

# The South Dakota Economy

August 4, 2014

## GDP by State

- During 2013, South Dakota's economy registered strong growth as the current dollar Gross Domestic Product (GDP) by state totaled \$46.7 billion, a growth of 6.8% over 2012. This growth was 4<sup>th</sup> highest of all states and compares to the US growth of 3.5% over the same time period.
- South Dakota's real (inflation adjusted) GDP by state in 2013 increased at a rate of 3.1%, 9<sup>th</sup> highest growth rate among all states and was higher than the national average growth of 1.8% on an inflation adjusted basis.
  - The largest contributor to growth in real GDP was from the agriculture industry, which grew 14.4% in 2013 as the Ag economy rebounded from the 2012 drought.

## Employment growth in South Dakota

- On an annual basis during 2013, South Dakota nonfarm employment levels were 3,100 jobs higher than 2012, or an increase of 0.7% after annual benchmark revisions.
- In June 2014, total SD nonfarm employment was up 2,900 jobs or 0.7%, compared to June 2013.
  - Sectors that are currently experiencing year-over-year growth (June 2014 compared to June 2013 levels) include: professional and business services (+4.4%); logging, mining, and construction (+1.9%); trade, transportation, and utilities (+1.1%); other services (+0.6%); manufacturing (+0.5%); and, government (+2.2%).
  - Sectors currently experiencing year-over-year declines include: financial activities (-0.7%); education and health services (-1.2%); and, leisure and hospitality (-2.0%).

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

- The unemployment rate in South Dakota was the fifth lowest in the nation in June at 3.8%.
  - SD's unemployment rate in June was the same as last month and 0.1% lower than a year ago.
- The U.S. unemployment rate was 6.1% in June 2014.

## Income growth in South Dakota.

- South Dakota's preliminary total personal income for 2013 increased 1.8% compared to 2012. The soft growth rate realized is partially attributed to a decrease in farm income in 2013.
  - In 2013, South Dakota's farm income decreased 6.0% compared to 2012. South Dakota's nonfarm income grew by 2.5% in 2013 compared to 2012, which was the same as the US growth rate of 2.5% over the same time period.
- Over the past three years (2010-2013), the average annual growth of South Dakota's personal income was 5.1%, which was 9<sup>th</sup> highest of all states. This compares to the US growth in total personal income of 4.3% over the same time period.
- South Dakota's preliminary per capita personal income in 2013 was \$45,558, which ranked 21<sup>st</sup> in the nation, and was 2.3% higher than the US per capita personal income of \$44,543 during 2013.

## The housing market.

- In the last twelve months (July 2013 – June 2014) there were 151 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 \$43.30 million higher in the last twelve months compared to the same period the year before. \*

## The agricultural economy.

- South Dakota farm real estate, including land and buildings, averaged \$2,070 per acre for 2014. This was an increase of \$380 per acre or 22% higher than a year ago, according to the SD office of USDA's National Agriculture Statistics Service. Cropland averaged \$3,430 per acre, an increase of 20% from a year ago. Pastureland was valued at \$860 per acre, up \$193 per acre from last year.
- As of July 1<sup>st</sup>, winter wheat production is forecast at 53.8 million bushels, which would represent an increase of 106% from last year's production. Average yield is forecast at 46 bushels per acre, up 7 bushels from a year ago.
- As of July 27<sup>th</sup>, topsoil moisture conditions across the state were rated 29% short to very short while subsoil moisture conditions were rated 20% short to very short.
- As of July 27<sup>th</sup>, corn condition was rated 93% fair to excellent, soybean condition rated 92% fair to excellent, and pasture and range conditions were rated 91% fair to excellent.
- As of July 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 210,000 cattle on feed for the slaughter market. This was down 7% from the prior month but up 5% 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
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	
<b>Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)</b>													
<b>Total Nonfarm</b>	417.10	418.10	418.50	416.70	418.10	418.10	418.90	419.90	419.90	421.30	419.60	420.10	418.86
change from prior year	3.10	4.20	3.80	1.80	2.50	1.80	2.60	2.90	3.10	5.80	2.50	2.90	3.08
% change from prior year	0.75	1.01	0.92	0.43	0.60	0.43	0.62	0.70	0.74	1.40	0.60	0.70	0.74
<b>N.R., Mining &amp; Const.</b>	21.60	21.60	21.50	21.10	21.30	21.70	21.90	21.10	21.30	21.40	20.90	21.80	21.43
change from prior year	0.90	1.00	1.00	0.70	0.60	0.70	1.00	(0.10)	0.30	0.60	(0.20)	0.40	0.58
% change from prior year	4.35	4.85	4.88	3.43	2.90	3.33	4.78	(0.47)	1.43	2.88	(0.95)	1.87	2.76
<b>Manufacturing Employment</b>	41.50	41.50	41.40	41.10	41.40	41.80	41.80	42.10	42.20	42.10	42.00	41.90	41.73
change from prior year	0.00	0.00	(0.10)	(0.50)	(0.30)	0.30	0.20	0.40	0.50	0.50	0.40	0.20	0.13
% change from prior year	0.00	0.00	(0.24)	(1.20)	(0.72)	0.72	0.48	0.96	1.20	1.20	0.96	0.48	0.32
<b>Trade, Transp., &amp; Utilities</b>	83.60	83.40	83.50	82.80	83.40	83.40	83.50	84.40	84.40	85.10	84.40	84.40	83.86
change from prior year	0.70	0.40	0.40	(0.30)	0.00	0.00	0.30	1.10	1.00	1.80	0.80	0.90	0.59
% change from prior year	0.84	0.48	0.48	(0.36)	0.00	0.00	0.36	1.32	1.20	2.16	0.96	1.08	0.71
<b>Financial Activities</b>	29.80	29.90	29.90	29.90	30.00	30.00	29.50	29.50	29.60	29.90	29.60	29.70	29.78
change from prior year	1.00	1.00	1.00	1.00	1.00	0.80	0.20	0.00	0.10	0.40	0.00	(0.20)	0.53
% change from prior year	3.47	3.46	3.46	3.46	3.45	2.74	0.68	0.00	0.34	1.36	0.00	(0.67)	1.79
<b>Prof. and Business Services</b>	29.40	29.30	29.40	29.70	29.70	29.60	30.10	29.90	29.90	29.60	30.00	30.80	29.78
change from prior year	0.20	0.10	0.10	0.40	0.40	0.30	0.80	0.60	0.60	0.40	0.40	1.30	0.47
% change from prior year	0.68	0.34	0.34	1.37	1.37	1.02	2.73	2.05	2.05	1.37	1.35	4.41	1.59
<b>Educ. &amp; Health Services</b>	67.90	67.90	67.80	68.20	68.30	68.10	68.00	68.50	68.30	68.10	67.60	67.10	67.98
change from prior year	0.50	0.60	0.30	0.70	0.80	0.60	0.30	0.60	0.40	0.30	(0.30)	(0.80)	0.33
% change from prior year	0.74	0.89	0.44	1.04	1.19	0.89	0.44	0.88	0.59	0.44	(0.44)	(1.18)	0.49
<b>Leisure &amp; Hospitality</b>	44.70	44.70	44.70	44.50	44.40	44.20	44.30	44.70	44.70	45.20	44.80	43.60	44.54
change from prior year	0.50	0.50	0.40	0.10	0.10	(0.40)	(0.40)	0.10	0.10	1.10	0.20	(0.90)	0.12
% change from prior year	1.13	1.13	0.90	0.23	0.23	(0.90)	(0.89)	0.22	0.22	2.49	0.45	(2.02)	0.26
<b>Other Services</b>	16.00	16.00	16.00	15.80	15.90	15.90	16.30	16.10	15.90	16.10	16.40	16.10	16.04
change from prior year	0.10	0.10	0.20	0.00	0.10	0.00	0.40	0.20	0.00	0.10	0.40	0.10	0.14
% change from prior year	0.63	0.63	1.27	0.00	0.63	0.00	2.52	1.26	0.00	0.63	2.50	0.63	0.89
<b>Government</b>	76.60	77.80	78.30	77.50	77.50	77.20	77.40	77.40	77.40	77.70	77.60	78.40	77.57
change from prior year	(0.60)	0.60	0.60	(0.30)	(0.30)	(0.60)	(0.30)	(0.20)	0.00	0.60	0.60	1.70	0.15
% change from prior year	(0.78)	0.78	0.77	(0.39)	(0.39)	(0.77)	(0.39)	(0.26)	0.00	0.78	0.78	2.22	0.19
<b>NonFarm (excluding Govt.)</b>	340.5	340.3	340.2	339.2	340.6	340.9	341.5	342.5	342.5	343.6	342.0	341.7	341.29
change from prior year	3.7	3.6	3.2	2.1	2.8	2.4	2.9	3.1	3.1	5.2	1.9	1.2	2.93
% change from prior year	1.10	1.07	0.95	0.62	0.83	0.71	0.86	0.91	0.91	1.54	0.56	0.35	0.87

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	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	
<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted):</b>													
<b>One-Family Units - S.D. Total</b>	246	204	264	217	179	83	76	75	158	308	234	257	2,301
change from prior year	33	(17)	9	(64)	8	(35)	(9)	(37)	(76)	(127)	4	33	(278)
<b>Total Family Units - S.D. Total</b>	339	570	625	285	200	195	246	116	492	646	440	311	4,465
change from prior year	(16)	305	93	(65)	(141)	29	(39)	(17)	(74)	18	116	(58)	151
<b>Total Family Units - Minnehaha Co.</b>	94	368	180	126	71	115	54	54	365	452	271	120	2,270
change from prior year	(27)	254	(88)	3	(57)	69	(116)	6	49	(18)	177	(2)	250
<b>Total Family Units - Pennington Co.</b>	56	24	187	31	31	23	22	18	61	34	36	38	561
change from prior year	22	(14)	156	(53)	3	(27)	3	(7)	(27)	(17)	(2)	(5)	32
<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>	41.57	37.07	46.43	37.78	28.79	15.32	14.09	15.88	30.21	59.79	44.87	47.33	419.11
change from prior year	5.67	(3.10)	5.74	(6.09)	(2.33)	(0.93)	(1.63)	(2.05)	7.14	(9.81)	5.01	6.01	3.62
<b>Total Family units - S.D. Total</b>	46.81	66.23	76.64	43.31	31.98	22.82	27.95	19.41	57.40	89.51	62.76	52.75	597.57
change from prior year	0.26	21.64	14.89	(7.31)	(11.50)	3.02	(4.63)	(0.71)	6.18	3.95	16.42	1.10	43.30
<b>Total Family Units - Minnehaha Co.</b>	16.77	38.75	24.47	18.39	11.37	10.96	7.50	8.26	38.85	53.86	31.32	19.76	280.26
change from prior year	(0.33)	22.66	(5.35)	(0.85)	(6.43)	4.45	(2.44)	1.45	19.99	(6.49)	17.97	3.12	47.74
<b>Total Family Units - Pennington Co.</b>	5.45	4.72	18.49	5.30	6.48	4.85	3.29	3.63	7.38	7.53	7.49	6.75	81.37
change from prior year	(0.98)	(0.95)	12.28	(3.47)	0.56	(0.34)	(0.12)	(1.04)	(7.65)	(0.17)	0.97	(0.93)	(1.84)

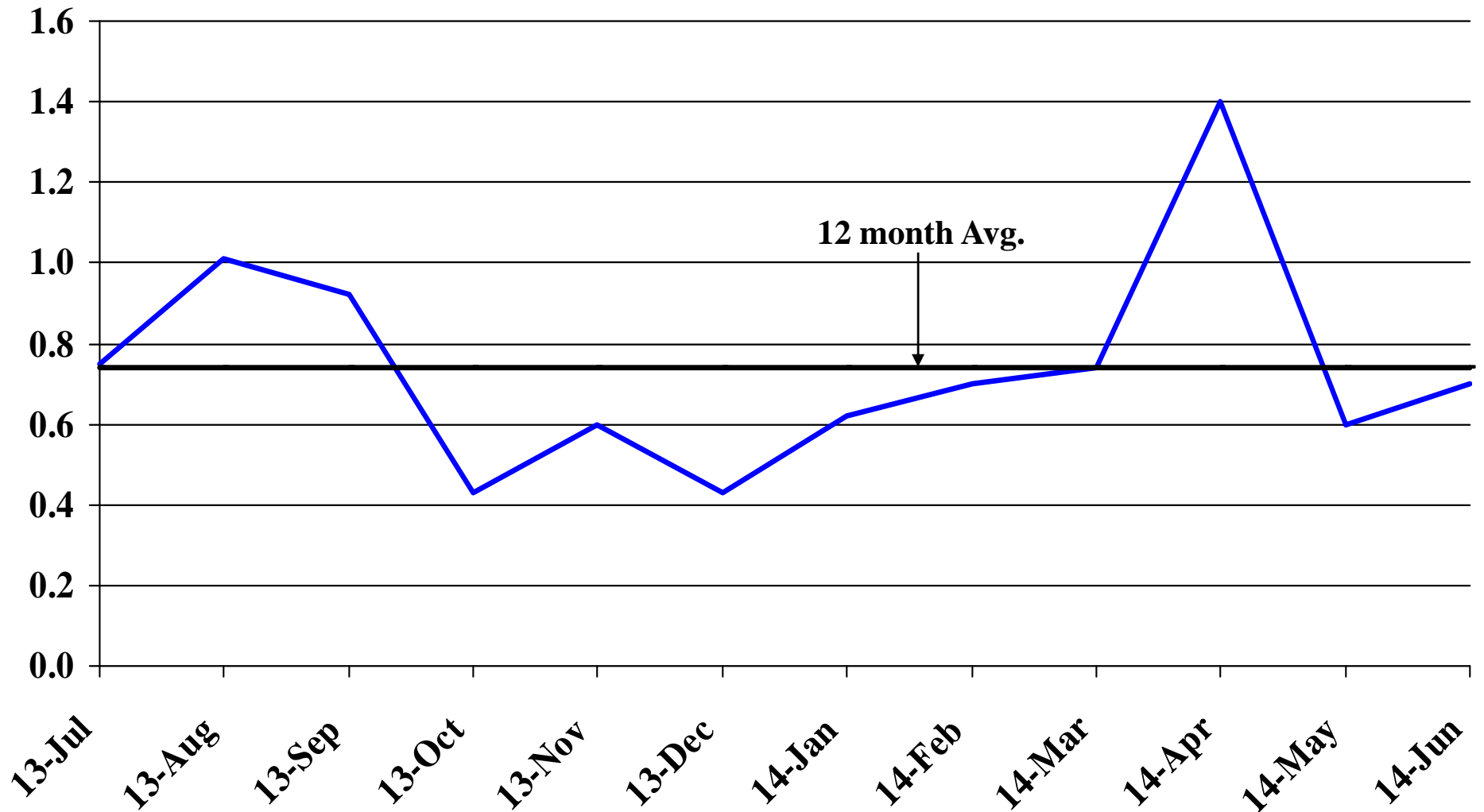
<b>Automobile Data (information is not seasonally adjusted)</b>													
<b>New Non-Comm. Veh. Titled</b>	3,767	3,581	3,740	4,047	2,923	3,421	4,314	2,746	2,829	3,323	3,365	4,877	42,933
change from prior year	(111)	223	685	654	(241)	285	451	(547)	(22)	(351)	(397)	1,481	2,110

<b>Agriculture (information is not seasonally adjusted)</b>													
<b>Wheat</b>	7.18	6.83	6.60	6.69	6.62	6.48	6.46	6.70	7.05	6.99	7.26	6.83	6.81
change from prior year	(0.85)	(1.40)	(1.71)	(1.72)	(1.94)	(2.00)	(1.64)	(1.35)	(0.70)	(0.70)	(0.53)	(0.94)	(1.29)
<b>Corn</b>	6.58	5.99	5.46	4.22	3.98	3.96	4.11	4.10	4.10	4.19	4.24	4.06	4.58
change from prior year	(0.15)	(1.40)	(1.37)	(2.39)	(2.84)	(2.75)	(2.74)	(2.78)	(2.94)	(2.40)	(2.64)	(2.74)	(2.26)
<b>Soybeans</b>	14.90	13.80	12.80	12.30	12.20	12.70	12.50	12.70	14.00	13.70	14.00	13.90	13.29
change from prior year	-	(2.20)	(1.40)	(1.50)	(2.00)	(1.50)	(1.40)	(1.70)	(0.40)	(0.30)	(0.60)	(0.80)	(1.15)
<b>Hay</b>	178.00	159.00	128.00	159.00	148.00	139.00	135.00	126.00	123.00	127.00	131.00	126.00	139.92
change from prior year	7.00	(45.00)	(78.00)	(62.00)	(61.00)	(74.00)	(76.00)	(90.00)	(98.00)	(95.00)	(108.00)	(95.00)	(72.92)

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

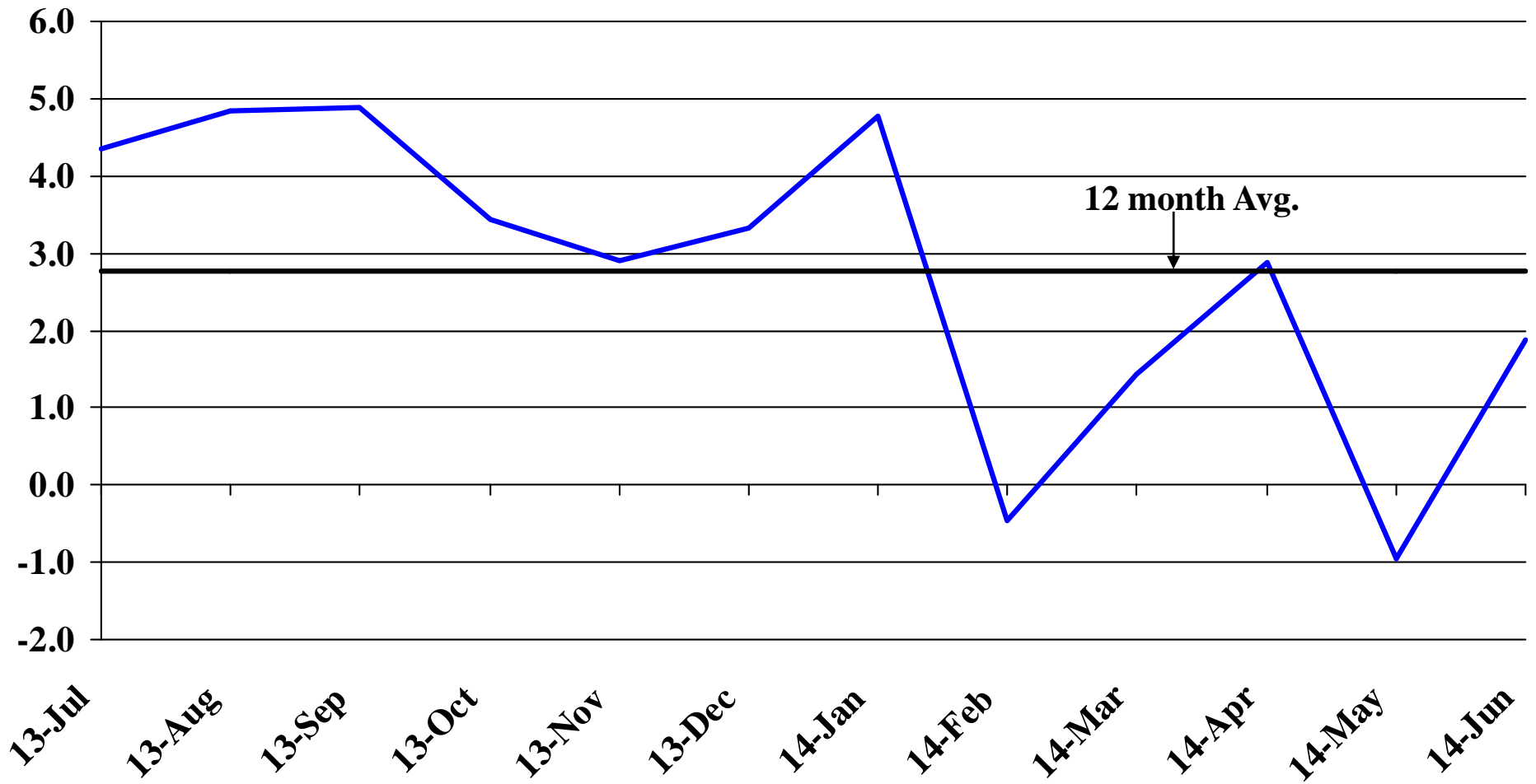
# Recent Trends in Nonfarm Employment

Percent Change



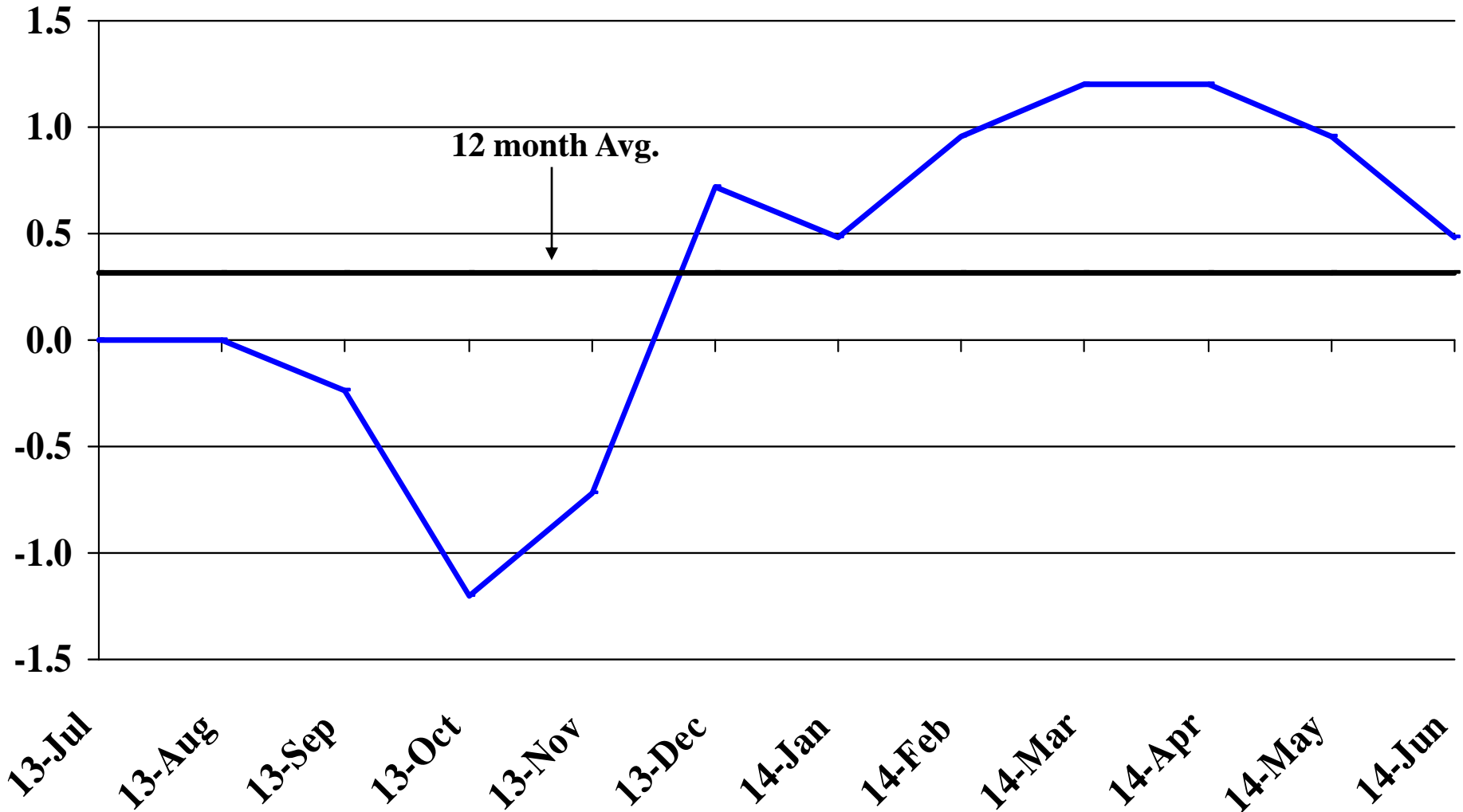
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



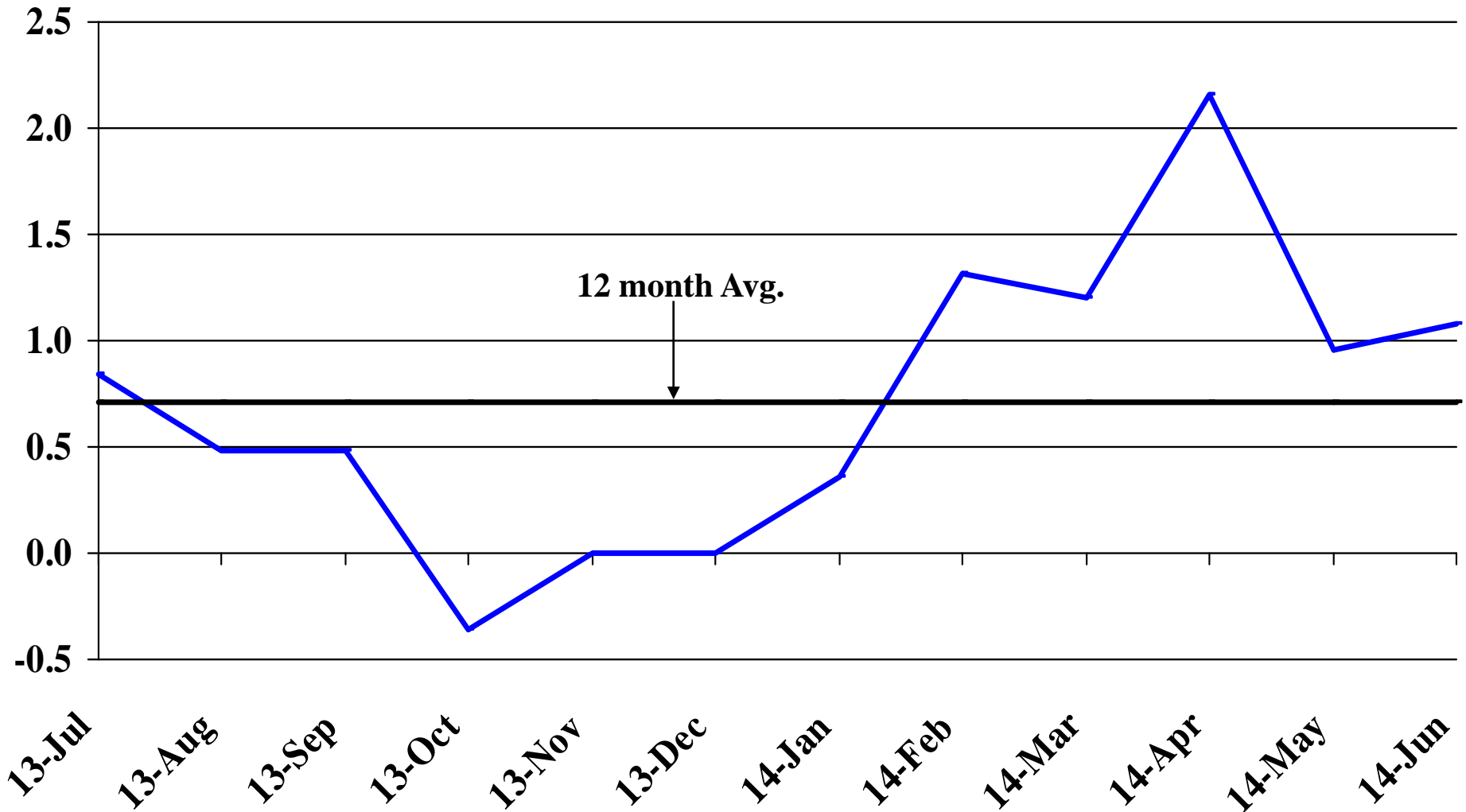
# Recent Trends in Manufacturing Employment

Percent Change



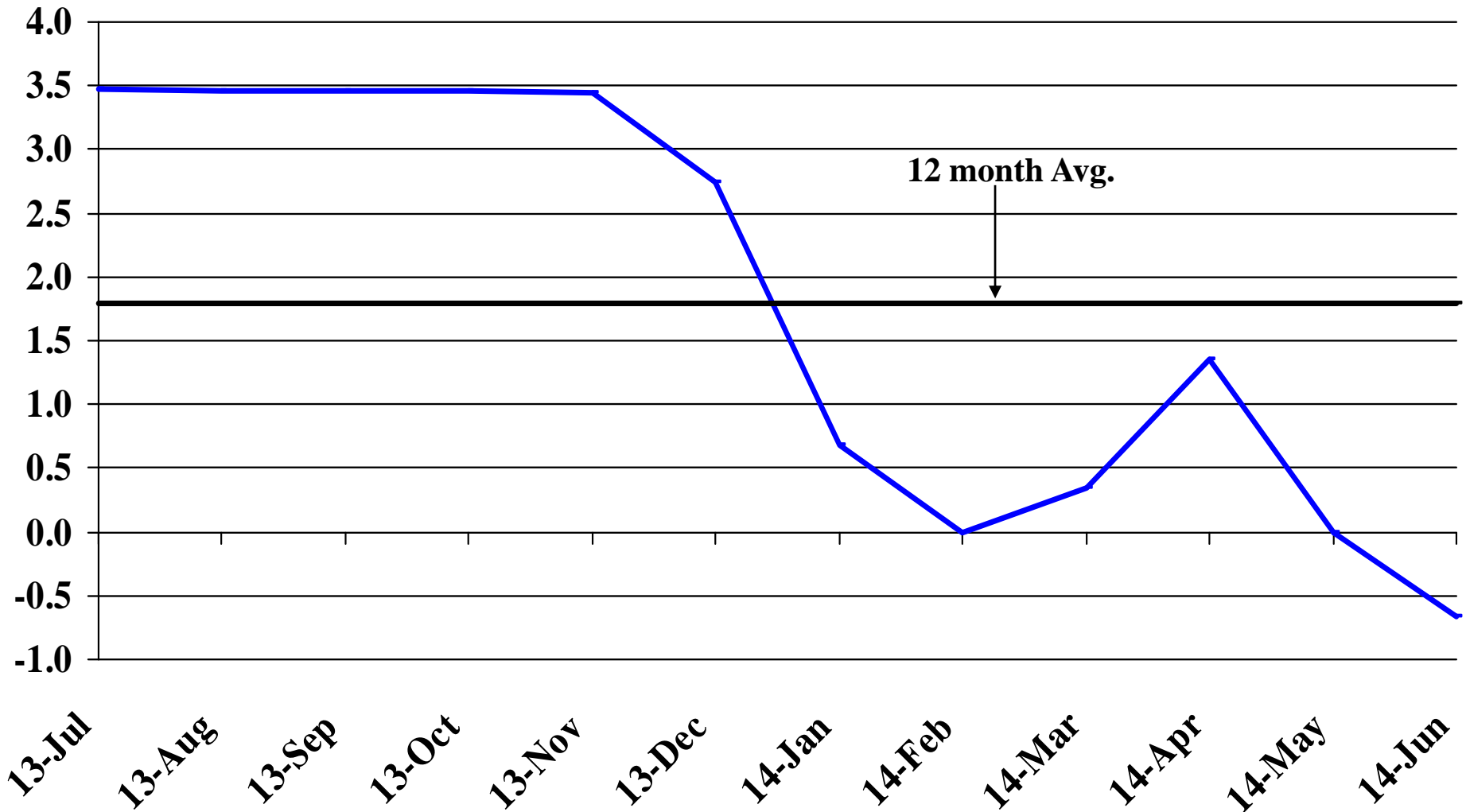
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



# Recent Trends in Financial Activities Employment

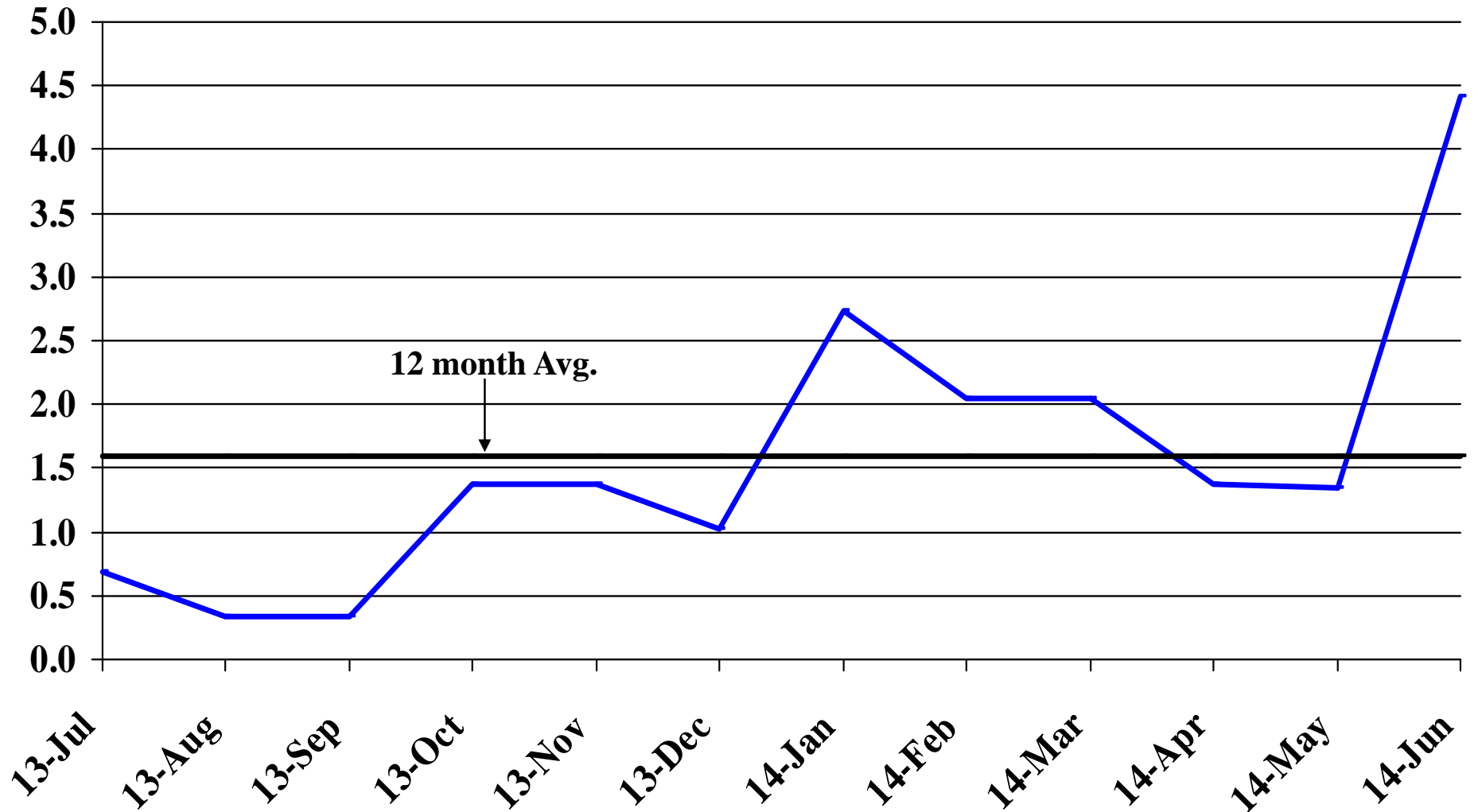
Percent Change





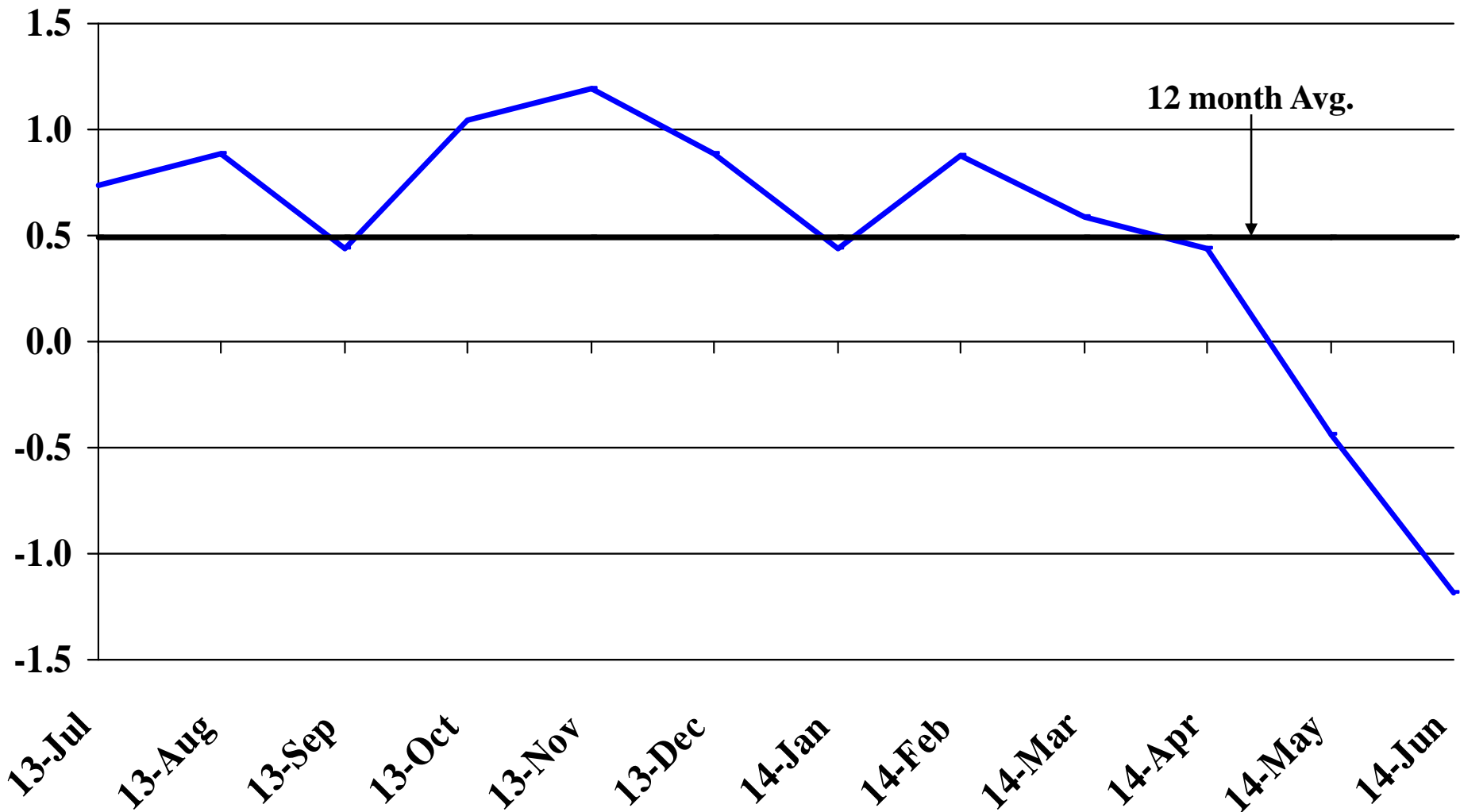
# Recent Trends in Professional and Business Services Employment

Percent Change



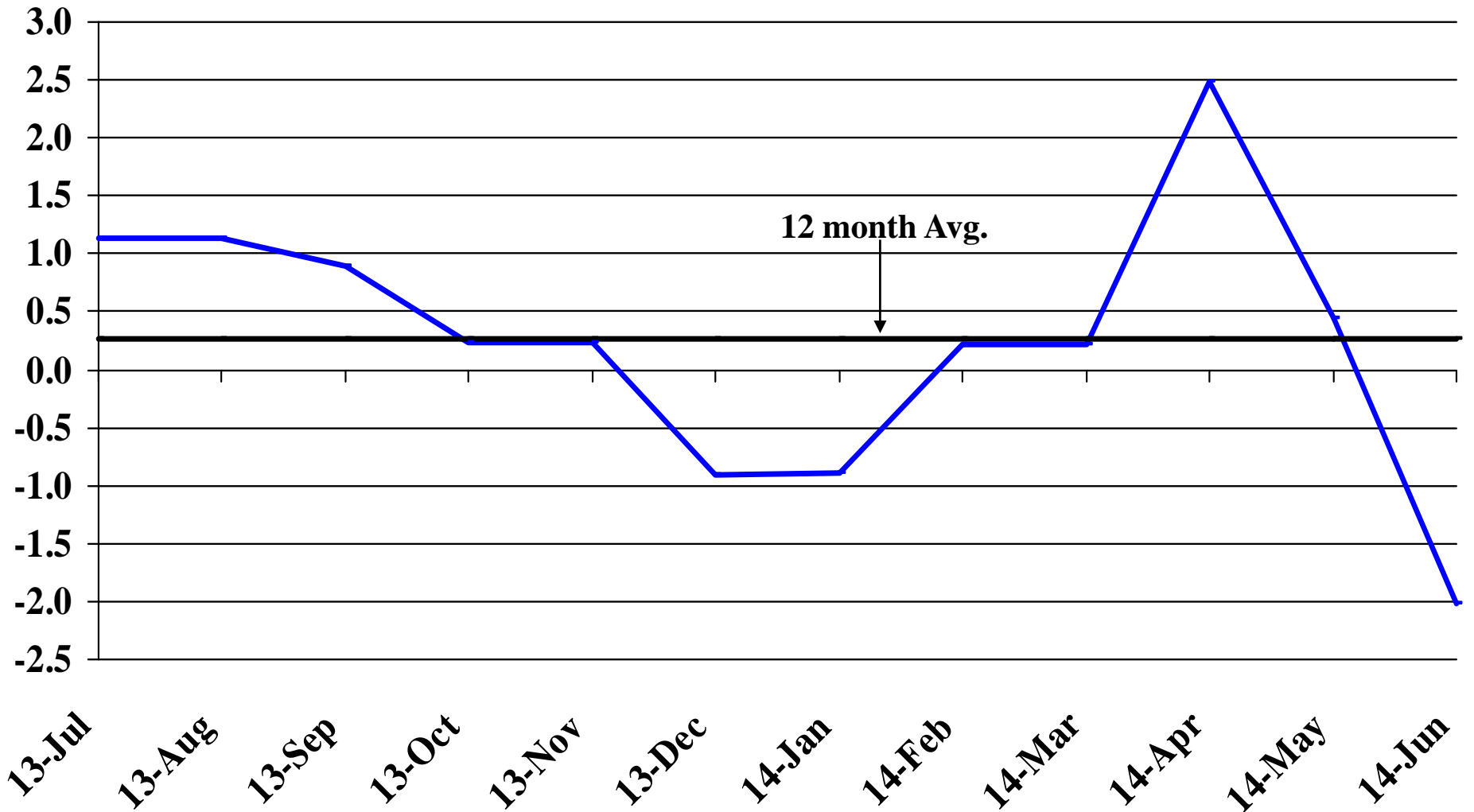
# Recent Trends in Educational and Health Services Employment

Percent Change



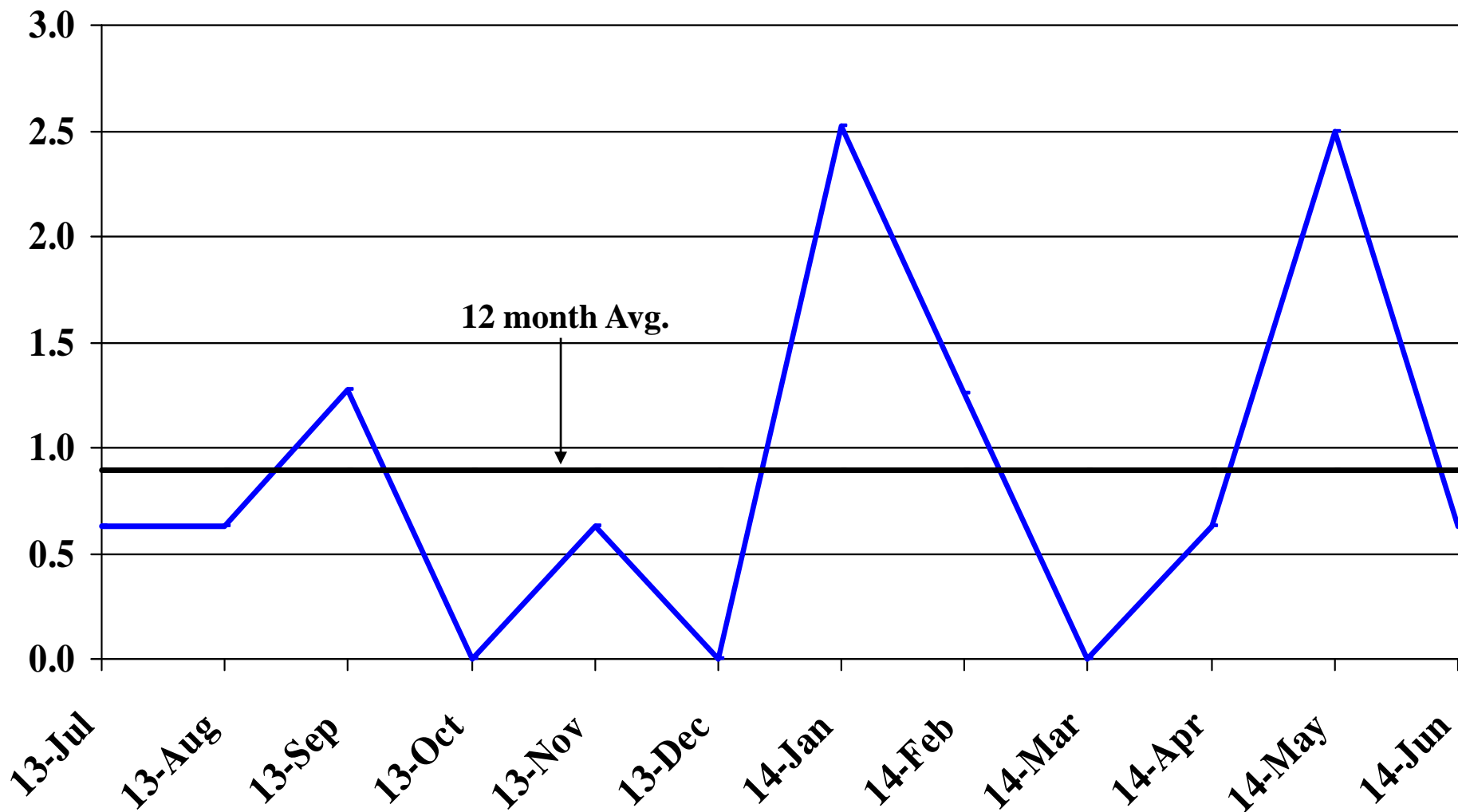
# Recent Trends in Leisure and Hospitality Employment

Percent Change



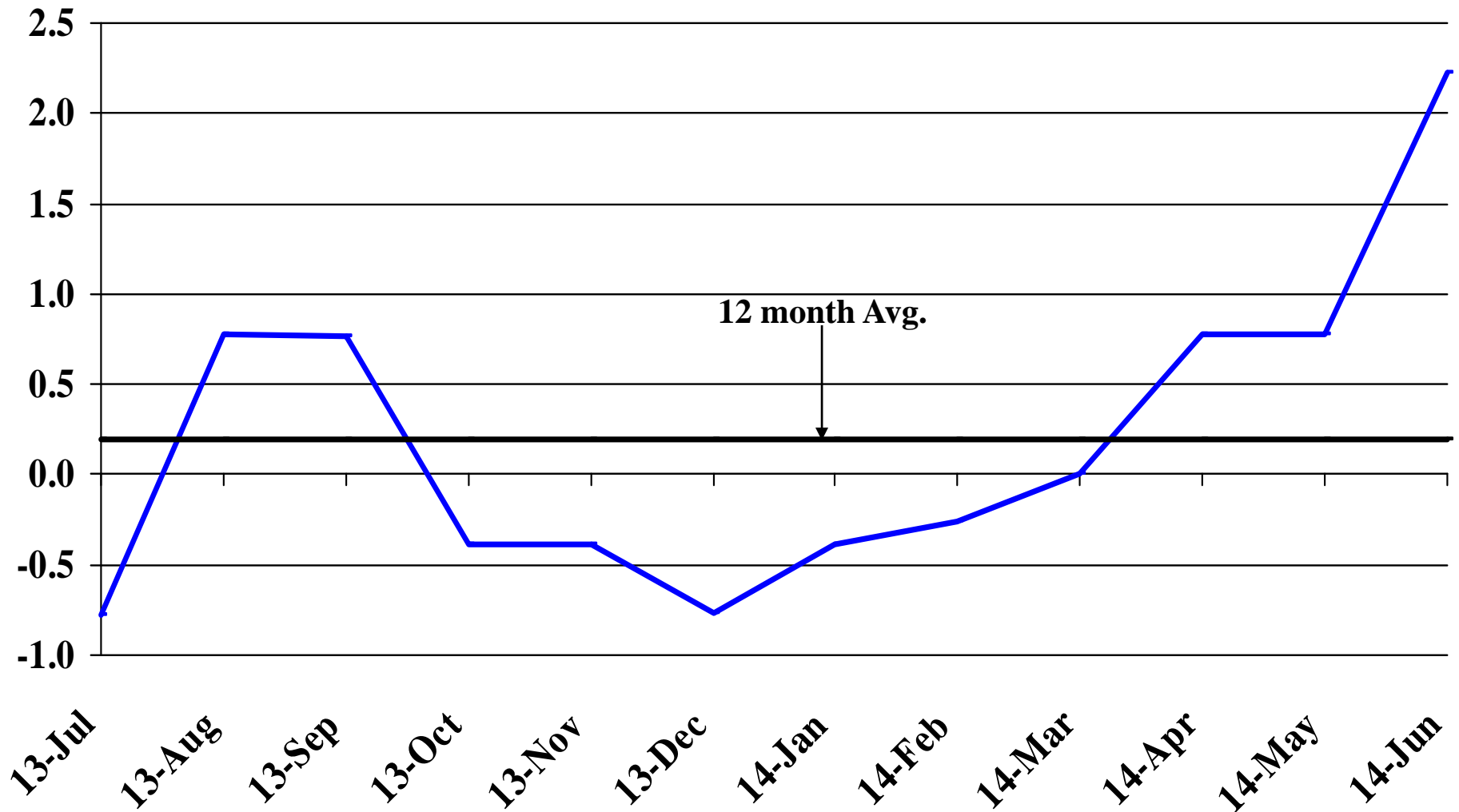
# Recent Trends in Other Services Employment

Percent Change



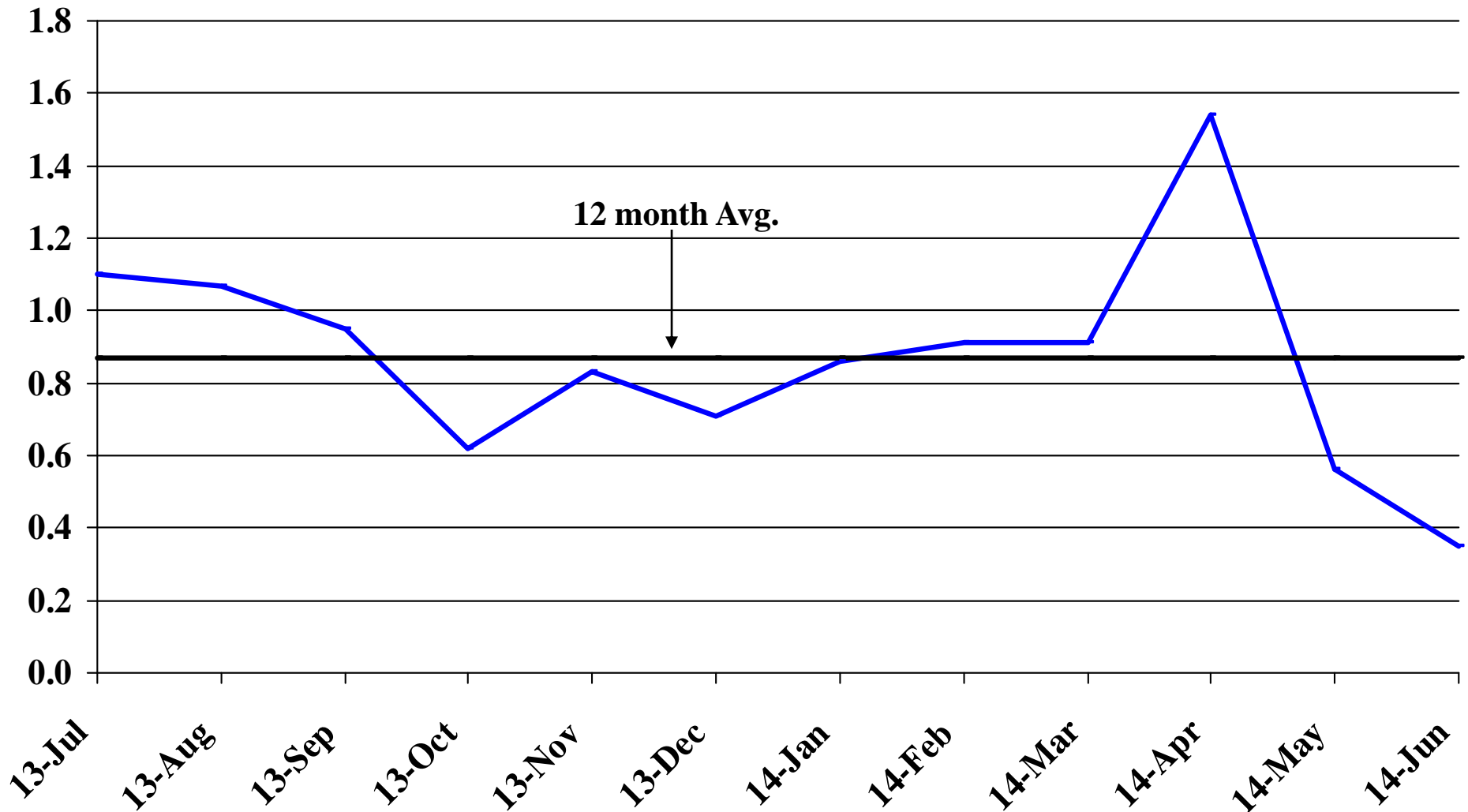
# Recent Trends in Government Employment

Percent Change

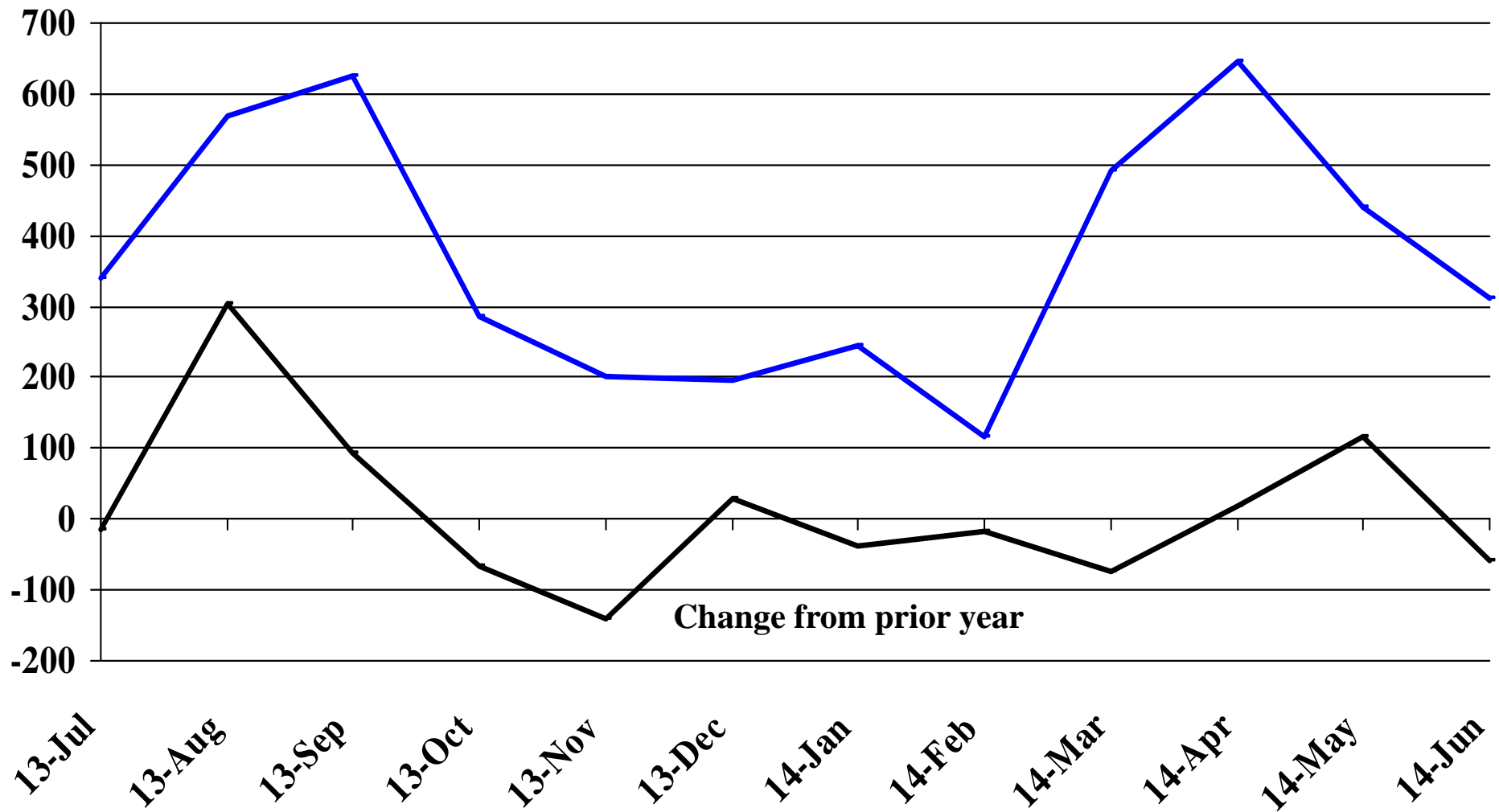


# Recent Trends in Nonfarm Employment (excluding Government Employment)

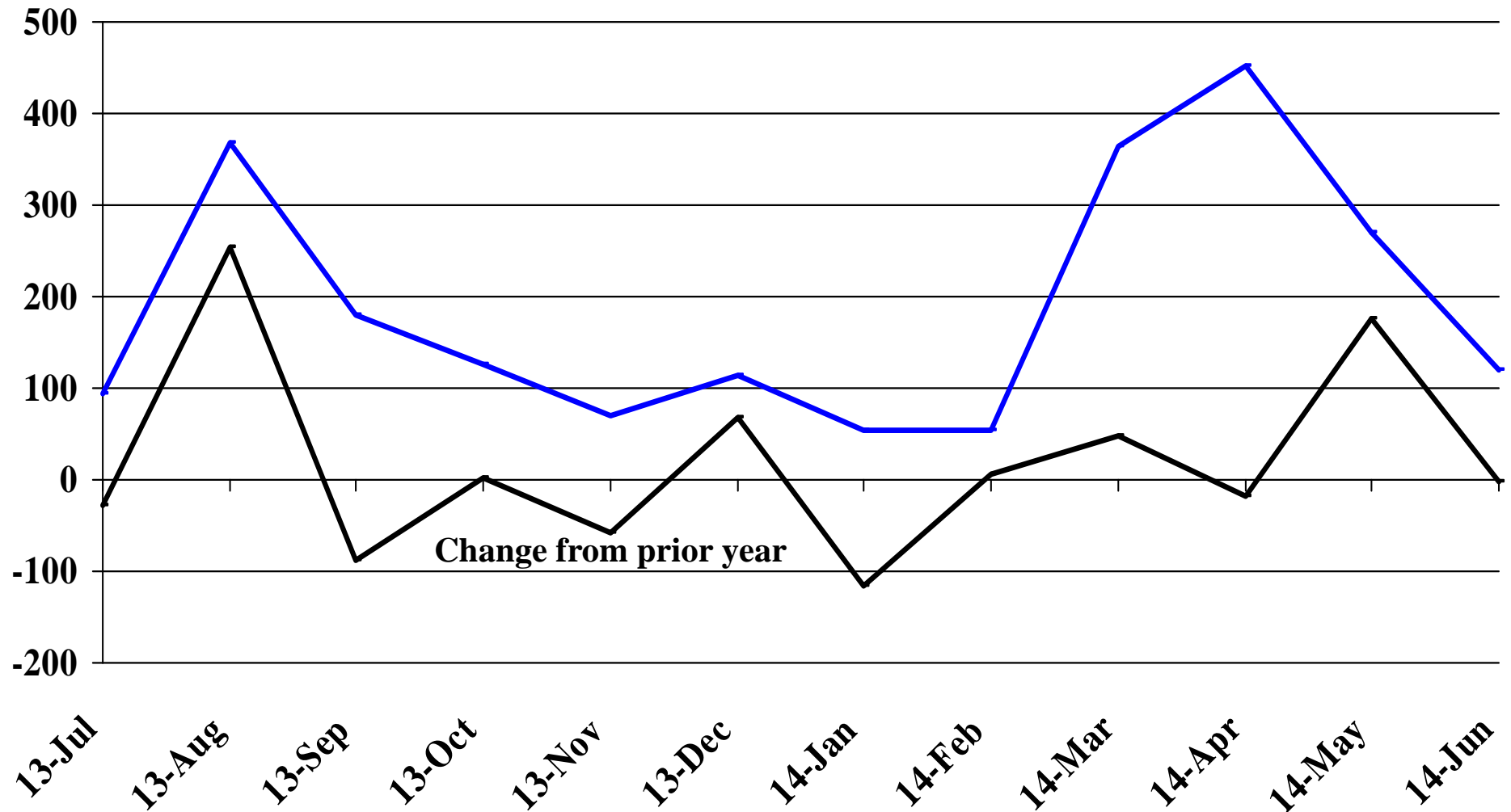
Percent Change



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

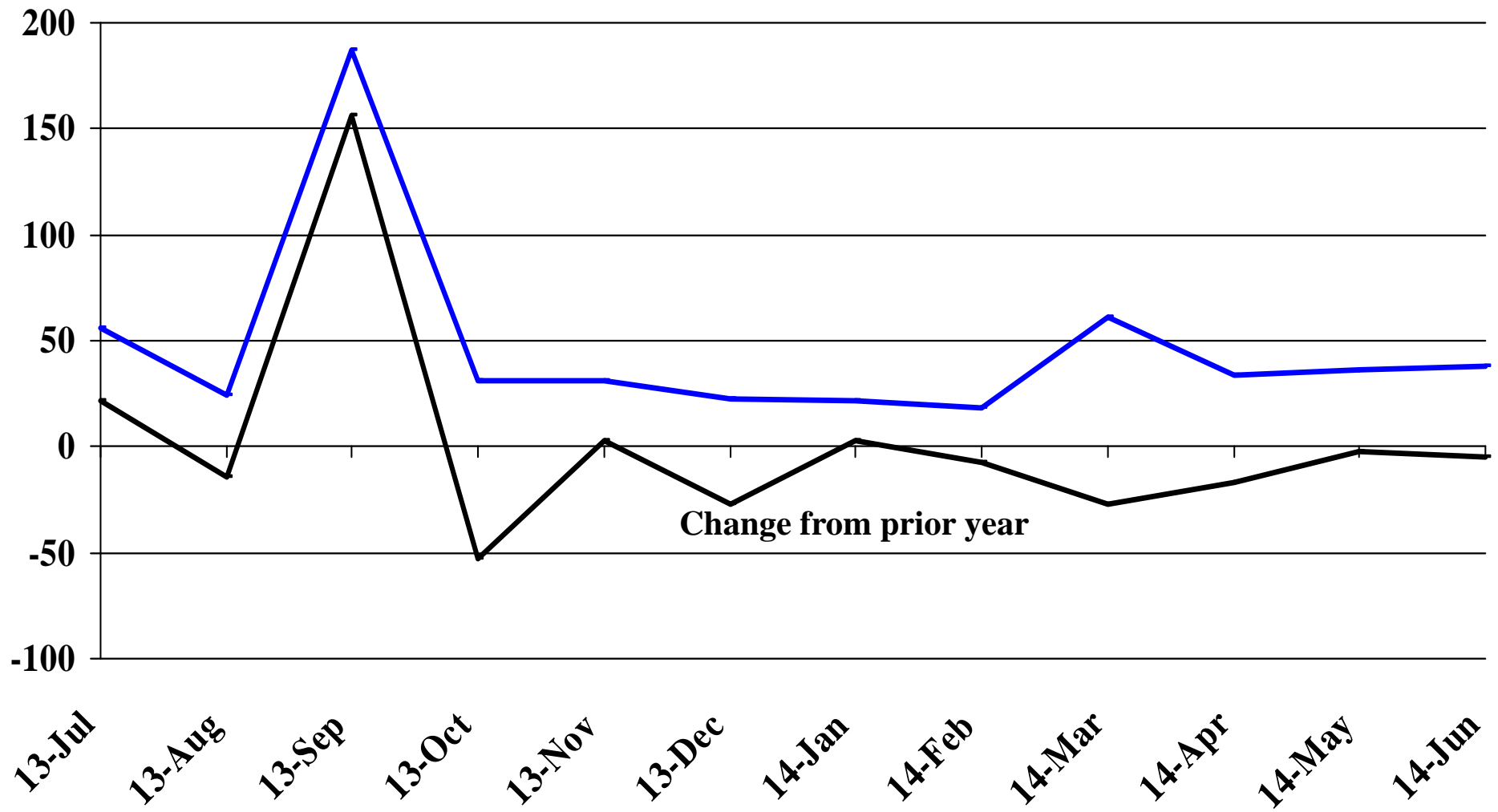


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



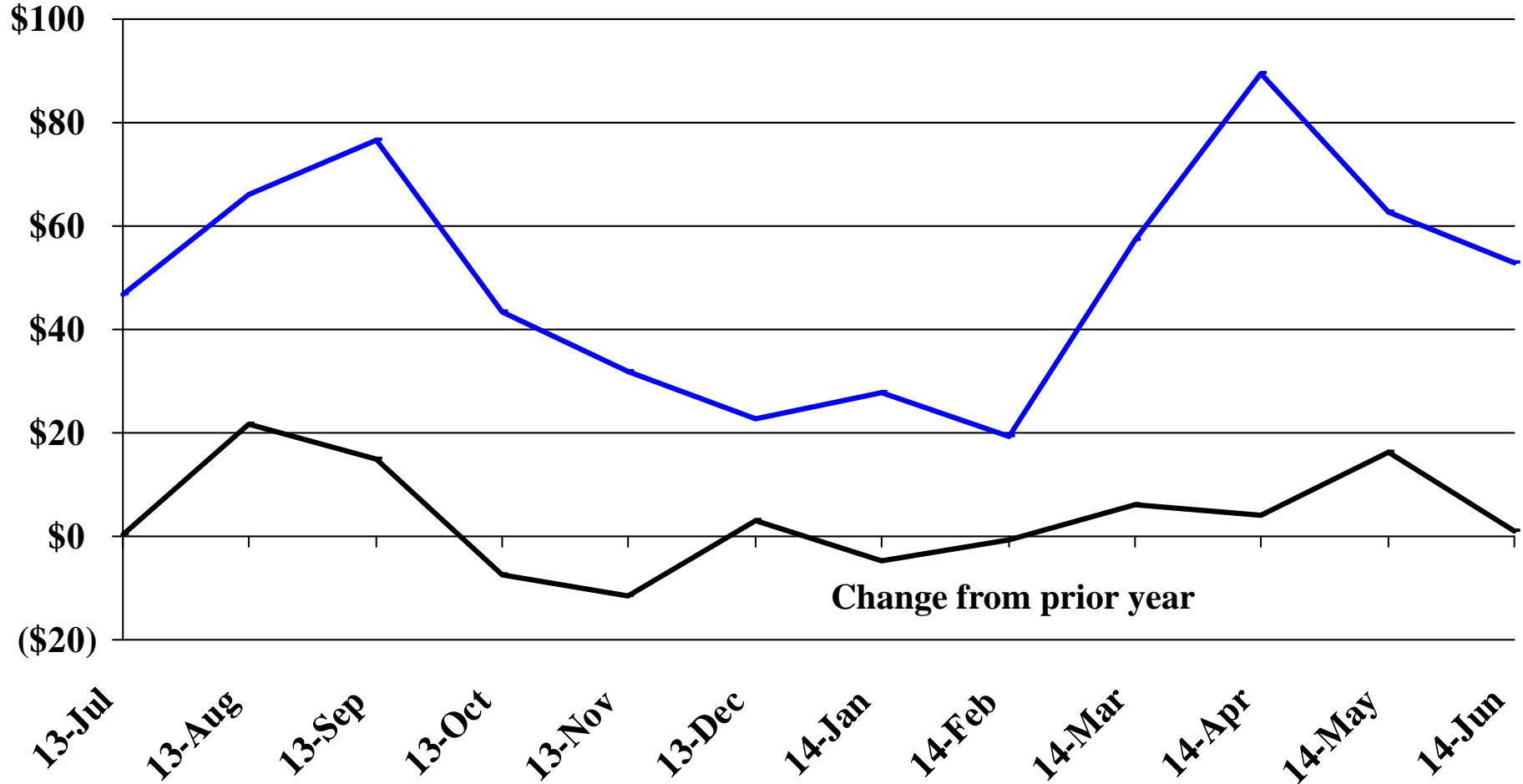


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County



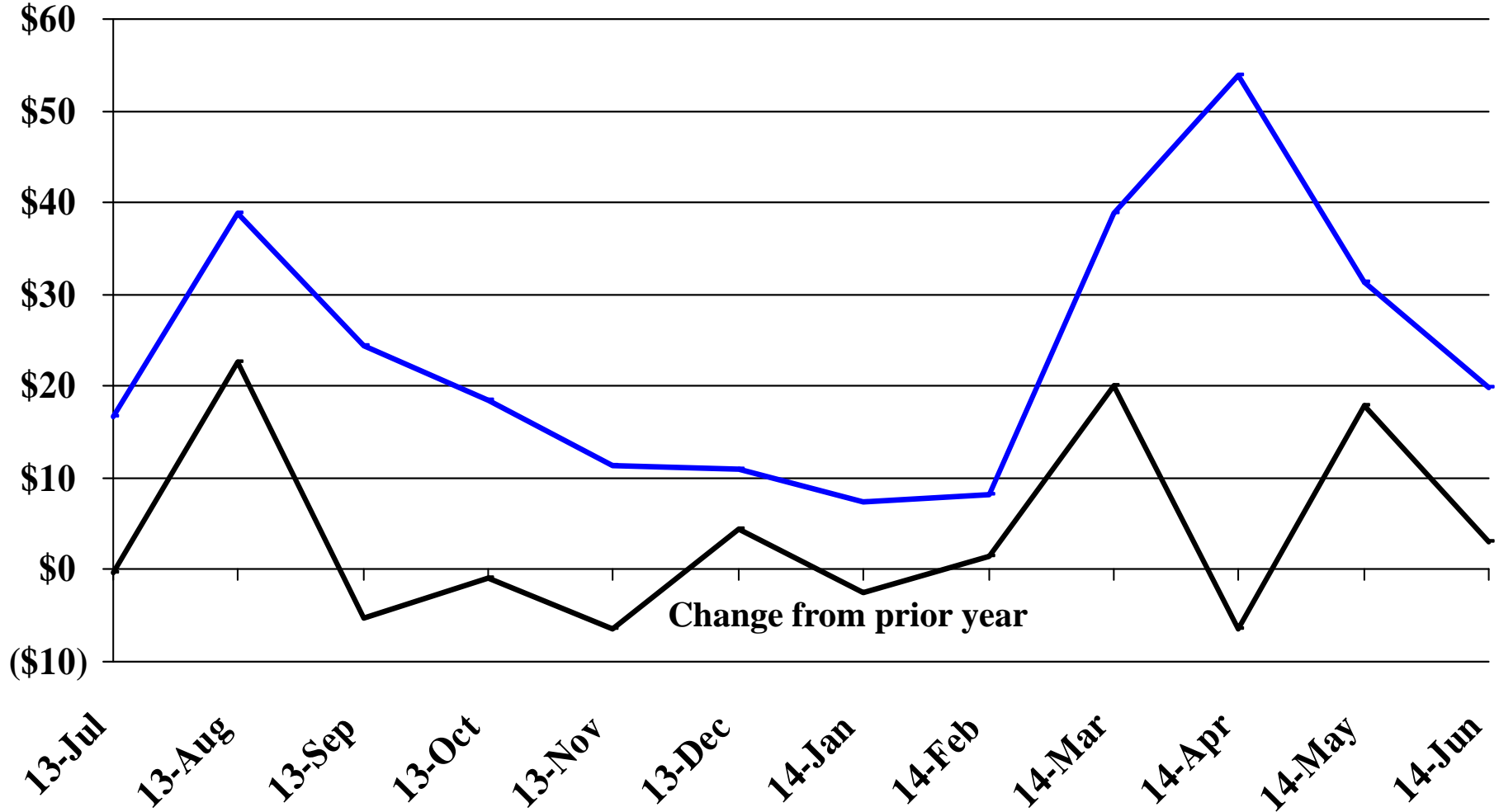
# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions



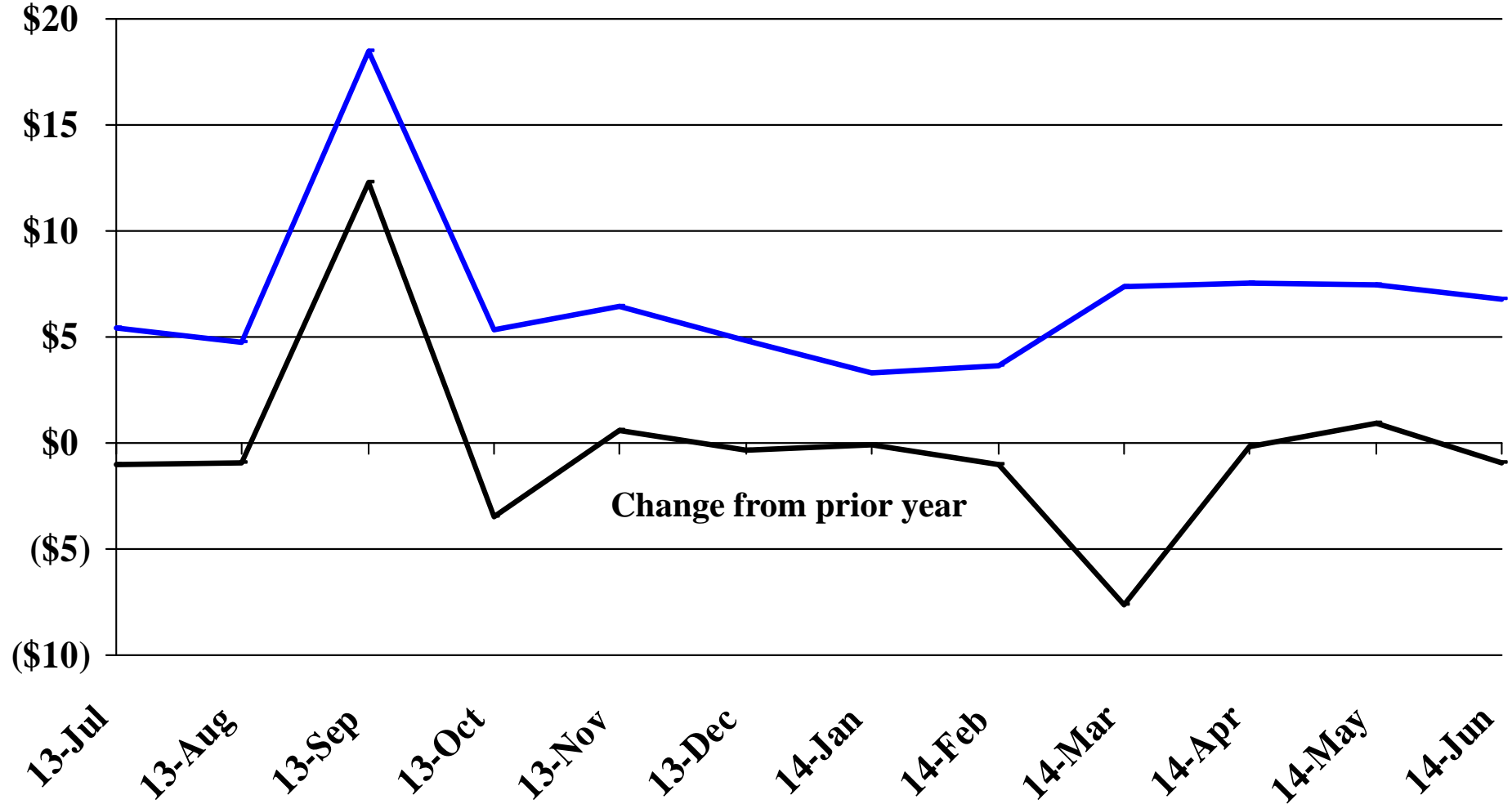
# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

Millions

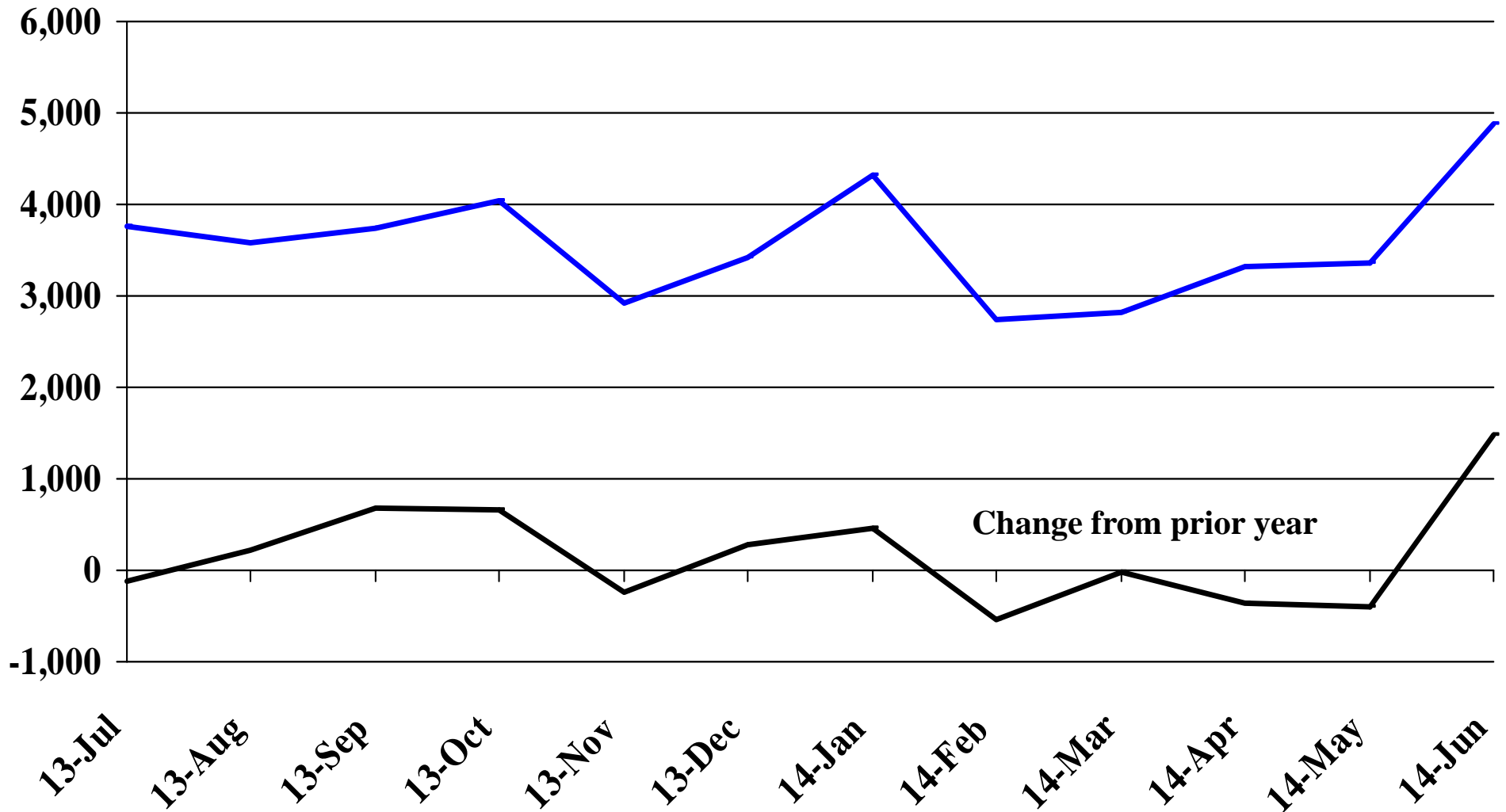


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

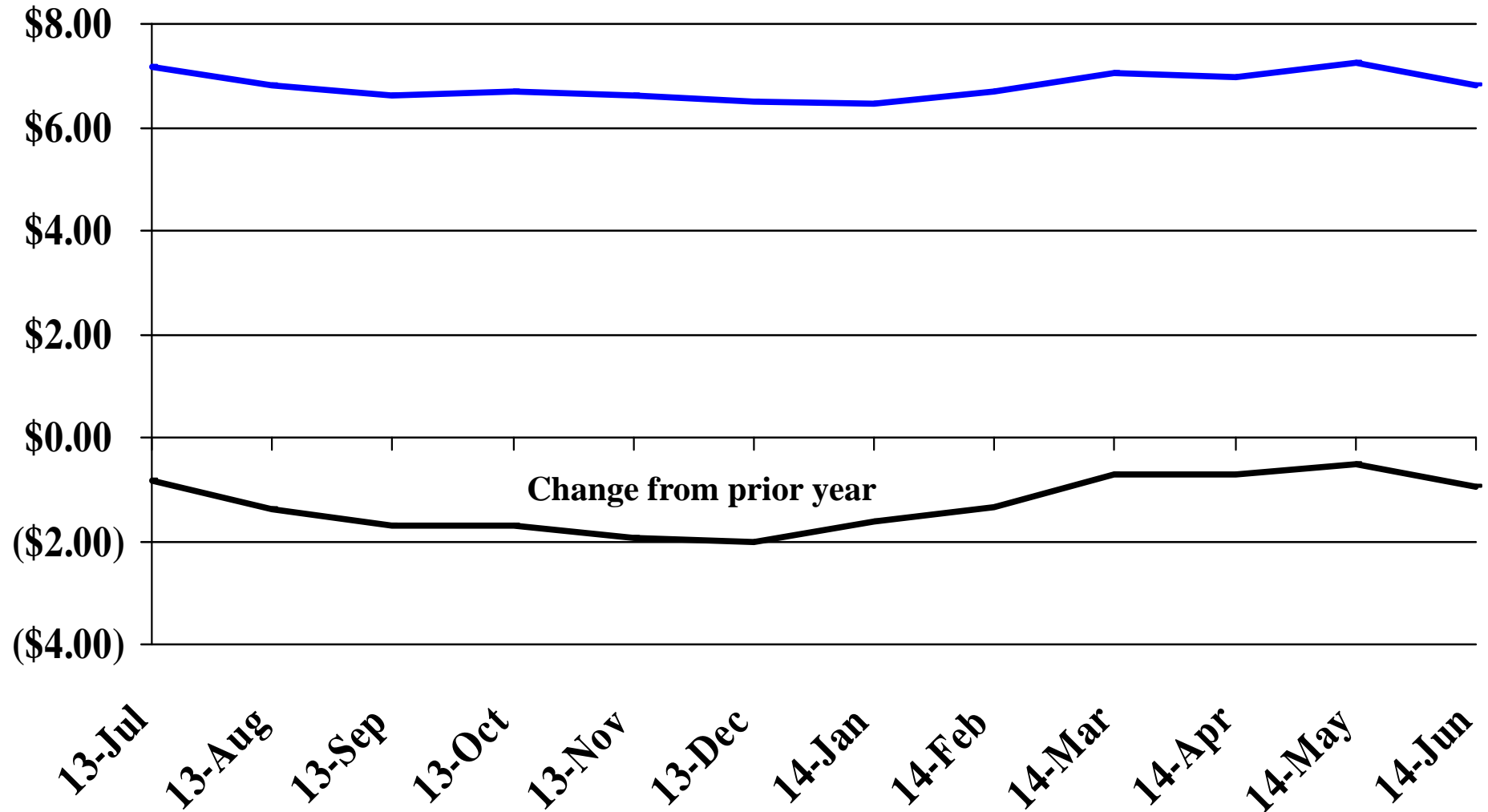


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



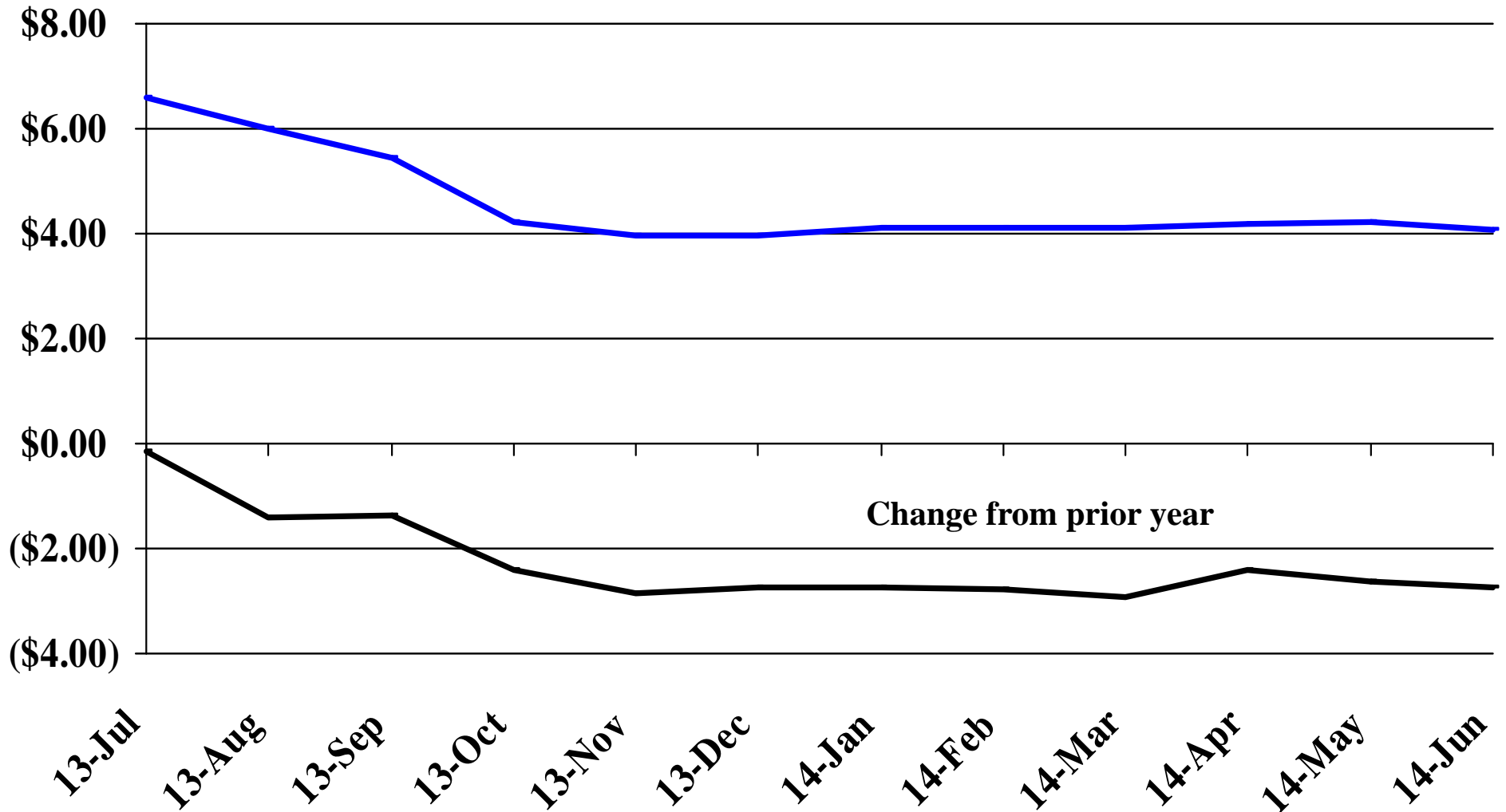
# Recent Trends in the Price of Wheat

\$'s Per Bushel



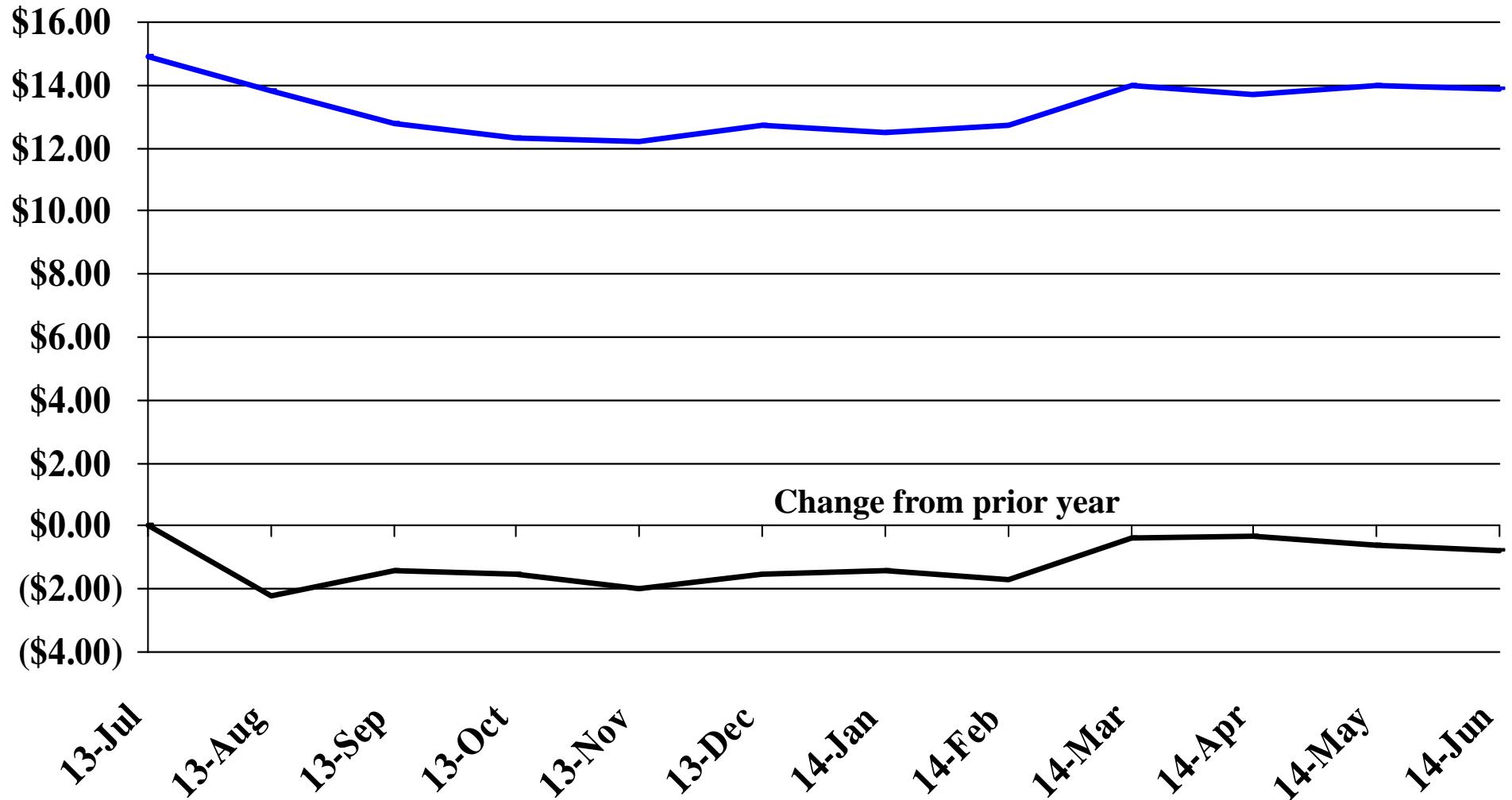
# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans

\$'s Per Bushel





# Recent Trends in the Price of Hay

\$'s Per Ton

