
5. **Regulatory Matters and the Future of Banking:** How are recent changes in the regulatory landscape affecting community depository institutions’ ability to continue to provide services to their customers? What has been the effect on the industry generally?
6. **Additional Matters:** Have any other matters affecting community depository institutions emerged that Council members want to present at this time?