

# The South Dakota Economy

December 10, 2012

## Employment growth in South Dakota

- On an annual basis during 2011, South Dakota nonfarm employment levels were 3,000 jobs higher than 2010, or an increase of 0.7%. The growth in 2011 represents the first annual gain in South Dakota employment since the 2007-2009 national recession ended. South Dakota's nonfarm employment has grown on a year-over-year basis for 27 of the past 28 months, an encouraging trend in employment gains.
- In October 2012, total SD nonfarm employment was up 3,800 jobs or 0.9%, compared to October 2011.
  - Sectors that are currently experiencing year-over-year growth (October 2012 compared to October 2011 levels) include: financial activities (+3.6%); manufacturing (+3.1%); leisure and hospitality (+2.5%); education and health services (+2.1%); other services (+2.0%) and, trade, transportation, and utilities (+0.6%).
  - Sectors that are experiencing year-over-year declines in October include: professional and business services (-0.3%); mining, logging, and construction (-3.4%); and, government (-0.5%).

## The unemployment rate continues to be one of the lowest in the nation.

- The unemployment rate in South Dakota was the third lowest in the nation in October at 4.5%.
  - South Dakota's unemployment rate in October 2012 was 0.1% higher than last month and 0.1% higher than a year ago.
- The U.S. unemployment rate was 7.9% in October 2012.

## Income growth in South Dakota.

- South Dakota's revised personal income for 2011 increased 12.8% over 2010, which was the highest growth rate of all 50 states in 2011. In comparison, the total US personal income grew 5.2% over the same time period.
  - In 2011, SD farm income grew by 103% compared to 2010, which was the primary reason for the large growth in total personal income in 2011. SD nonfarm income grew by 5.7% in 2011 over 2010.
- Over the past three years (2008-2011), the average annual growth of South Dakota's personal income was 4.2%, which ranked second of all states. This was much higher than that national average growth in personal income of 1.3% over the same time period.
- South Dakota's per capita personal income grew 11.8% in 2011, which was the highest growth rate of all states.
  - South Dakota's per capita personal income in 2011 was \$44,217, which ranked 12<sup>th</sup> in the nation. This is an improvement from South Dakota's 20<sup>th</sup> ranking from 2010.
- South Dakota's 2<sup>nd</sup> quarter personal income for 2012 increased 2.0% compared to the first quarter of 2012. This growth rate was ranked 2<sup>nd</sup> among all states.

## The housing market.

- In the last twelve months (November 2011 – October 2012) there were 520 more total family housing units authorized by building permits in South Dakota than there were the same period before.\*
- The value of total family housing building permits is \$100.21 million higher in the last twelve months compared to the same period the year before. \*

## The agricultural economy.

- The November 1, 2012 corn production forecast for South Dakota is estimated at 502.9 million bushels, a 23% decrease from last year's production. Yield is forecast at 94 bushels per acre, down 38 bushels from last year.
- As of November 1<sup>st</sup>, Soybean production is forecast at 130.2 million bushels, down 14% from last year's production. Yield is estimated at 28 bushels per acre, down 9 bushels from a year ago.
- Crop prices received by SD farmers continue to be higher than a year ago for most crops. In October, corn prices received were \$6.61/bushel, up \$0.94 compared to a year ago; soybean prices were \$13.80/bushel, up \$2.30 from a year ago; wheat prices were \$8.41/bushel, up \$0.58 compared to a year ago; and, hay prices were \$221/ton, up \$94/ton from a year ago.
- As of November 25<sup>th</sup>, topsoil moisture conditions were rated 87% short to very short and subsoil moisture conditions were rated 93% short to very short.
- As of November 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 220,000 cattle on feed for the slaughter market. This was down 20,000 from a year ago but up 25,000 from last month.

\* Building permit statistics are from monthly reporting places only.

**Economic Indicators for the State of South Dakota for the latest 12 Month Period**

Category	Time Period												12 Month Avg/Total
	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	
<b>Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)</b>													
<b>Total Nonfarm</b>	405.30	408.00	406.90	407.50	408.00	408.80	408.80	411.00	409.90	408.70	406.90	408.90	408.23
change from prior year	0.20	2.80	1.90	1.90	1.70	2.40	2.20	3.90	2.80	2.70	2.80	3.80	2.42
% change from prior year	0.05	0.69	0.47	0.47	0.42	0.59	0.54	0.96	0.69	0.67	0.69	0.94	0.60
<b>N.R., Mining &amp; Const.</b>	20.60	21.00	21.60	20.80	21.00	21.00	21.10	20.00	19.60	19.20	19.60	20.00	20.46
change from prior year	(0.80)	(0.20)	0.70	(0.10)	0.00	0.30	0.00	(1.20)	(1.10)	(1.50)	(1.10)	(0.70)	(0.47)
% change from prior year	(3.74)	(0.94)	3.35	(0.48)	0.00	1.45	0.00	(5.66)	(5.31)	(7.25)	(5.31)	(3.38)	(2.27)
<b>Manufacturing Employment</b>	39.30	38.90	39.30	39.60	39.40	40.00	40.20	40.20	40.10	39.40	40.10	40.20	39.73
change from prior year	1.90	1.20	1.30	1.40	0.90	1.20	0.90	1.10	1.10	0.10	1.20	1.20	1.13
% change from prior year	5.08	3.18	3.42	3.66	2.34	3.09	2.29	2.81	2.82	0.25	3.08	3.08	2.91
<b>Trade, Transp., &amp; Utilities</b>	82.70	83.20	82.50	82.40	82.30	82.00	82.70	83.80	83.50	83.60	83.10	83.20	82.92
change from prior year	1.70	2.30	1.40	1.00	0.90	0.30	1.10	2.20	0.60	0.60	0.40	0.30	1.07
% change from prior year	2.10	2.84	1.73	1.23	1.11	0.37	1.35	2.70	0.72	0.72	0.48	0.36	1.30
<b>Financial Activities</b>	27.50	28.20	27.50	28.10	28.10	28.10	28.50	28.60	28.20	28.20	28.00	28.60	28.13
change from prior year	(1.10)	(0.30)	(0.90)	(0.40)	(0.20)	(0.20)	0.40	0.60	0.30	1.00	0.80	1.00	0.08
% change from prior year	(3.85)	(1.05)	(3.17)	(1.40)	(0.71)	(0.71)	1.42	2.14	1.08	3.68	2.94	3.62	0.30
<b>Prof. and Business Services</b>	29.20	29.50	28.90	29.20	30.40	30.20	28.90	29.20	29.50	29.40	28.90	28.90	29.35
change from prior year	1.20	1.50	0.90	1.10	2.10	1.90	0.50	0.80	1.30	1.40	0.20	(0.10)	1.07
% change from prior year	4.29	5.36	3.21	3.91	7.42	6.71	1.76	2.82	4.61	5.00	0.70	(0.34)	3.77
<b>Educ. &amp; Health Services</b>	65.80	66.00	65.90	66.50	66.40	66.90	67.10	67.30	67.60	67.60	66.80	67.20	66.76
change from prior year	1.10	1.20	1.00	1.60	1.40	1.80	1.80	1.80	1.70	2.00	1.30	1.40	1.51
% change from prior year	1.70	1.85	1.54	2.47	2.15	2.76	2.76	2.75	2.58	3.05	1.98	2.13	2.31
<b>Leisure &amp; Hospitality</b>	41.00	41.30	41.50	40.90	41.20	41.40	41.70	43.10	43.10	43.40	42.00	41.70	41.86
change from prior year	(2.40)	(2.10)	(1.70)	(2.30)	(2.00)	(1.80)	(1.30)	0.30	0.40	0.50	0.70	1.00	(0.89)
% change from prior year	(5.53)	(4.84)	(3.94)	(5.32)	(4.63)	(4.17)	(3.02)	0.70	0.94	1.17	1.69	2.46	(2.09)
<b>Other Services</b>	15.40	15.70	15.50	16.10	15.40	15.30	15.20	15.50	15.40	15.10	15.30	15.50	15.45
change from prior year	(0.10)	0.10	(0.10)	0.60	(0.20)	(0.20)	(0.40)	(0.10)	(0.20)	(0.40)	(0.10)	0.30	(0.07)
% change from prior year	(0.65)	0.64	(0.64)	3.87	(1.28)	(1.29)	(2.56)	(0.64)	(1.28)	(2.58)	(0.65)	1.97	(0.43)
<b>Government</b>	77.50	77.90	78.00	77.60	77.70	77.80	77.30	77.20	76.80	76.70	77.00	77.40	77.41
change from prior year	(1.10)	(0.70)	(0.50)	(0.90)	(0.80)	(0.60)	(0.50)	(1.30)	(0.90)	(0.70)	(0.30)	(0.40)	(0.72)
% change from prior year	(1.40)	(0.89)	(0.64)	(1.15)	(1.02)	(0.77)	(0.64)	(1.66)	(1.16)	(0.90)	(0.39)	(0.51)	(0.93)
<b>NonFarm (excluding Govt.)</b>	327.8	330.1	328.9	329.9	330.3	331.0	331.5	333.8	333.1	332.0	329.9	331.5	330.82
change from prior year	1.3	3.5	2.4	2.8	2.5	3.0	2.7	5.2	3.7	3.4	3.1	4.2	3.15
% change from prior year	0.40	1.07	0.74	0.86	0.76	0.91	0.82	1.58	1.12	1.03	0.95	1.28	0.96

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	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	
<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted):</b>													
<b>One-Family Units - S.D. Total</b>	67	60	67	80	178	208	232	226	213	221	255	281	2,088
change from prior year	(44)	(7)	22	37	39	47	70	27	66	51	93	119	520
<b>Total Family Units - S.D. Total</b>	88	77	131	92	217	263	257	443	355	265	532	350	3,070
change from prior year	(54)	7	74	(11)	22	77	(36)	221	127	(1)	219	118	763
<b>Total Family Units - Minnehaha Co.</b>	21	28	19	43	85	84	109	278	121	114	268	123	1,293
change from prior year	(25)	10	0	38	(6)	12	(28)	205	17	(24)	129	50	378
<b>Total Family Units - Pennington Co.</b>	11	25	21	21	23	48	26	48	34	38	31	84	410
change from prior year	(12)	10	6	(56)	(8)	23	5	8	7	14	1	65	63
<b>Value of Building Permits Issued (information is not seasonally adjusted and is expressed in millions of dollars):</b>													
<b>One-Family units - S.D. Total</b>	11.22	9.94	11.88	13.77	29.20	34.21	38.10	37.04	35.89	40.17	40.69	43.87	345.98
change from prior year	(7.65)	(1.21)	4.58	5.73	6.72	9.18	11.98	1.66	11.32	11.50	12.52	18.17	84.50
<b>Total Family units - S.D. Total</b>	12.84	11.92	15.68	14.44	31.69	37.54	39.60	52.74	46.55	44.59	61.76	50.63	419.98
change from prior year	(8.42)	0.58	7.50	(0.18)	4.68	9.46	4.98	16.18	14.55	9.13	21.81	19.92	100.21
<b>Total Family Units - Minnehaha Co.</b>	3.71	4.74	3.34	5.92	13.47	12.64	16.68	28.78	17.10	16.09	29.82	19.25	171.52
change from prior year	(2.56)	1.65	0.17	4.88	2.44	1.63	2.35	17.56	4.39	0.72	15.10	7.40	55.73
<b>Total Family Units - Pennington Co.</b>	1.76	3.74	3.62	3.57	3.82	6.96	5.06	7.66	6.43	5.67	6.22	8.78	63.28
change from prior year	(1.77)	1.49	1.53	(5.97)	(1.68)	3.23	1.66	(0.08)	2.69	1.86	0.74	5.68	9.38

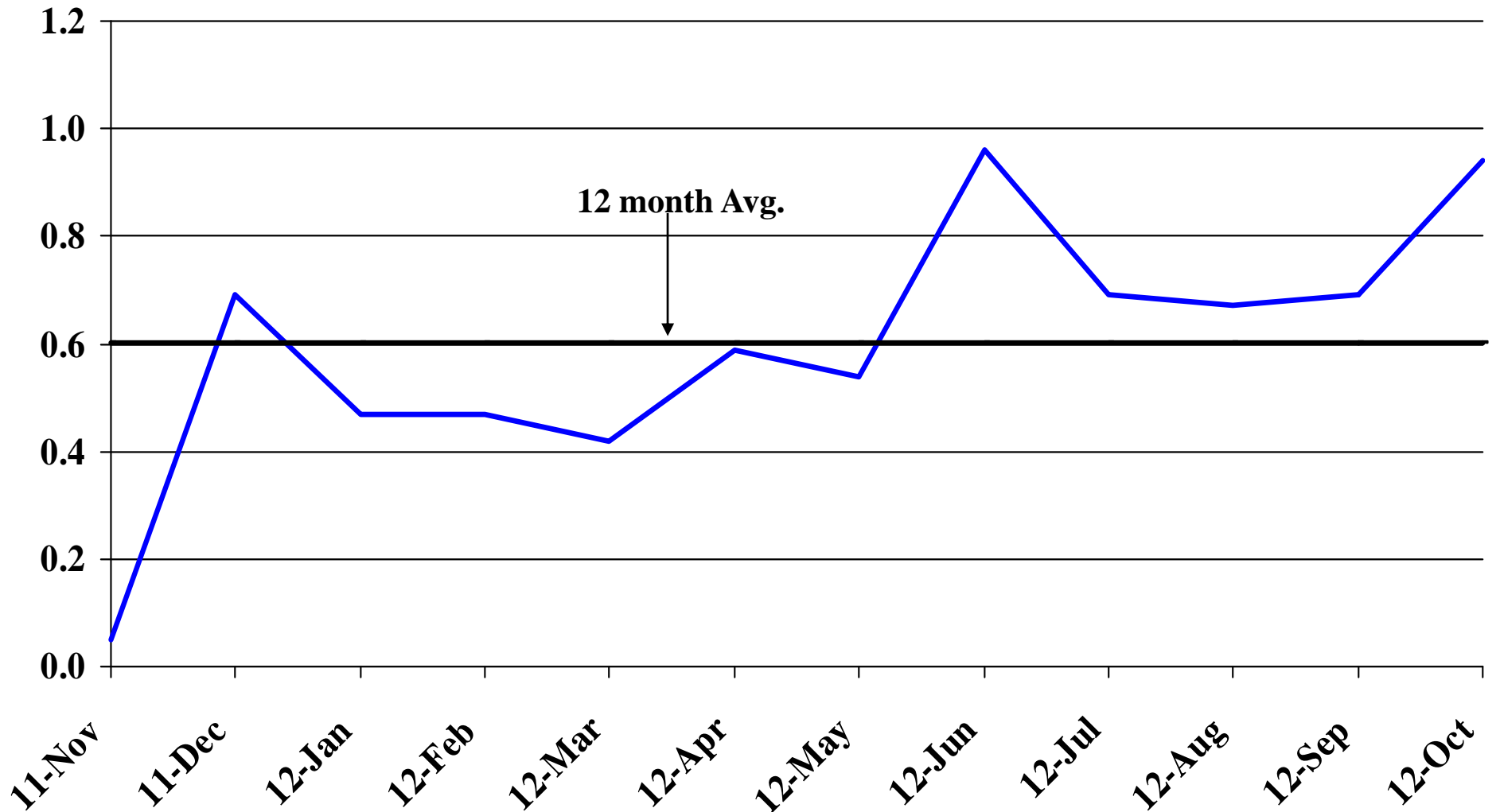
<b>Automobile Data (information is not seasonally adjusted)</b>													
<b>New Non-Comm. Veh. Titled</b>	2,678	3,209	3,723	2,424	2,925	3,427	3,581	3,472	3,878	3,358	3,055	3,393	39,123
change from prior year	170	476	852	237	(135)	659	334	158	1,103	121	180	260	4,415

<b>Agriculture (information is not seasonally adjusted)</b>													
<b>Wheat</b>	7.94	7.85	6.99	7.25	7.24	6.96	7.12	7.29	8.03	8.23	8.31	8.41	7.64
change from prior year	1.48	1.02	(0.42)	(0.88)	(1.46)	(1.83)	(2.61)	(1.98)	0.22	0.47	0.60	0.58	(0.40)
<b>Corn</b>	5.68	5.65	5.93	6.06	6.17	6.07	6.10	6.15	6.73	7.39	6.83	6.61	6.28
change from prior year	1.44	1.12	1.45	0.74	0.73	(0.02)	0.07	(0.02)	0.66	0.64	0.21	0.94	0.66
<b>Soybeans</b>	11.50	11.10	11.60	12.00	12.80	13.70	13.30	13.50	14.90	16.00	14.20	13.80	13.20
change from prior year	0.90	0.10	0.30	(0.60)	0.30	1.00	0.40	0.60	2.10	3.00	2.70	2.30	1.09
<b>Hay</b>	125.00	136.00	122.00	123.00	122.00	127.00	123.00	142.00	171.00	204.00	206.00	221.00	151.83
change from prior year	47.00	56.00	39.00	43.00	41.00	47.00	28.00	47.00	69.00	102.00	83.00	94.00	58.00

\* Housing permit statistics are from monthly reporting places only.

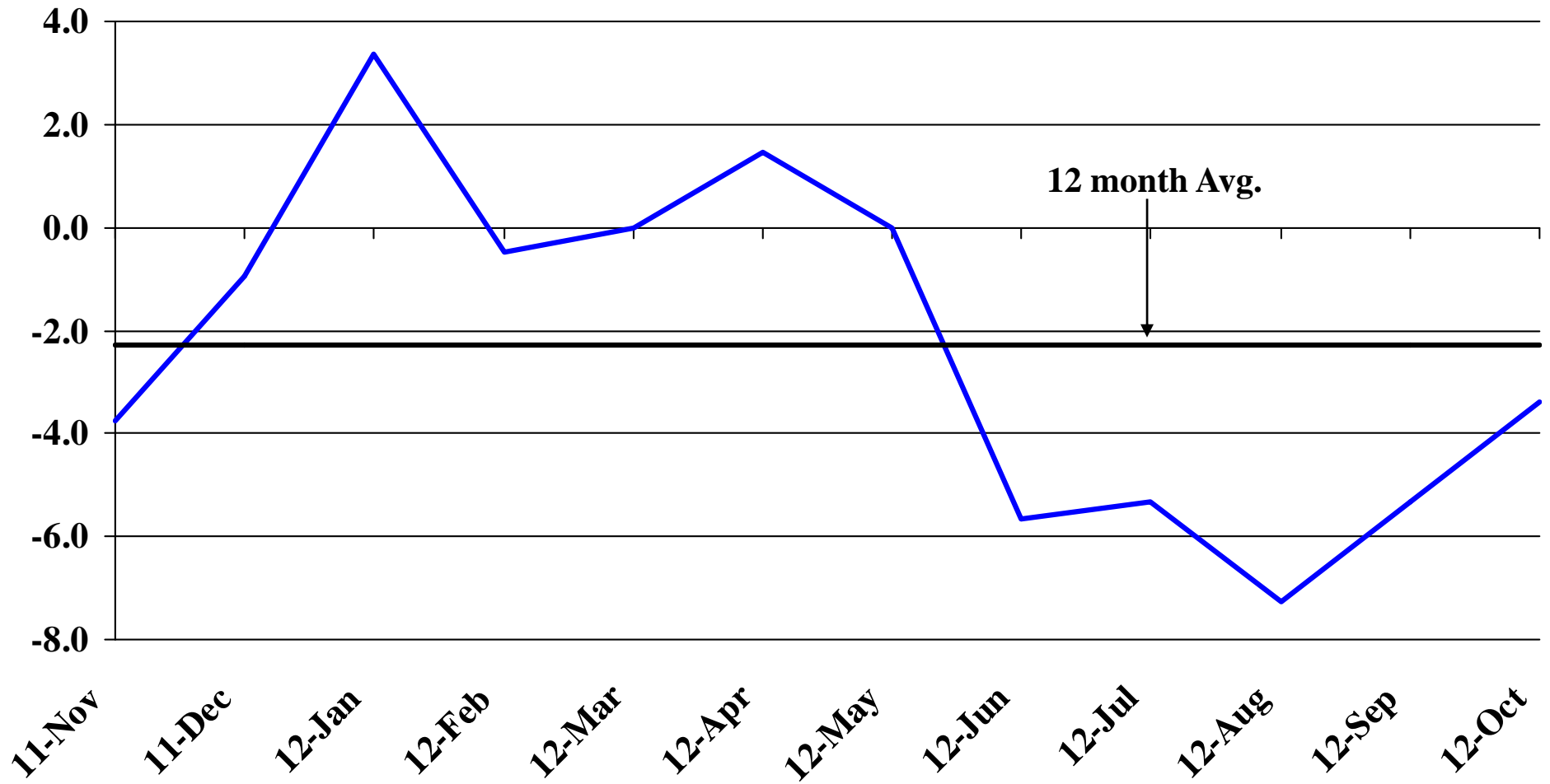
# Recent Trends in Nonfarm Employment

Percent Change



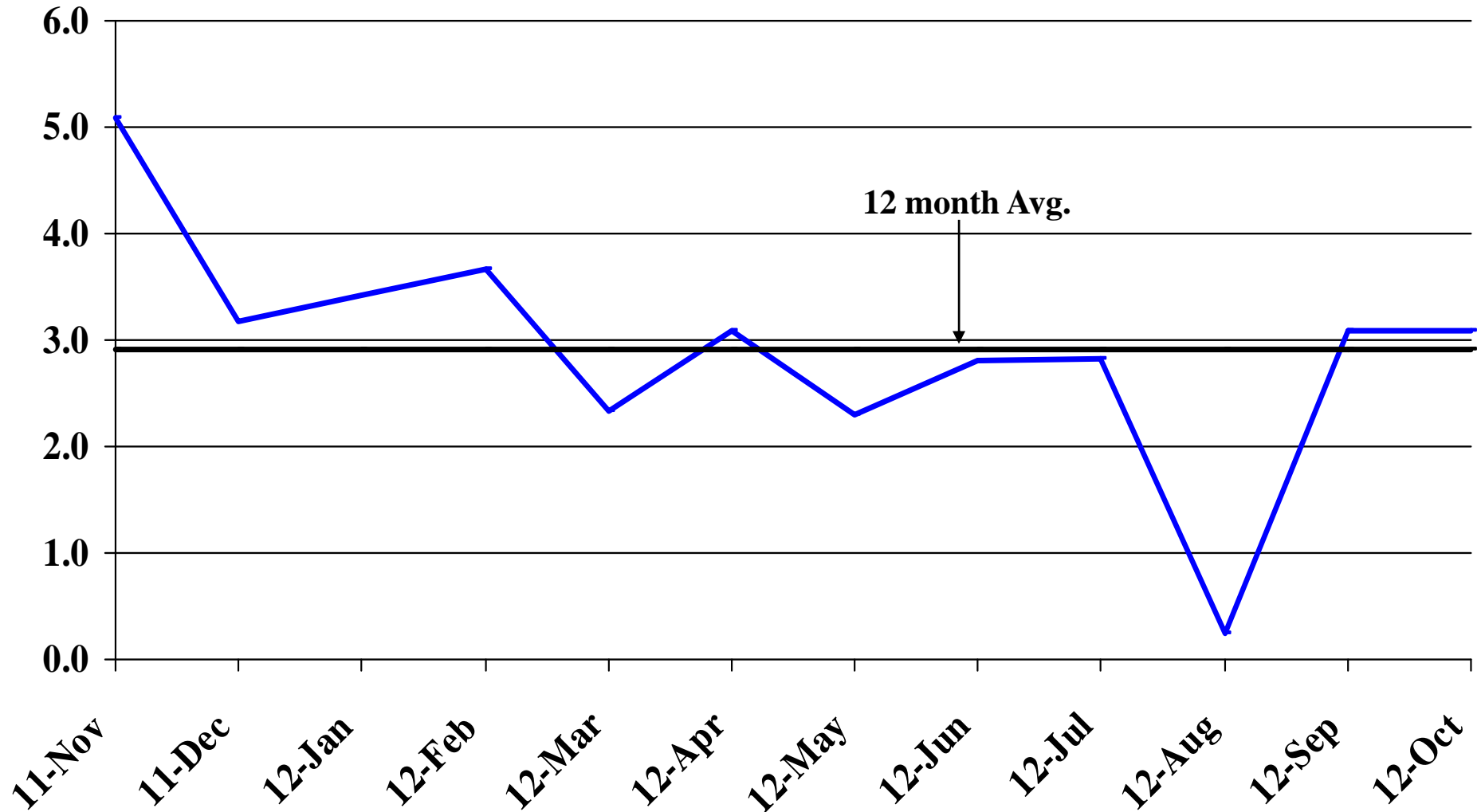
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



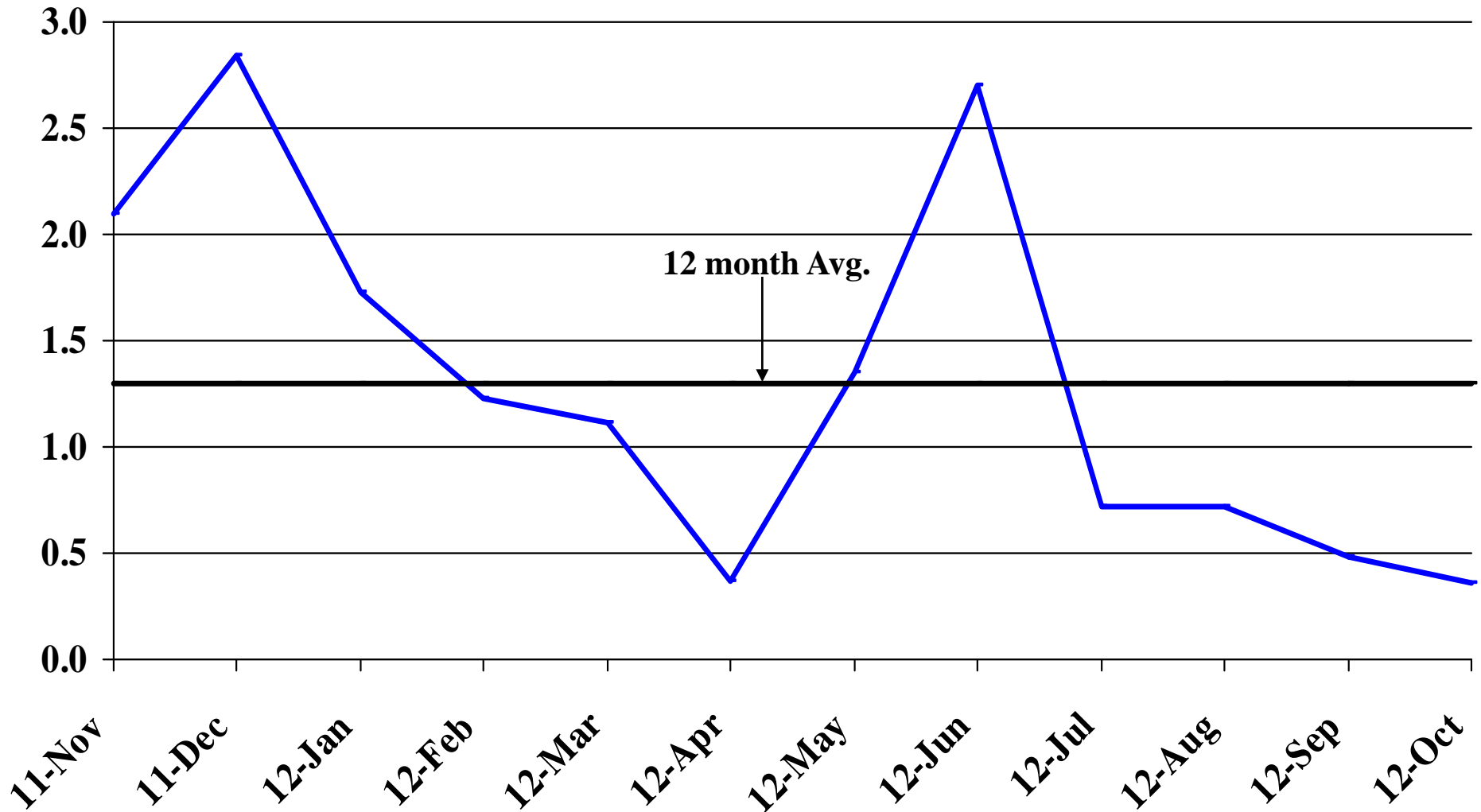
# Recent Trends in Manufacturing Employment

Percent Change



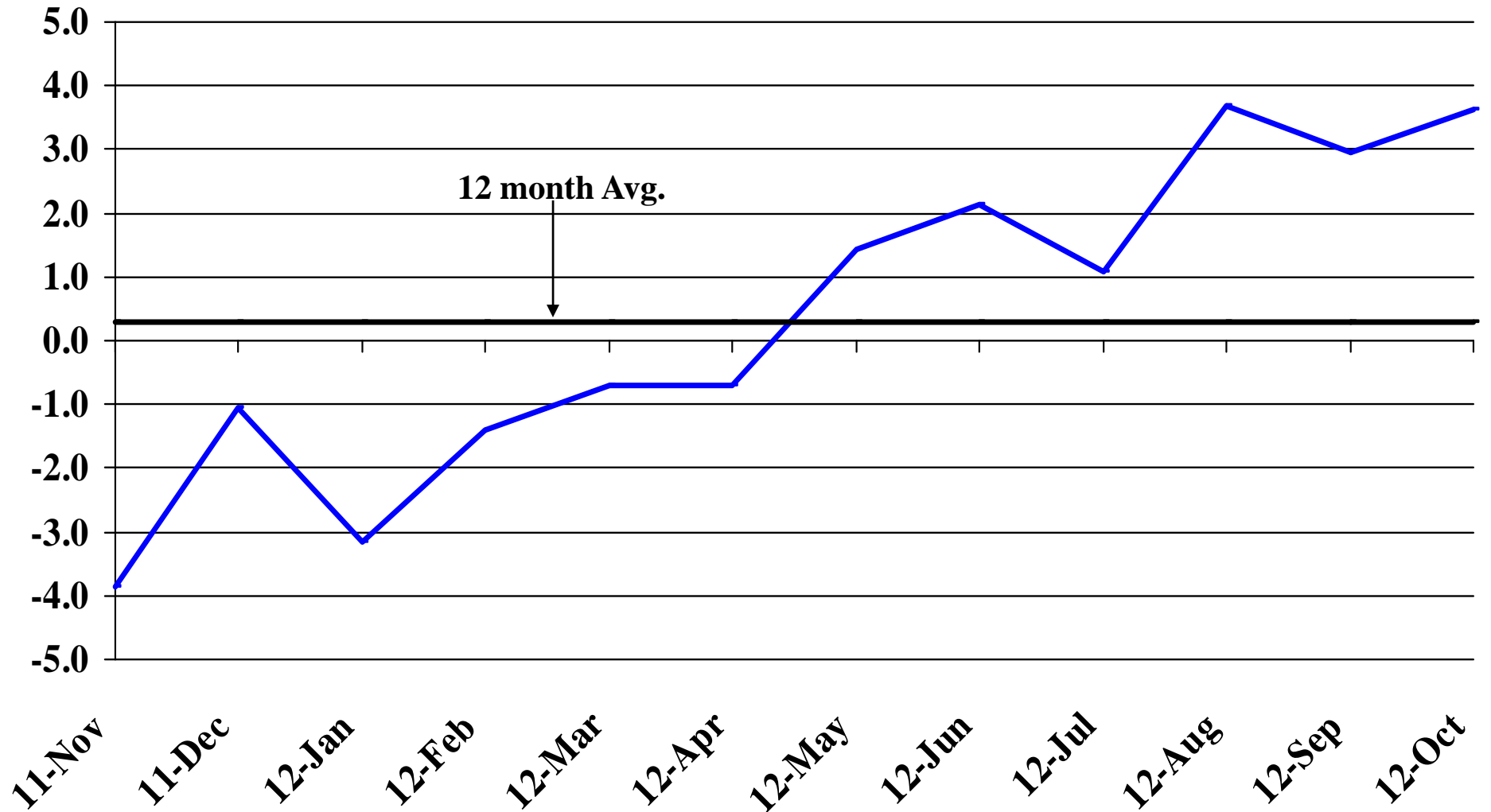
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



# Recent Trends in Financial Activities Employment

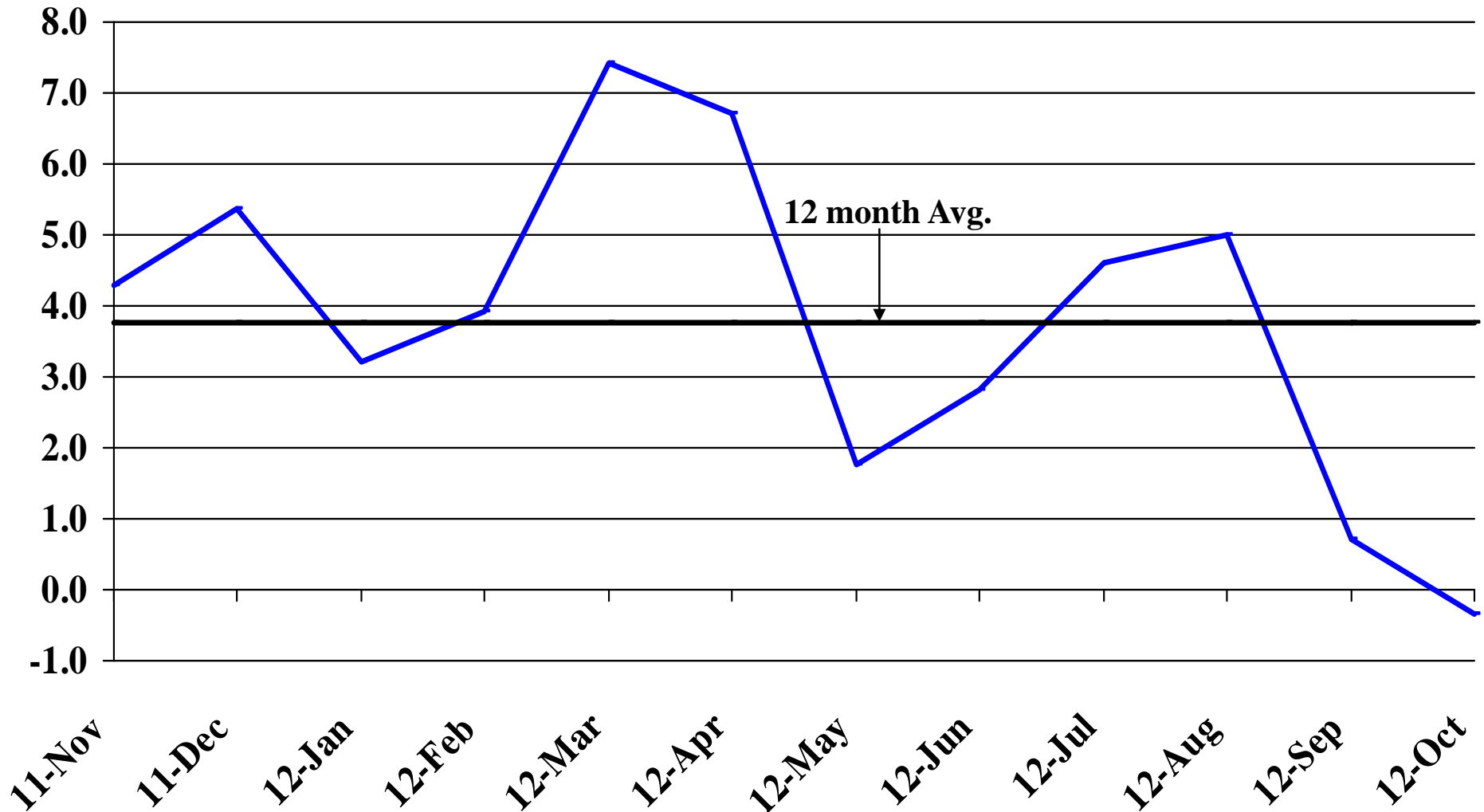
Percent Change





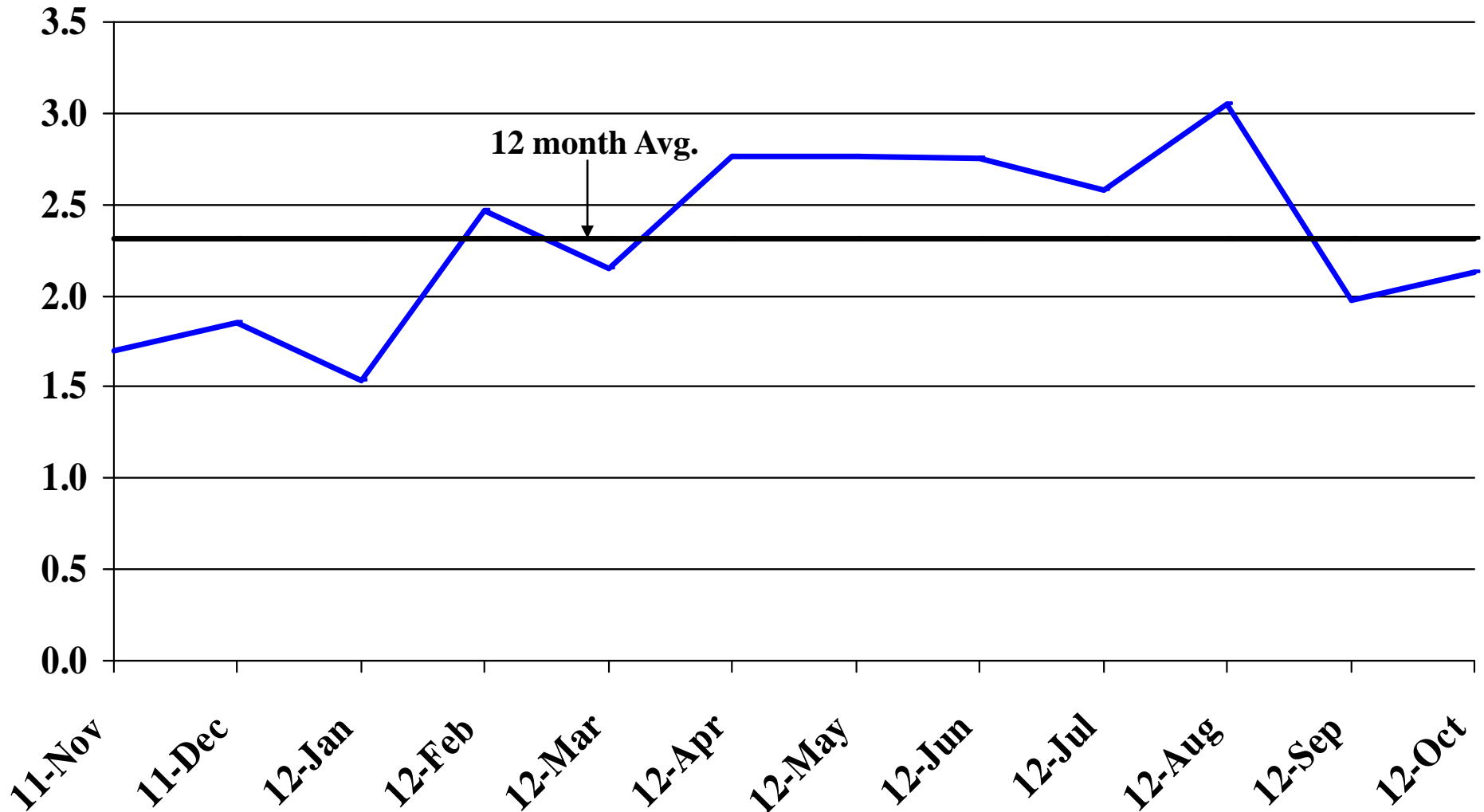
# Recent Trends in Professional and Business Services Employment

Percent Change



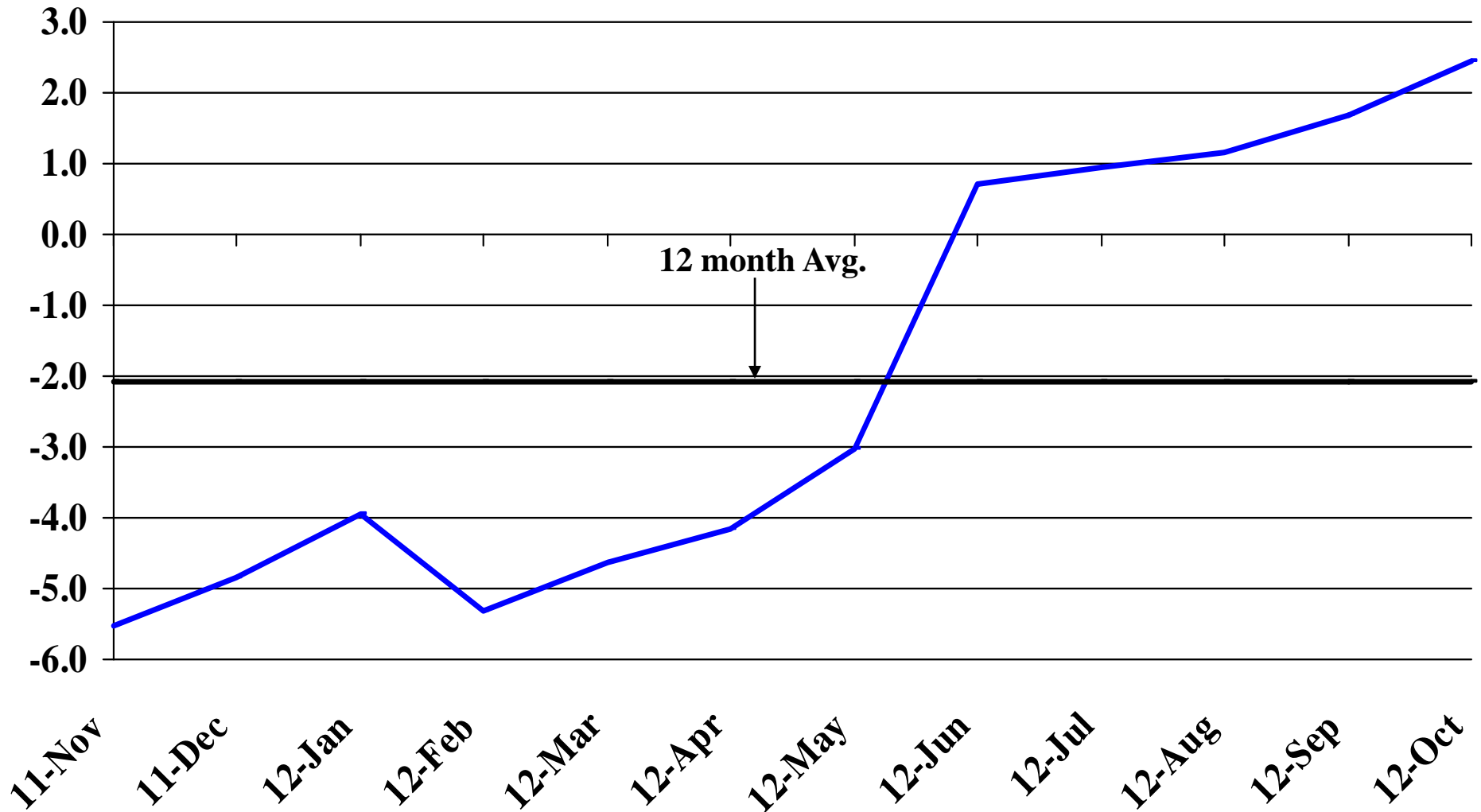
# Recent Trends in Educational and Health Services Employment

Percent Change



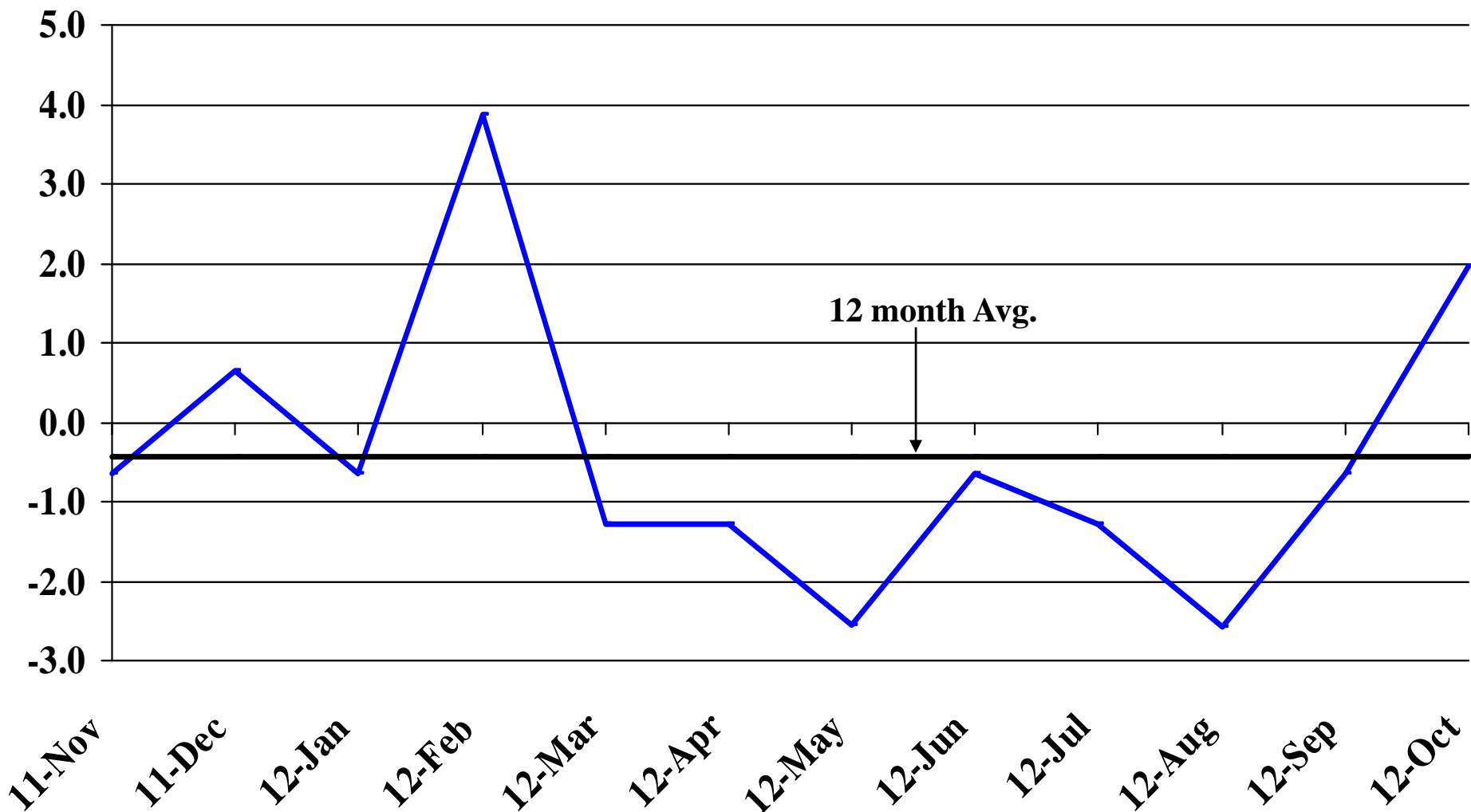
# Recent Trends in Leisure and Hospitality Employment

Percent Change



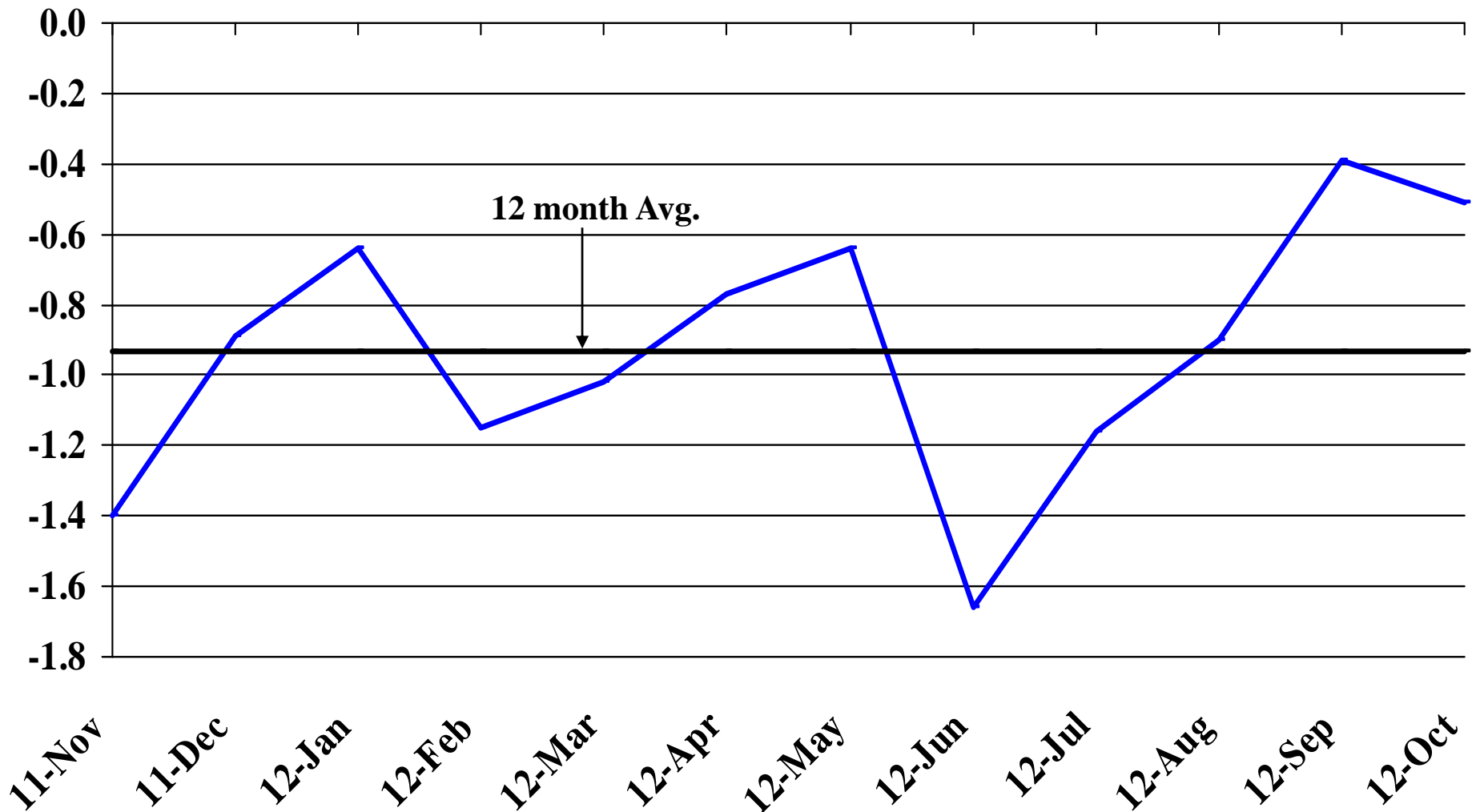
# Recent Trends in Other Services Employment

Percent Change



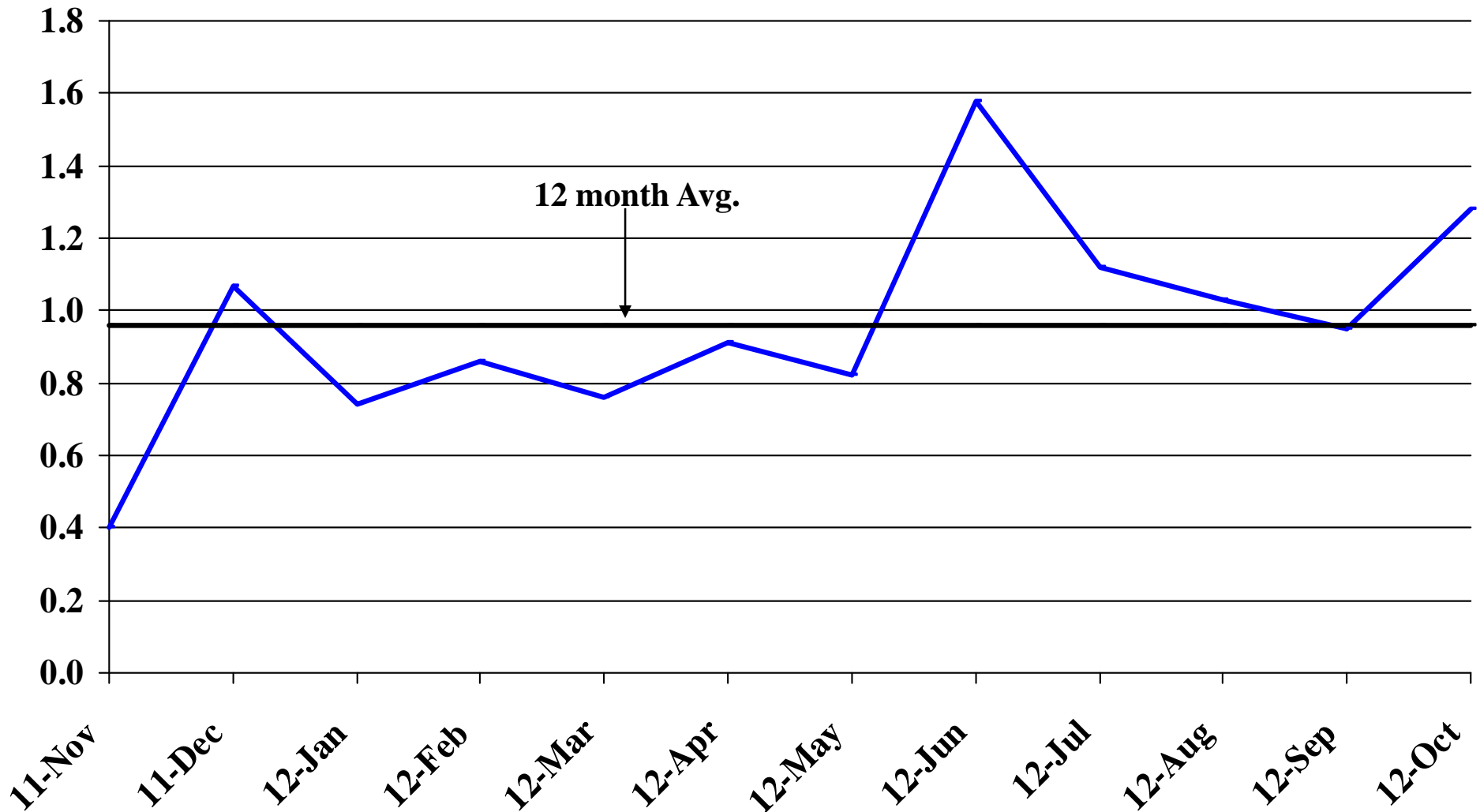
# Recent Trends in Government Employment

Percent Change

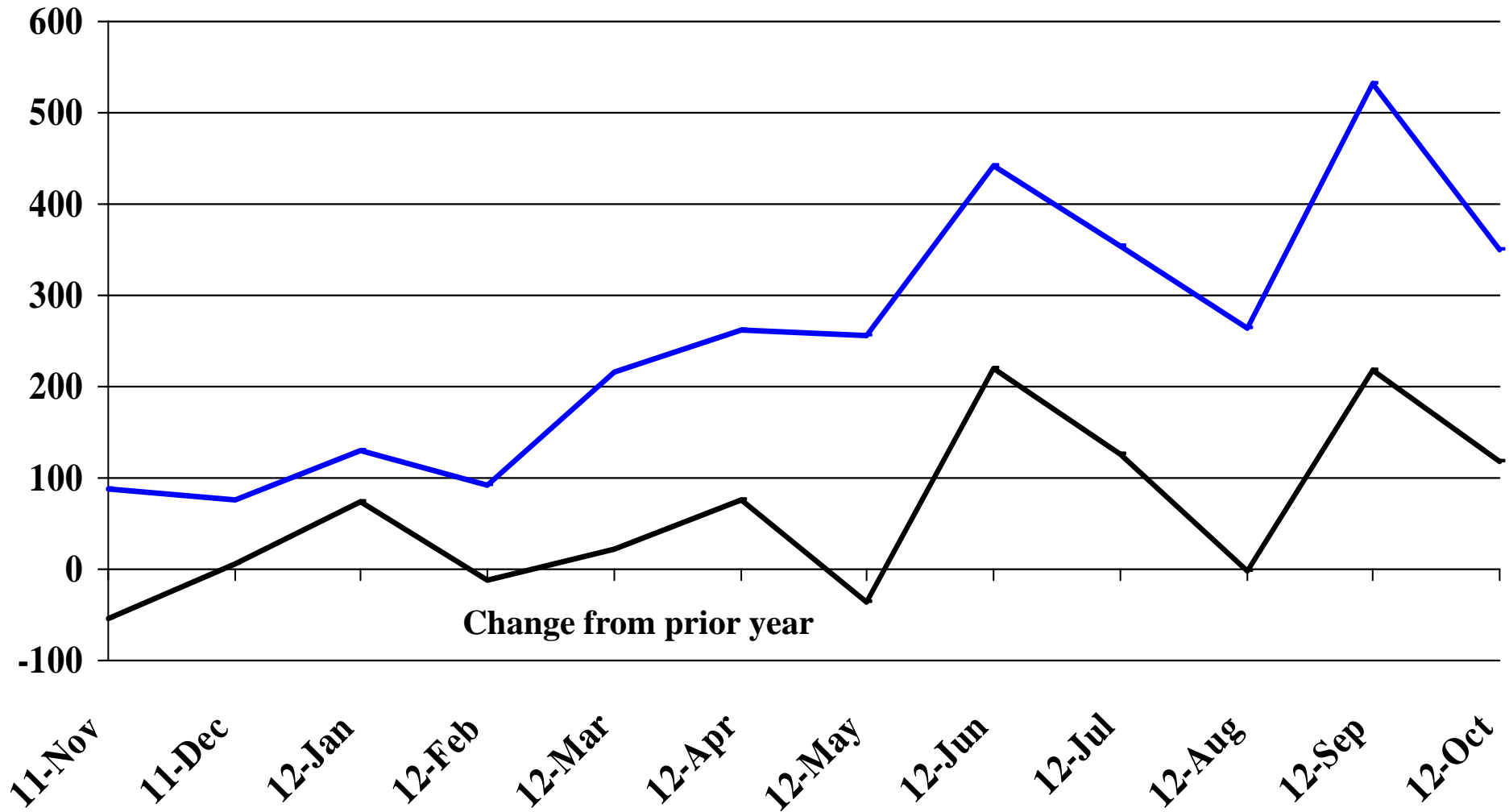


# Recent Trends in Nonfarm Employment (excluding Government Employment)

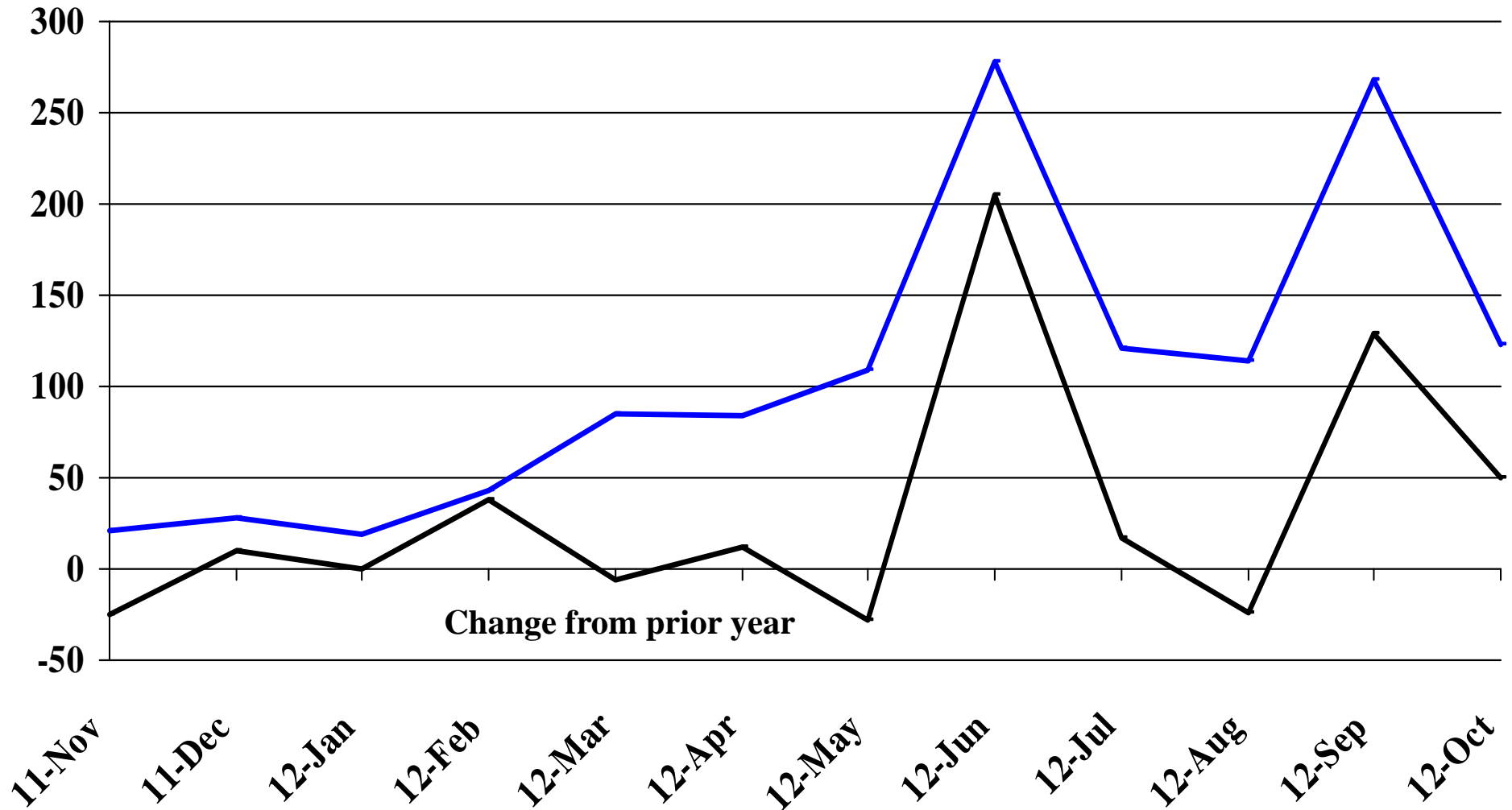
Percent Change



# Recent Trends in the Number of Units Authorized by Residential Building Permits for South Dakota

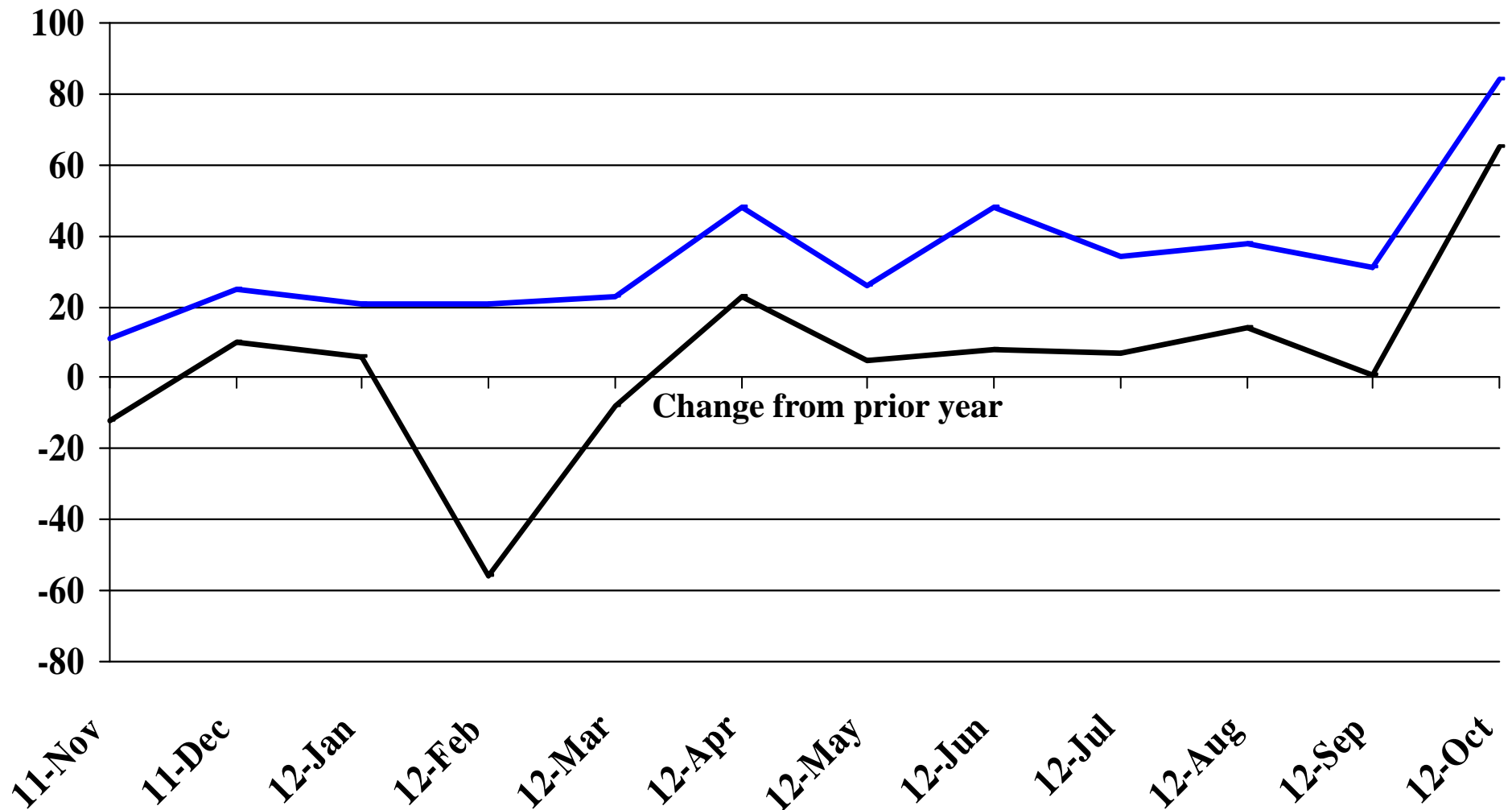


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



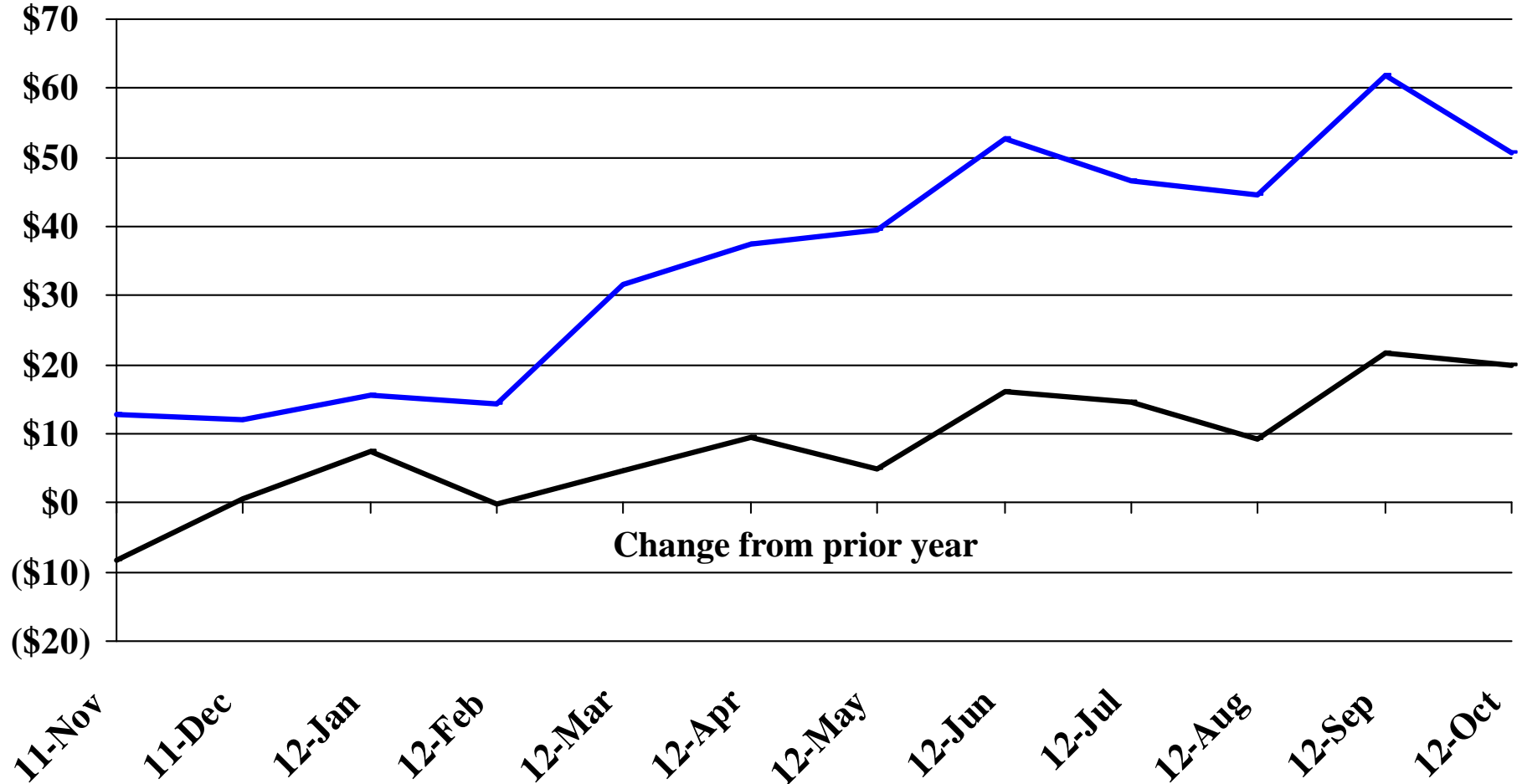


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County



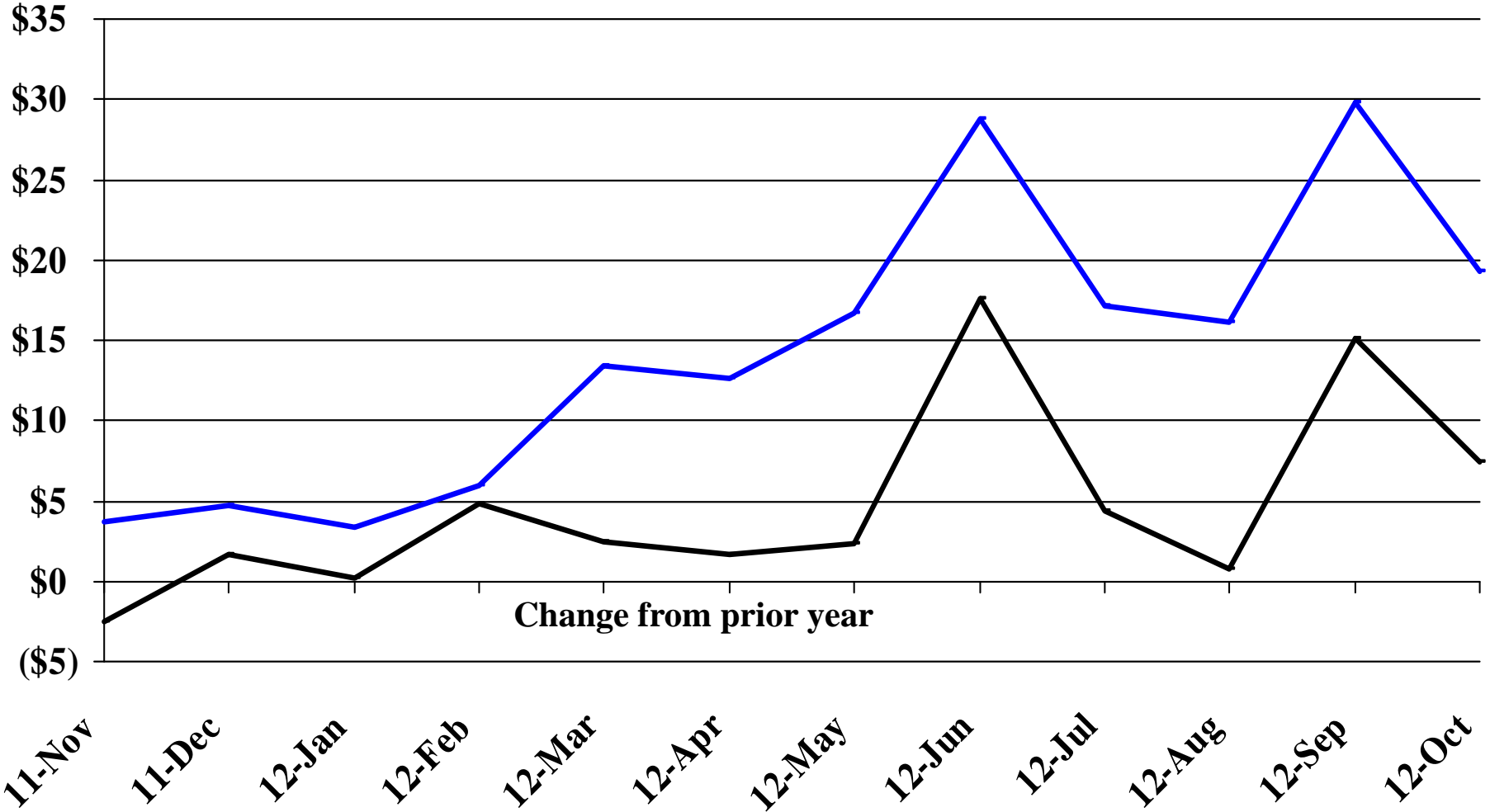
# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions



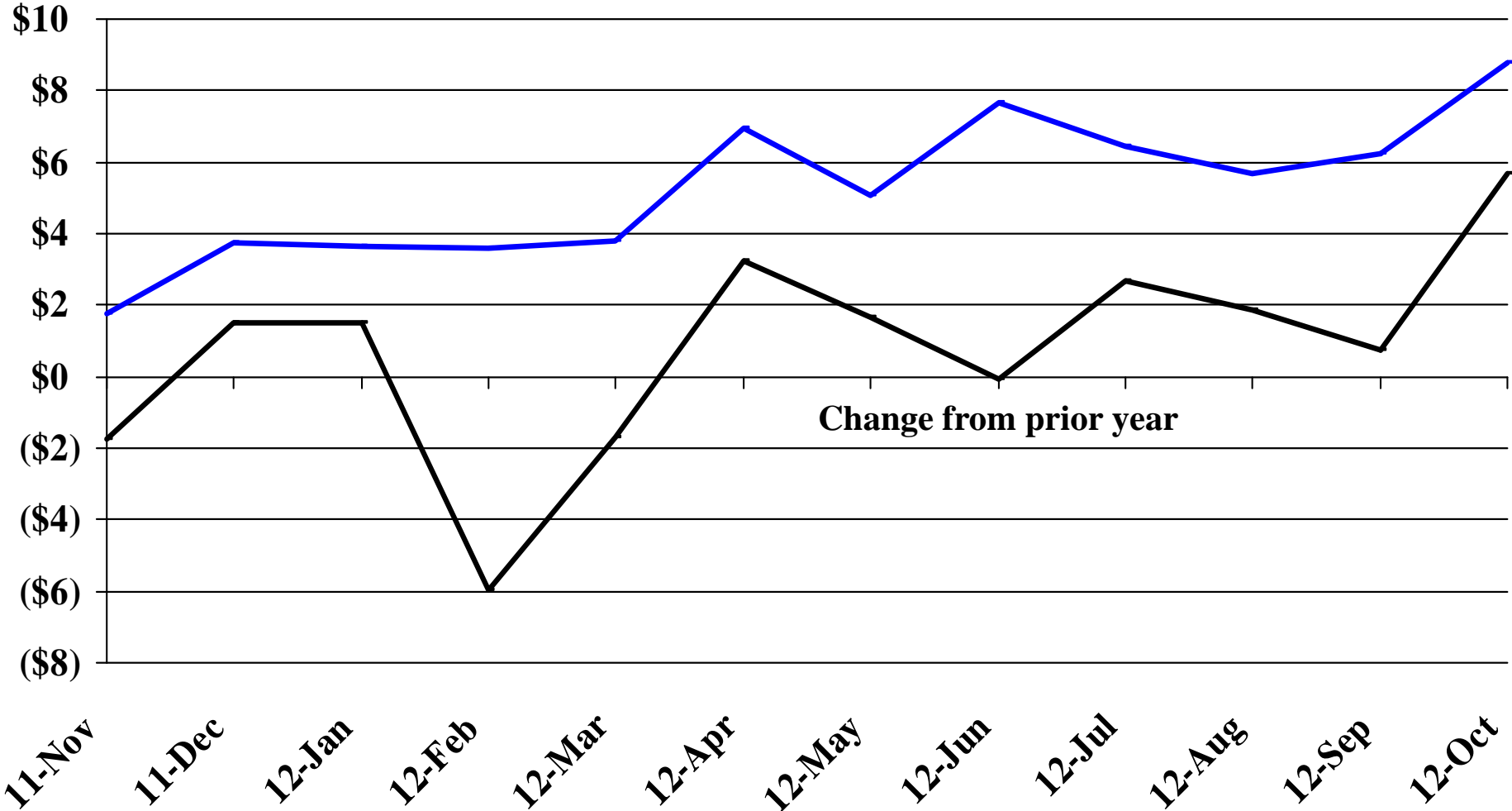
# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

Millions

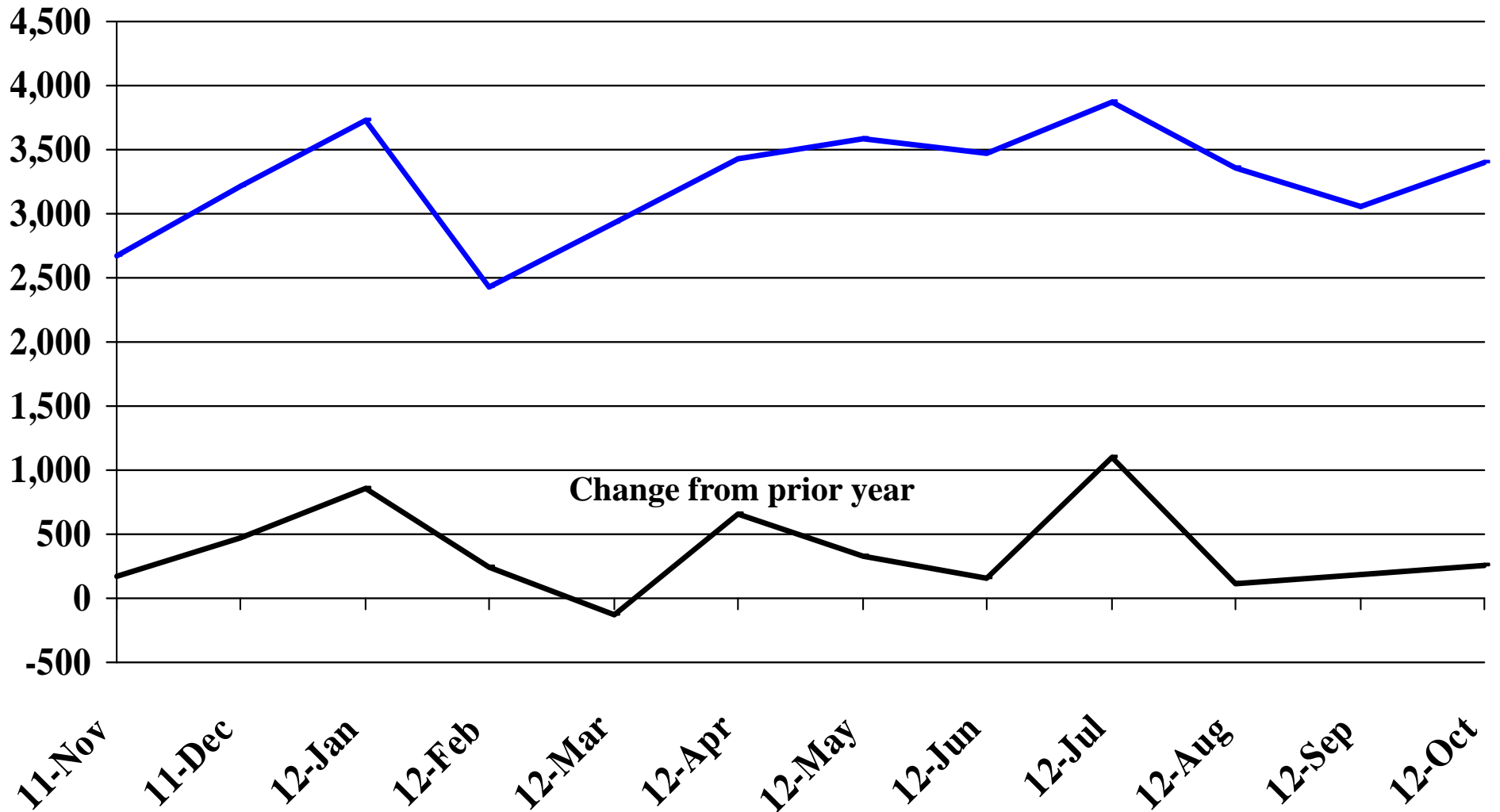


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

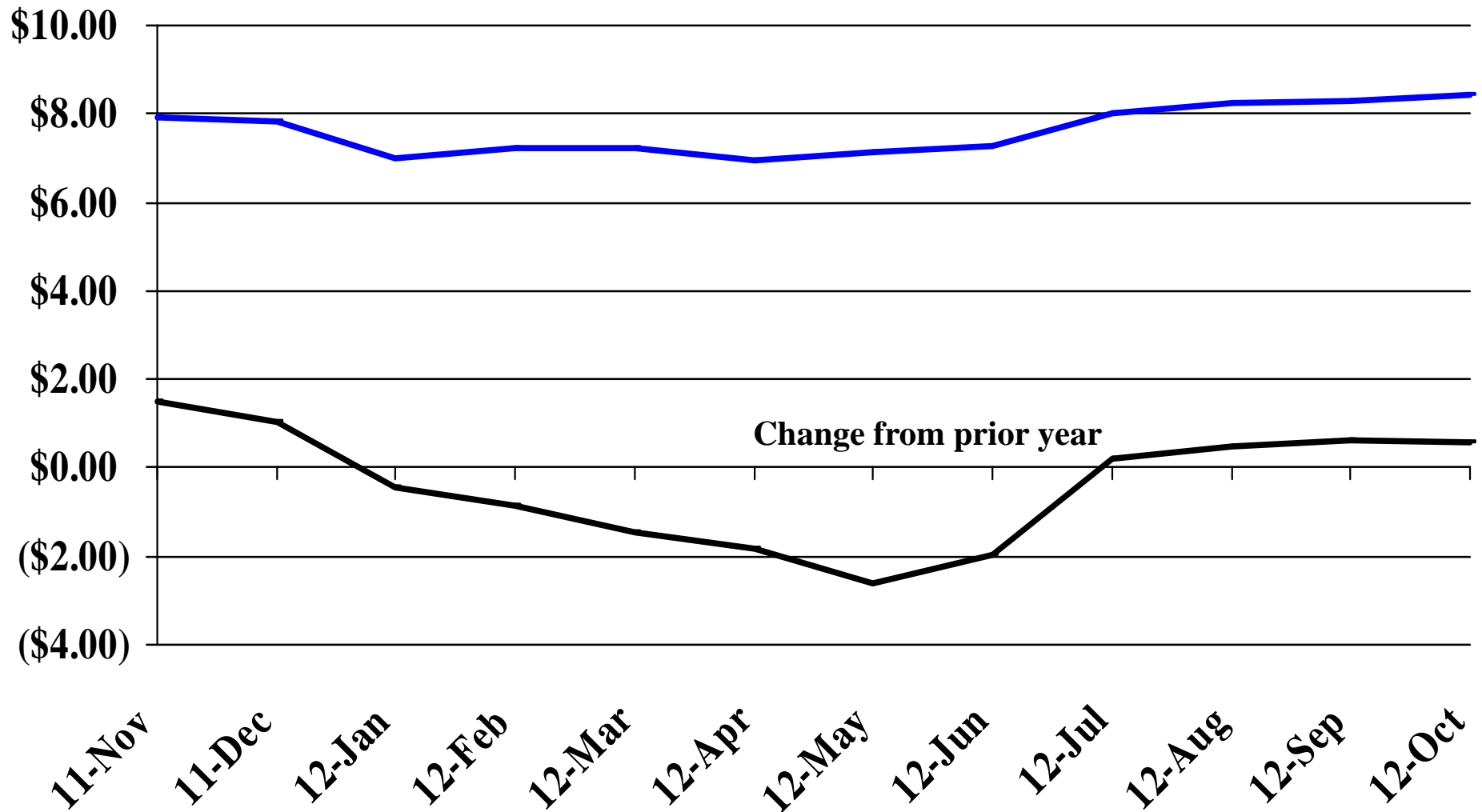


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



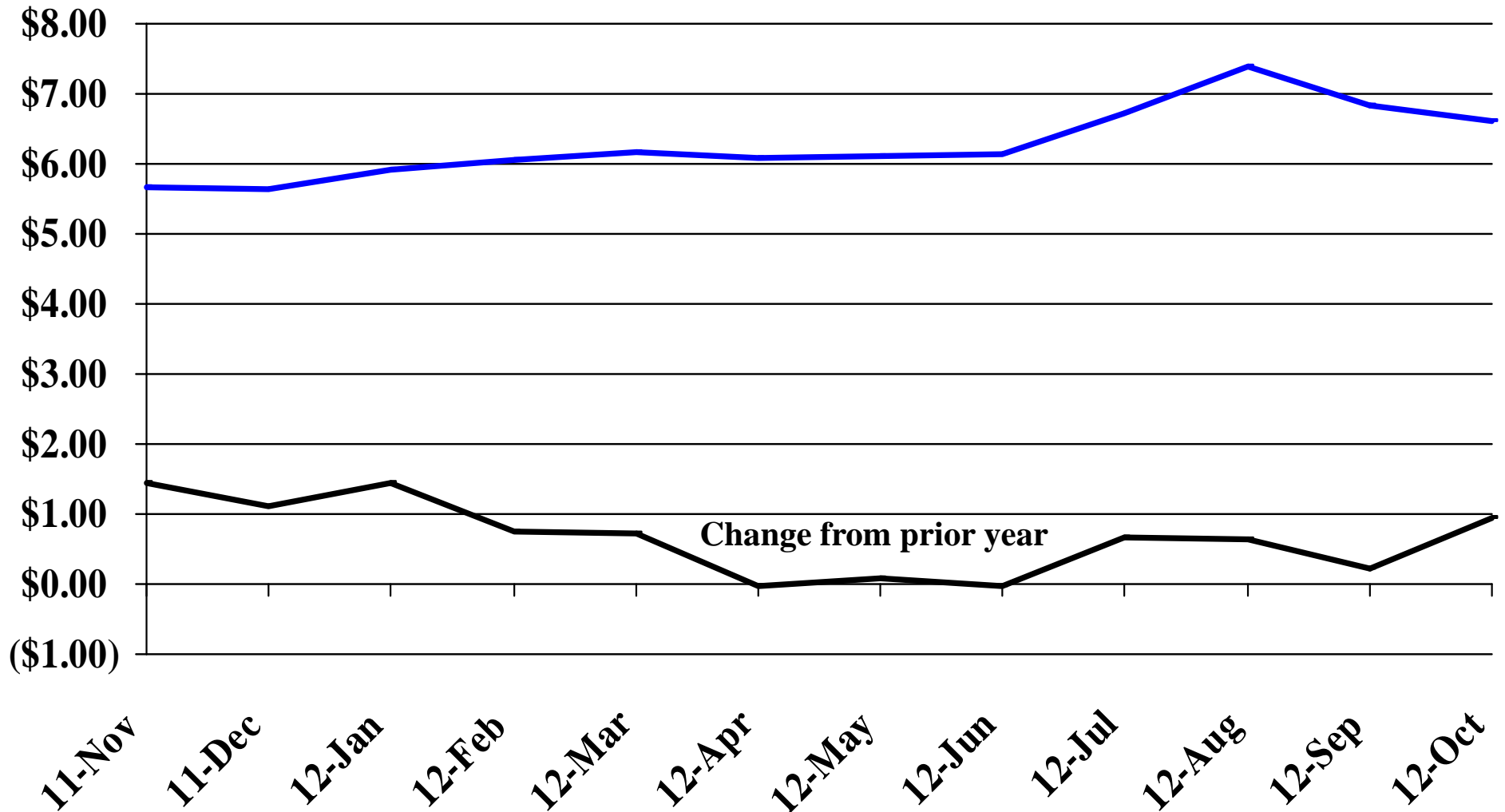
# Recent Trends in the Price of Wheat

\$'s Per Bushel



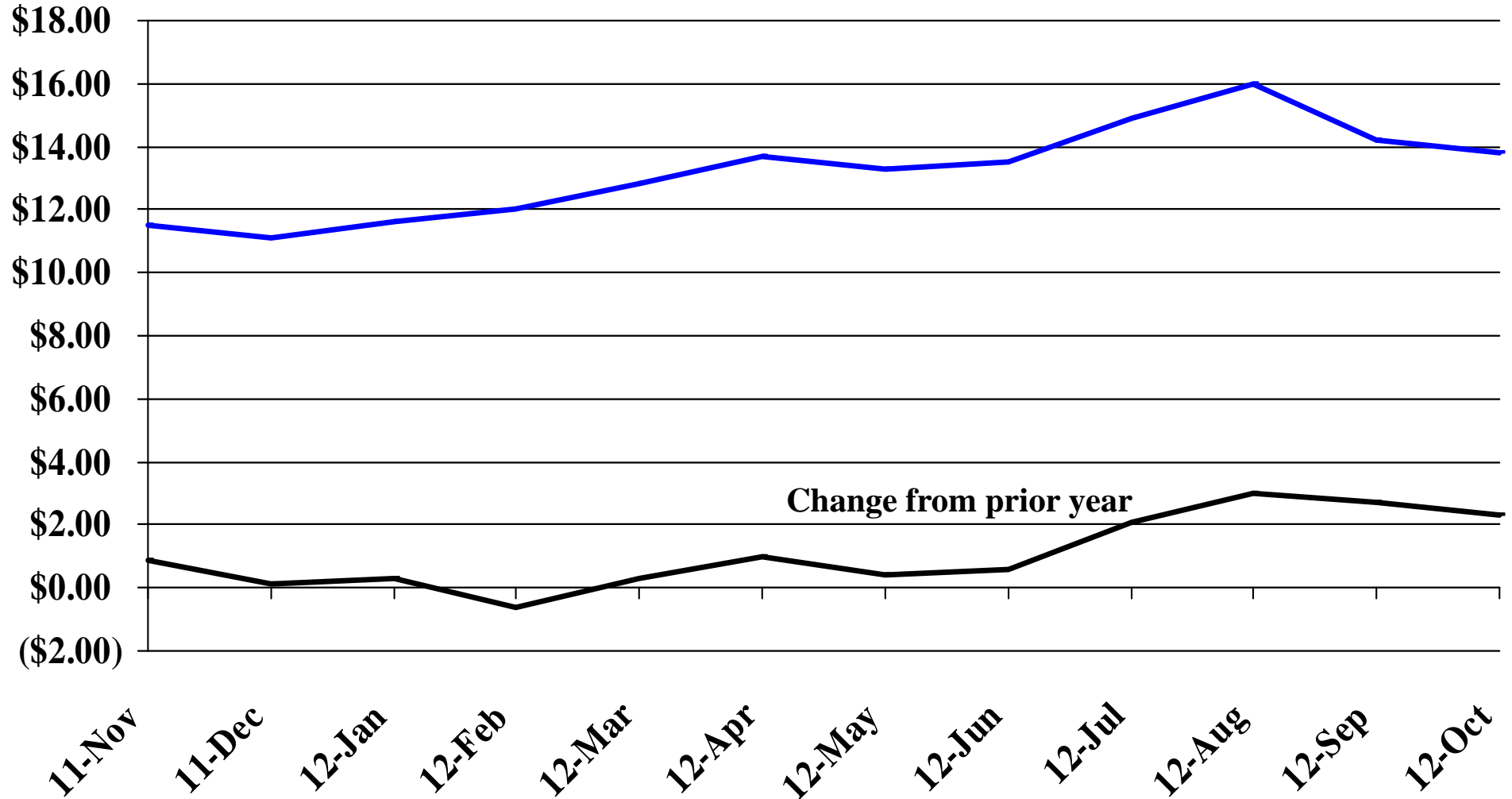
# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans

\$'s Per Bushel





# Recent Trends in the Price of Hay

\$'s Per Ton

