

# The South Dakota Economy

May 1, 2013

## Employment growth in South Dakota

- On an annual basis during 2012, South Dakota nonfarm employment levels were 6,500 jobs higher than 2011, or an increase of 1.6% after recent benchmark revisions. The growth in 2012 was the largest annual employment gain since 2007. In addition, South Dakota's total nonfarm employment in 2012 was higher than the peak employment level that was reached before the '07-'09 national recession, meaning South Dakota's employment transitioned from a recovery phase to an expansion phase during 2012.
- As of March 2013, South Dakota's total employment level was 1.8% higher than the peak employment reached before the '07-'09 recession. In comparison, US employment was still 2.1% below the previous peak employment as of March 2013.
- In March 2013, total SD nonfarm employment was up 6,500 jobs or 1.6%, compared to March 2012.
  - Sectors that are currently experiencing year-over-year growth (March 2013 compared to March 2012 levels) include: financial activities (+6.0%); leisure and hospitality (+5.0%); education and health services (+3.9%); manufacturing (+2.4%); trade, transportation, and utilities (+1.8%); and, government (+0.5%). Other services employment was unchanged from the prior year.
  - Sectors that are experiencing year-over-year declines in March include: professional and business services (-3.1%) and mining, logging, and construction (-7.7%).

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

- The unemployment rate in South Dakota was the fourth lowest in the nation in March at 4.3%.
  - South Dakota's unemployment rate in March 2013 was 0.1% lower than last month and 0.1% lower than last year.
- The U.S. unemployment rate was 7.6% in March 2013.

## Income growth in South Dakota.

- South Dakota's preliminary personal income for 2012 decreased 0.2% compared to 2011. The decrease is attributed to a decrease in farm income.
  - In 2012, South Dakota's farm income decreased 27.1% compared to 2011, which was the primary reason for the decrease in total personal income in 2012. South Dakota nonfarm income grew by 4.0% in 2012 compared to 2011, which was higher than the US growth rate of 3.5% over the same time period.
- Over the past four years (2008-2012), the average annual growth of South Dakota's personal income was 3.1%, which ranked second of all states. This compares to the US growth in personal income of 1.9% over the same time period.
- South Dakota's preliminary per capita personal income in 2012 was \$43,659, which ranked 18<sup>th</sup> in the nation and was 2.3% higher than the US per capita personal income of \$42,693 during 2012.
- South Dakota's 4<sup>th</sup> quarter personal income for 2012 increased 4.8% compared to the third quarter of 2012. This was higher than the US growth rate of 1.9% over the same time period.

## The housing market.

- In the last twelve months (April 2012 – March 2013) there were 1,611 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 \$176.66 million higher in the last twelve months compared to the same period the year before. \*

## The agricultural economy.

- As of April 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 230,000 cattle on feed for the slaughter market. This was the same as last month, but down 10 percent from a year ago.
- As of April 28<sup>th</sup>, cattle conditions were rated 93% fair to excellent and winter wheat conditions were rated 49% fair to excellent.
- As of April 28<sup>th</sup>, topsoil conditions were rated 26% short to very short, while subsoil conditions were rated 70% short to very short.
- Crop prices received by SD farmers continue to be higher than a year ago for most crops. In March, corn prices received were \$7.04/bushel, up \$0.87 compared to a year ago; soybean prices were \$14.40/bushel, up \$1.60 from a year ago; wheat prices were \$7.75/bushel, up \$0.51 compared to a year ago; and, hay prices were \$221/ton, up \$99/ton from a year ago.

\* 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
	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	
<b>Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)</b>													
<b>Total Nonfarm</b>	414.80	414.20	414.40	413.90	413.50	415.30	415.70	415.70	415.90	417.80	419.00	419.70	415.83
change from prior year	9.60	7.70	7.50	6.50	5.30	6.50	6.30	5.80	5.00	6.00	6.90	6.50	6.63
% change from prior year	2.37	1.89	1.84	1.60	1.30	1.59	1.54	1.41	1.22	1.46	1.67	1.57	1.62
<b>N.R., Mining &amp; Const.</b>	21.80	21.30	21.10	20.80	20.60	20.50	20.30	20.30	20.40	20.30	20.50	20.30	20.68
change from prior year	1.30	0.30	0.00	(0.50)	(0.60)	(0.90)	(1.10)	(0.90)	(1.10)	(1.50)	(1.40)	(1.70)	(0.67)
% change from prior year	6.34	1.43	0.00	(2.35)	(2.83)	(4.21)	(5.14)	(4.25)	(5.12)	(6.88)	(6.39)	(7.73)	(3.16)
<b>Manufacturing Employment</b>	41.10	41.10	41.30	41.40	41.30	41.50	41.50	41.70	41.70	41.80	41.60	41.80	41.48
change from prior year	2.50	2.00	2.30	2.20	1.80	1.90	1.60	1.50	1.30	1.30	0.80	1.00	1.68
% change from prior year	6.48	5.12	5.90	5.61	4.56	4.80	4.01	3.73	3.22	3.21	1.96	2.45	4.23
<b>Trade, Transp., &amp; Utilities</b>	83.00	83.10	83.20	83.00	83.40	83.40	83.30	83.00	82.60	84.00	84.10	84.30	83.37
change from prior year	1.40	1.50	1.60	1.40	1.60	1.50	1.30	0.80	0.30	1.40	1.40	1.50	1.31
% change from prior year	1.72	1.84	1.96	1.72	1.96	1.83	1.59	0.97	0.36	1.69	1.69	1.81	1.59
<b>Financial Activities</b>	28.40	28.70	28.70	28.80	28.90	29.00	29.20	29.20	29.20	29.40	29.80	29.80	29.09
change from prior year	0.20	0.60	0.70	0.90	0.90	1.10	1.20	1.20	1.20	1.30	1.70	1.70	1.06
% change from prior year	0.71	2.14	2.50	3.23	3.21	3.94	4.29	4.29	4.29	4.63	6.05	6.05	3.78
<b>Prof. and Business Services</b>	29.20	29.00	29.10	29.10	29.20	29.30	29.10	29.00	29.30	28.50	28.30	28.30	28.95
change from prior year	0.90	0.40	0.50	0.40	0.40	0.20	-	(0.10)	0.20	(0.50)	(0.70)	(0.90)	0.07
% change from prior year	3.18	1.40	1.75	1.39	1.39	0.69	-	(0.34)	0.69	(1.72)	(2.41)	(3.08)	0.23
<b>Educ. &amp; Health Services</b>	67.30	67.20	67.60	67.50	67.30	67.50	67.70	67.80	68.10	68.30	68.40	68.80	67.79
change from prior year	2.40	2.00	2.20	2.00	1.60	2.10	2.10	2.00	2.30	2.30	2.40	2.60	2.17
% change from prior year	3.70	3.07	3.36	3.05	2.44	3.21	3.20	3.04	3.50	3.48	3.64	3.93	3.30
<b>Leisure &amp; Hospitality</b>	44.40	44.40	44.40	44.20	44.10	44.20	44.90	45.00	45.20	45.70	46.20	46.60	44.94
change from prior year	1.30	1.50	1.40	0.80	0.60	0.40	1.20	1.20	1.30	1.50	2.00	2.20	1.28
% change from prior year	3.02	3.50	3.26	1.84	1.38	0.91	2.75	2.74	2.96	3.39	4.52	4.95	2.94
<b>Other Services</b>	15.80	15.80	15.80	15.90	15.90	15.80	15.80	15.80	15.70	15.70	15.90	15.80	15.81
change from prior year	0.20	0.30	0.20	0.30	0.20	0.20	0.20	0.10	0.00	(0.10)	0.10	0.00	0.14
% change from prior year	1.28	1.94	1.28	1.92	1.27	1.28	1.28	0.64	0.00	(0.63)	0.63	0.00	0.90
<b>Government</b>	77.50	77.30	77.00	77.00	76.70	78.00	77.90	77.90	77.80	78.00	78.20	78.00	77.61
change from prior year	(0.50)	(0.80)	(1.20)	(0.80)	(0.90)	0.30	0.20	0.30	(0.10)	0.40	0.90	0.40	(0.15)
% change from prior year	(0.64)	(1.02)	(1.53)	(1.03)	(1.16)	0.39	0.26	0.39	(0.13)	0.52	1.16	0.52	(0.19)
<b>NonFarm (excluding Govt.)</b>	337.3	336.9	337.4	336.9	336.8	337.3	337.8	337.8	338.1	339.8	340.8	341.7	338.22
change from prior year	10.1	8.5	8.7	7.3	6.2	6.2	6.1	5.5	5.1	5.6	6.0	6.1	6.78
% change from prior year	3.09	2.59	2.65	2.21	1.88	1.87	1.84	1.66	1.53	1.68	1.79	1.82	2.05

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	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	
<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted):</b>													
<b>One-Family Units - S.D. Total</b>	208	232	226	213	221	255	281	171	118	85	112	234	2,356
change from prior year	47	70	27	66	51	93	119	104	58	18	32	56	741
<b>Total Family Units - S.D. Total</b>	263	257	443	355	265	532	350	341	166	285	133	566	3,956
change from prior year	77	(36)	221	127	(1)	219	118	253	89	154	41	349	1611
<b>Total Family Units - Minnehaha Co.</b>	84	109	278	121	114	268	123	128	46	170	48	316	1,805
change from prior year	12	(28)	205	17	(24)	129	50	107	18	151	5	231	873
<b>Total Family Units - Pennington Co.</b>	48	26	48	34	38	31	84	28	50	19	25	88	519
change from prior year	23	5	8	7	14	1	65	17	25	(2)	4	65	232
<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>	34.21	38.10	37.04	35.89	40.17	40.69	43.87	31.12	16.25	15.72	17.93	23.07	374.06
change from prior year	9.18	11.98	1.66	11.32	11.50	12.52	18.17	19.90	6.31	3.83	4.16	(6.13)	104.40
<b>Total Family units - S.D. Total</b>	37.54	39.60	52.74	46.55	44.59	61.76	50.63	43.49	19.79	32.57	20.12	51.22	500.60
change from prior year	9.46	4.98	16.18	14.55	9.13	21.81	19.92	30.65	7.87	16.89	5.68	19.53	176.66
<b>Total Family Units - Minnehaha Co.</b>	12.64	16.68	28.78	17.10	16.09	29.82	19.25	17.80	6.50	9.94	6.81	18.86	200.26
change from prior year	1.63	2.35	17.56	4.39	0.72	15.10	7.40	14.09	1.77	6.61	0.88	5.39	77.90
<b>Total Family Units - Pennington Co.</b>	6.96	5.06	7.66	6.43	5.67	6.22	8.78	5.92	5.19	3.41	4.67	15.02	80.98
change from prior year	3.23	1.66	(0.08)	2.69	1.86	0.74	5.68	4.16	1.45	(0.21)	1.09	11.20	33.47

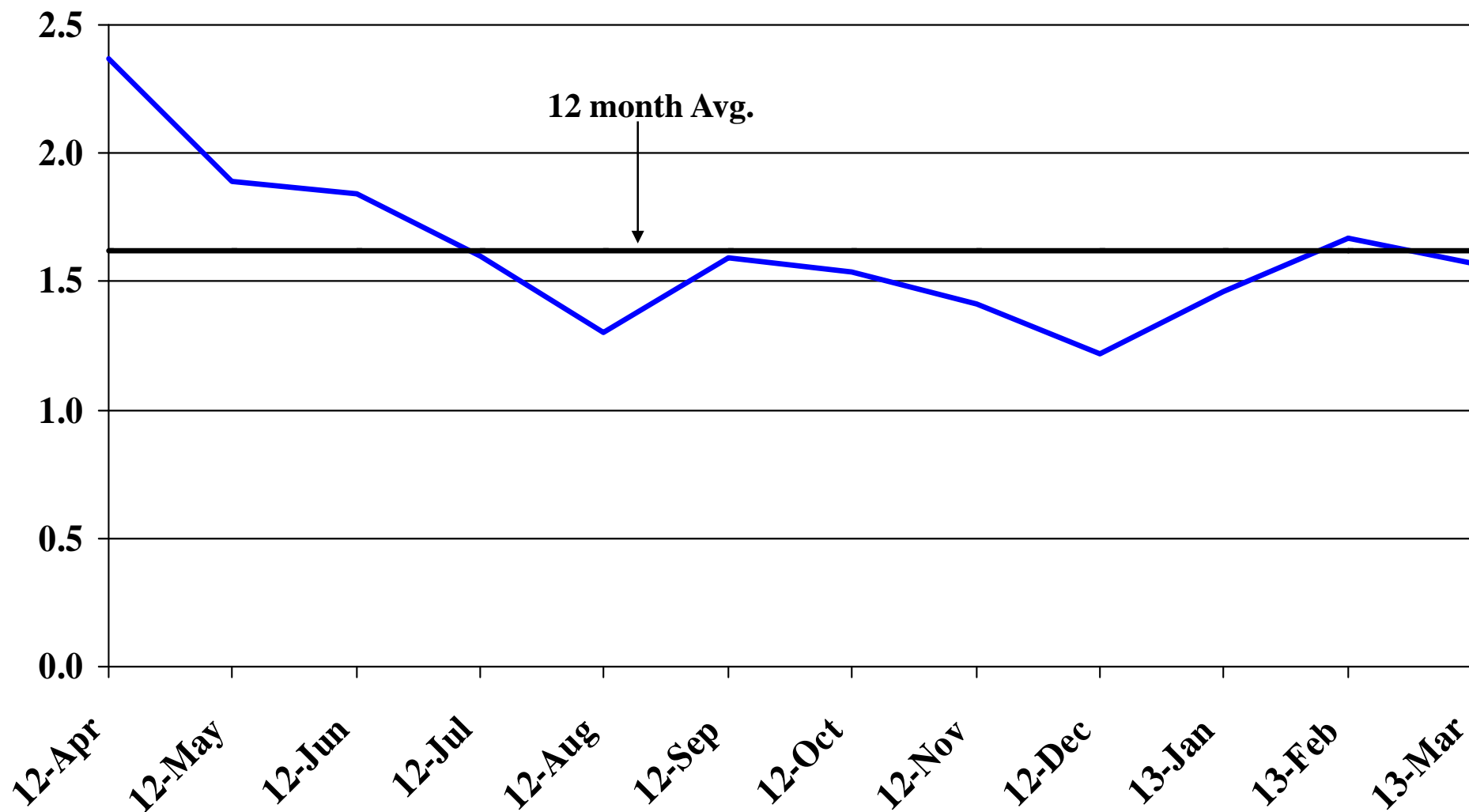
<b>Automobile Data (information is not seasonally adjusted)</b>													
<b>New Non-Comm. Veh. Titled</b>	3,427	3,581	3,472	3,878	3,358	3,055	3,393	3,164	3,136	3,863	3,293	2,851	40,471
change from prior year	659	334	158	1,103	121	180	260	486	(73)	140	869	(74)	4,163

<b>Agriculture (information is not seasonally adjusted)</b>													
<b>Wheat</b>	6.96	7.12	7.29	8.03	8.23	8.31	8.41	8.56	8.48	8.10	8.05	7.75	7.94
change from prior year	(1.83)	(2.61)	(1.98)	0.22	0.47	0.60	0.58	0.62	0.63	1.11	0.80	0.51	(0.07)
<b>Corn</b>	6.07	6.10	6.15	6.73	7.39	6.83	6.61	6.82	6.71	6.85	6.88	7.04	6.68
change from prior year	(0.02)	0.07	(0.02)	0.66	0.64	0.21	0.94	1.14	1.06	0.92	0.82	0.87	0.61
<b>Soybeans</b>	13.70	13.30	13.50	14.90	16.00	14.20	13.80	14.20	14.20	13.90	14.40	14.40	14.21
change from prior year	1.00	0.40	0.60	2.10	3.00	2.70	2.30	2.70	3.10	2.30	2.40	1.60	2.02
<b>Hay</b>	127.00	123.00	142.00	171.00	204.00	206.00	221.00	209.00	213.00	211.00	216.00	221.00	188.67
change from prior year	47.00	28.00	47.00	69.00	102.00	83.00	94.00	84.00	77.00	89.00	93.00	99.00	76.00

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

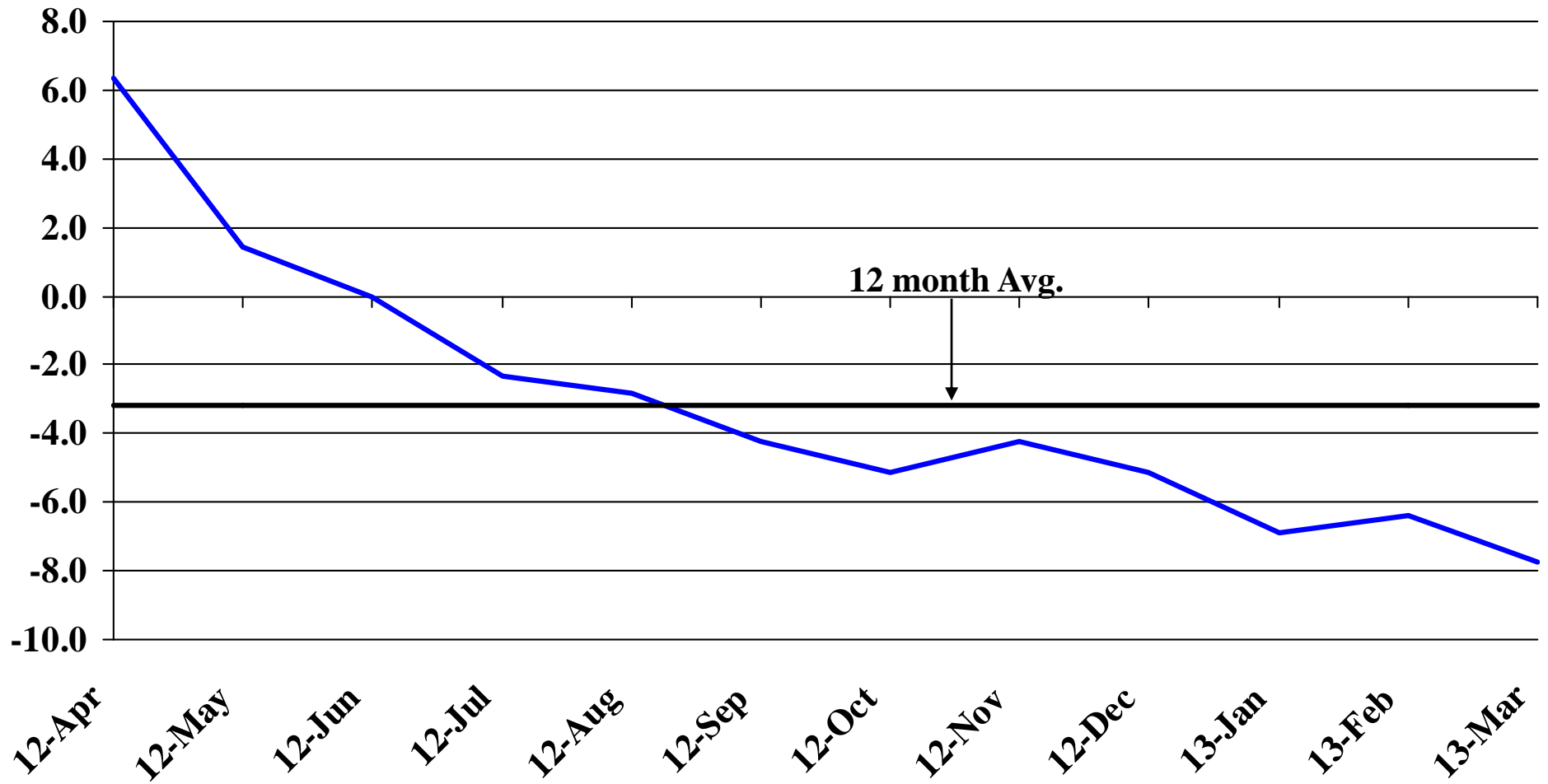
# Recent Trends in Nonfarm Employment

Percent Change



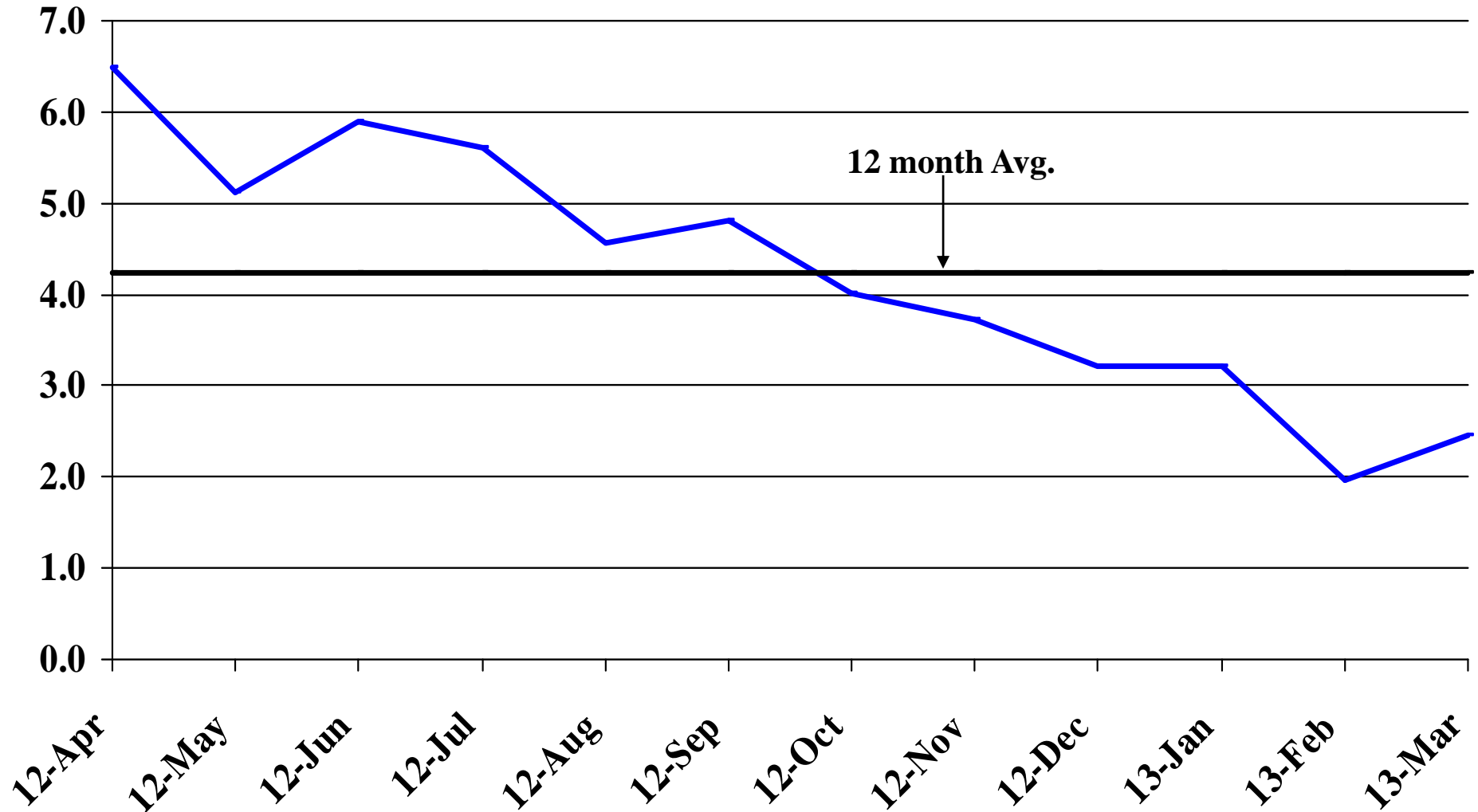
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



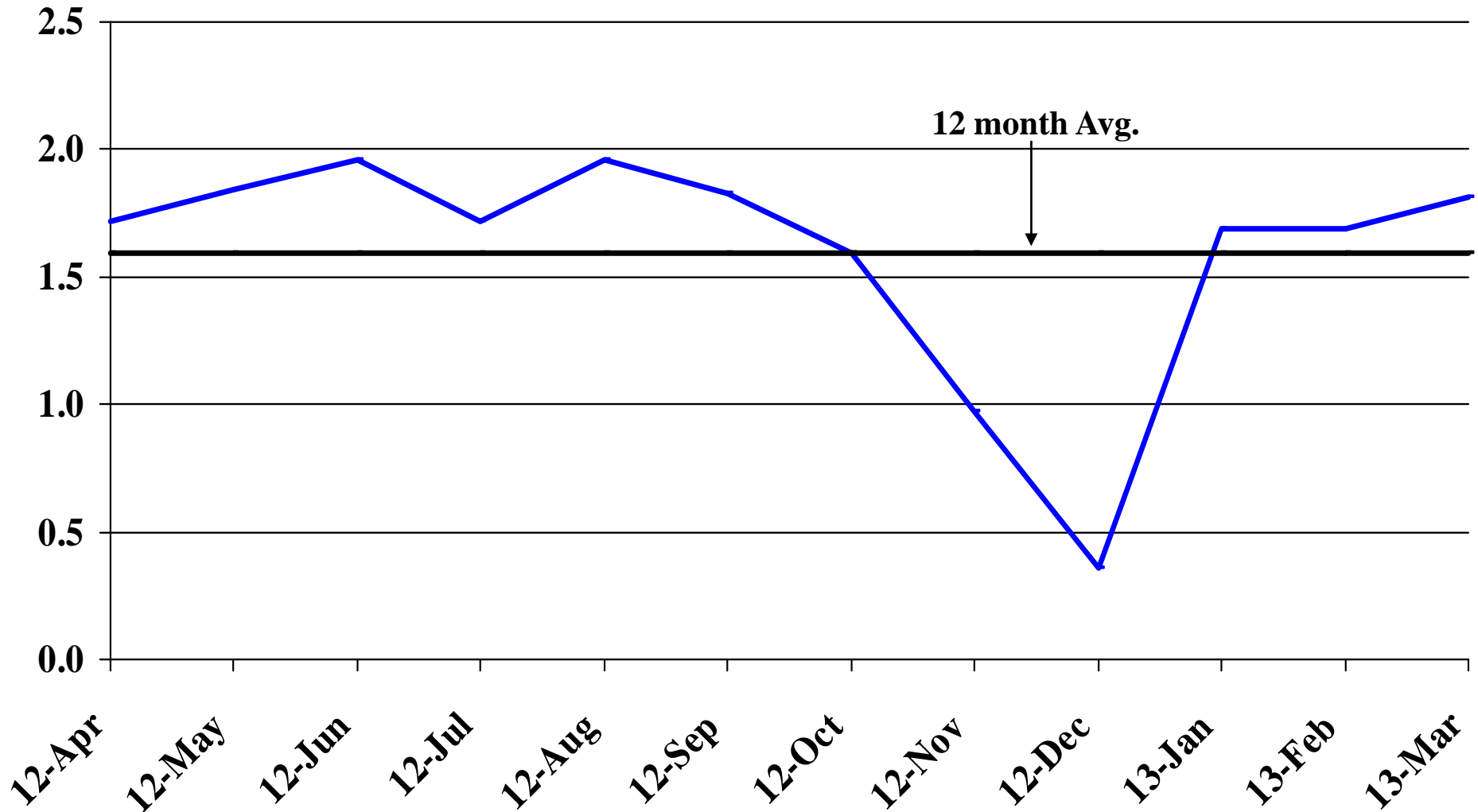
# Recent Trends in Manufacturing Employment

Percent Change



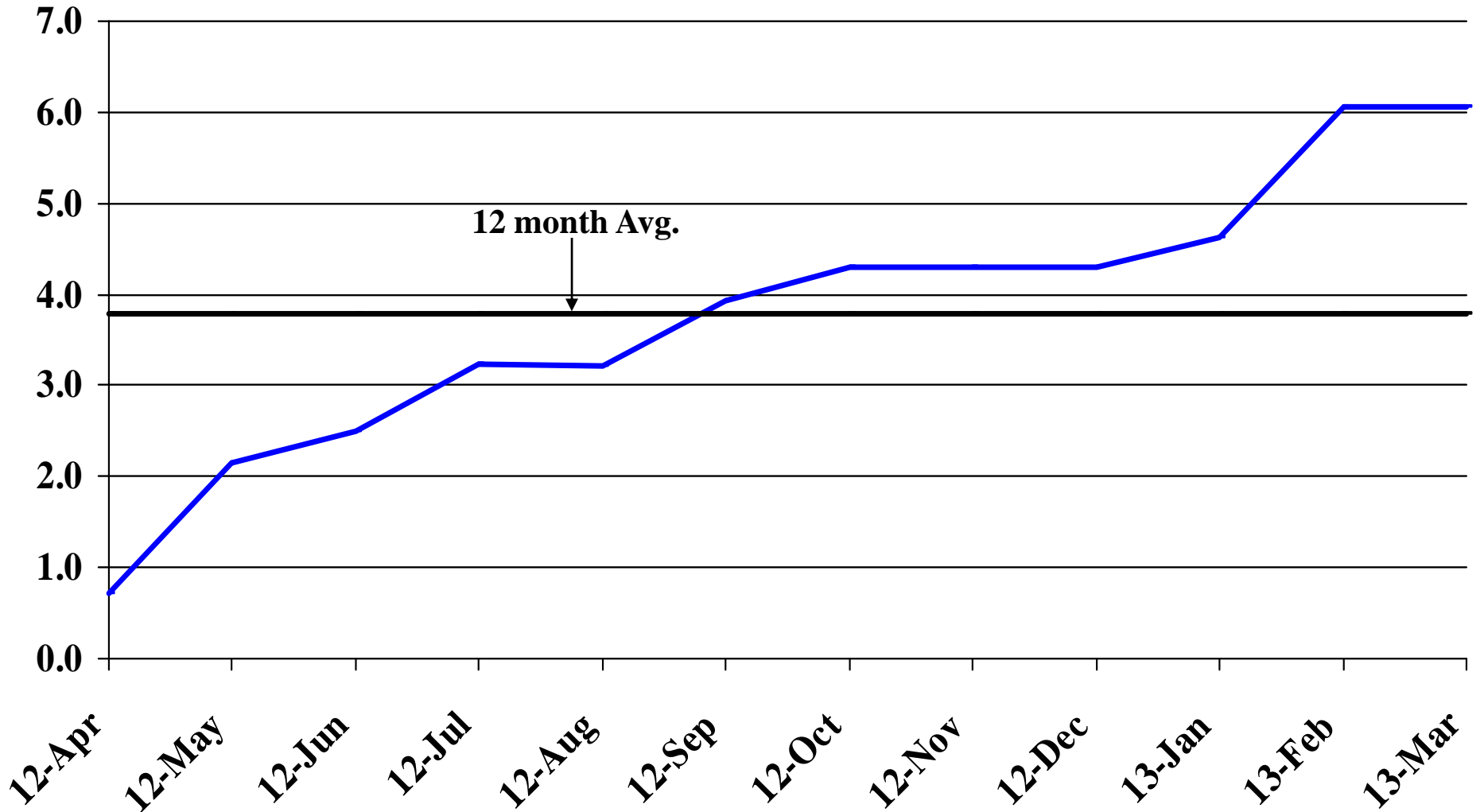
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



# Recent Trends in Financial Activities Employment

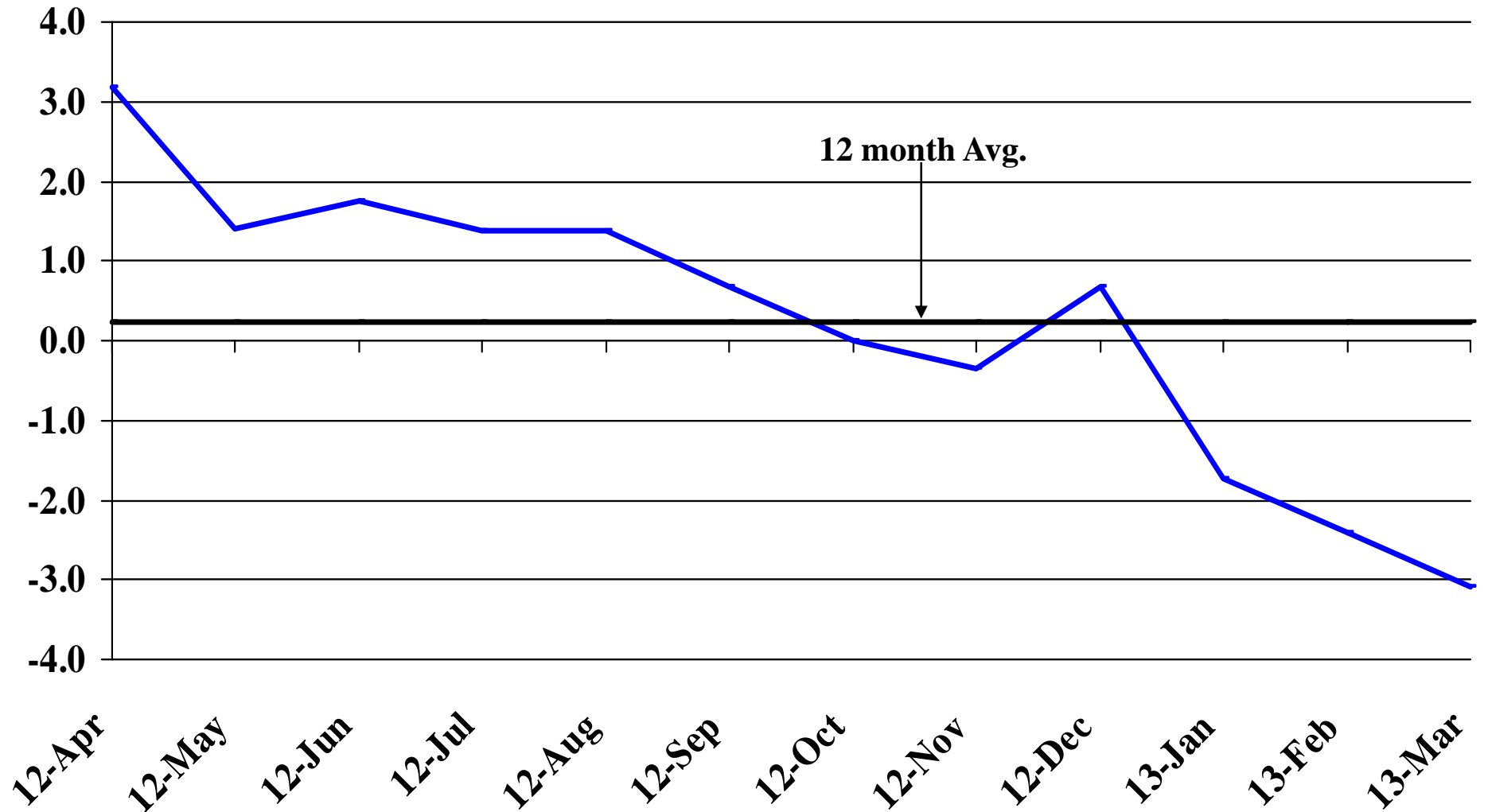
Percent Change





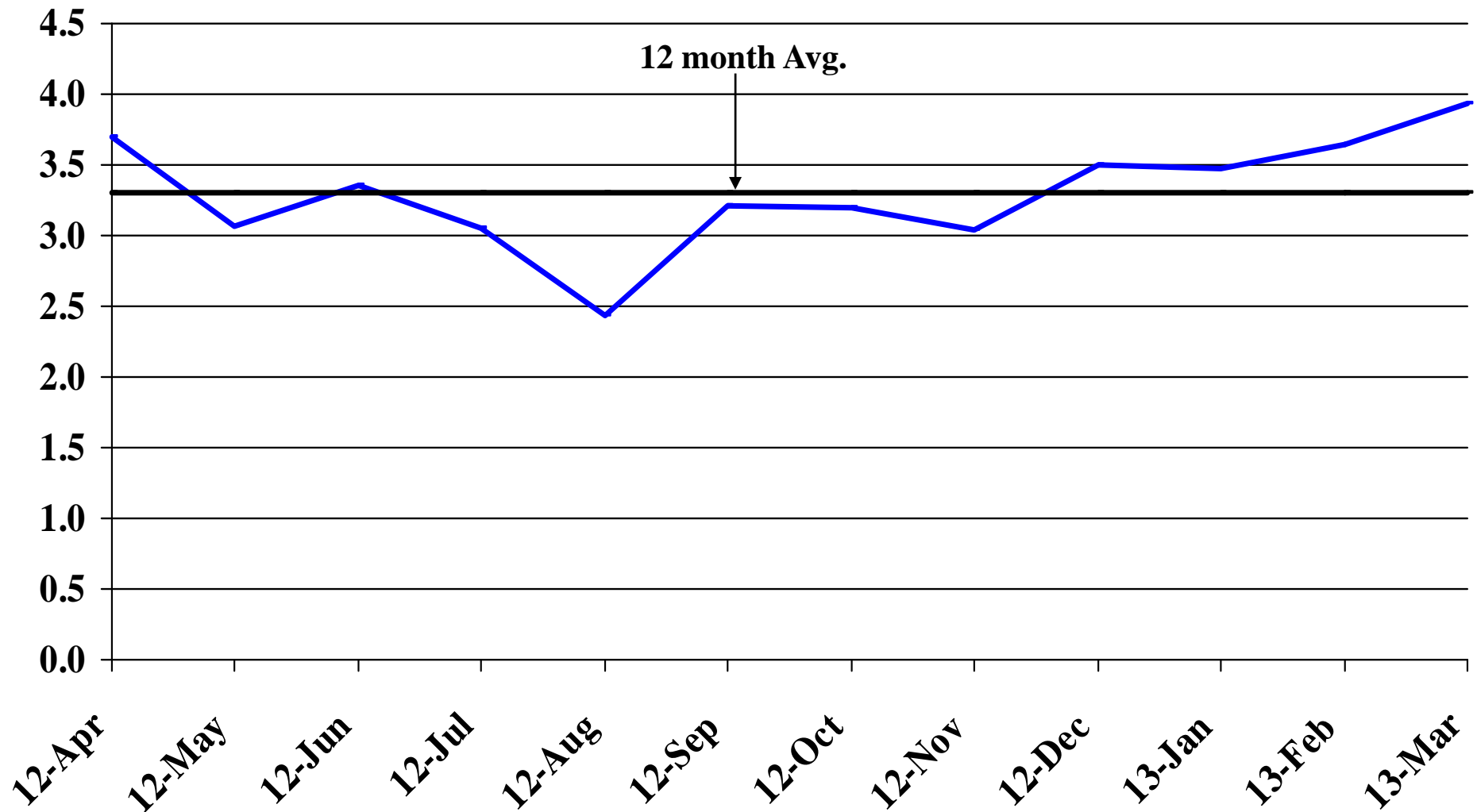
# Recent Trends in Professional and Business Services Employment

Percent Change



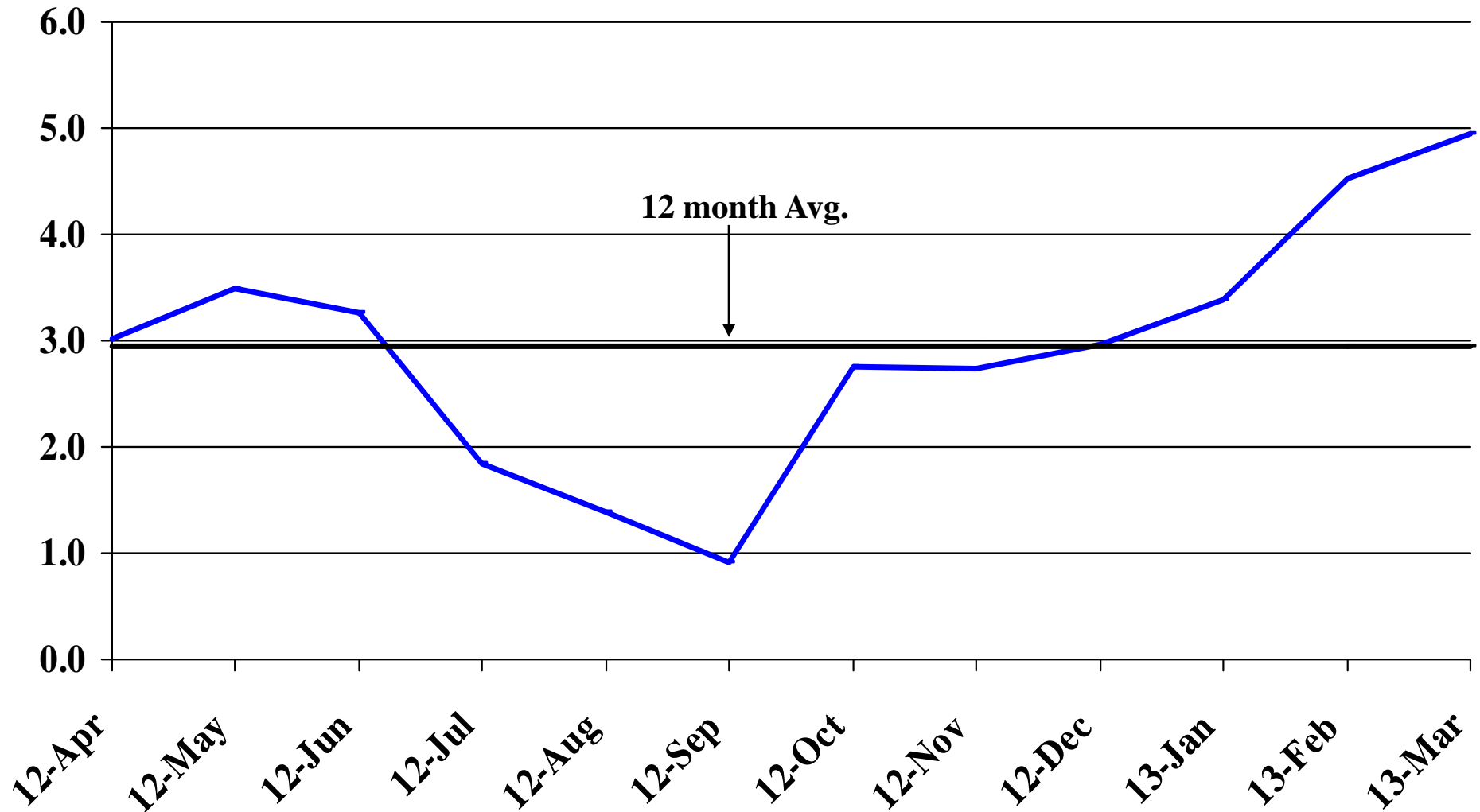
# Recent Trends in Educational and Health Services Employment

Percent Change



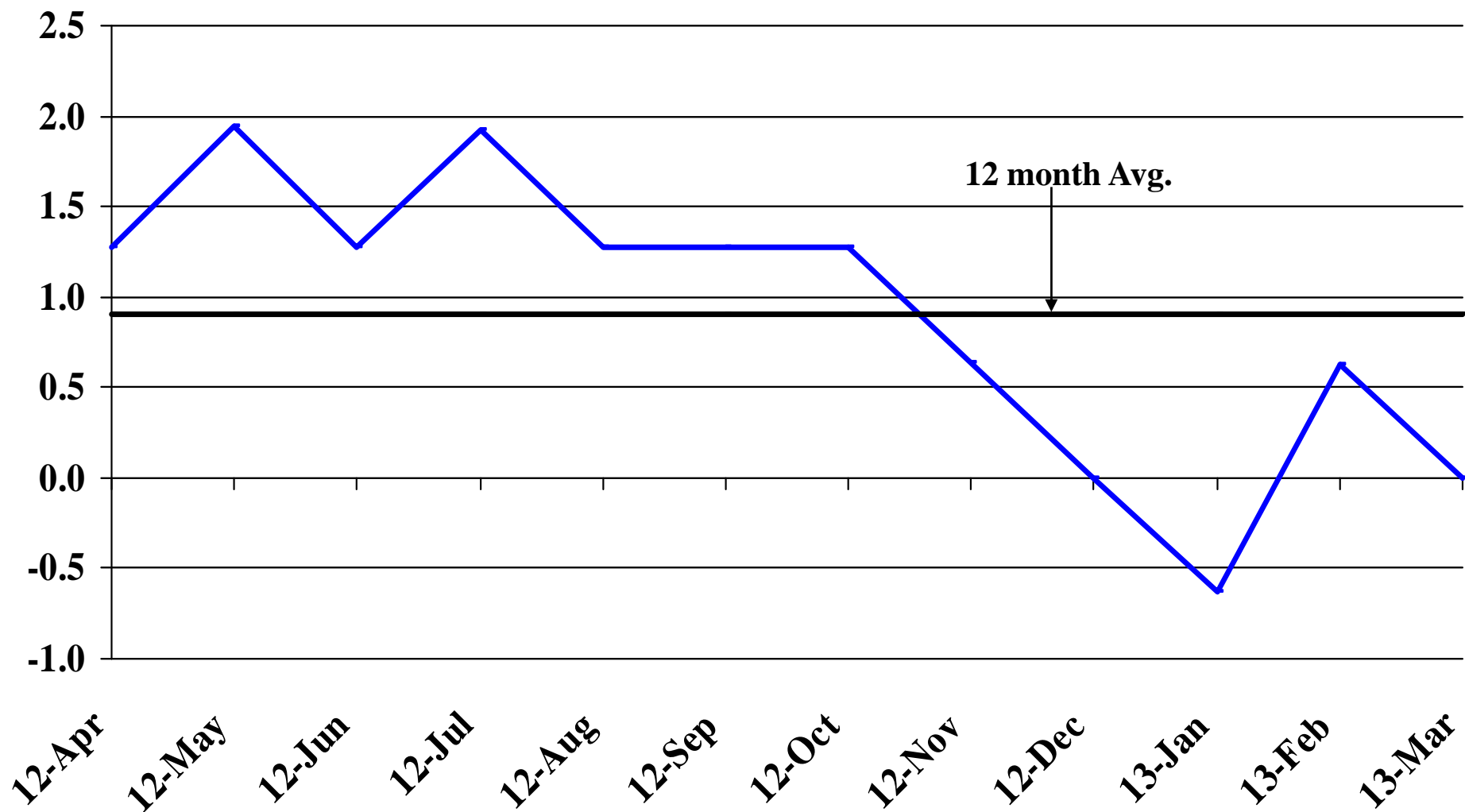
# Recent Trends in Leisure and Hospitality Employment

Percent Change



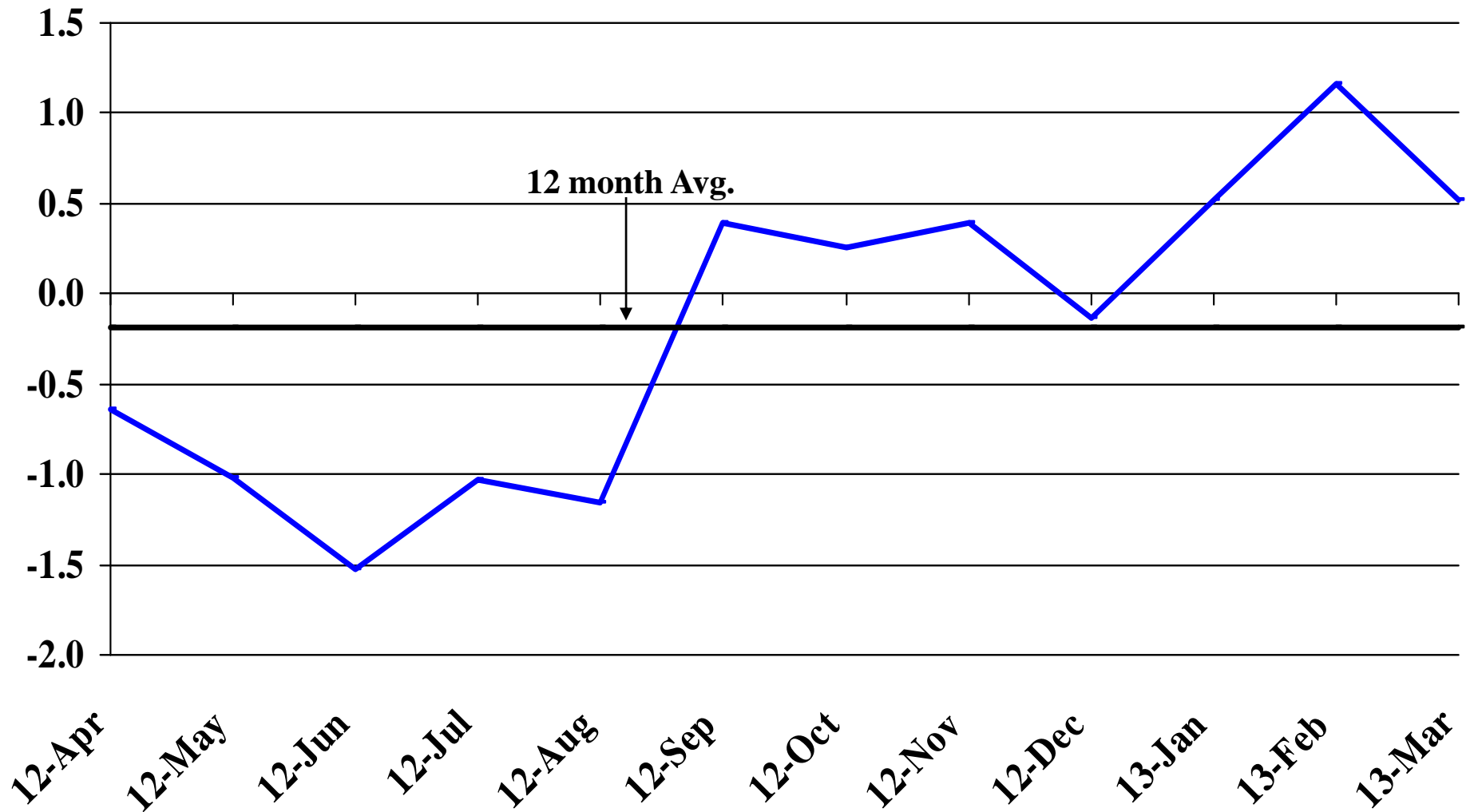
# Recent Trends in Other Services Employment

Percent Change



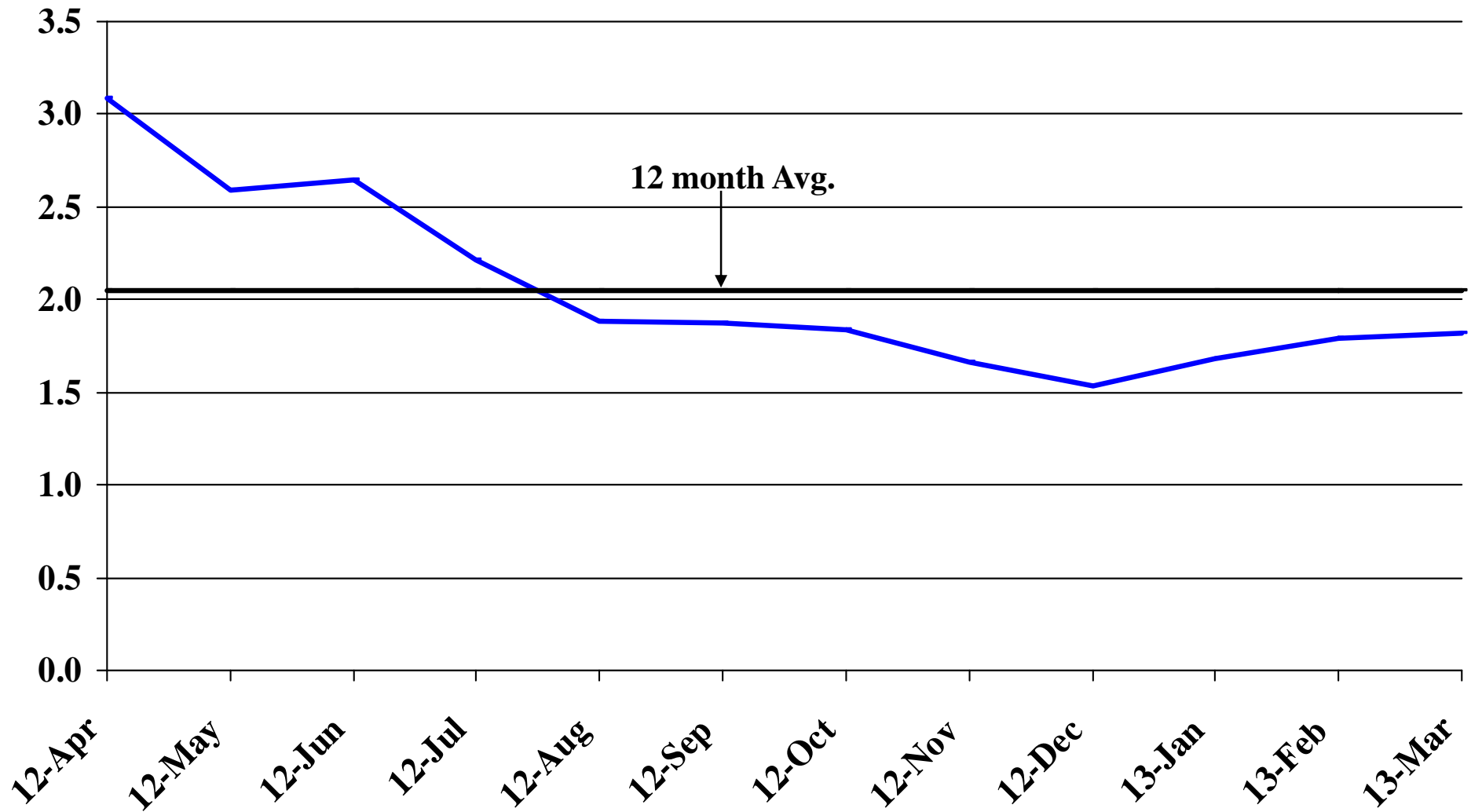
# Recent Trends in Government Employment

Percent Change

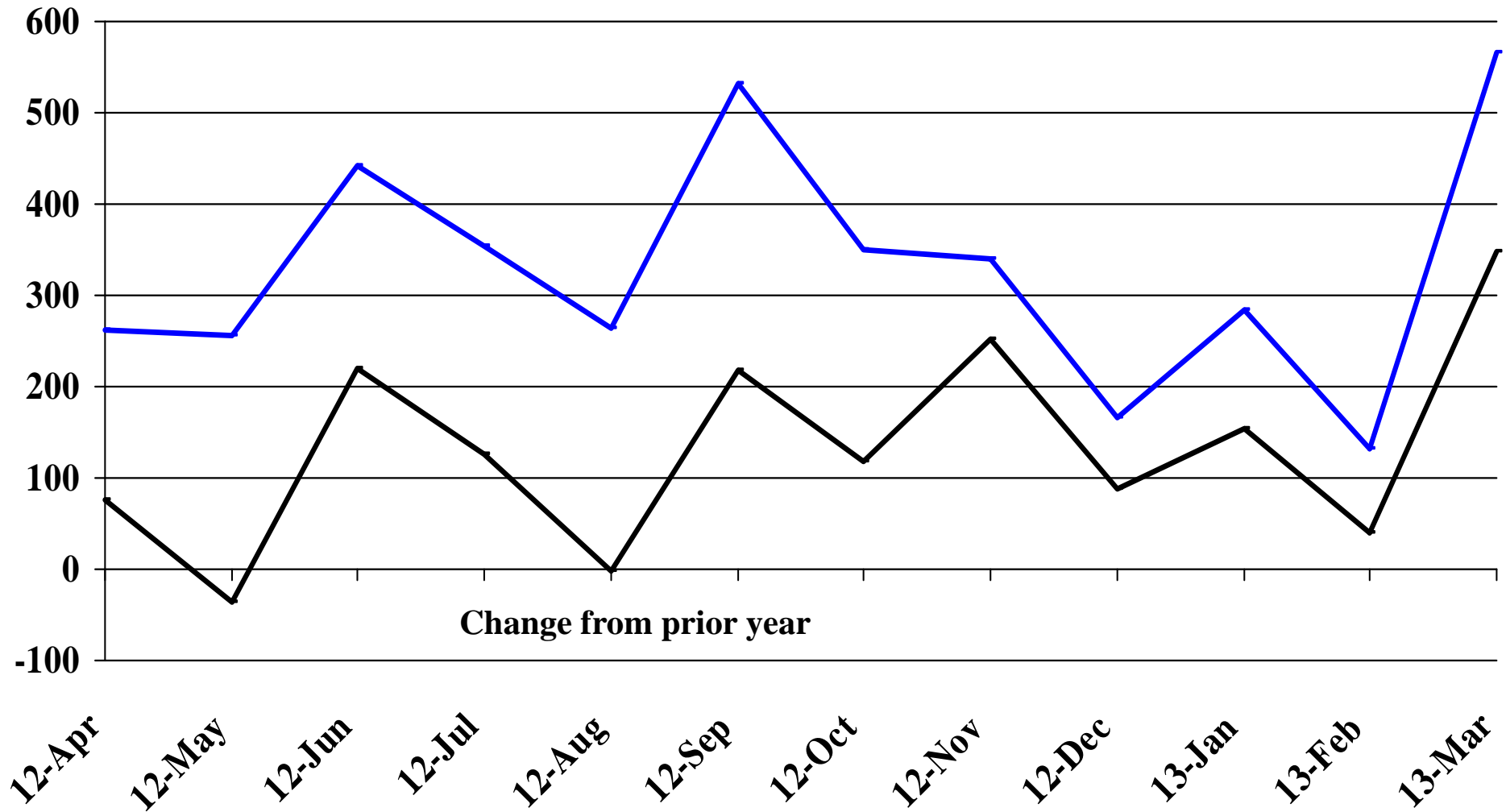


# Recent Trends in Nonfarm Employment (excluding Government Employment)

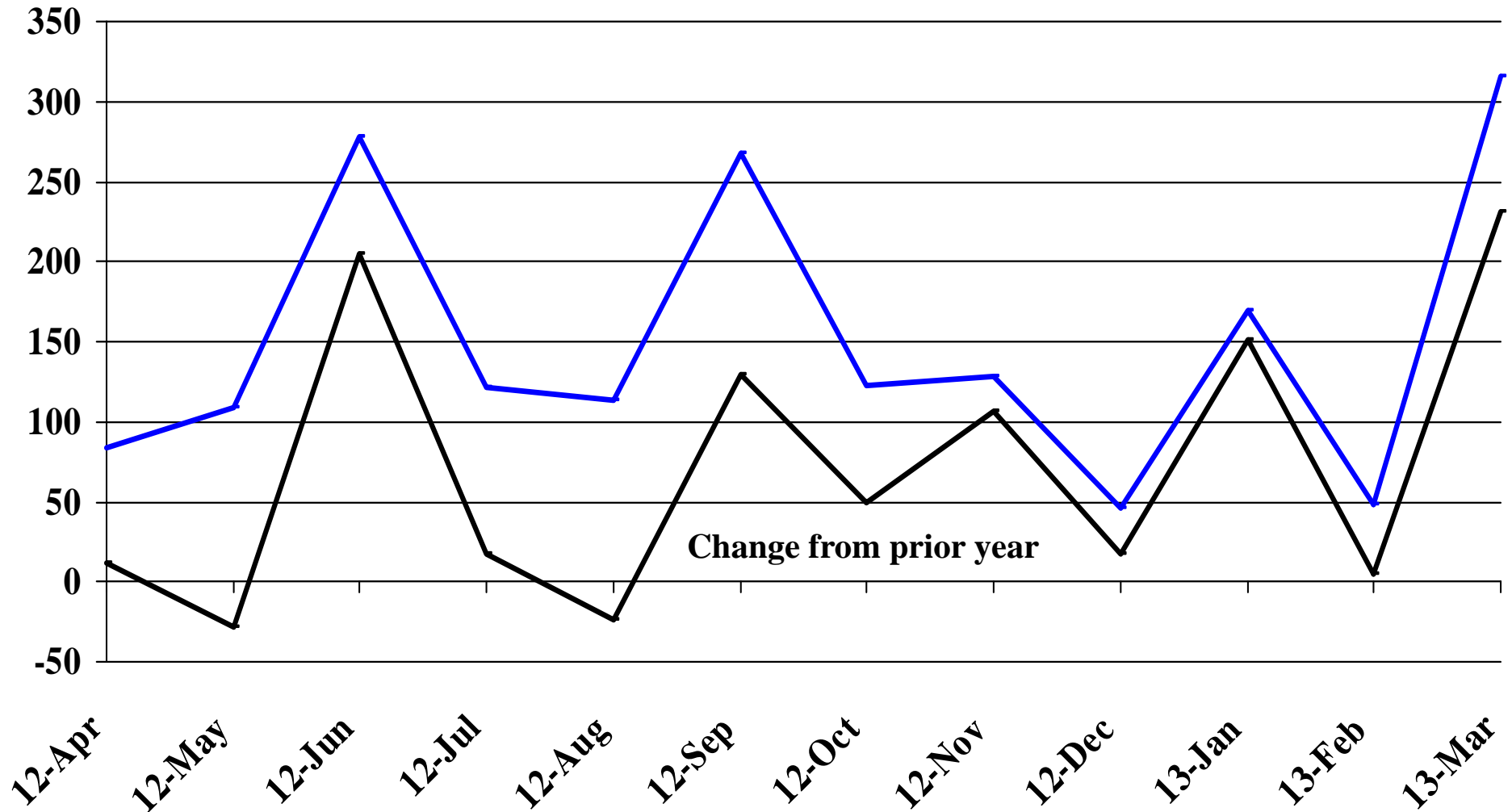
Percent Change



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

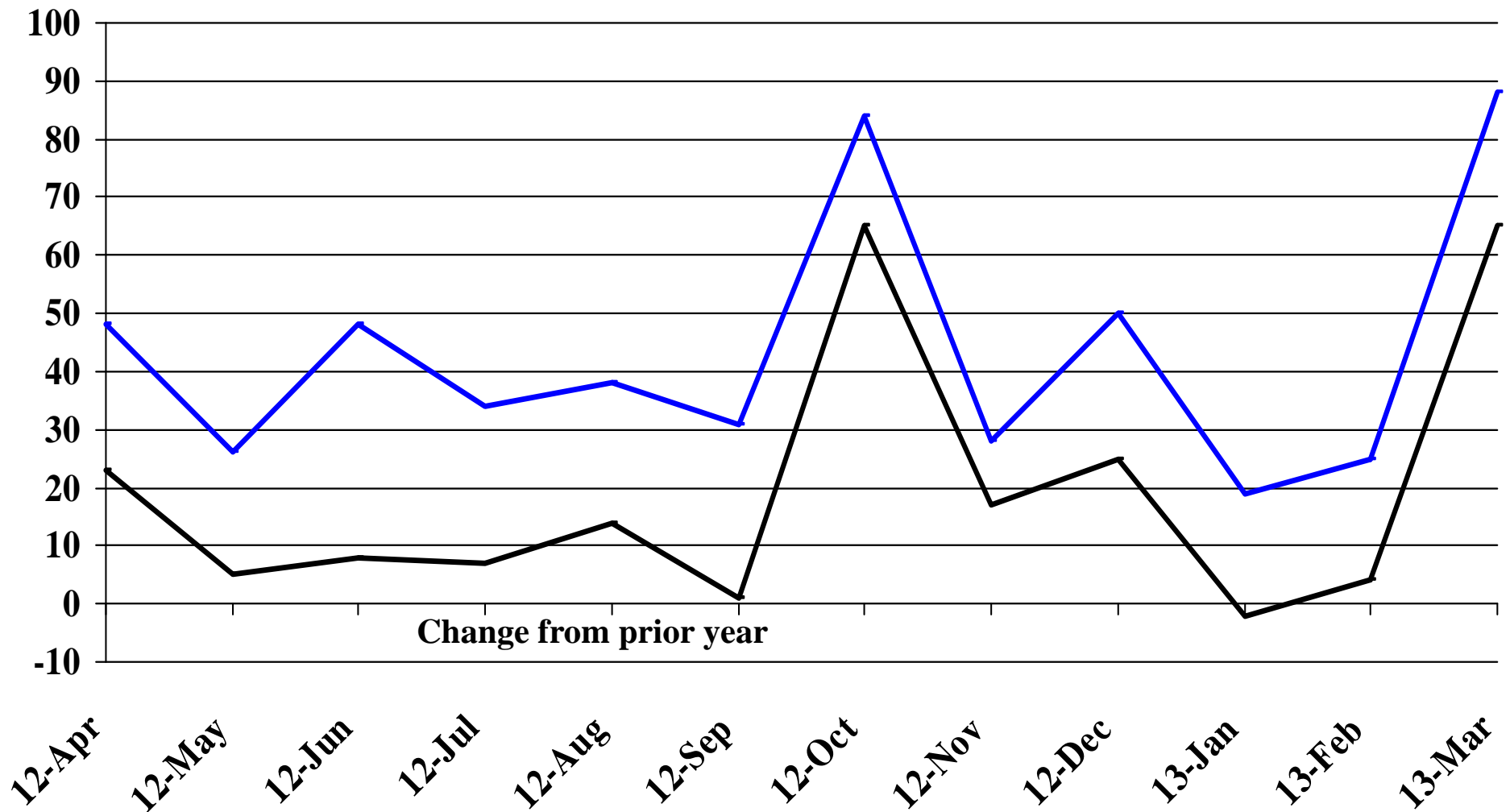


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



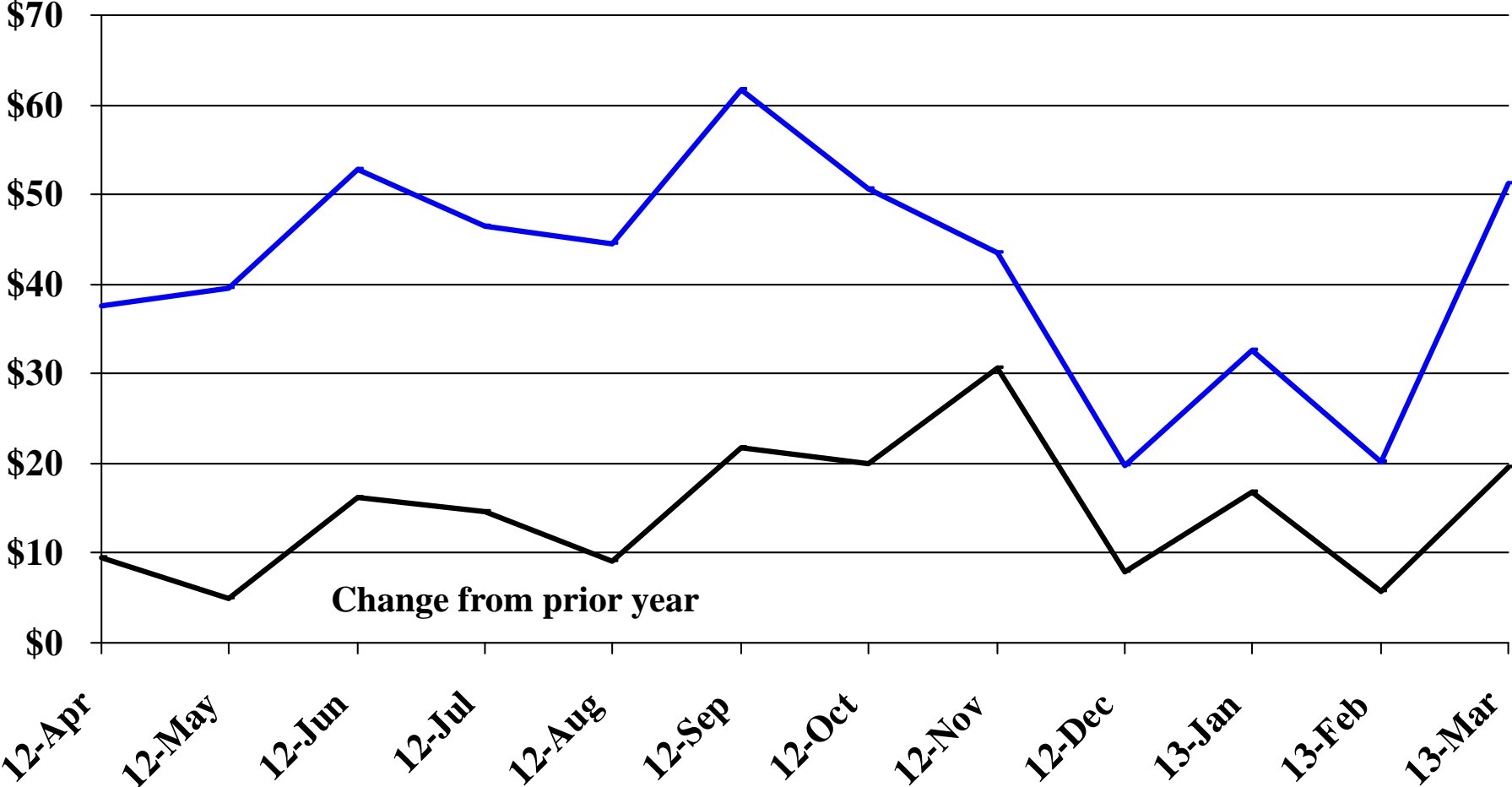


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County



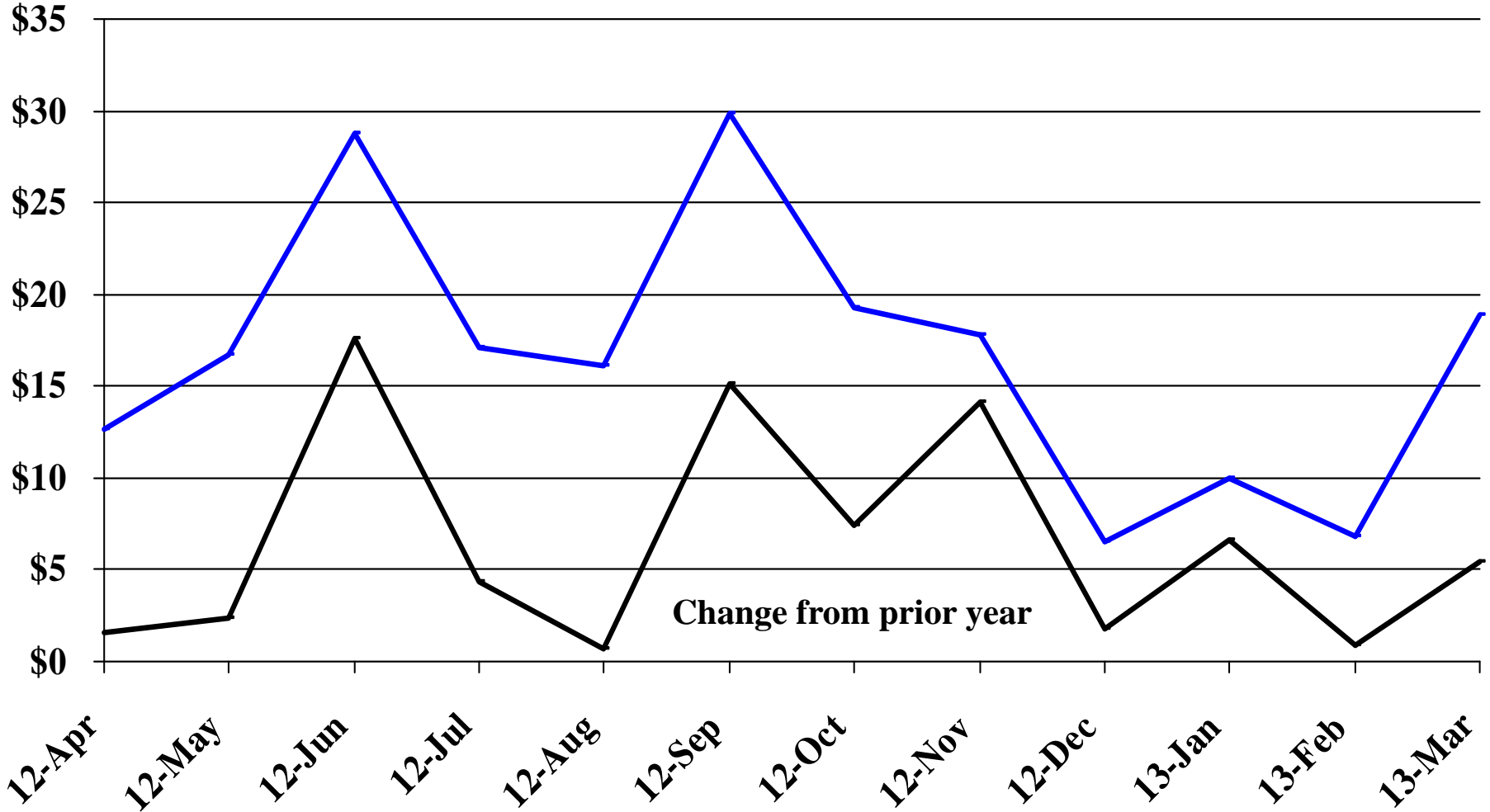
# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions



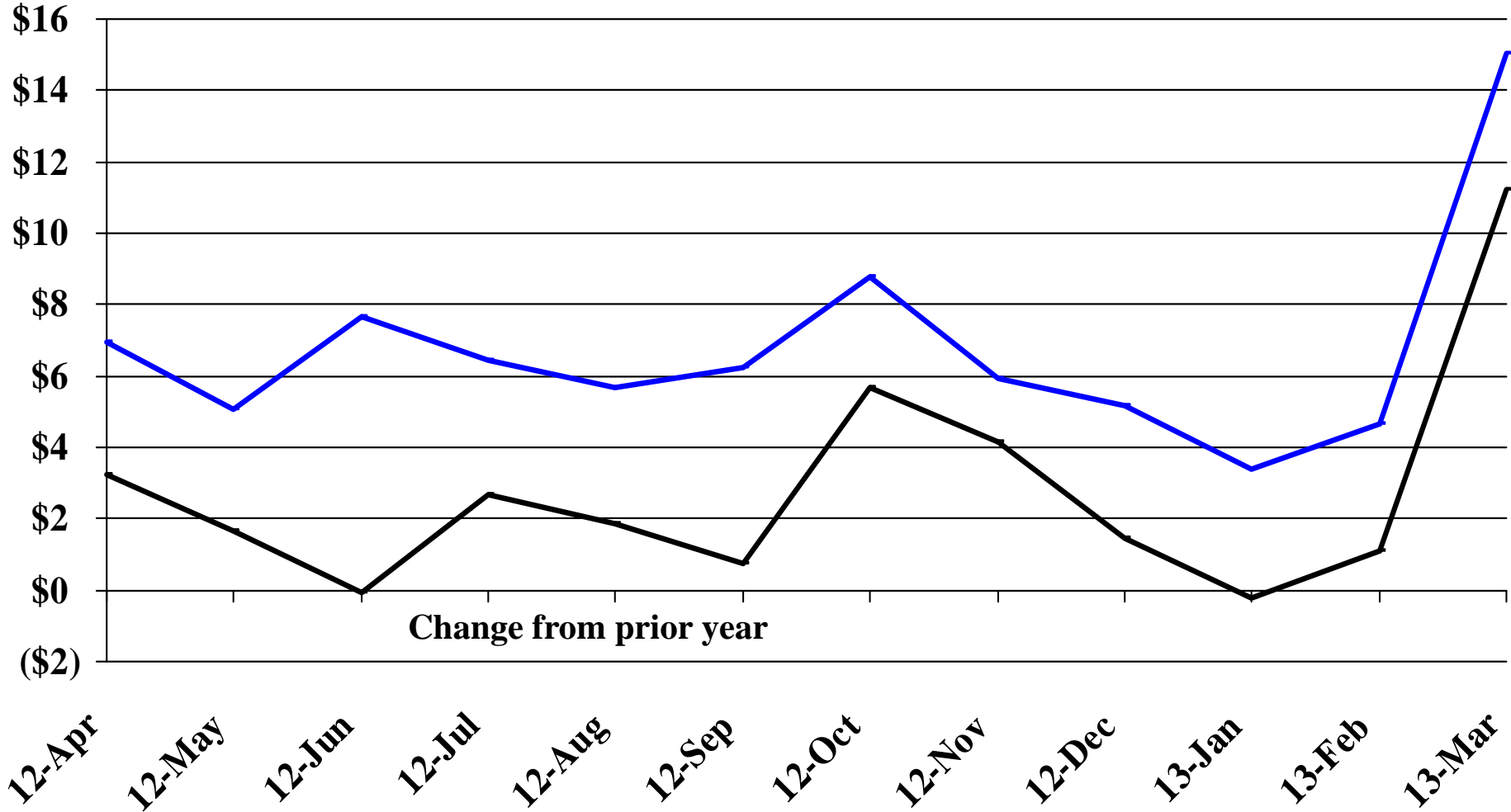
# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

Millions

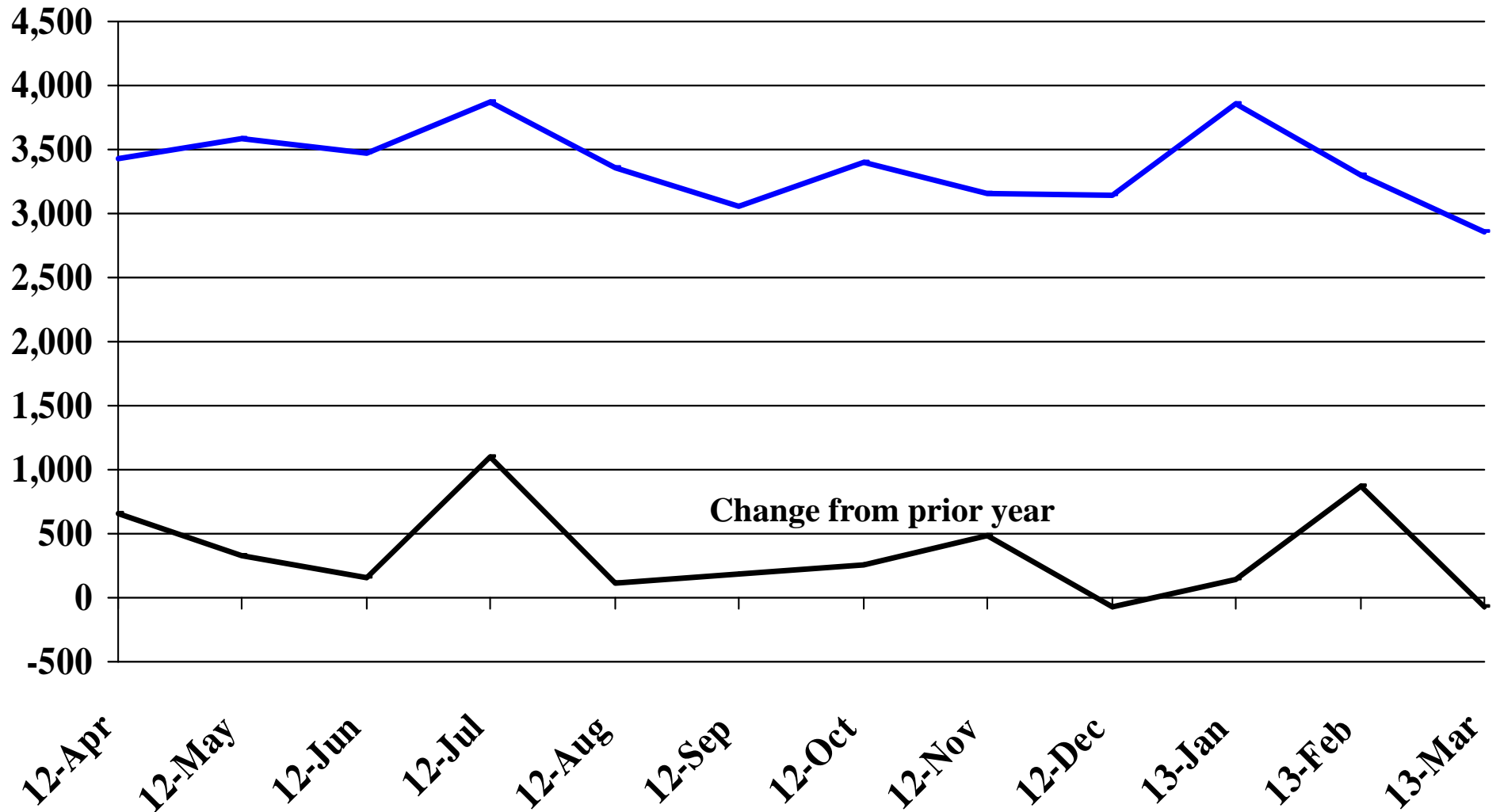


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

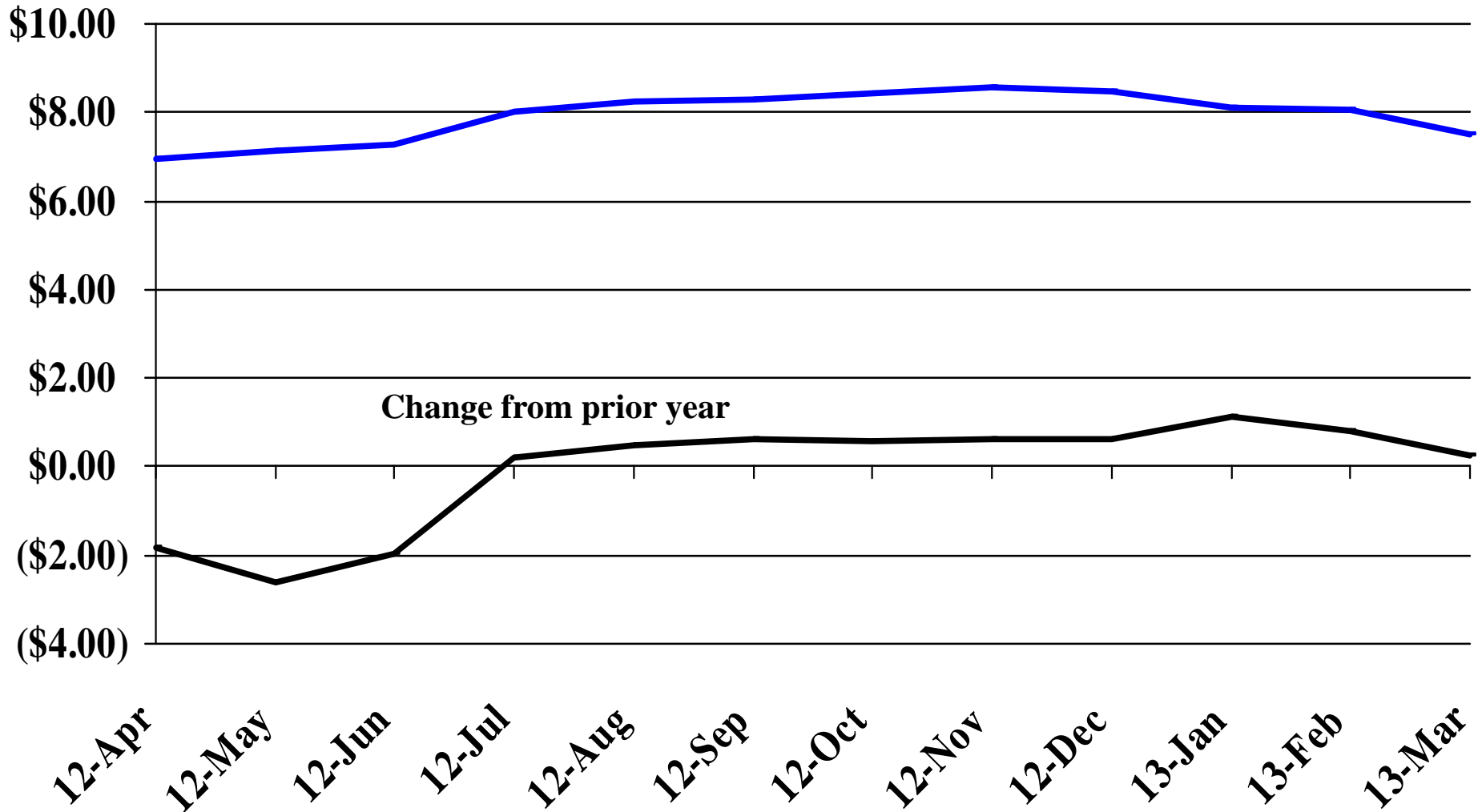


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



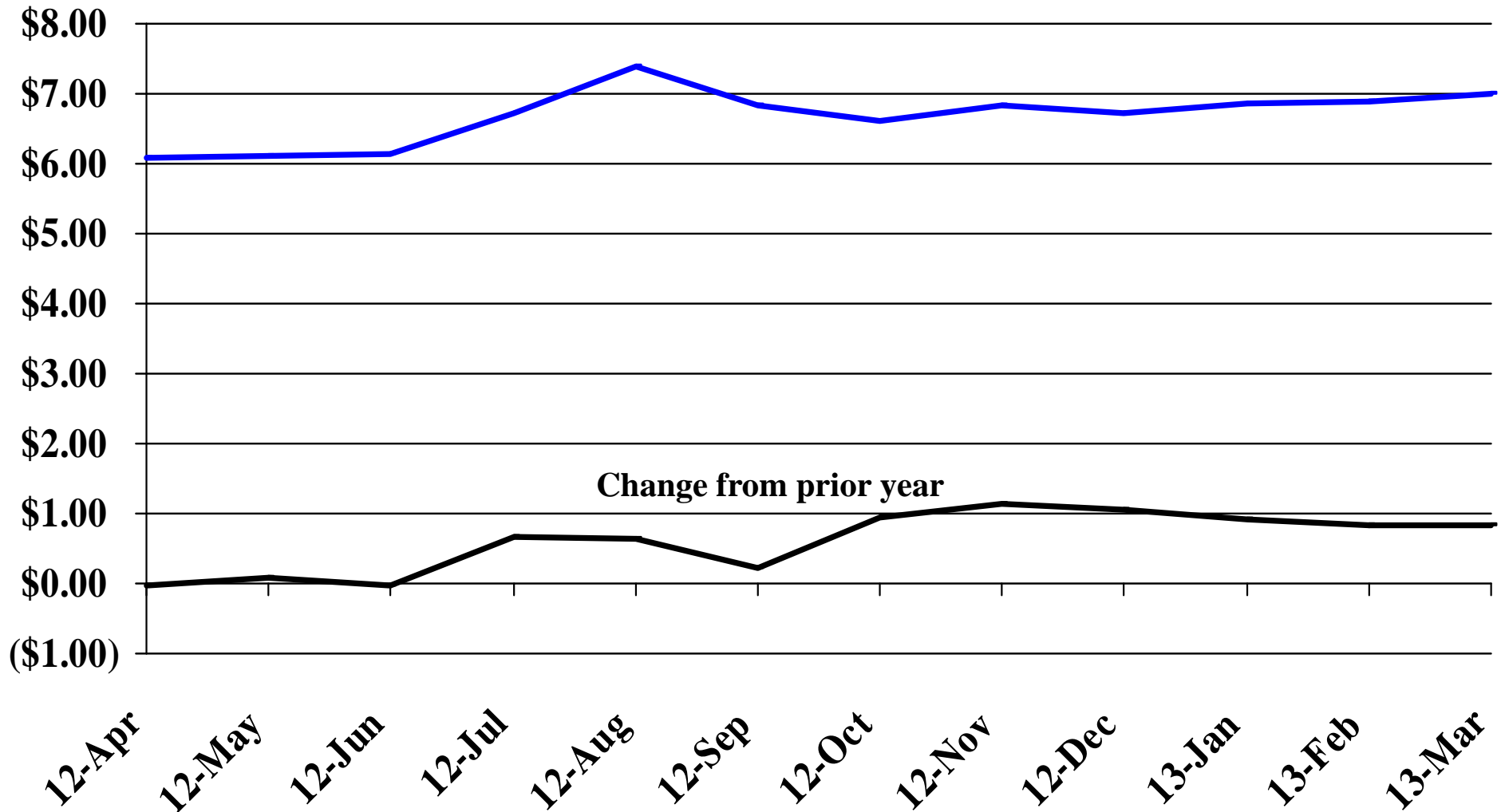
# Recent Trends in the Price of Wheat

\$'s Per Bushel



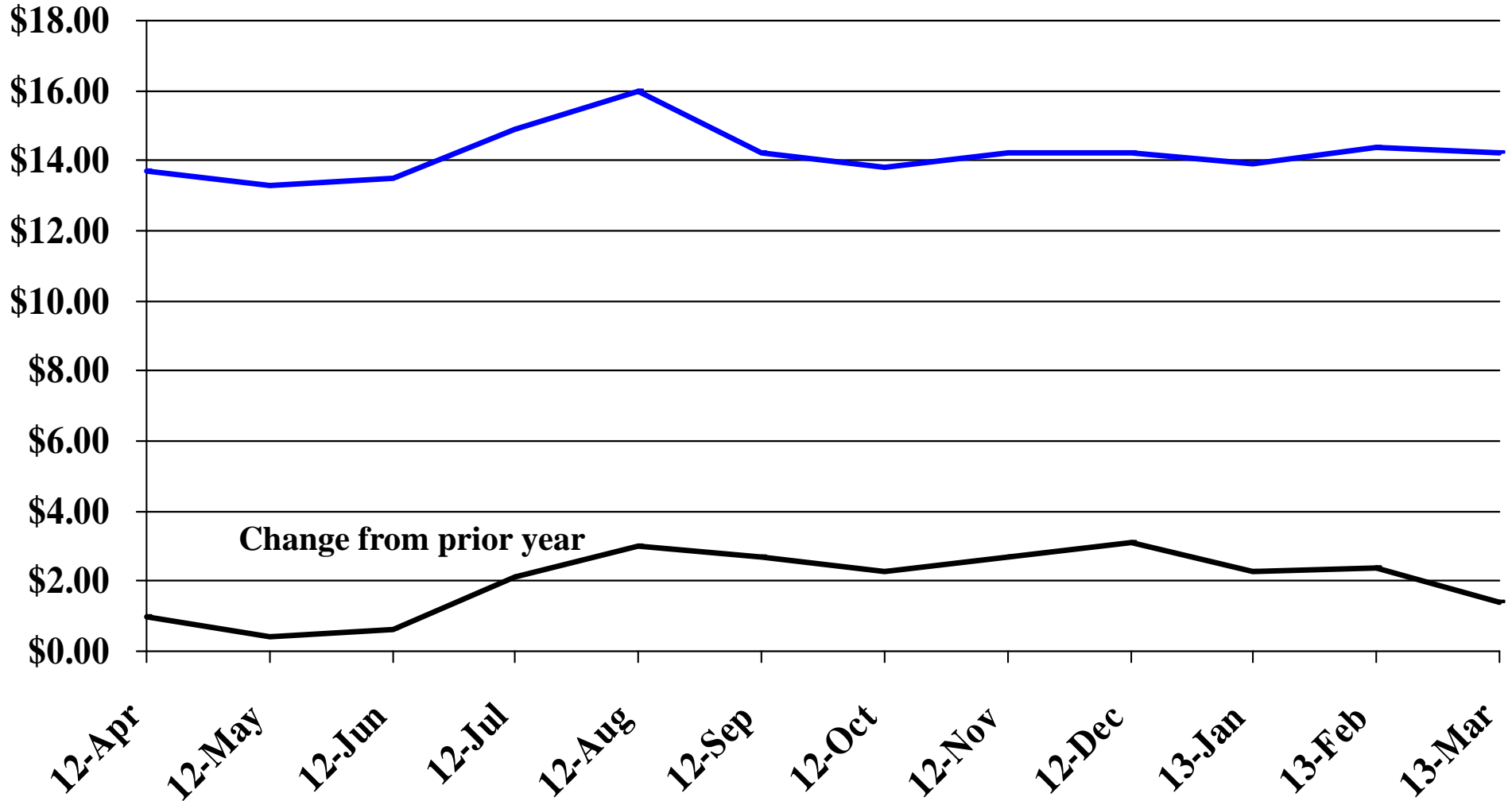
# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans

\$'s Per Bushel





# Recent Trends in the Price of Hay

\$'s Per Ton

