

# **The South Dakota Economy**

June 28, 2012

## **GDP by State**

- During 2011, South Dakota's economy continued to grow as the current dollar Gross Domestic Product (GDP) by state totaled \$40.1 billion, which grew 5.0% over 2010. This growth was 9<sup>th</sup> highest of all states and compares to the US growth of 3.9% over the same time period.
- South Dakota's real (inflation adjusted) GDP by state in 2011 increased at a rate of 0.8%, which was the highest growth rate since 2008 for South Dakota. The national average real GDP by state grew 1.5% in 2011.

## **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 22 of the past 23 months, an encouraging trend in employment gains.
- In May 2012, total SD nonfarm employment was up 2,100 jobs or 0.5%, compared to May 2011.
  - Sectors that are currently experiencing year-over-year growth (May 2012 compared to May 2011 levels) include: professional and business services (+3.5%); education and health services (+2.5%); manufacturing (+2.0%); trade, transportation, and utilities (+1.8%); and, financial activities (+1.1%).
  - Sectors that are experiencing year-over-year declines in May include: mining, logging, and construction (-1.4%); leisure and hospitality (-3.5%); other services (-4.5%); and, government (-0.4%).

## **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 May at 4.3%.
  - South Dakota's unemployment rate in May 2012 was the same as last month and 0.5% lower than a year ago.
- The U.S. unemployment rate was 8.2% in May 2012.

## **Income growth in South Dakota.**

- South Dakota's preliminary personal income for 2011 increased 6.2% over 2010, which was the fifth highest growth rate of all 50 states in 2011.
- Over the past five years (2006-2011), the average annual growth of South Dakota's personal income was 5.2%, which ranked second of all states. This was much higher than that national average growth in personal income of 2.9% over the same time period.
- South Dakota's per capita personal income grew 5.2% in 2011, which was the fourth highest growth rate of all states.
  - South Dakota's per capita personal income in 2011 was \$41,590, which ranked 21<sup>st</sup> in the nation. This is an improvement from South Dakota's 35<sup>th</sup> ranking from 2001.
- South Dakota's 1<sup>st</sup> quarter personal income for 2012 increased 4.7% compared to the same quarter of 2011. This growth rate was ranked 5<sup>th</sup> among all states.

## **The housing market.**

- In the last twelve months (June 2011 – May 2012) there were 265 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 \$44.22 million higher in the last twelve months compared to the same period the year before. \*

## **The agricultural economy.**

- As of June 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 235,000 cattle on feed for the slaughter market. This was unchanged from a year ago but down 10,000 from last month.
- Commercial red meat production for South Dakota totaled 82.7 million pounds in May 2012, up 9% from a year ago and up 1% from April of 2012.
- The June 1, 2012 winter wheat production is forecast at 55.9 million bushels, down 16% from last year's production of 66.8 million bushels. The 2012 yield is forecasted at 43 bushels per acre, up 1 bushels from last year, while harvested acreage is forecast to be down 18.2% compared to a year ago.
- As of June 24<sup>th</sup>, cattle conditions were rated 100% fair to excellent, winter wheat conditions were rated 89% fair to excellent, spring wheat conditions were rated 91% fair to excellent, and corn conditions were rated 95% fair to excellent.
- As of June 24<sup>th</sup>, topsoil moisture conditions were rated 51% short to very short and subsoil conditions were rated 50% short to very short.

\* 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
	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Avg/Total
Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)													
<b>Total Nonfarm</b>	407.10	407.10	406.00	404.10	405.10	405.30	408.00	406.90	407.50	408.00	408.80	408.70	406.88
change from prior year	3.30	3.20	1.90	0.60	(0.10)	0.20	2.80	1.90	1.90	1.70	2.40	2.10	1.82
% change from prior year	0.82	0.79	0.47	0.15	(0.02)	0.05	0.69	0.47	0.47	0.42	0.59	0.52	0.45
<b>N.R., Mining &amp; Const.</b>	21.20	20.70	20.70	20.70	20.70	20.60	21.00	21.60	20.80	21.00	21.00	20.80	20.90
change from prior year	0.30	(0.10)	(0.20)	(0.40)	(0.80)	(0.80)	(0.20)	0.70	(0.10)	0.00	0.30	(0.30)	(0.13)
% change from prior year	1.44	(0.48)	(0.96)	(1.90)	(3.72)	(3.74)	(0.94)	3.35	(0.48)	0.00	1.45	(1.42)	(0.63)
<b>Manufacturing Employment</b>	39.10	39.00	39.30	38.90	39.00	39.30	38.90	39.30	39.60	39.40	40.00	40.10	39.33
change from prior year	2.30	2.00	2.20	1.80	1.80	1.90	1.20	1.30	1.40	0.90	1.20	0.80	1.57
% change from prior year	6.25	5.41	5.93	4.85	4.84	5.08	3.18	3.42	3.66	2.34	3.09	2.04	4.15
<b>Trade, Transp., &amp; Utilities</b>	81.60	82.90	83.00	82.70	82.90	82.70	83.20	82.50	82.40	82.30	82.00	83.10	82.61
change from prior year	0.90	2.20	2.30	2.20	1.90	1.70	2.30	1.40	1.00	0.90	0.30	1.50	1.55
% change from prior year	1.12	2.73	2.85	2.73	2.35	2.10	2.84	1.73	1.23	1.11	0.37	1.84	1.91
<b>Financial Activities</b>	28.00	27.90	27.20	27.20	27.60	27.50	28.20	27.50	28.10	28.10	28.10	28.40	27.82
change from prior year	(0.80)	(0.90)	(1.60)	(1.40)	(1.10)	(1.10)	(0.30)	(0.90)	(0.40)	(0.20)	(0.20)	0.30	(0.72)
% change from prior year	(2.78)	(3.13)	(5.56)	(4.90)	(3.83)	(3.85)	(1.05)	(3.17)	(1.40)	(0.71)	(0.71)	1.07	(2.51)
<b>Prof. and Business Services</b>	28.40	28.20	28.00	28.70	29.00	29.20	29.50	28.90	29.20	30.40	30.20	29.40	29.09
change from prior year	0.90	0.50	0.30	1.00	0.90	1.20	1.50	0.90	1.10	2.10	1.90	1.00	1.11
% change from prior year	3.27	1.81	1.08	3.61	3.20	4.29	5.36	3.21	3.91	7.42	6.71	3.52	3.96
<b>Educ. &amp; Health Services</b>	65.50	65.90	65.60	65.50	65.80	65.80	66.00	65.90	66.50	66.40	66.90	66.90	66.06
change from prior year	1.10	1.20	0.90	0.90	1.10	1.10	1.20	1.00	1.60	1.40	1.80	1.60	1.24
% change from prior year	1.71	1.85	1.39	1.39	1.70	1.70	1.85	1.54	2.47	2.15	2.76	2.45	1.92
<b>Leisure &amp; Hospitality</b>	42.80	42.70	42.90	41.30	40.70	41.00	41.30	41.50	40.90	41.20	41.40	41.50	41.60
change from prior year	(0.40)	(0.10)	(0.30)	(2.00)	(2.70)	(2.40)	(2.10)	(1.70)	(2.30)	(2.00)	(1.80)	(1.50)	(1.61)
% change from prior year	(0.93)	(0.23)	(0.69)	(4.62)	(6.22)	(5.53)	(4.84)	(3.94)	(5.32)	(4.63)	(4.17)	(3.49)	(3.72)
<b>Other Services</b>	15.60	15.60	15.50	15.40	15.20	15.40	15.70	15.50	16.10	15.40	15.30	14.90	15.47
change from prior year	(0.10)	0.00	(0.10)	(0.20)	(0.40)	(0.10)	0.10	(0.10)	0.60	(0.20)	(0.20)	(0.70)	(0.12)
% change from prior year	(0.64)	0.00	(0.64)	(1.28)	(2.56)	(0.65)	0.64	(0.64)	3.87	(1.28)	(1.29)	(4.49)	(0.75)
<b>Government</b>	78.50	77.70	77.40	77.30	77.80	77.50	77.90	78.00	77.60	77.70	77.80	77.50	77.73
change from prior year	(0.70)	(1.60)	(1.50)	(1.20)	(0.80)	(1.10)	(0.70)	(0.50)	(0.90)	(0.80)	(0.60)	(0.30)	(0.89)
% change from prior year	(0.88)	(2.02)	(1.90)	(1.53)	(1.02)	(1.40)	(0.89)	(0.64)	(1.15)	(1.02)	(0.77)	(0.39)	(1.13)
<b>NonFarm (excluding Govt.)</b>	328.6	329.4	328.6	326.8	327.3	327.8	330.1	328.9	329.9	330.3	331.0	331.2	329.16
change from prior year	4.0	4.8	3.4	1.8	0.7	1.3	3.5	2.4	2.8	2.5	3.0	2.4	2.72
% change from prior year	1.23	1.48	1.05	0.55	0.21	0.40	1.07	0.74	0.86	0.76	0.91	0.73	0.83

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

Category	Time Period												12 Month
	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Avg/Total
<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted):</b>													
<b>One-Family Units - S.D. Total</b>	199	147	170	162	162	67	60	67	80	178	208	232	1,732
change from prior year	6	4	(2)	24	(15)	(44)	(7)	22	37	39	47	70	181
<b>Total Family Units - S.D. Total</b>	222	228	266	313	232	88	77	131	92	217	263	257	2,386
change from prior year	6	25	12	133	10	(54)	7	74	(11)	22	77	(36)	265
<b>Total Family Units - Minnehaha Co.</b>	73	104	138	139	73	21	28	19	43	85	84	109	916
change from prior year	10	31	67	74	6	(25)	10	0	38	(6)	12	(28)	189
<b>Total Family Units - Pennington Co.</b>	40	27	24	30	19	11	25	21	21	23	48	26	315
change from prior year	8	(2)	(6)	12	(28)	(12)	10	6	(56)	(8)	23	5	(48)
<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>	35.38	24.57	28.67	28.16	25.71	11.22	9.94	11.88	13.77	29.20	34.21	38.10	290.81
change from prior year	2.27	(0.64)	8.85	5.36	(5.14)	(7.65)	(1.21)	4.58	5.73	6.72	9.18	11.98	40.01
<b>Total Family units - S.D. Total</b>	36.56	31.99	35.46	39.95	30.71	12.84	11.92	15.68	14.44	31.69	37.54	39.60	338.38
change from prior year	1.48	2.30	11.62	13.39	(3.17)	(8.42)	0.58	7.50	(0.18)	4.68	9.46	4.98	44.22
<b>Total Family Units - Minnehaha Co.</b>	11.22	12.70	15.37	14.72	11.84	3.71	4.74	3.34	5.92	13.47	12.64	16.68	126.34
change from prior year	1.09	4.58	10.72	6.13	1.52	(2.56)	1.65	0.17	4.88	2.44	1.63	2.35	34.59
<b>Total Family Units - Pennington Co.</b>	7.75	3.74	3.81	5.48	3.10	1.76	3.74	3.62	3.57	3.82	6.96	5.06	52.39
change from prior year	1.47	(0.76)	(0.98)	2.55	(3.34)	(1.77)	1.49	1.53	(5.97)	(1.68)	3.23	1.66	(2.57)

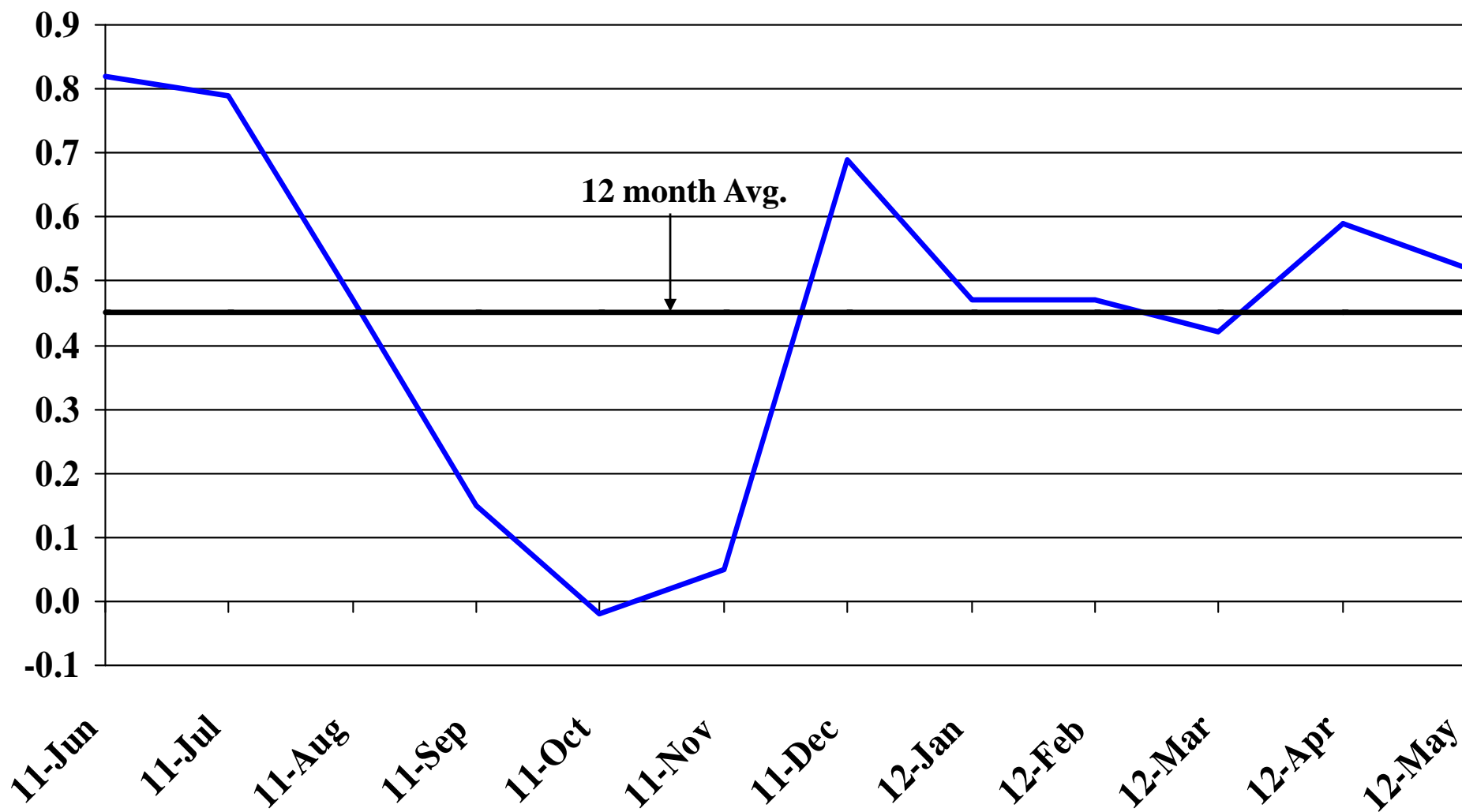
<b>Automobile Data (information is not seasonally adjusted)</b>													
<b>New Non-Comm. Veh. Titled</b>	3,314	2,775	3,237	2,875	3,133	2,678	3,209	3,723	2,424	2,925	3,427	3,581	37,301
change from prior year	446	323	476	404	509	170	476	852	237	(135)	659	334	4,751

<b>Agriculture (information is not seasonally adjusted)</b>													
<b>Wheat</b>	9.27	7.81	7.76	7.71	7.83	7.94	7.85	6.99	7.25	7.24	6.96	6.74	7.61
change from prior year	4.46	3.44	2.25	1.73	1.69	1.48	1.02	(0.42)	(0.88)	(1.46)	(1.83)	(2.99)	0.71
<b>Corn</b>	6.17	6.07	6.75	6.62	5.67	5.68	5.65	5.93	6.06	6.17	6.07	5.95	6.07
change from prior year	3.06	2.88	3.47	3.00	1.65	1.44	1.12	1.45	0.74	0.73	(0.02)	(0.08)	1.62
<b>Soybeans</b>	12.90	12.80	13.00	11.50	11.50	11.50	11.10	11.60	12.00	12.80	13.70	13.70	12.34
change from prior year	3.87	3.55	3.41	1.86	1.62	0.90	0.10	0.30	(0.60)	0.30	1.00	0.80	1.43
<b>Hay</b>	95.00	102.00	102.00	123.00	127.00	125.00	136.00	122.00	123.00	122.00	127.00	123.00	118.92
change from prior year	14.00	28.00	29.00	50.00	50.00	47.00	56.00	39.00	43.00	41.00	47.00	28.00	39.33

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

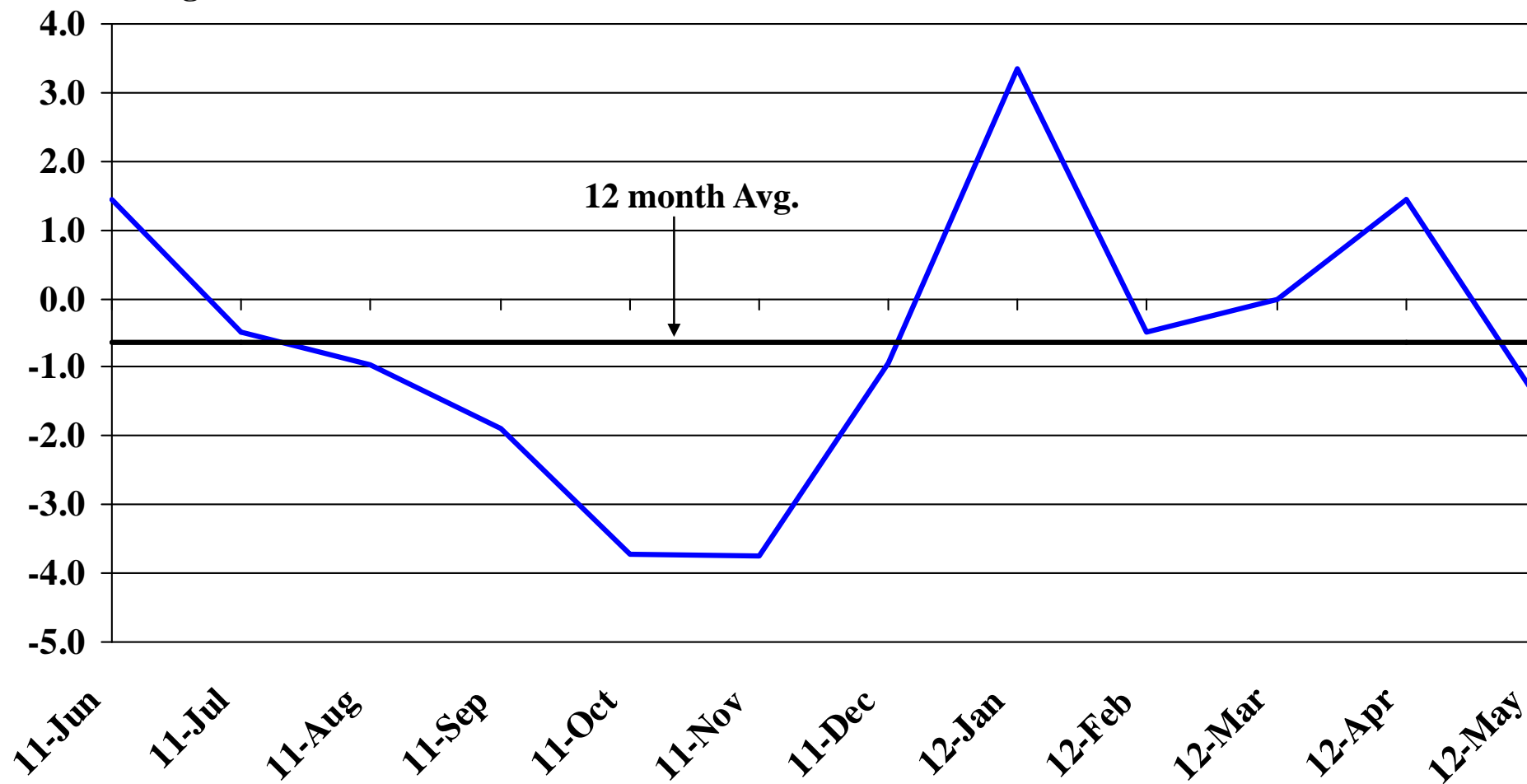
# Recent Trends in Nonfarm Employment

Percent Change



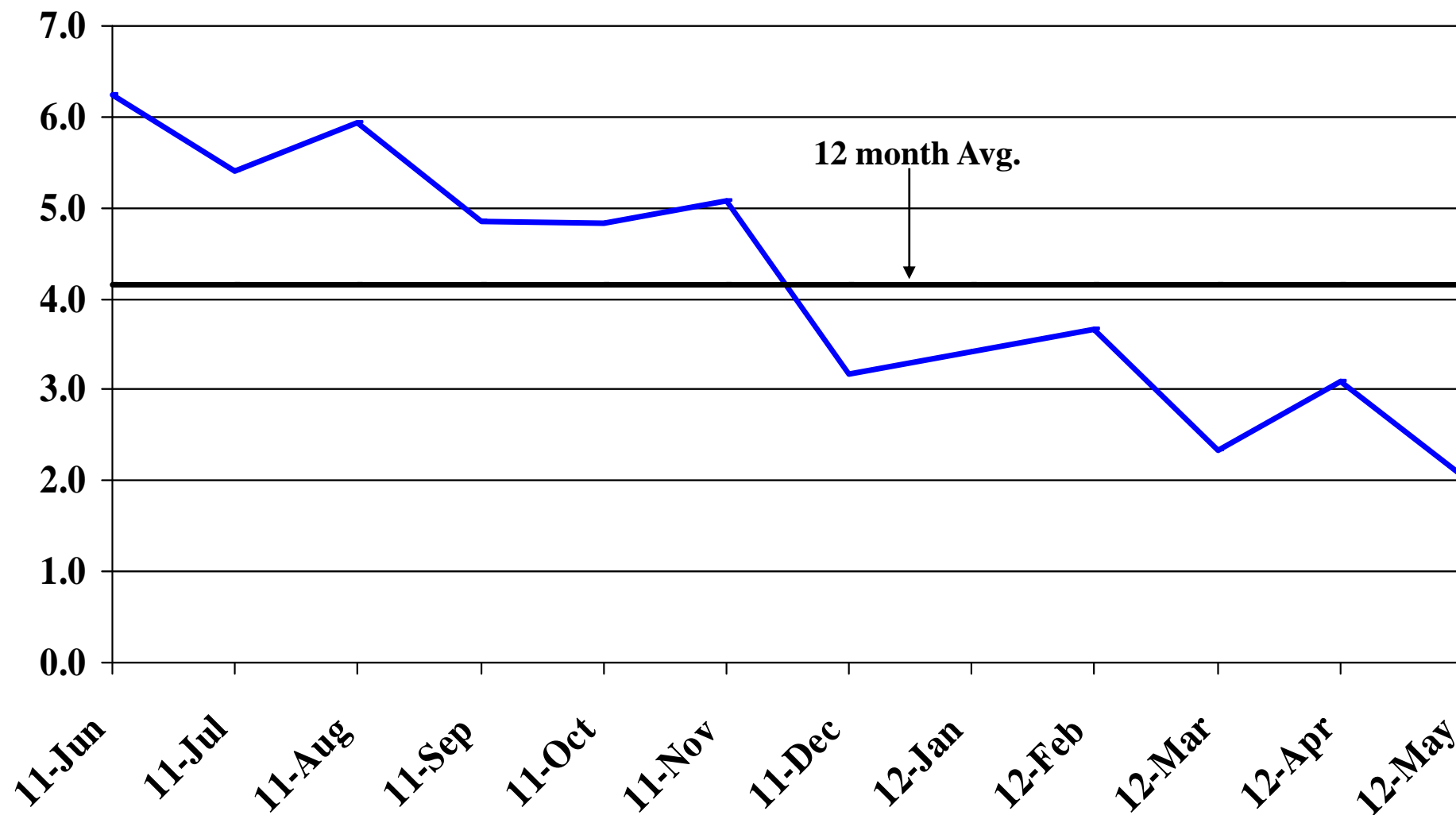
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



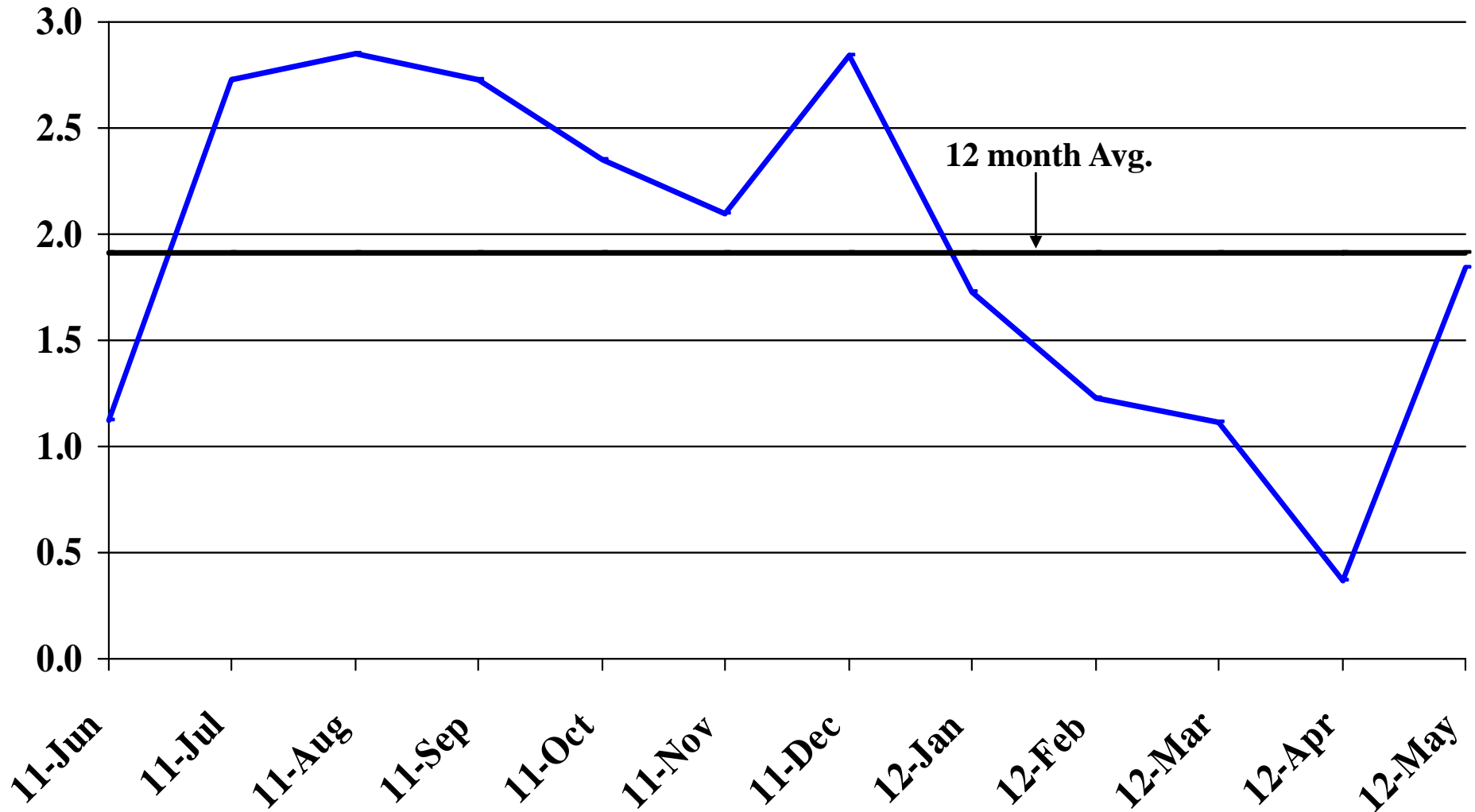
# Recent Trends in Manufacturing Employment

Percent Change



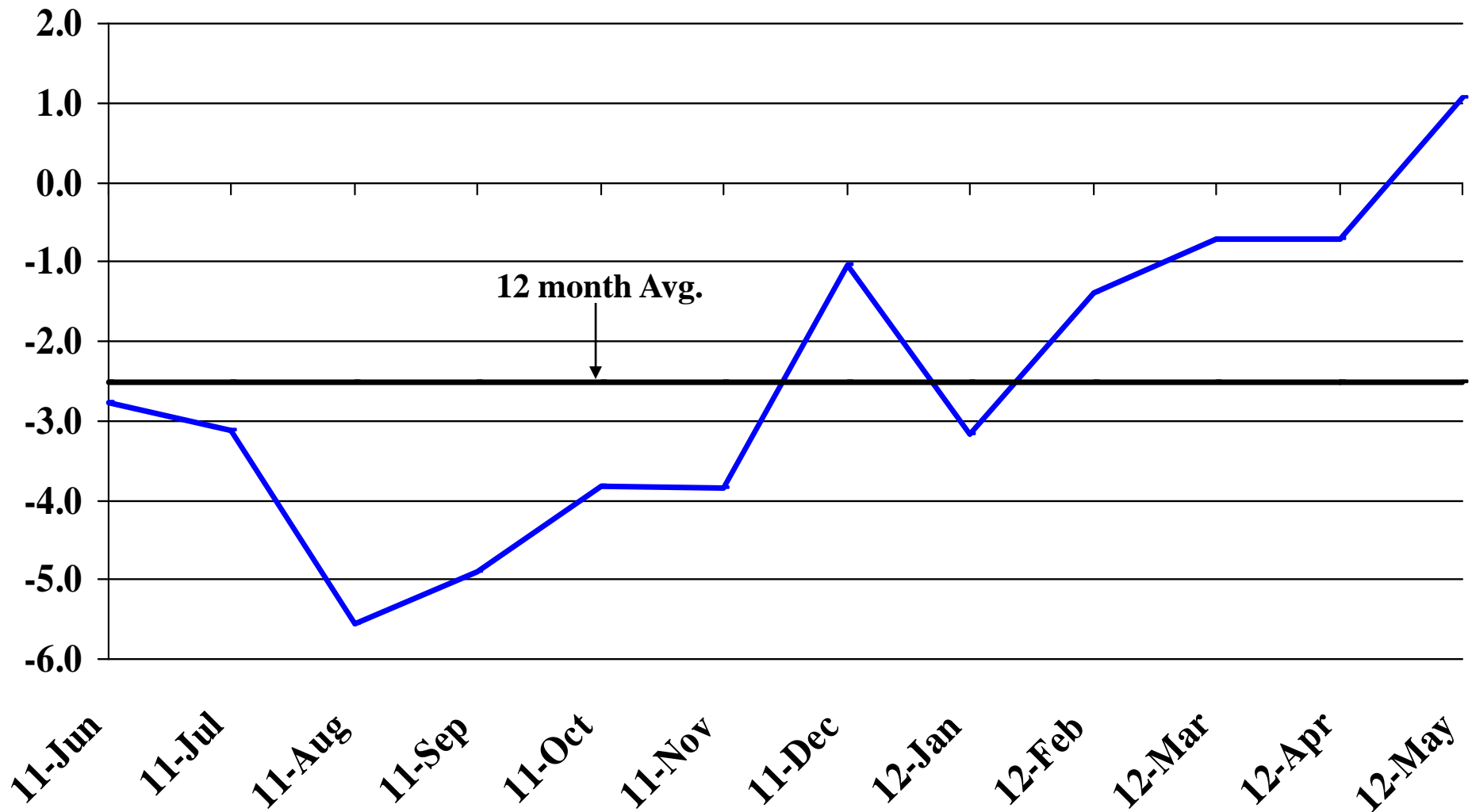
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



# Recent Trends in Financial Activities Employment

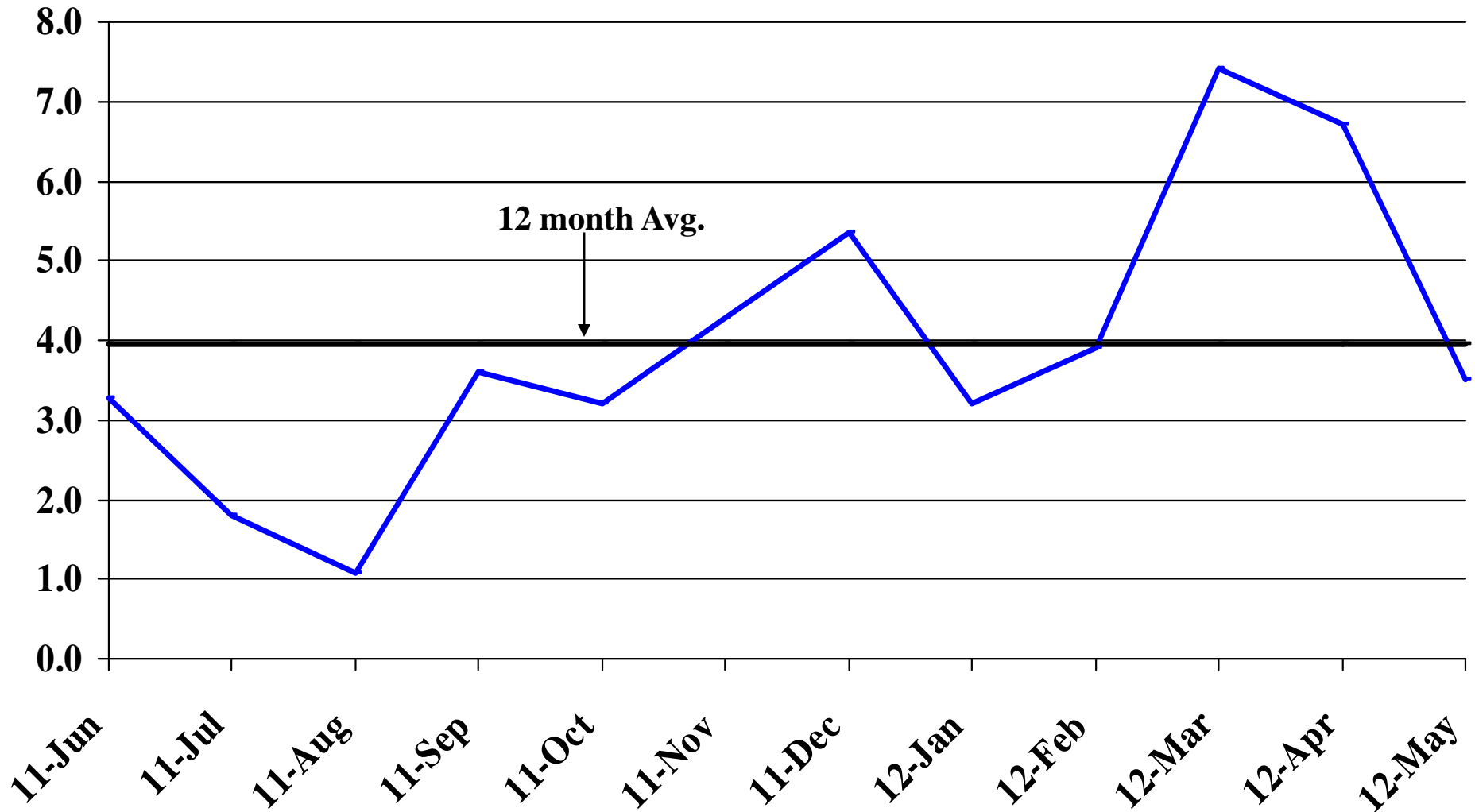
Percent Change





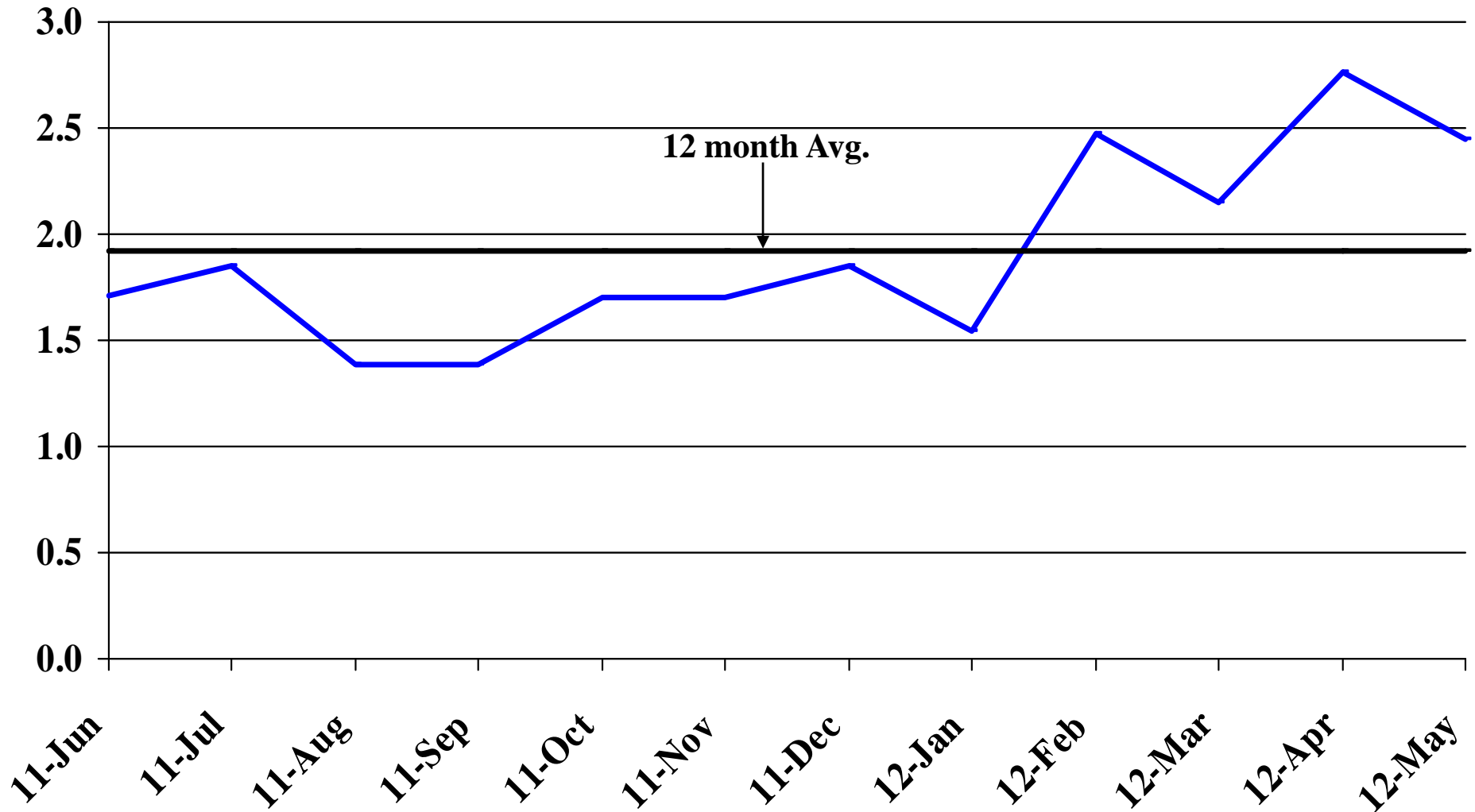
# Recent Trends in Professional and Business Services Employment

Percent Change



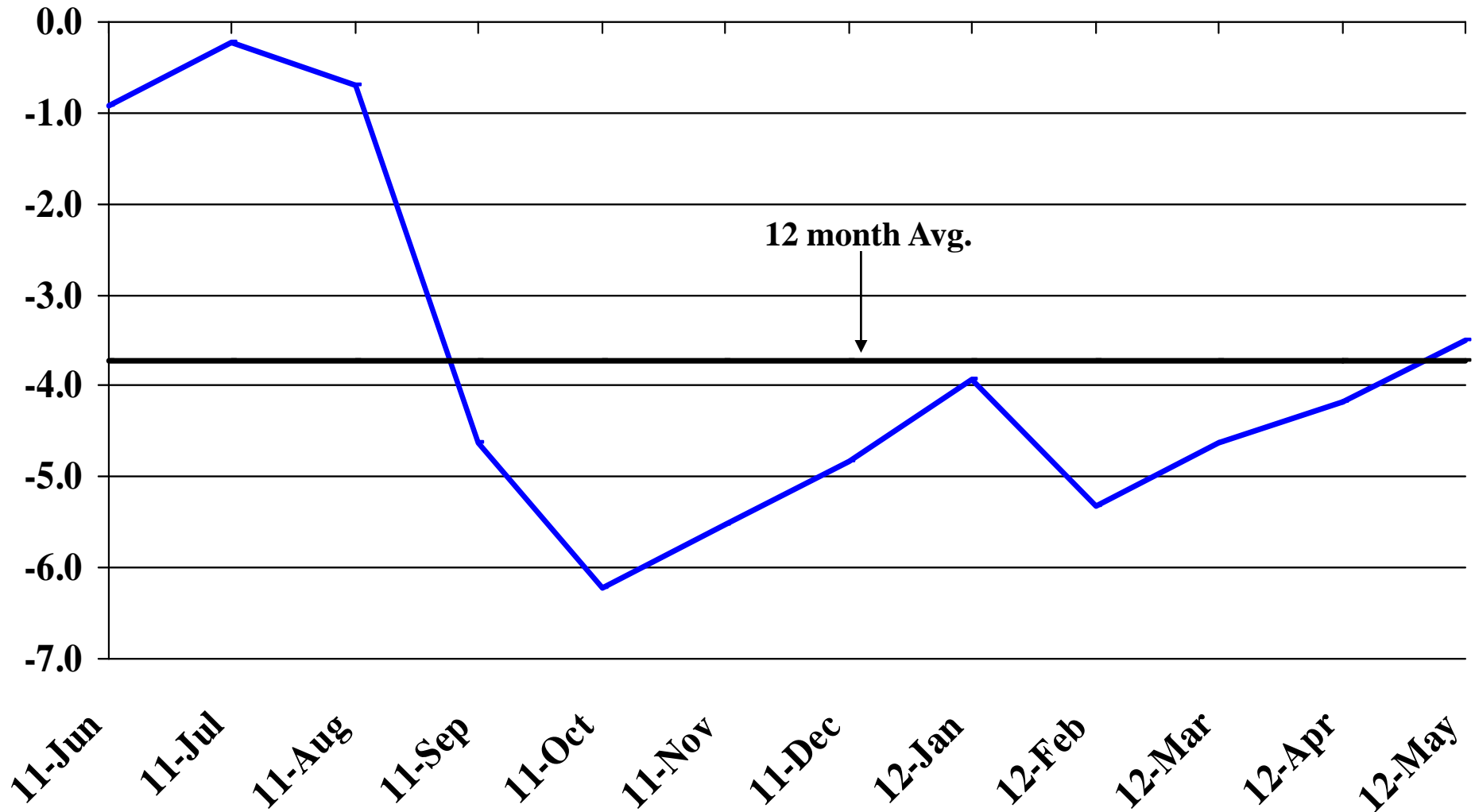
# Recent Trends in Educational and Health Services Employment

Percent Change



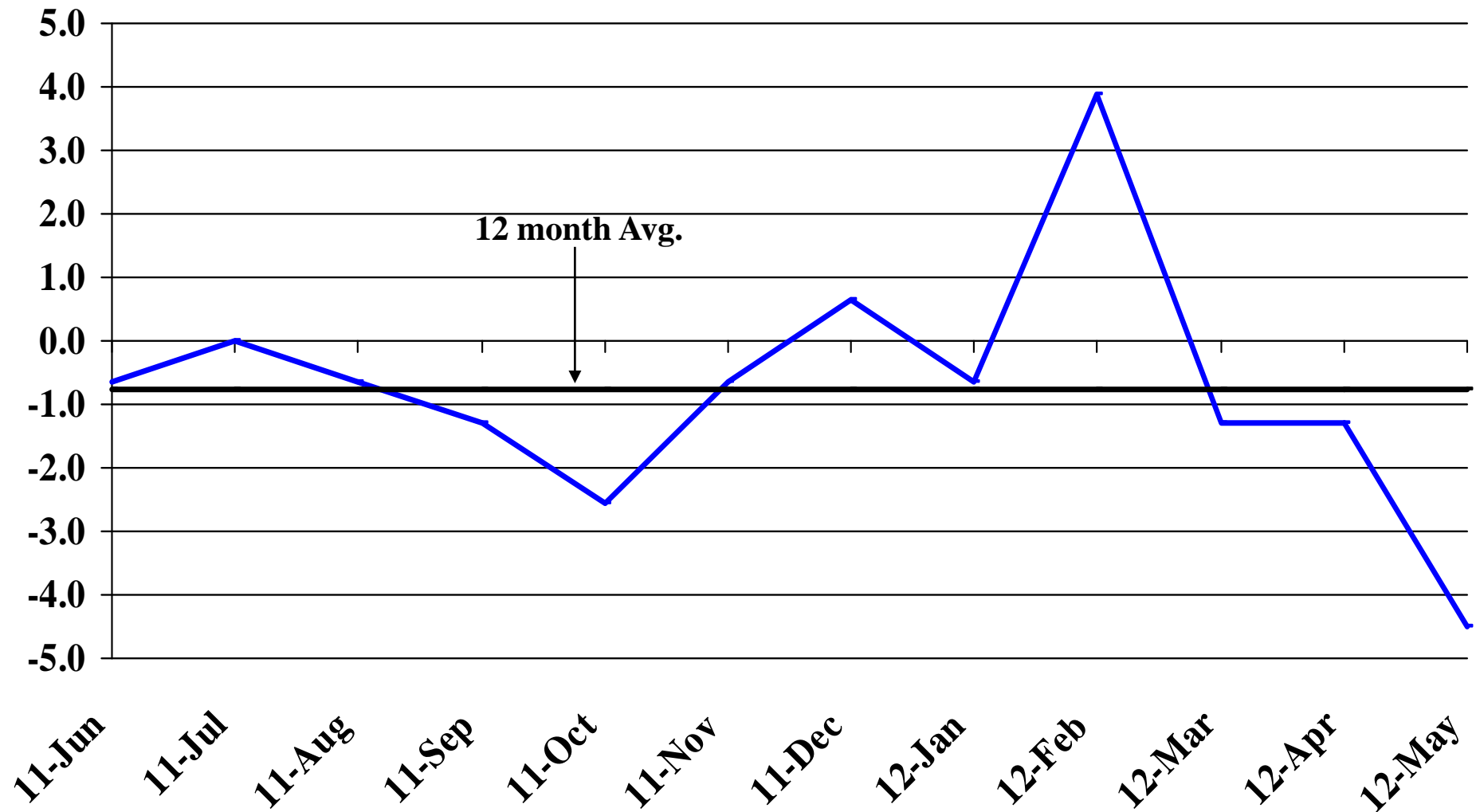
# Recent Trends in Leisure and Hospitality Employment

Percent Change



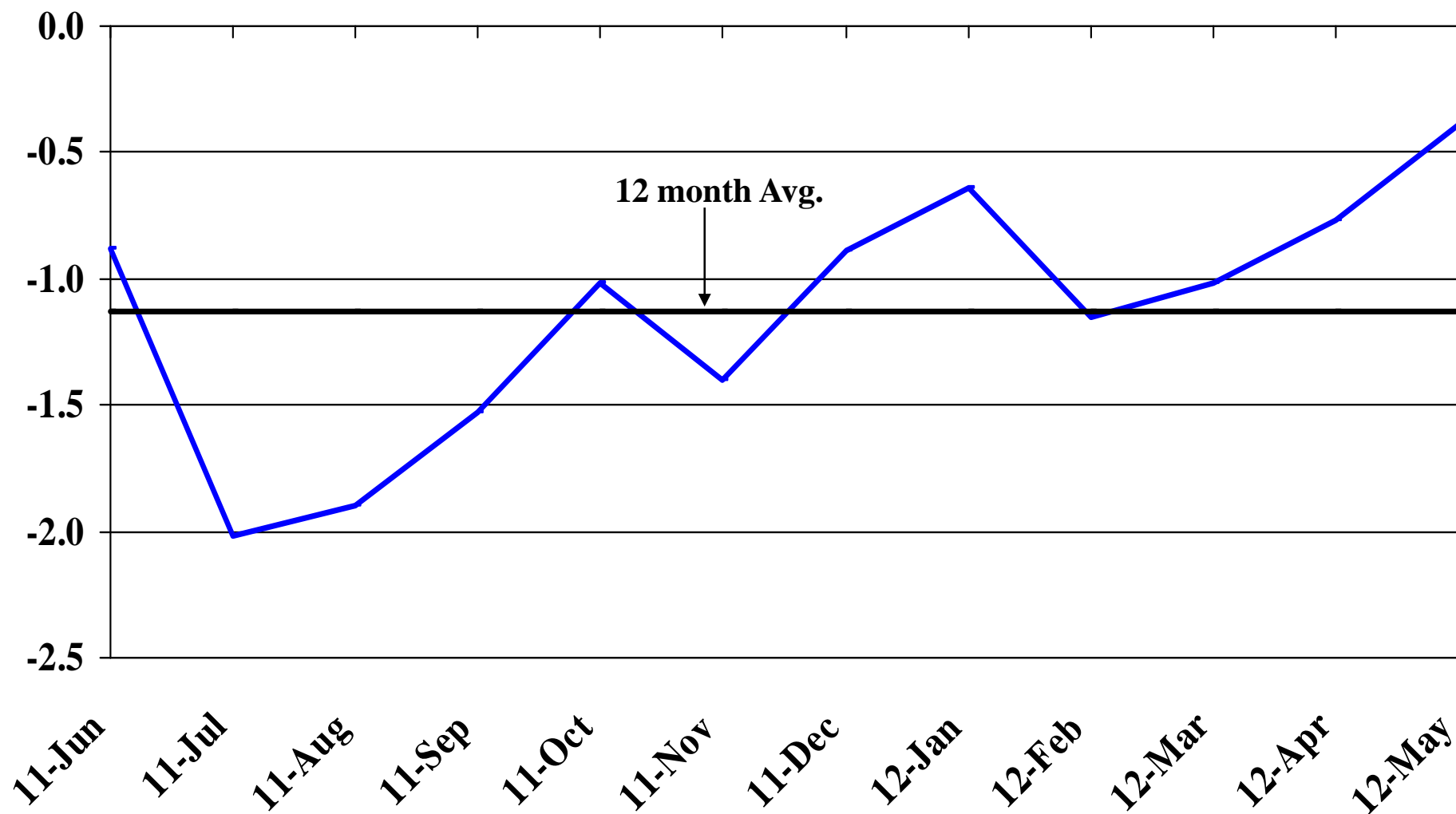
# Recent Trends in Other Services Employment

Percent Change



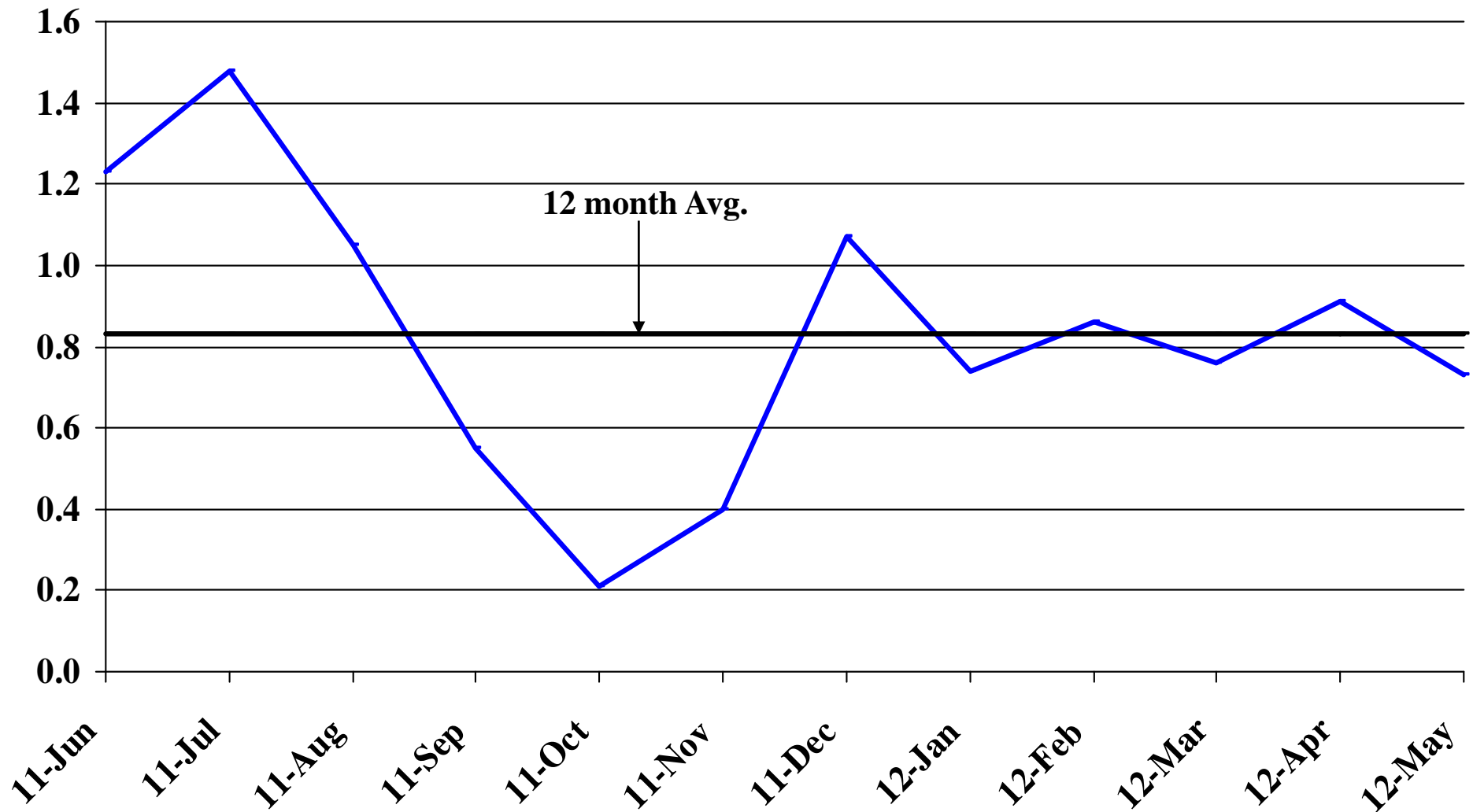
# Recent Trends in Government Employment

Percent Change

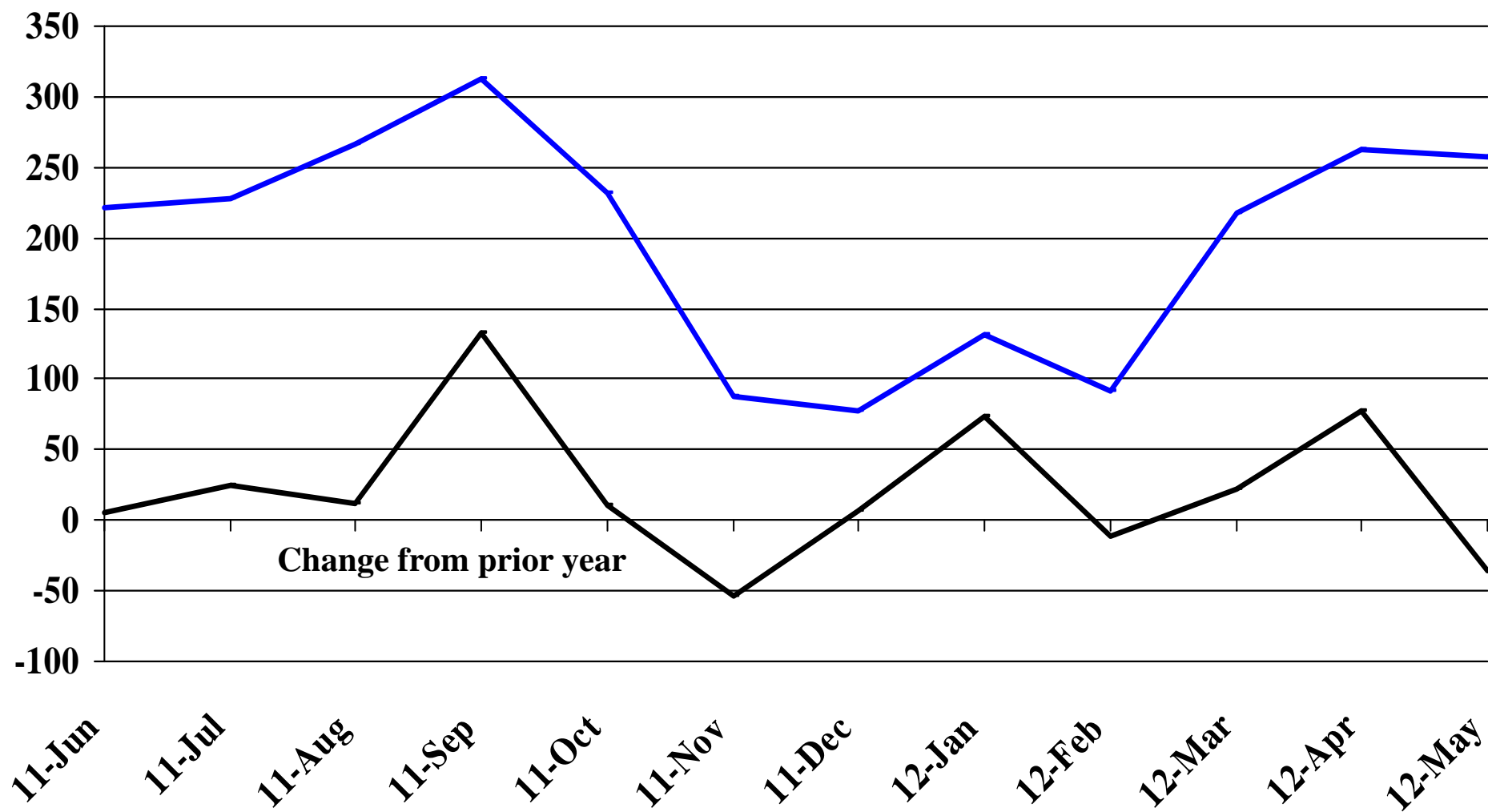


# Recent Trends in Nonfarm Employment (excluding Government Employment)

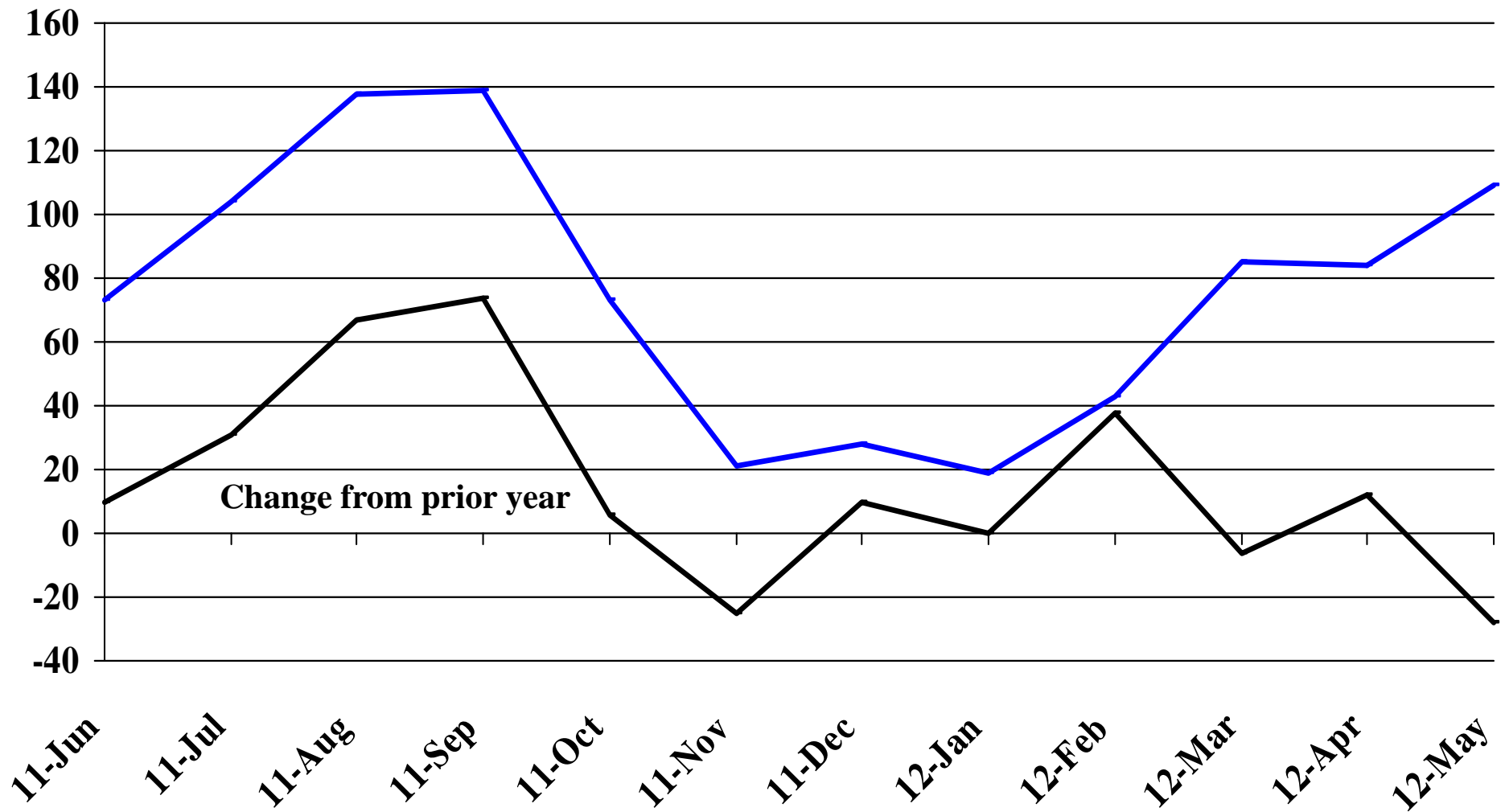
Percent Change



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

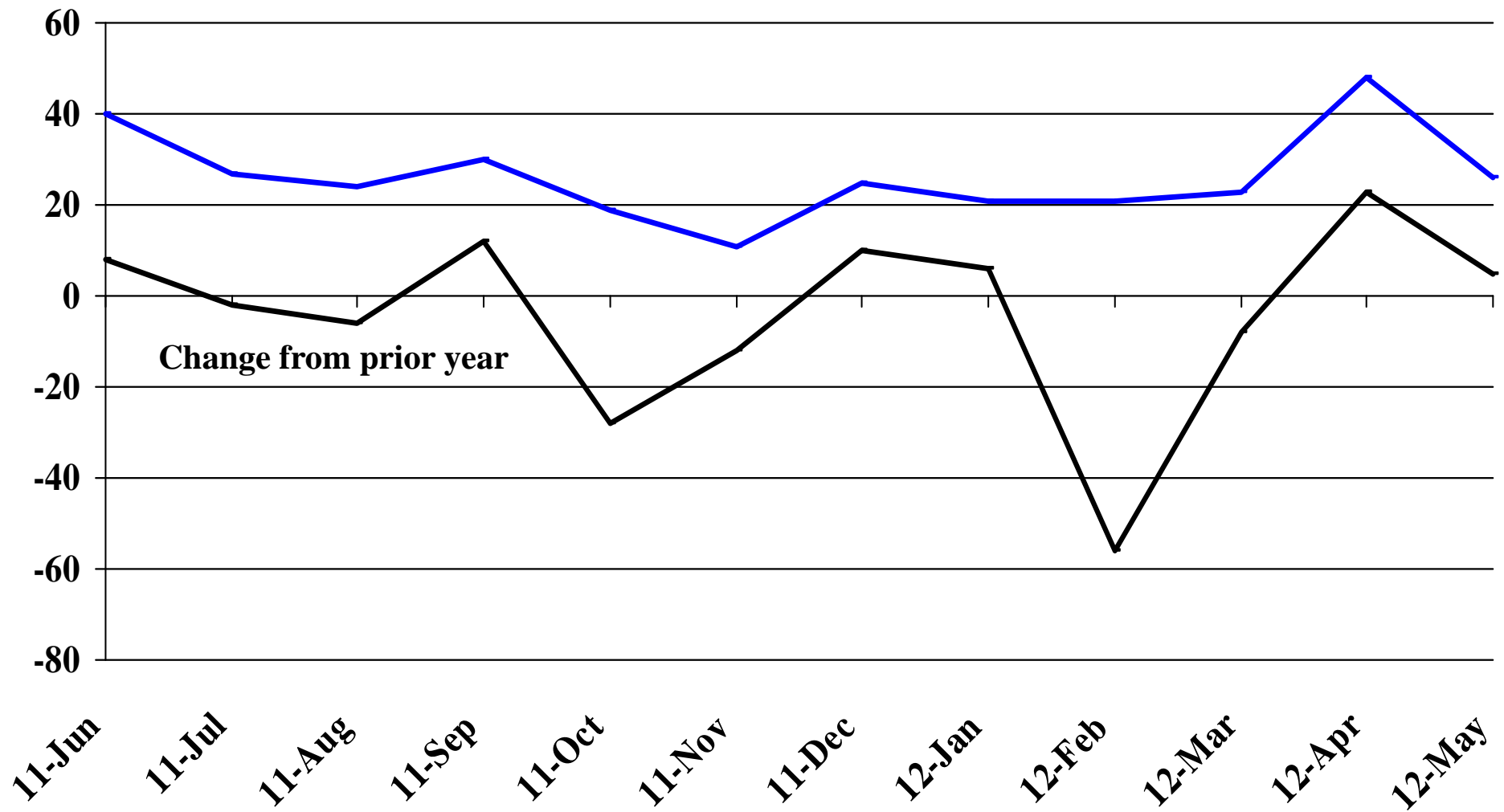


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



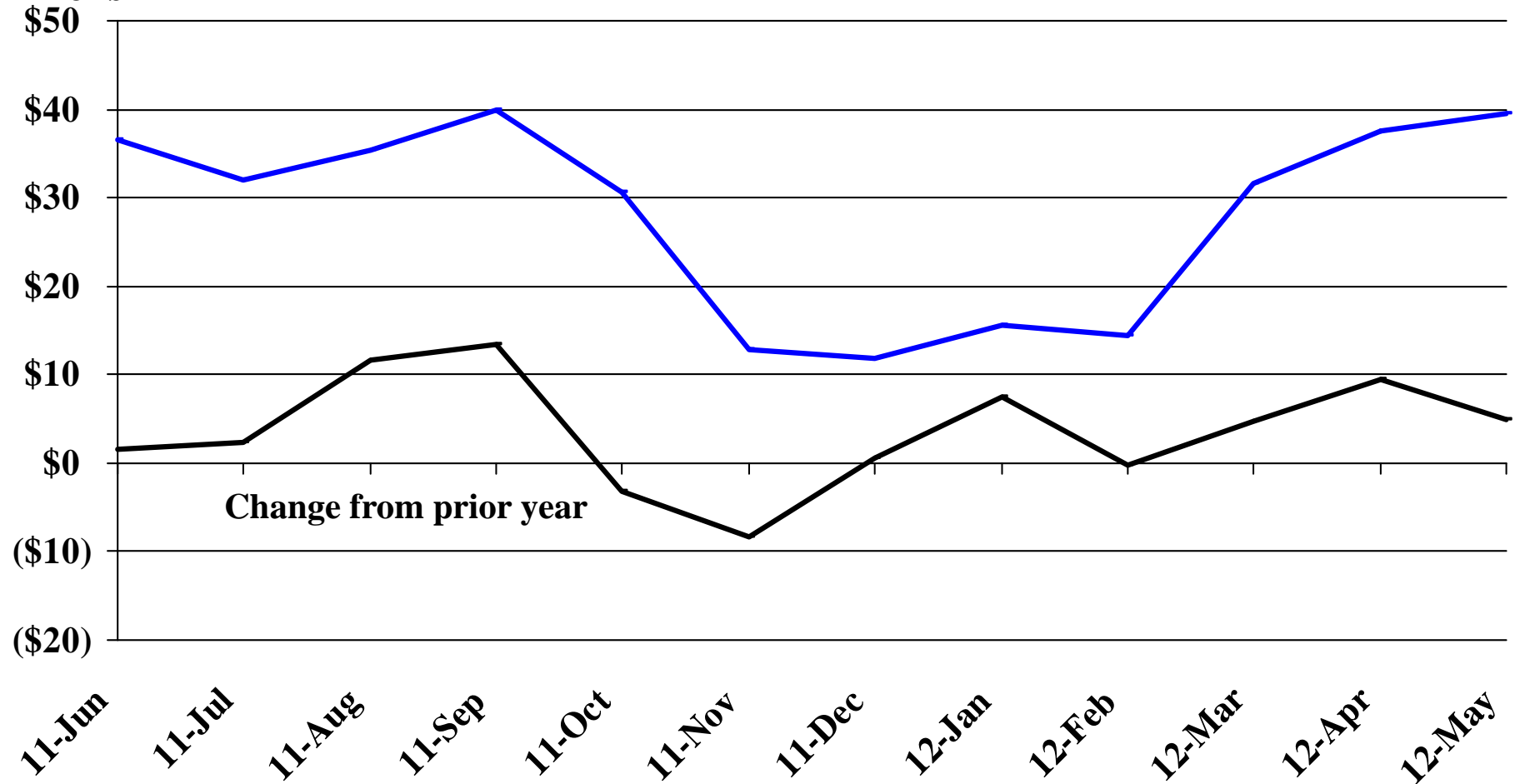


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County



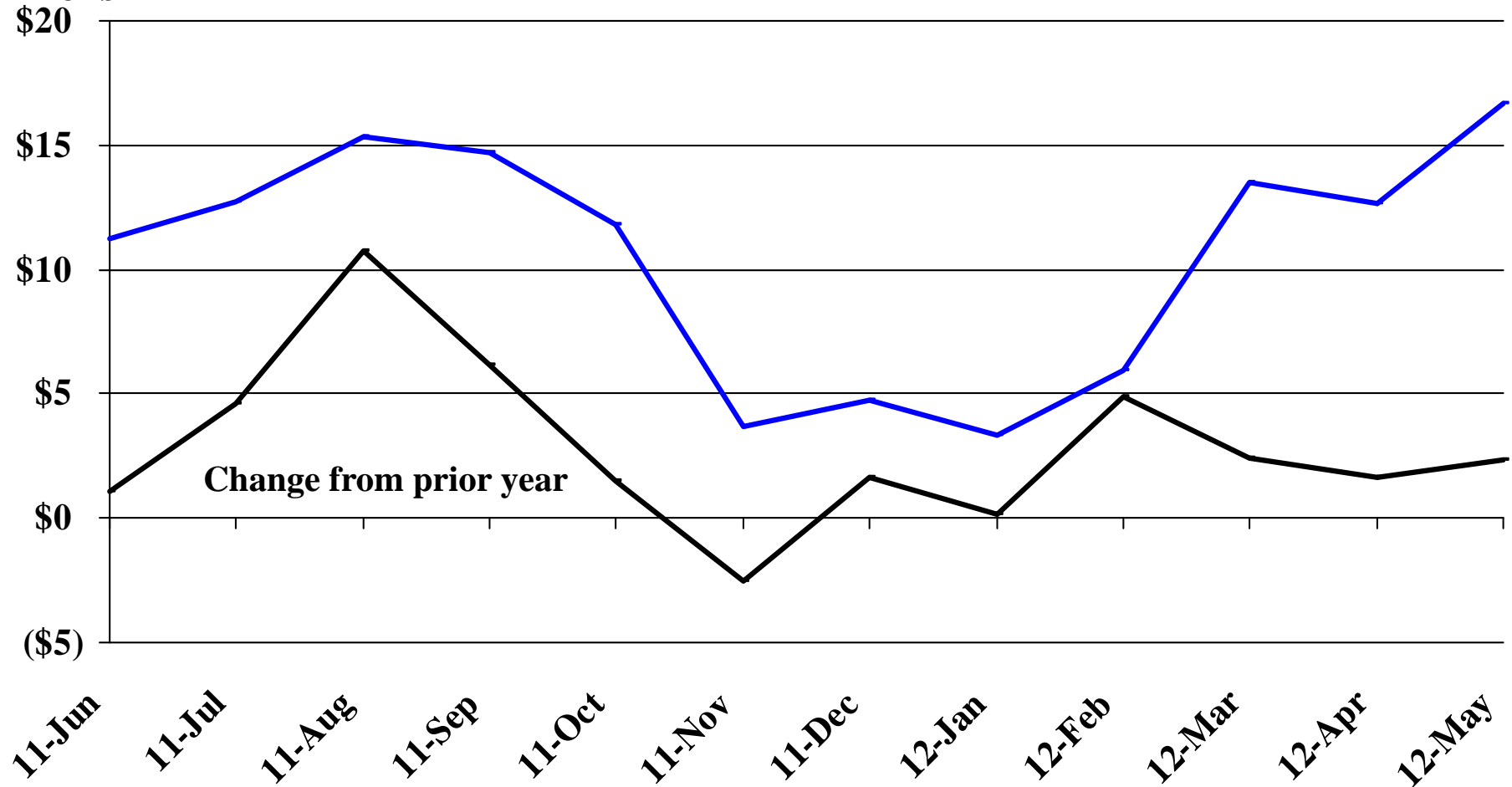
# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions



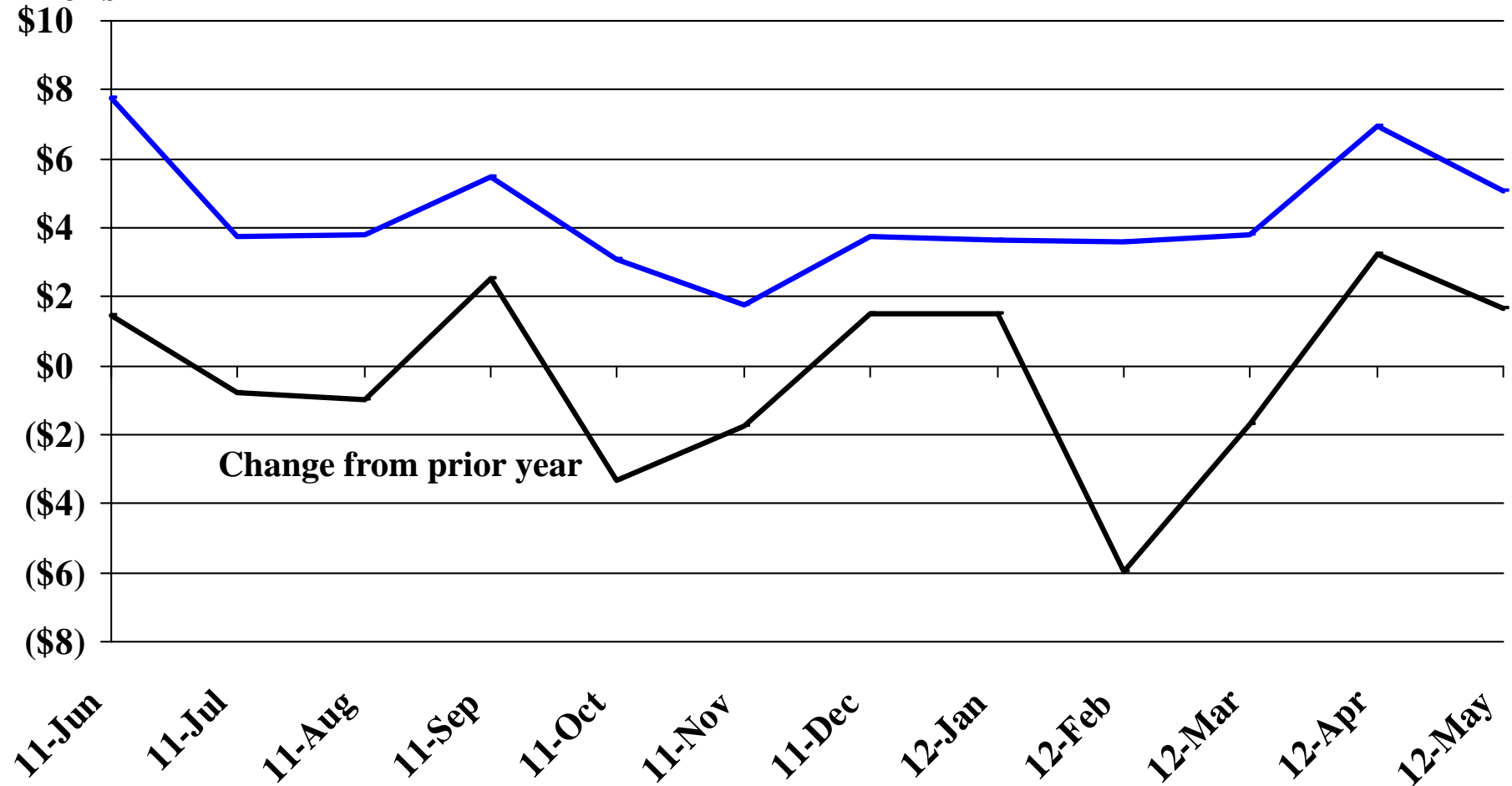
# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

Millions

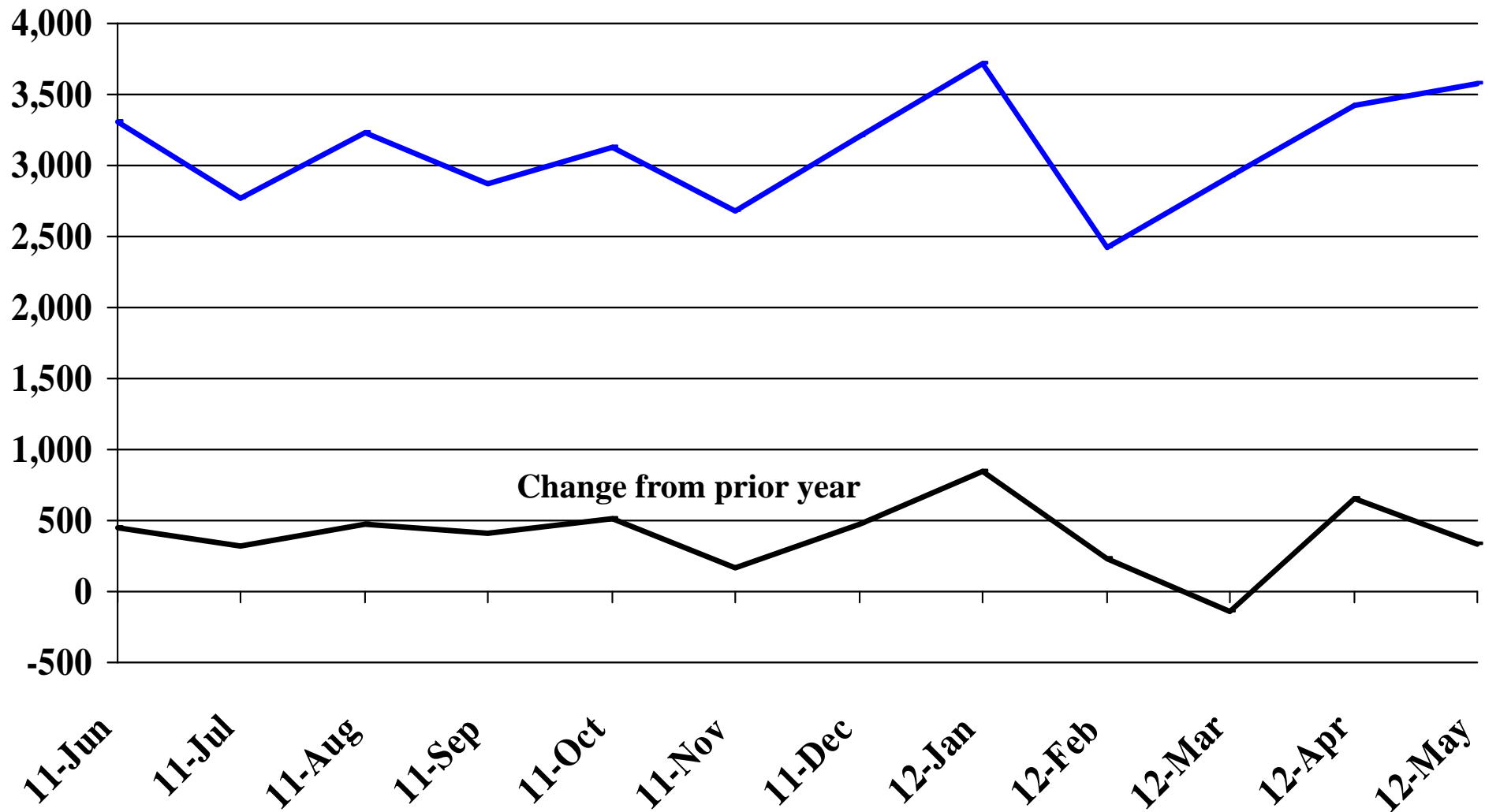


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

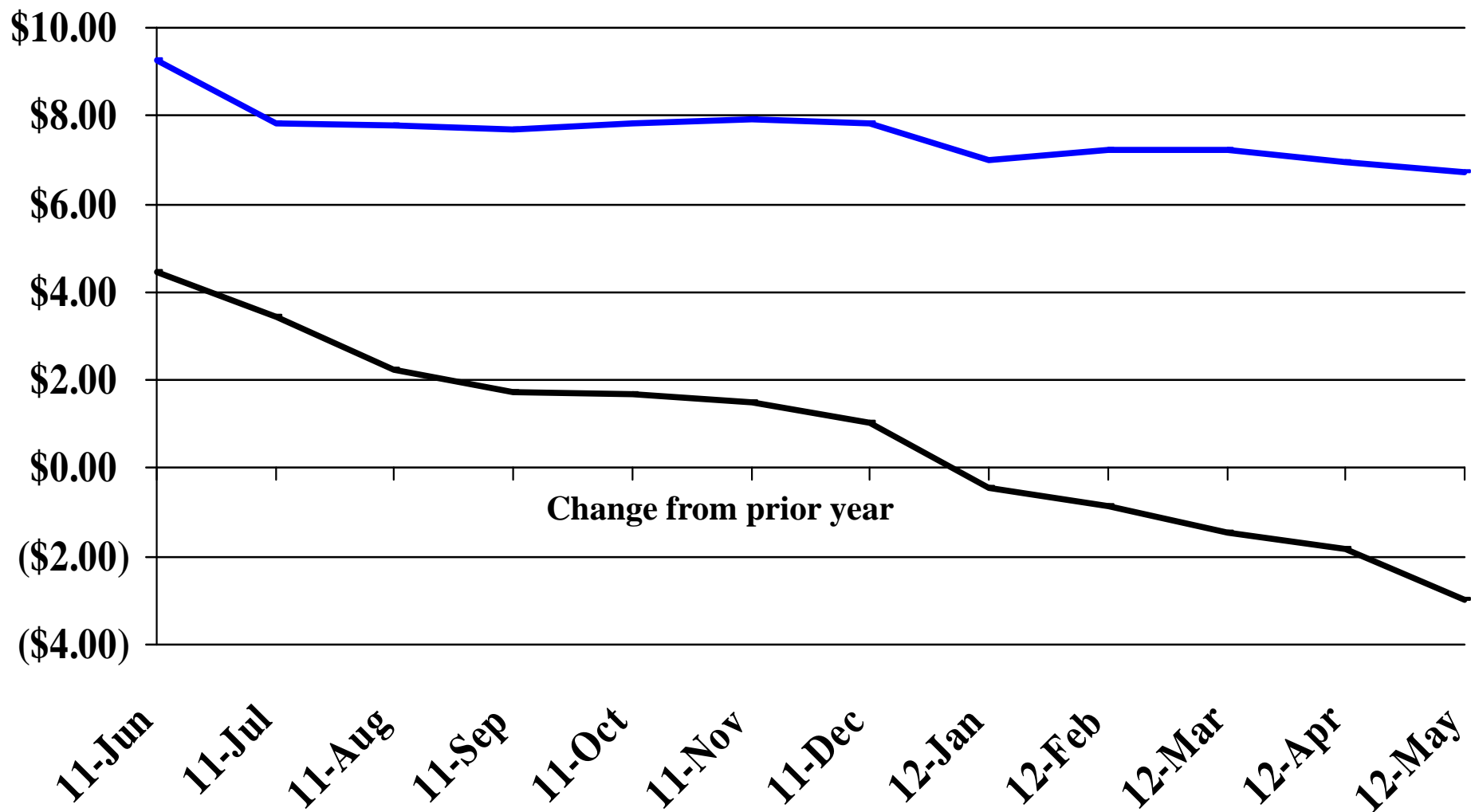


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



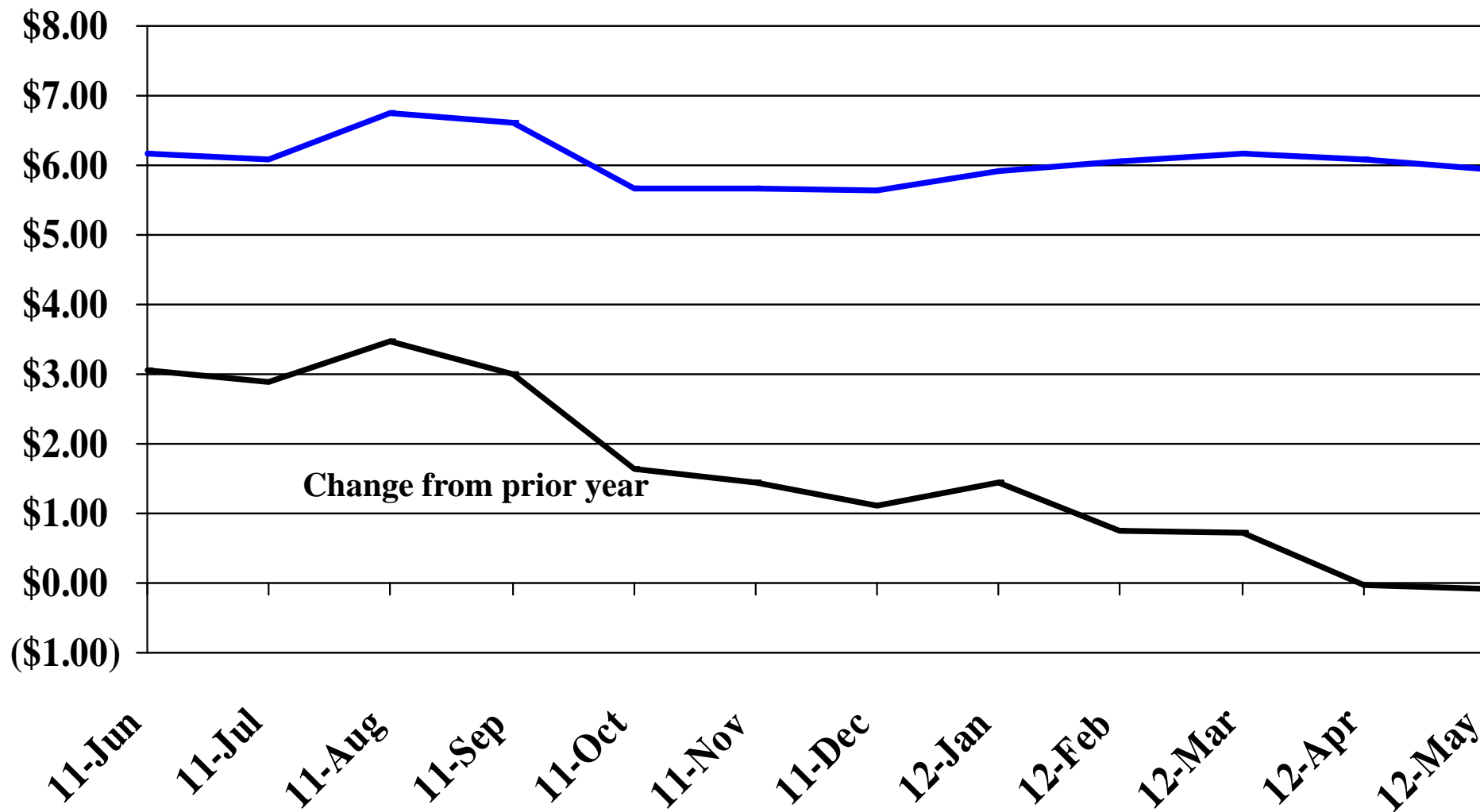
# Recent Trends in the Price of Wheat

\$'s Per Bushel

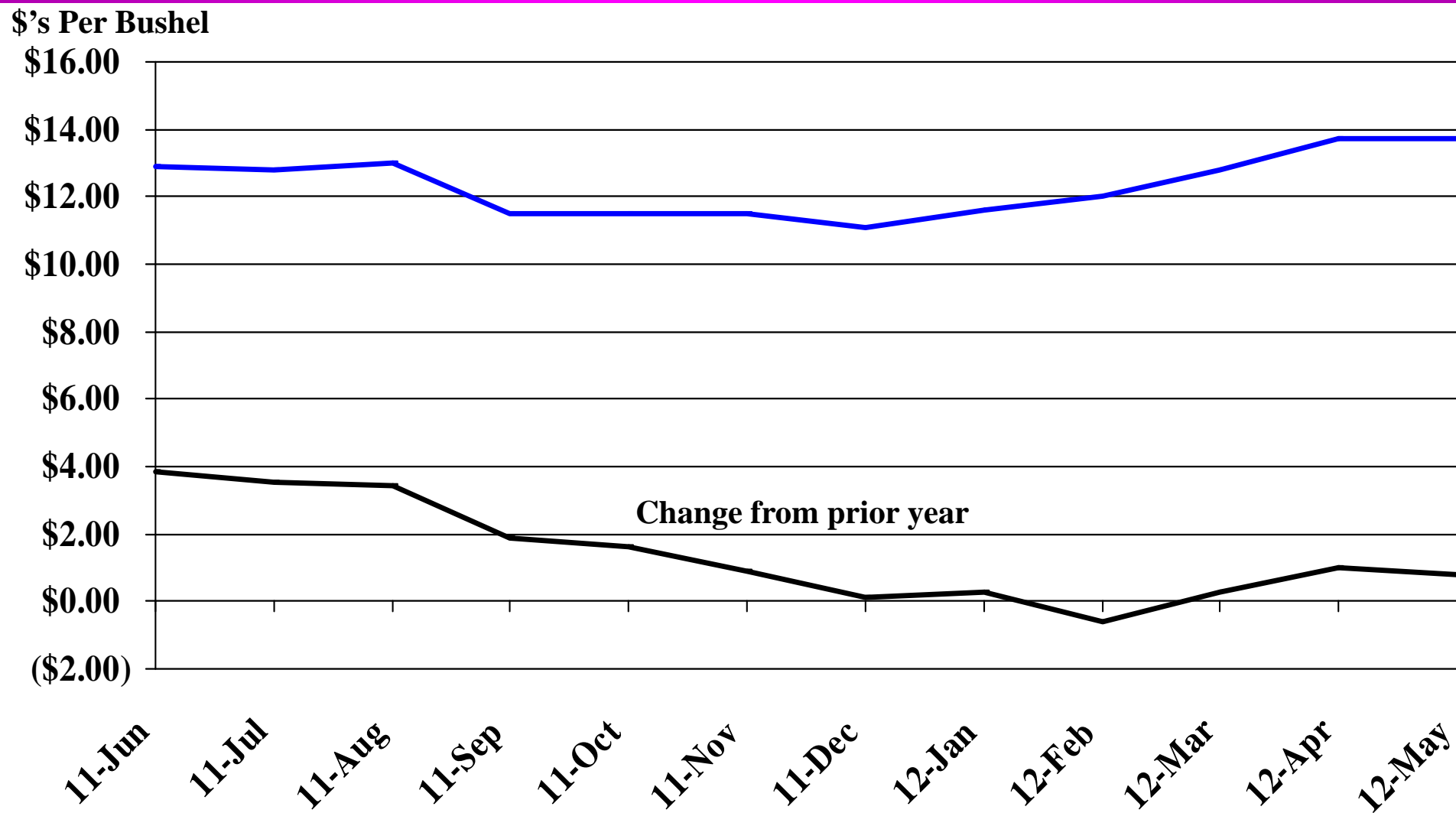


# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans





# Recent Trends in the Price of Hay

\$'s Per Ton

