

# The South Dakota Economy

September 3, 2014

## 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.
- As of July 2014, South Dakota's total employment level was 2.3%, or 9,500 jobs, higher than the peak employment reached before the '07-'09 recession. In comparison, US employment in July is just 0.5% higher (0.6 million jobs) than the peak employment reached before the recession. As of July 2014, there are still more than 30 states that have not reached their previous peak employment level.
- In July 2014, total SD nonfarm employment was up 4,500 jobs or 1.1%, compared to July 2013.
  - Sectors that are currently experiencing year-over-year growth (July 2014 compared to July 2013 levels) include: professional and business services (+5.1%); manufacturing (+2.6%); logging, mining, and construction (+2.3%); trade, transportation, and utilities (+1.1%); financial activities (+0.7%); and, government (+2.0%). There was no year-over-year change in the other services sector.
  - Sectors currently experiencing year-over-year declines include: education and health services (-0.7%) and leisure and hospitality (-2.2%).

## 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 July at 3.7%.
  - SD's unemployment rate in July was 0.1% lower than last month and 0.1% lower than a year ago.
- The U.S. unemployment rate was 6.2% in July 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 (August 2013 – July 2014) there were 138 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 \$49.62 million higher in the last twelve months compared to the same period the year before. \*

## The agricultural economy.

- As of August 1<sup>st</sup>, South Dakota's corn production is forecast at 765 million bushels, down 5% from last year's production according to the USDA's National Agriculture Statistics Service. Average yield is forecast at 139 bushels per acre, up 1 bushel from a year ago. Acreage harvested for grain is estimated at 5.5 million acres, down 6% from last year.
- South Dakota's soybean production is forecast at a record high of 196 million bushels, 7% higher than last year's production. Area for harvest is 4.91 million acres, up 7% from last year. Yield is forecast at 40 bushels per acre, unchanged from a year ago.
- 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 August 31<sup>st</sup>, topsoil moisture supplies across the state were rated 13% short to very short while subsoil moisture supplies were rated 15% short to very short.
- As of August 1<sup>st</sup>, South Dakota's 1,000+ capacity feedlots reported 190,000 cattle on feed for the slaughter market. This was down 9% from the prior month but up 6% 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
	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	
<b>Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands)</b>													
<b>Total Nonfarm</b>	418.10	418.50	416.70	418.10	418.10	418.90	419.90	419.90	421.30	419.60	420.50	421.60	419.27
change from prior year	4.20	3.80	1.80	2.50	1.80	2.60	2.90	3.10	5.80	2.50	3.30	4.50	3.23
% change from prior year	1.01	0.92	0.43	0.60	0.43	0.62	0.70	0.74	1.40	0.60	0.79	1.08	0.78
<b>N.R., Mining &amp; Const.</b>	21.60	21.50	21.10	21.30	21.70	21.90	21.10	21.30	21.40	20.90	21.80	22.10	21.48
change from prior year	1.00	1.00	0.70	0.60	0.70	1.00	(0.10)	0.30	0.60	(0.20)	0.40	0.50	0.54
% change from prior year	4.85	4.88	3.43	2.90	3.33	4.78	(0.47)	1.43	2.88	(0.95)	1.87	2.31	2.59
<b>Manufacturing Employment</b>	41.50	41.40	41.10	41.40	41.80	41.80	42.10	42.20	42.10	42.00	42.00	42.60	41.83
change from prior year	0.00	(0.10)	(0.50)	(0.30)	0.30	0.20	0.40	0.50	0.50	0.40	0.30	1.10	0.23
% change from prior year	0.00	(0.24)	(1.20)	(0.72)	0.72	0.48	0.96	1.20	1.20	0.96	0.72	2.65	0.56
<b>Trade, Transp., &amp; Utilities</b>	83.40	83.50	82.80	83.40	83.40	83.50	84.40	84.40	85.10	84.40	84.60	84.50	83.95
change from prior year	0.40	0.40	(0.30)	0.00	0.00	0.30	1.10	1.00	1.80	0.80	1.10	0.90	0.63
% change from prior year	0.48	0.48	(0.36)	0.00	0.00	0.36	1.32	1.20	2.16	0.96	1.32	1.08	0.75
<b>Financial Activities</b>	29.90	29.90	29.90	30.00	30.00	29.50	29.50	29.60	29.90	29.60	29.80	30.00	29.80
change from prior year	1.00	1.00	1.00	1.00	0.80	0.20	0.00	0.10	0.40	0.00	(0.10)	0.20	0.47
% change from prior year	3.46	3.46	3.46	3.45	2.74	0.68	0.00	0.34	1.36	0.00	(0.33)	0.67	1.59
<b>Prof. and Business Services</b>	29.30	29.40	29.70	29.70	29.60	30.10	29.90	29.90	29.60	30.00	30.70	30.90	29.90
change from prior year	0.10	0.10	0.40	0.40	0.30	0.80	0.60	0.60	0.40	0.40	1.20	1.50	0.57
% change from prior year	0.34	0.34	1.37	1.37	1.02	2.73	2.05	2.05	1.37	1.35	4.07	5.10	1.93
<b>Educ. &amp; Health Services</b>	67.90	67.80	68.20	68.30	68.10	68.00	68.50	68.30	68.10	67.60	67.50	67.40	67.98
change from prior year	0.60	0.30	0.70	0.80	0.60	0.30	0.60	0.40	0.30	(0.30)	(0.40)	(0.50)	0.28
% change from prior year	0.89	0.44	1.04	1.19	0.89	0.44	0.88	0.59	0.44	(0.44)	(0.59)	(0.74)	0.42
<b>Leisure &amp; Hospitality</b>	44.70	44.70	44.50	44.40	44.20	44.30	44.70	44.70	45.20	44.80	43.60	43.70	44.46
change from prior year	0.50	0.40	0.10	0.10	(0.40)	(0.40)	0.10	0.10	1.10	0.20	(0.90)	(1.00)	(0.01)
% change from prior year	1.13	0.90	0.23	0.23	(0.90)	(0.89)	0.22	0.22	2.49	0.45	(2.02)	(2.24)	(0.02)
<b>Other Services</b>	16.00	16.00	15.80	15.90	15.90	16.30	16.10	15.90	16.10	16.40	16.10	16.00	16.04
change from prior year	0.10	0.20	0.00	0.10	0.00	0.40	0.20	0.00	0.10	0.40	0.10	0.00	0.13
% change from prior year	0.63	1.27	0.00	0.63	0.00	2.52	1.26	0.00	0.63	2.50	0.63	0.00	0.84
<b>Government</b>	77.80	78.30	77.50	77.50	77.20	77.40	77.40	77.40	77.70	77.60	78.10	78.10	77.67
change from prior year	0.60	0.60	(0.30)	(0.30)	(0.60)	(0.30)	(0.20)	0.00	0.60	0.60	1.40	1.50	0.30
% change from prior year	0.78	0.77	(0.39)	(0.39)	(0.77)	(0.39)	(0.26)	0.00	0.78	0.78	1.83	1.96	0.39
<b>NonFarm (excluding Govt.)</b>	340.3	340.2	339.2	340.6	340.9	341.5	342.5	342.5	343.6	342.0	342.4	343.5	341.60
change from prior year	3.6	3.2	2.1	2.8	2.4	2.9	3.1	3.1	5.2	1.9	1.9	3.0	2.93
% change from prior year	1.07	0.95	0.62	0.83	0.71	0.86	0.91	0.91	1.54	0.56	0.56	0.88	0.87

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<b>Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted):</b>													
<b>One-Family Units - S.D. Total</b>	204	264	217	179	83	76	75	158	308	234	257	242	2,297
change from prior year	(17)	9	(64)	8	(35)	(9)	(37)	(76)	(127)	4	33	(4)	(315)
<b>Total Family Units - S.D. Total</b>	570	625	285	200	195	246	116	492	646	440	311	310	4,436
change from prior year	305	93	(65)	(141)	29	(39)	(17)	(74)	18	116	(58)	(29)	138
<b>Total Family Units - Minnehaha Co.</b>	368	180	126	71	115	54	54	365	452	271	120	124	2,300
change from prior year	254	(88)	3	(57)	69	(116)	6	49	(18)	177	(2)	30	307
<b>Total Family Units - Pennington Co.</b>	24	187	31	31	23	22	18	61	34	36	38	36	541
change from prior year	(14)	156	(53)	3	(27)	3	(7)	(27)	(17)	(2)	(5)	(20)	(10)
<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>	37.07	46.43	37.78	28.79	15.32	14.09	15.88	30.21	59.79	44.87	47.33	47.43	424.97
change from prior year	(3.10)	5.74	(6.09)	(2.33)	(0.93)	(1.63)	(2.05)	7.14	(9.81)	5.01	6.01	5.86	3.80
<b>Total Family units - S.D. Total</b>	66.23	76.64	43.31	31.98	22.82	27.95	19.41	57.40	89.51	62.76	52.75	53.38	604.14
change from prior year	21.64	14.89	(7.31)	(11.50)	3.02	(4.63)	(0.71)	6.18	3.95	16.42	1.10	6.57	49.62
<b>Total Family Units - Minnehaha Co.</b>	38.75	24.47	18.39	11.37	10.96	7.50	8.26	38.85	53.86	31.32	19.76	21.07	284.57
change from prior year	22.66	(5.35)	(0.85)	(6.43)	4.45	(2.44)	1.45	19.99	(6.49)	17.97	3.12	4.31	52.38
<b>Total Family Units - Pennington Co.</b>	4.72	18.49	5.30	6.48	4.85	3.29	3.63	7.38	7.53	7.49	6.75	7.01	82.93
change from prior year	(0.95)	12.28	(3.47)	0.56	(0.34)	(0.12)	(1.04)	(7.65)	(0.17)	0.97	(0.93)	1.57	0.71

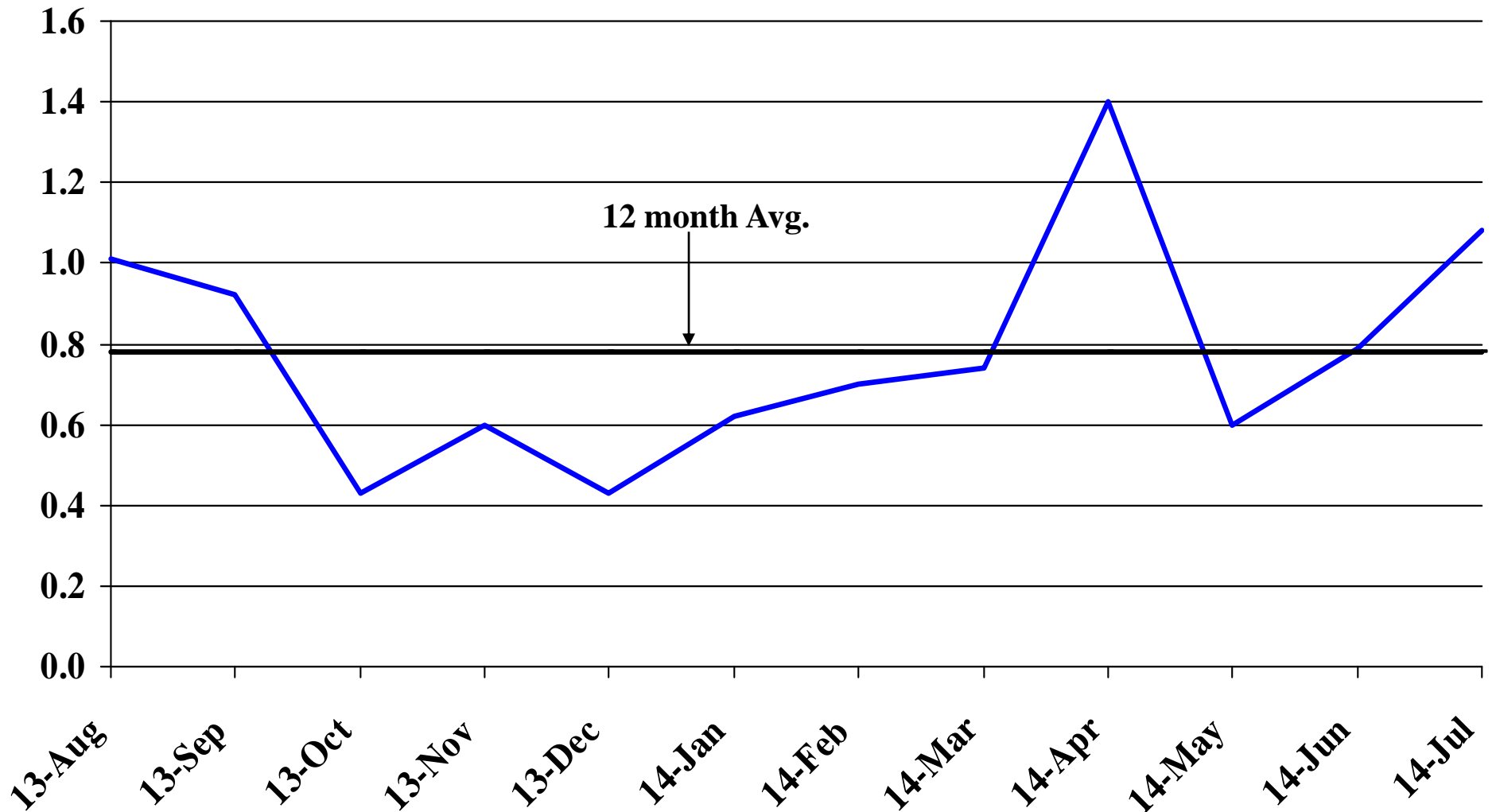
<b>Automobile Data (information is not seasonally adjusted)</b>													
<b>New Non-Comm. Veh. Titled</b>	3,581	3,740	4,047	2,923	3,421	4,314	2,746	2,829	3,323	3,365	4,877	2,698	41,864
change from prior year	223	685	654	(241)	285	451	(547)	(22)	(351)	(397)	1,481	(1,069)	1,152

<b>Agriculture (information is not seasonally adjusted)</b>													
<b>Wheat</b>	6.83	6.60	6.69	6.62	6.48	6.46	6.70	7.05	6.99	7.26	6.83	6.33	6.74
change from prior year	(1.40)	(1.71)	(1.72)	(1.94)	(2.00)	(1.64)	(1.35)	(0.70)	(0.70)	(0.53)	(0.94)	(0.85)	(1.29)
<b>Corn</b>	5.99	5.46	4.22	3.98	3.96	4.11	4.10	4.10	4.19	4.24	4.06	3.67	4.34
change from prior year	(1.40)	(1.37)	(2.39)	(2.84)	(2.75)	(2.74)	(2.78)	(2.94)	(2.40)	(2.64)	(2.74)	(2.91)	(2.49)
<b>Soybeans</b>	13.80	12.80	12.30	12.20	12.70	12.50	12.70	14.00	13.70	14.00	13.90	12.70	13.11
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)	(2.20)	(1.33)
<b>Hay</b>	159.00	128.00	159.00	148.00	139.00	135.00	126.00	123.00	127.00	131.00	126.00	117.00	134.83
change from prior year	(45.00)	(78.00)	(62.00)	(61.00)	(74.00)	(76.00)	(90.00)	(98.00)	(95.00)	(108.00)	(95.00)	(61.00)	(78.58)

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

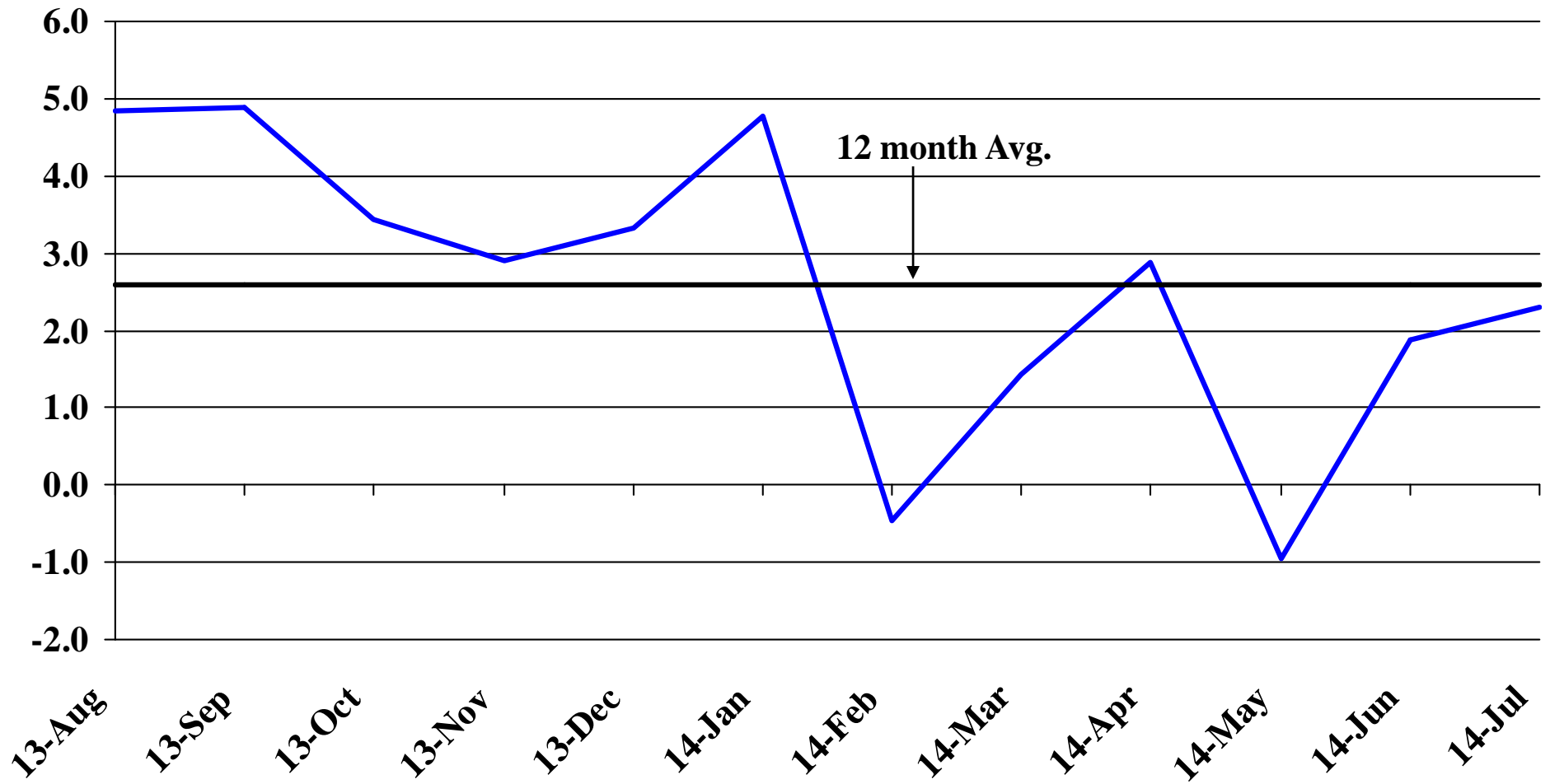
# Recent Trends in Nonfarm Employment

Percent Change



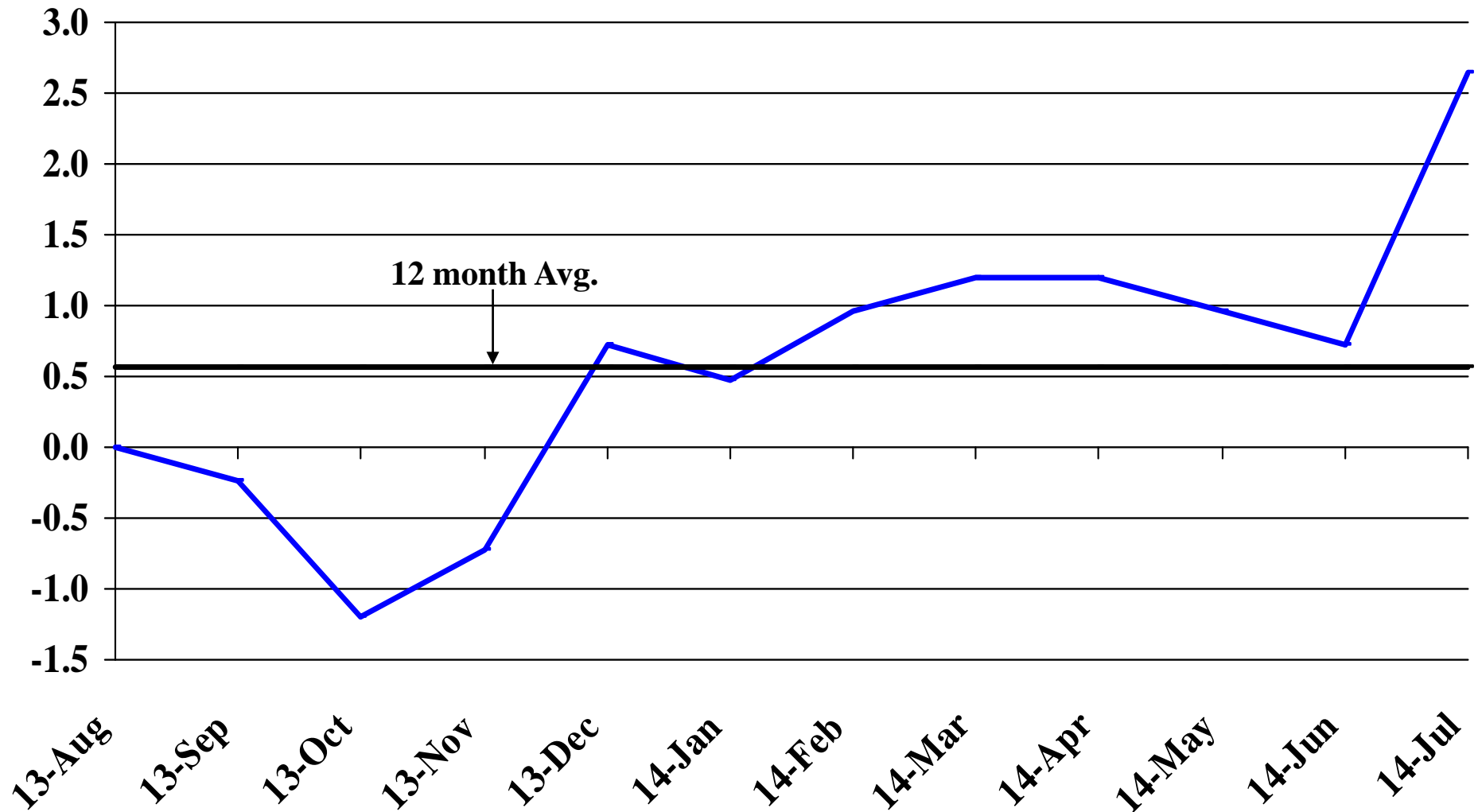
# Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



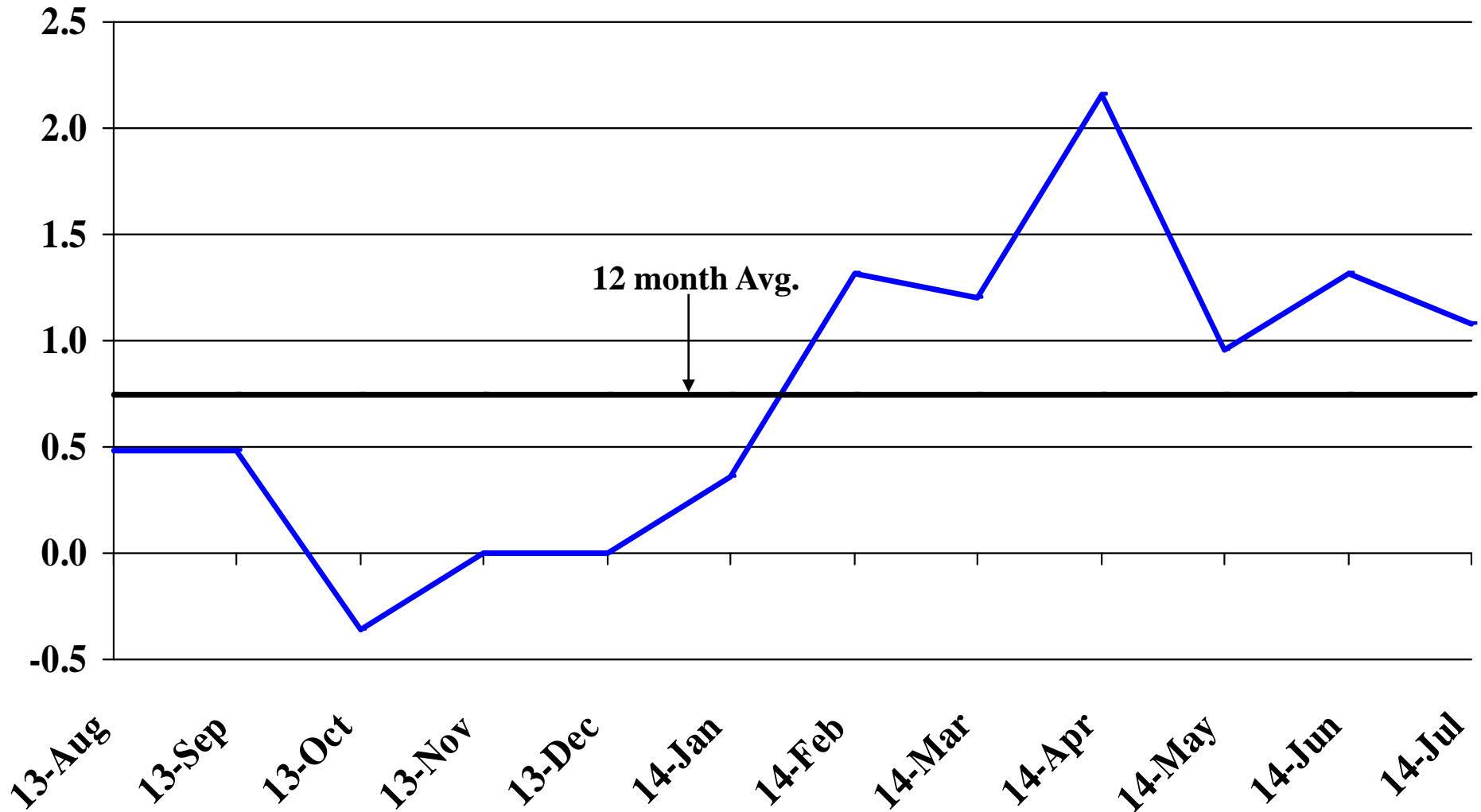
# Recent Trends in Manufacturing Employment

Percent Change



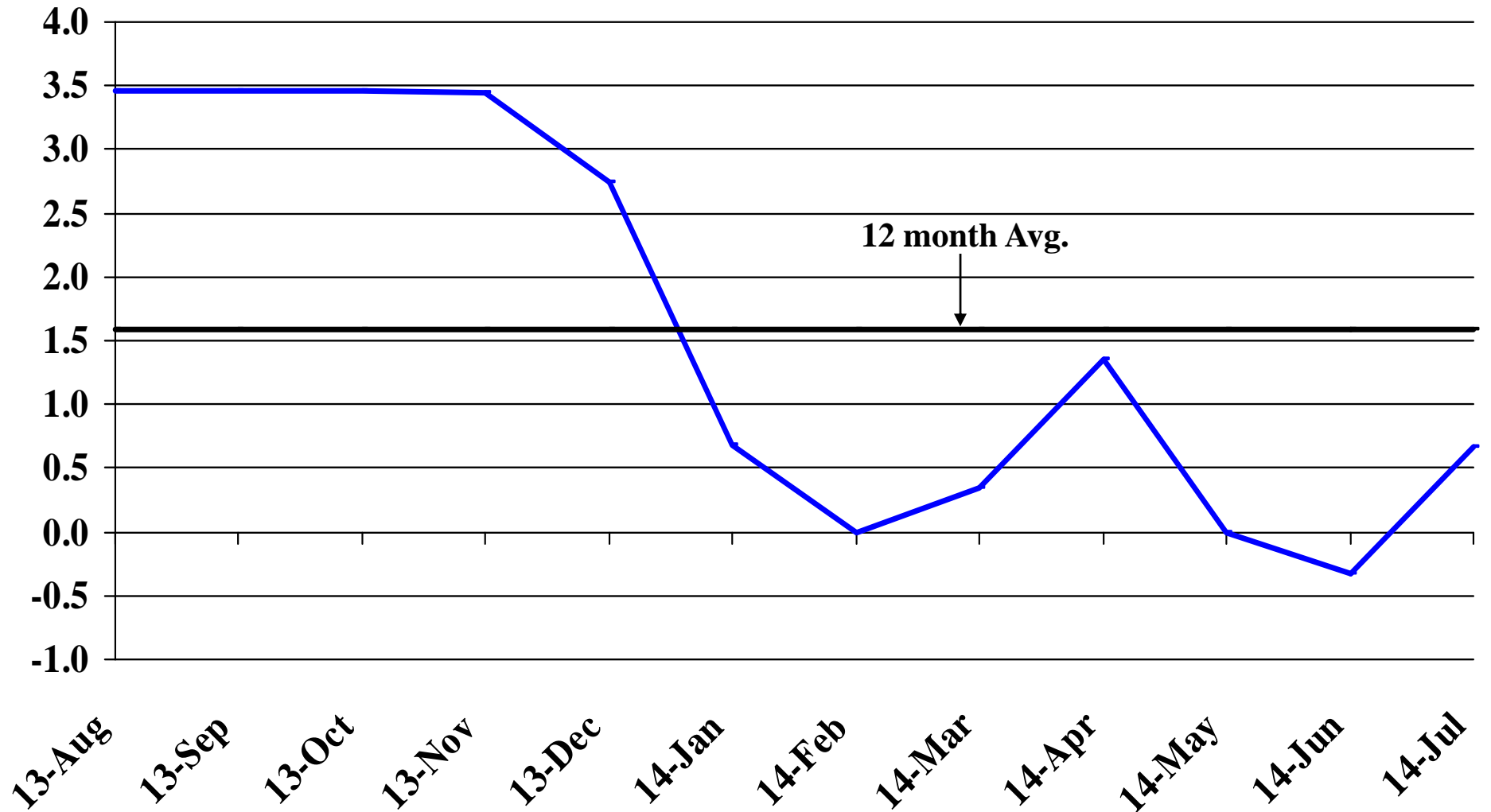
# Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



# Recent Trends in Financial Activities Employment

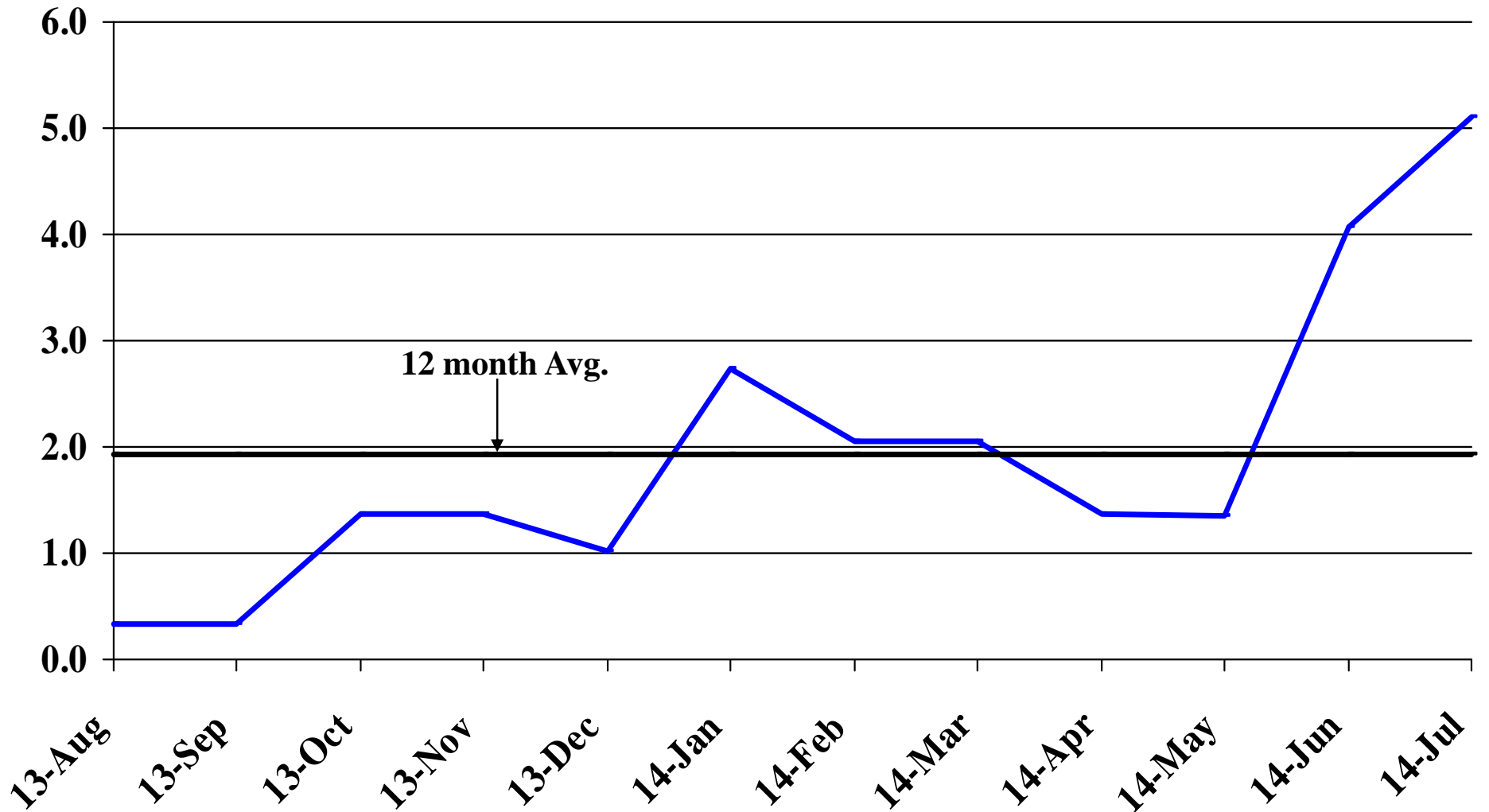
Percent Change





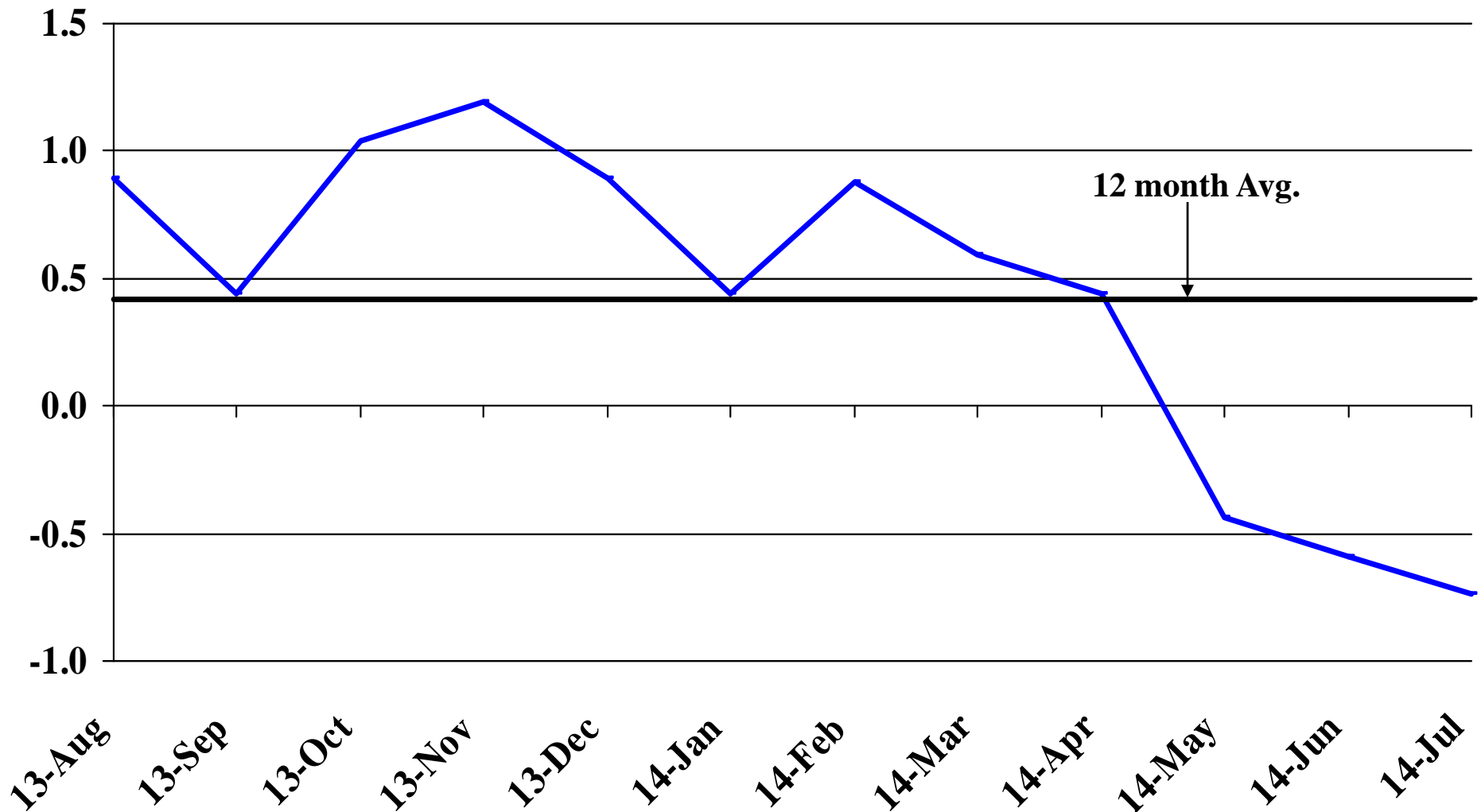
# Recent Trends in Professional and Business Services Employment

Percent Change



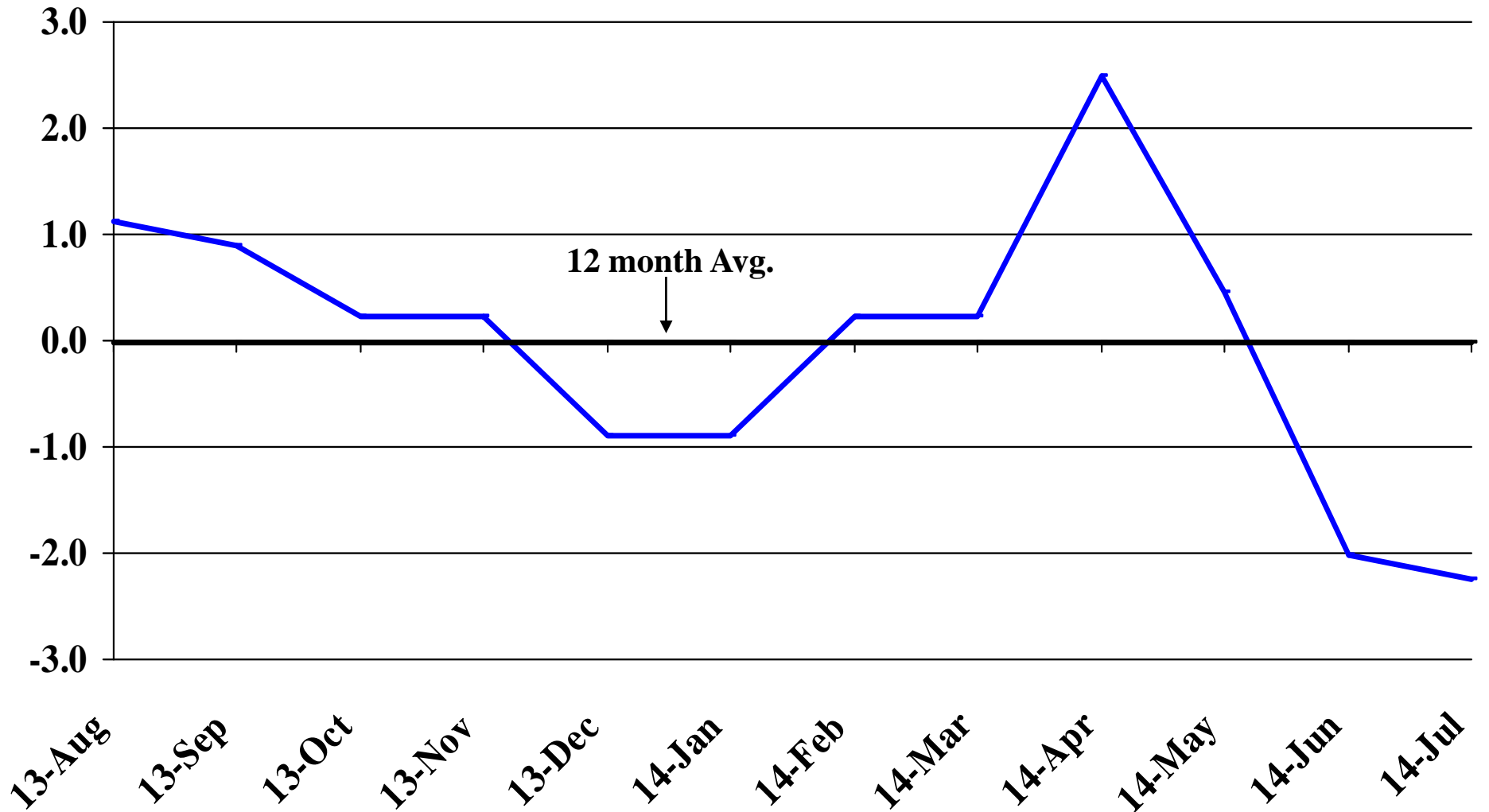
# Recent Trends in Educational and Health Services Employment

Percent Change



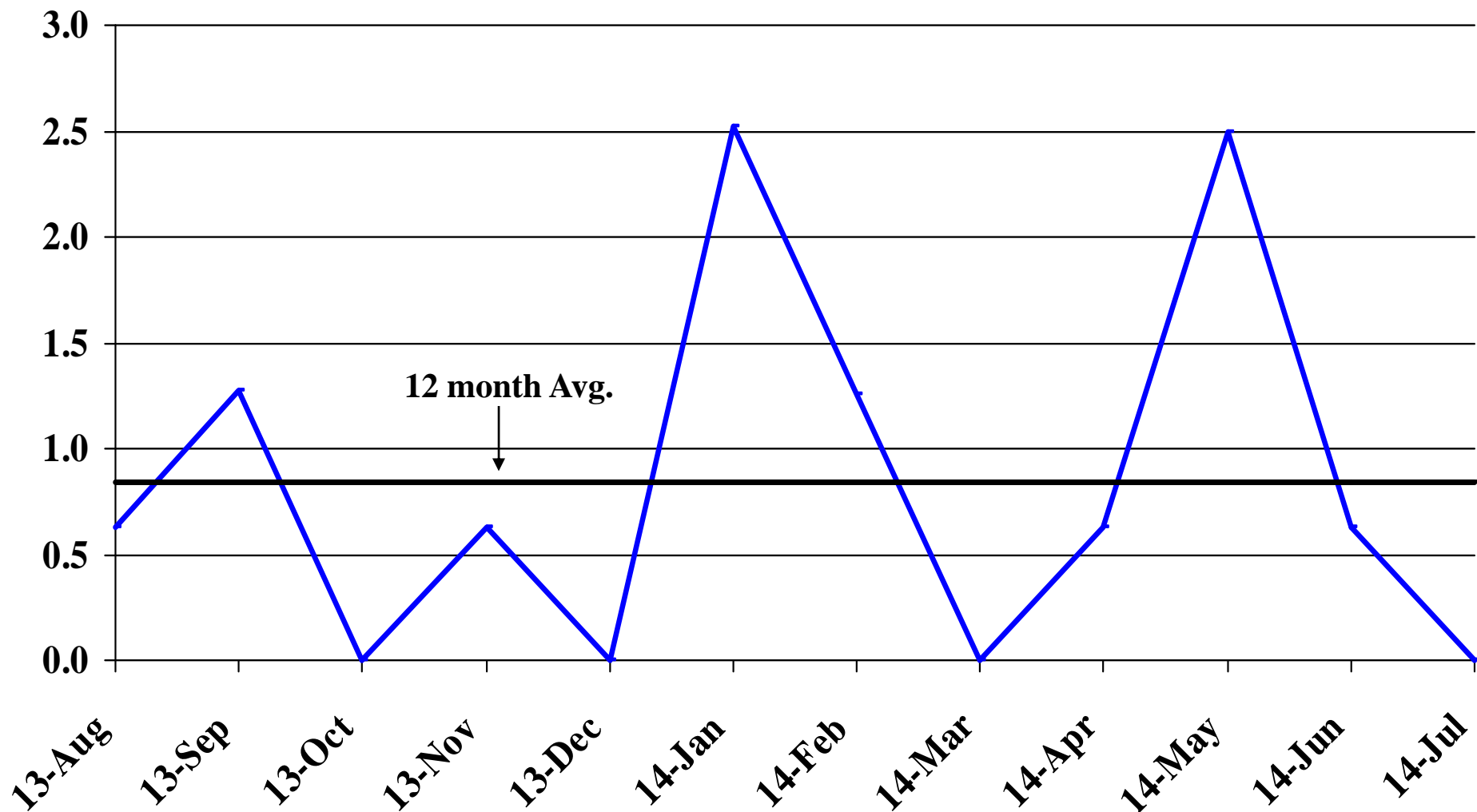
# Recent Trends in Leisure and Hospitality Employment

Percent Change



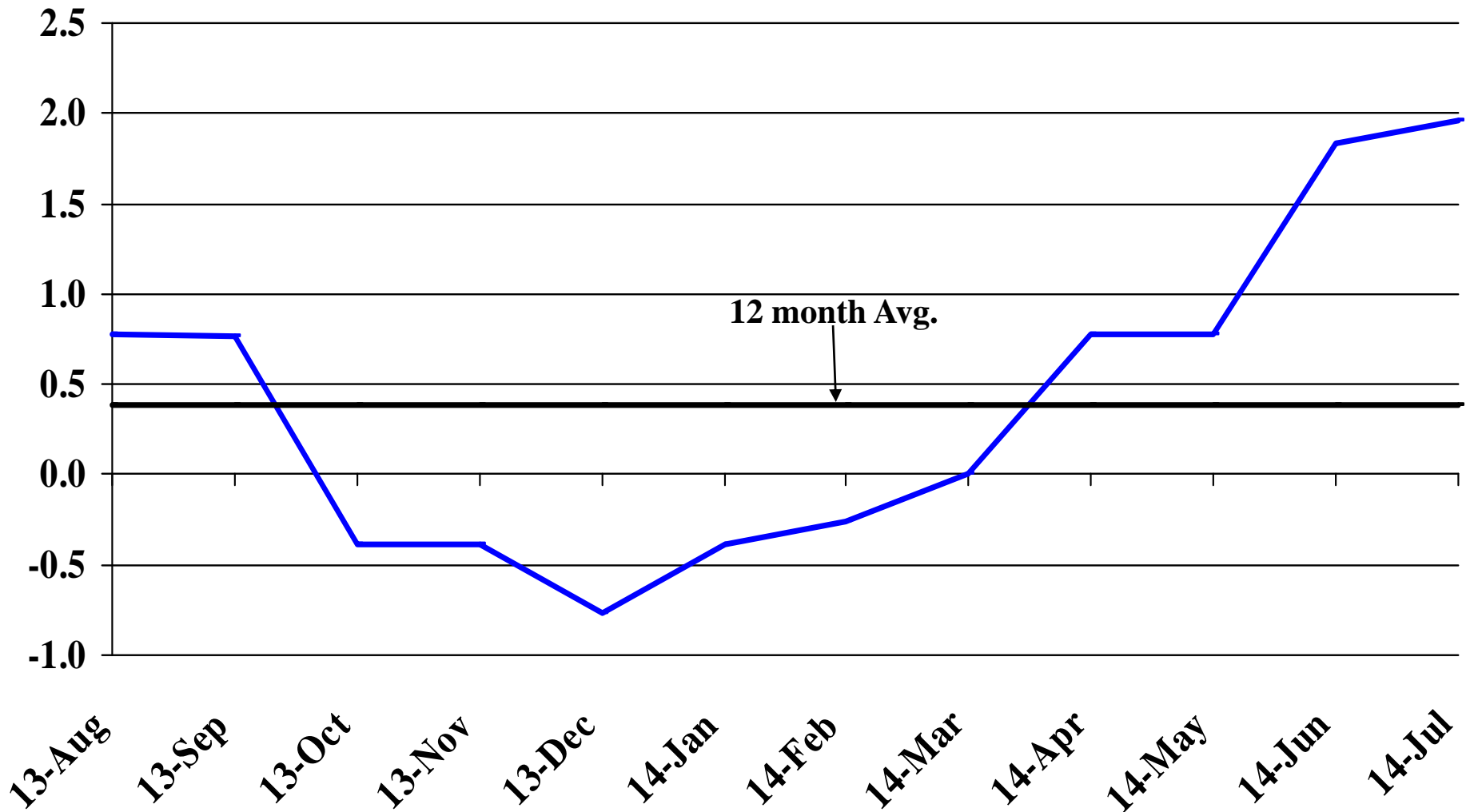
# Recent Trends in Other Services Employment

Percent Change



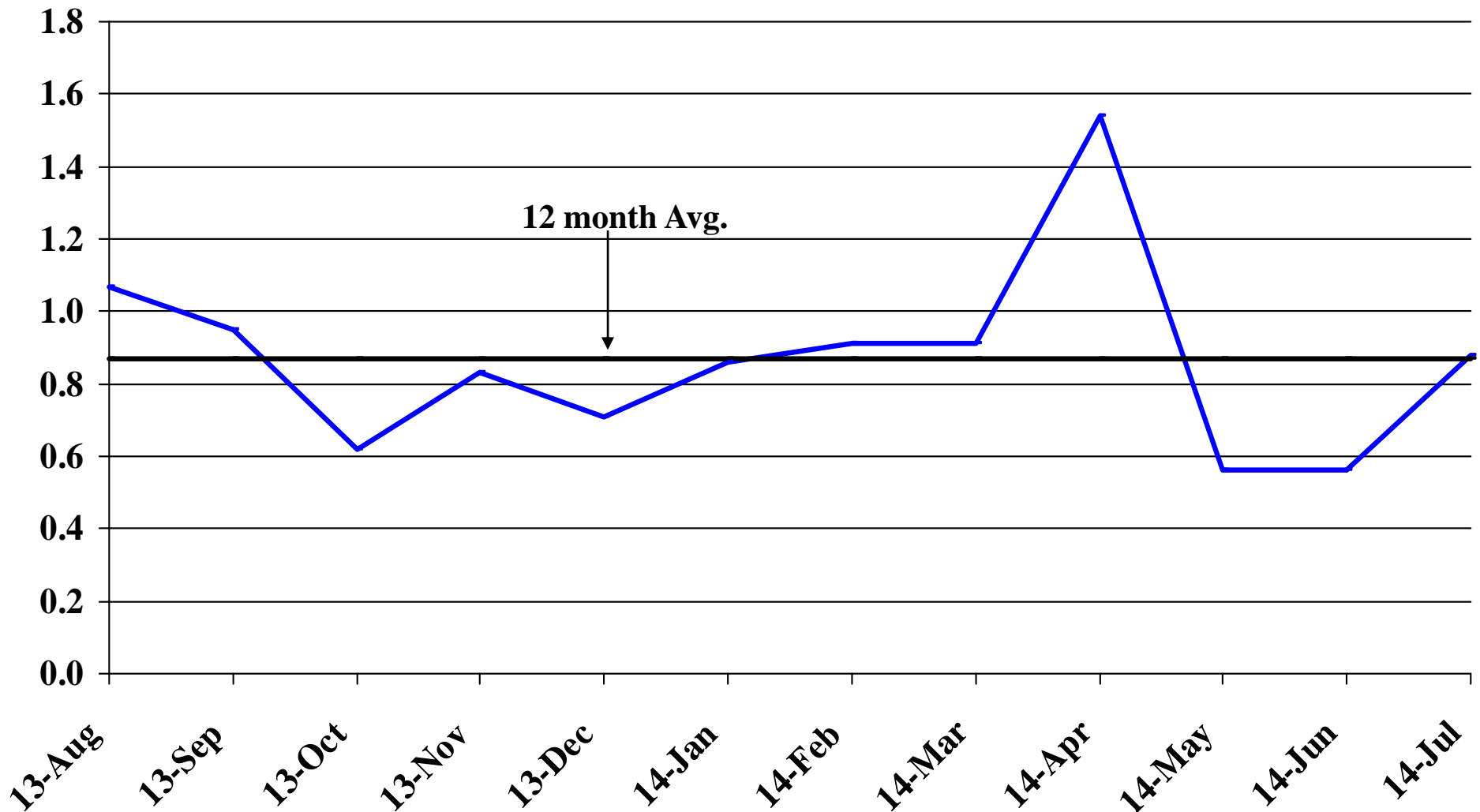
# Recent Trends in Government Employment

Percent Change

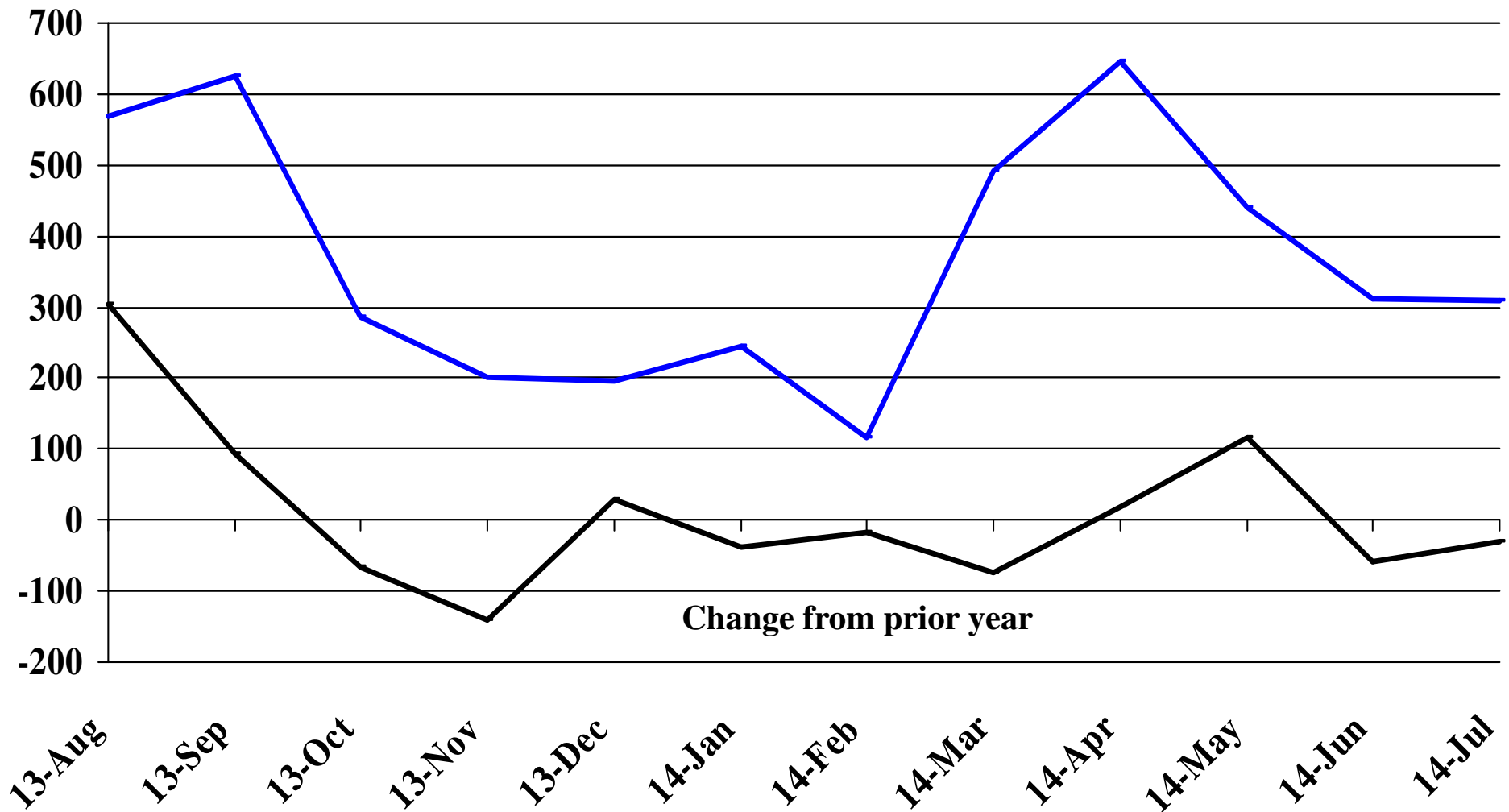


# Recent Trends in Nonfarm Employment (excluding Government Employment)

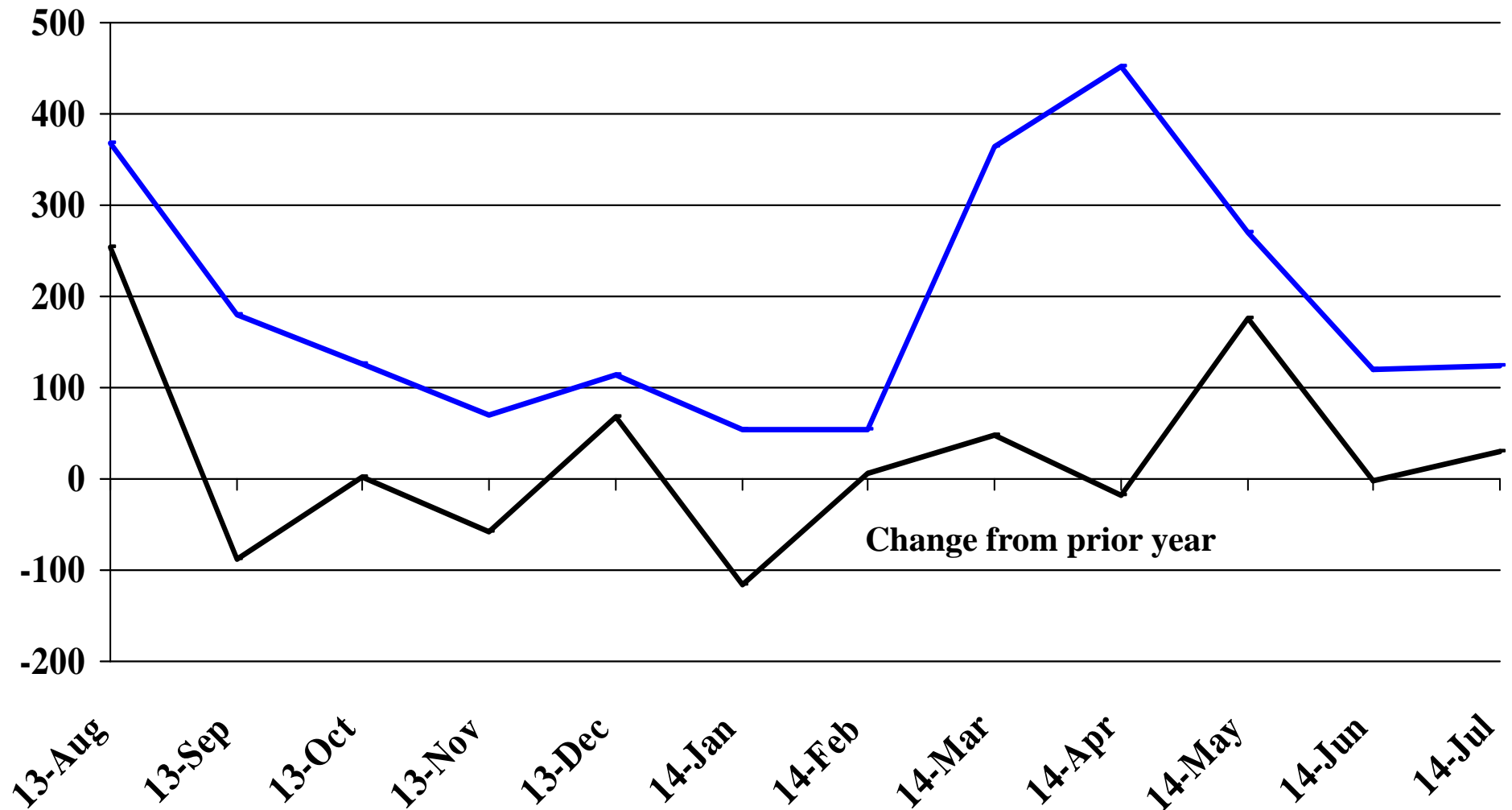
Percent Change



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

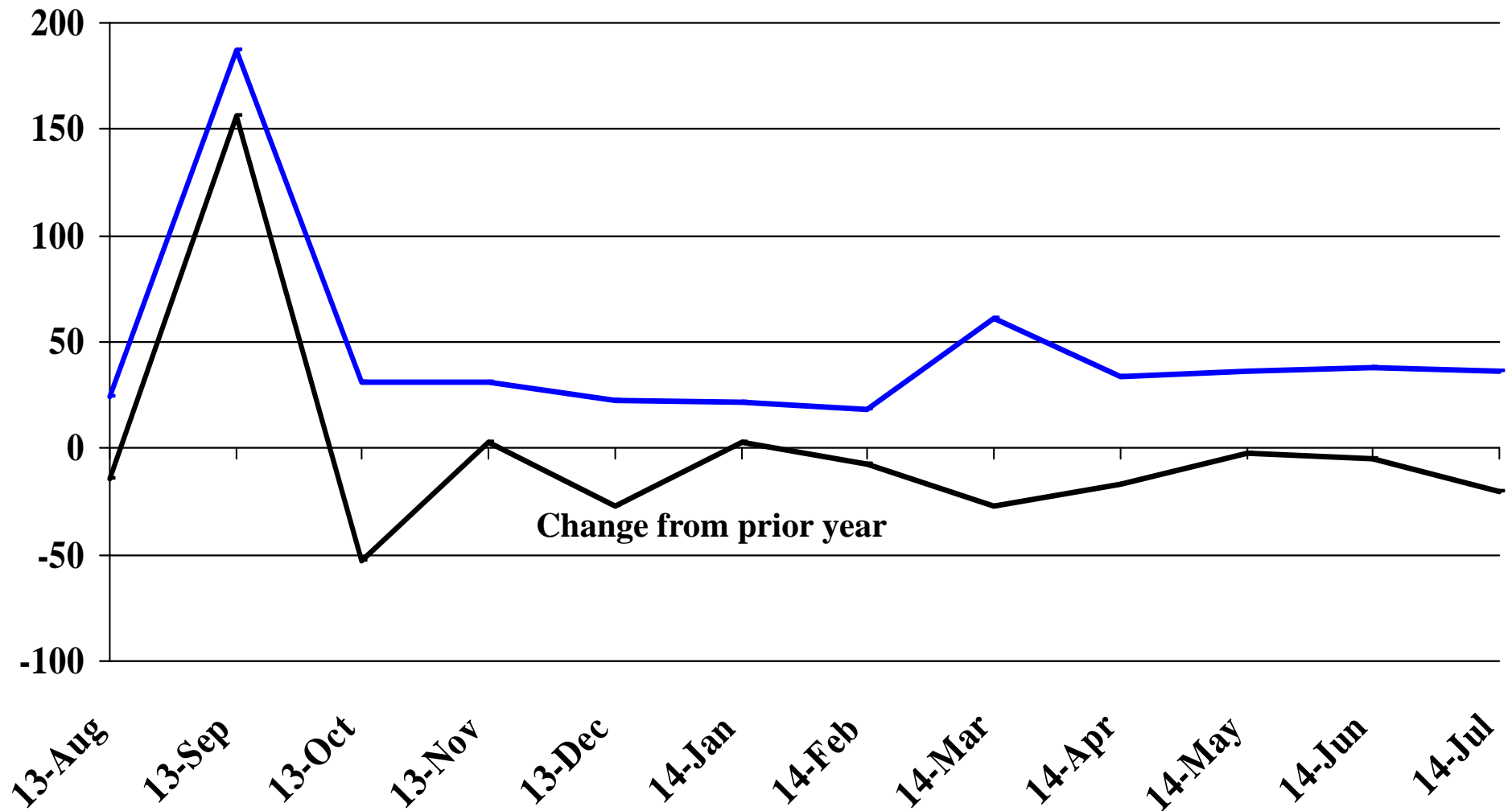


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



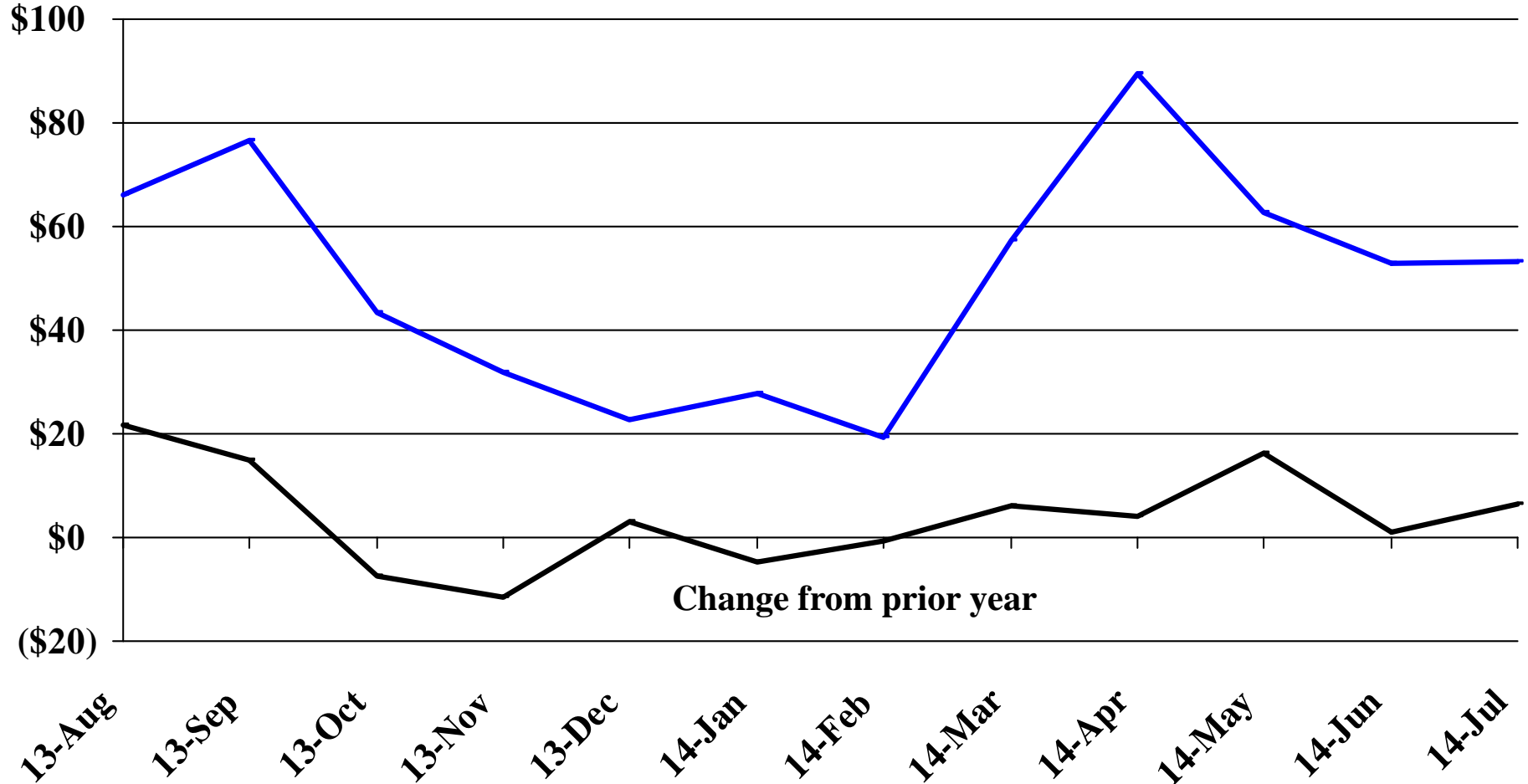


# Recent Trends in the Number of Residential Units Authorized by Building Permits for Pennington County

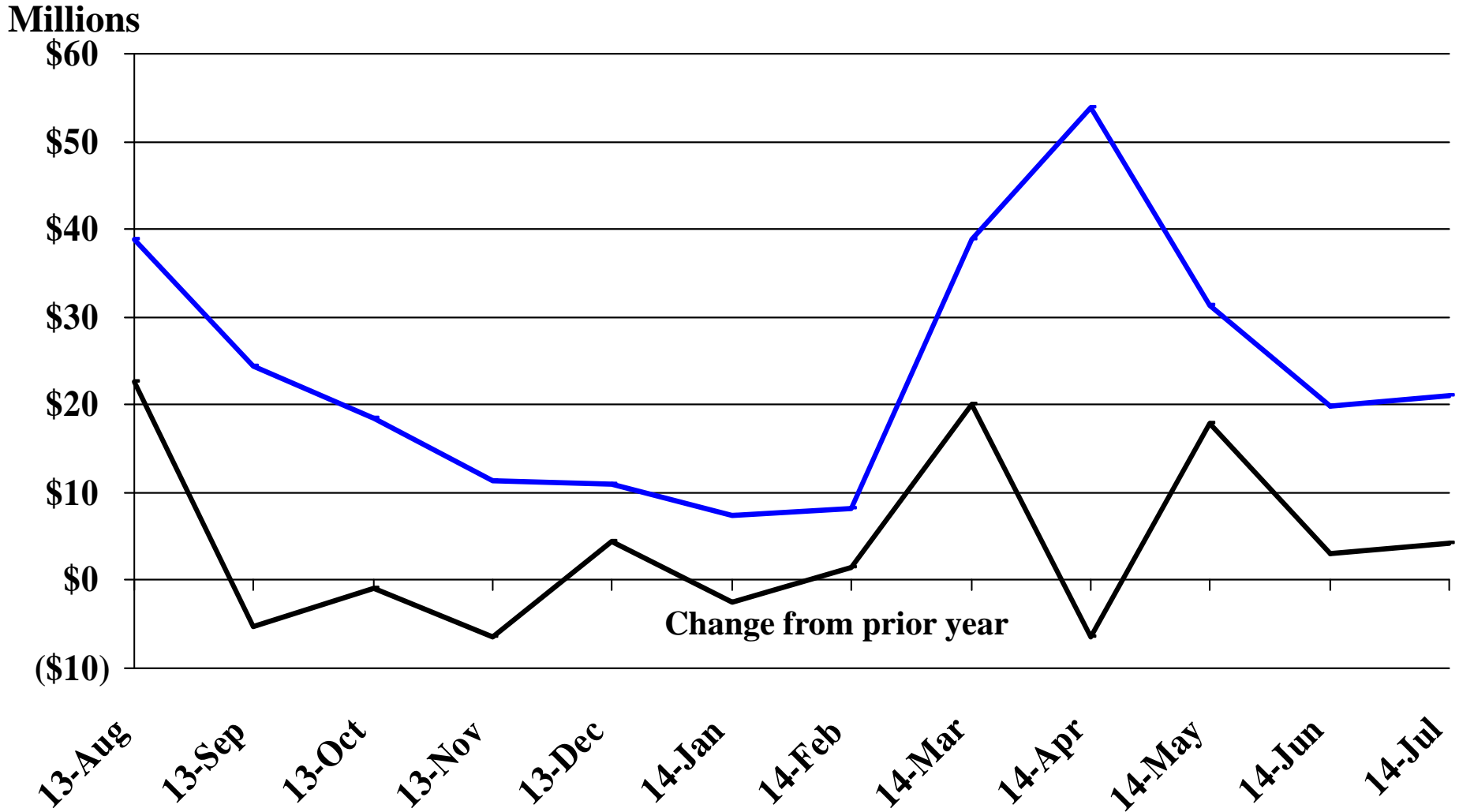


# Recent Trends in the Value of Residential Building Permits Issued for South Dakota

Millions

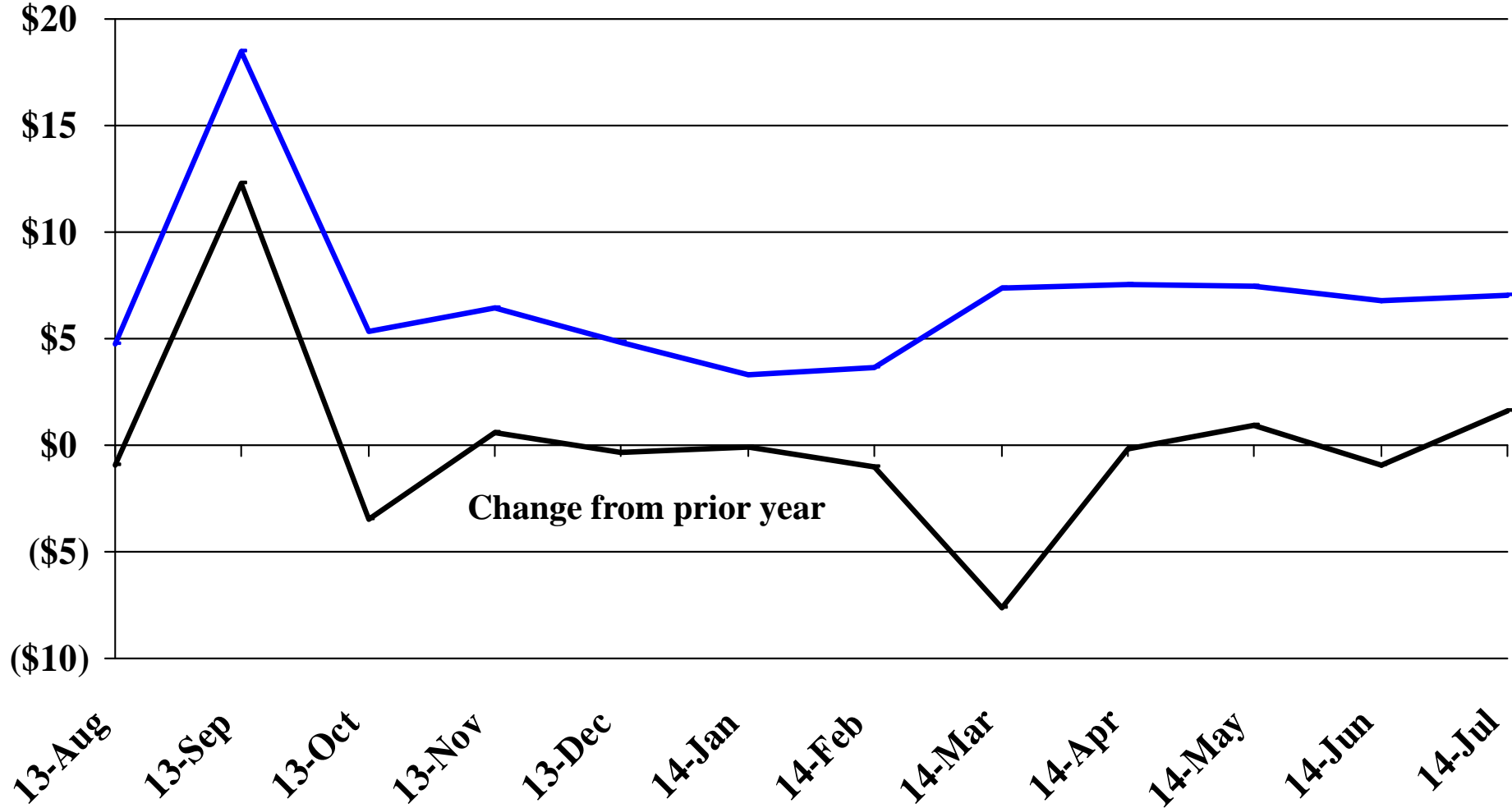


# Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

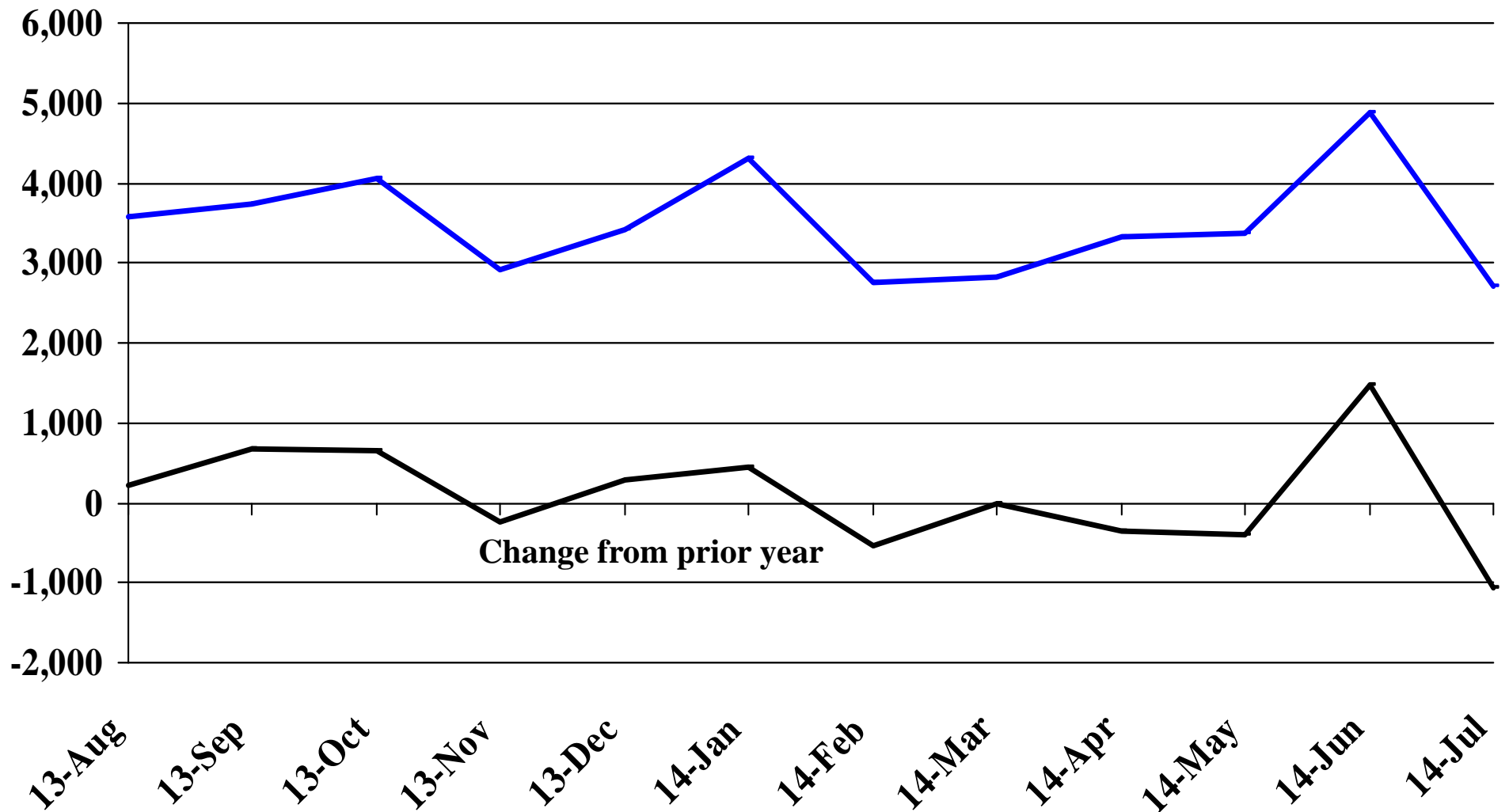


# Recent Trends in the Value of Residential Building Permits Issued for Pennington County

Millions

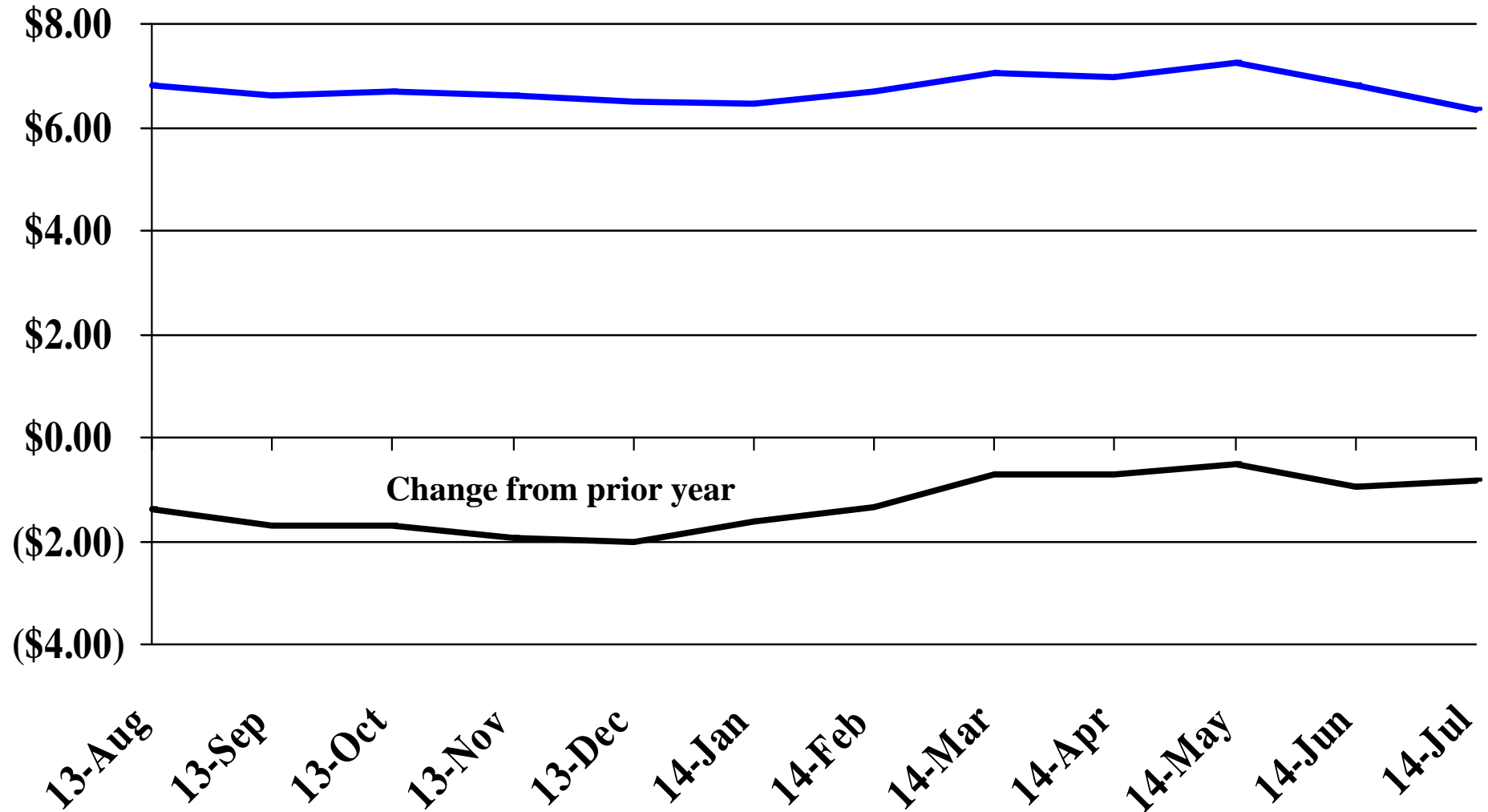


# Recent Trends in the Number of New Non-Commercial Vehicles Titled



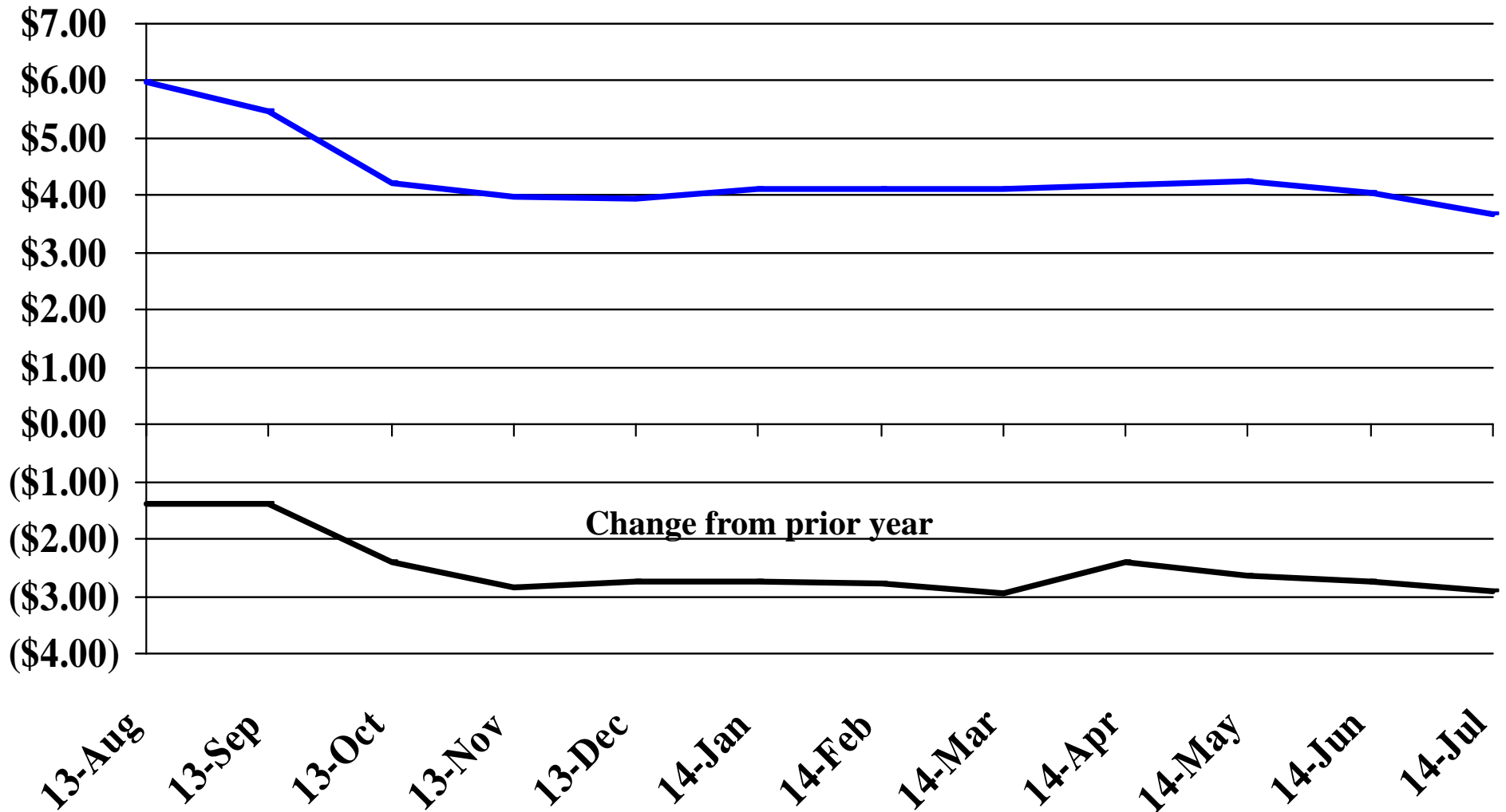
# Recent Trends in the Price of Wheat

\$'s Per Bushel



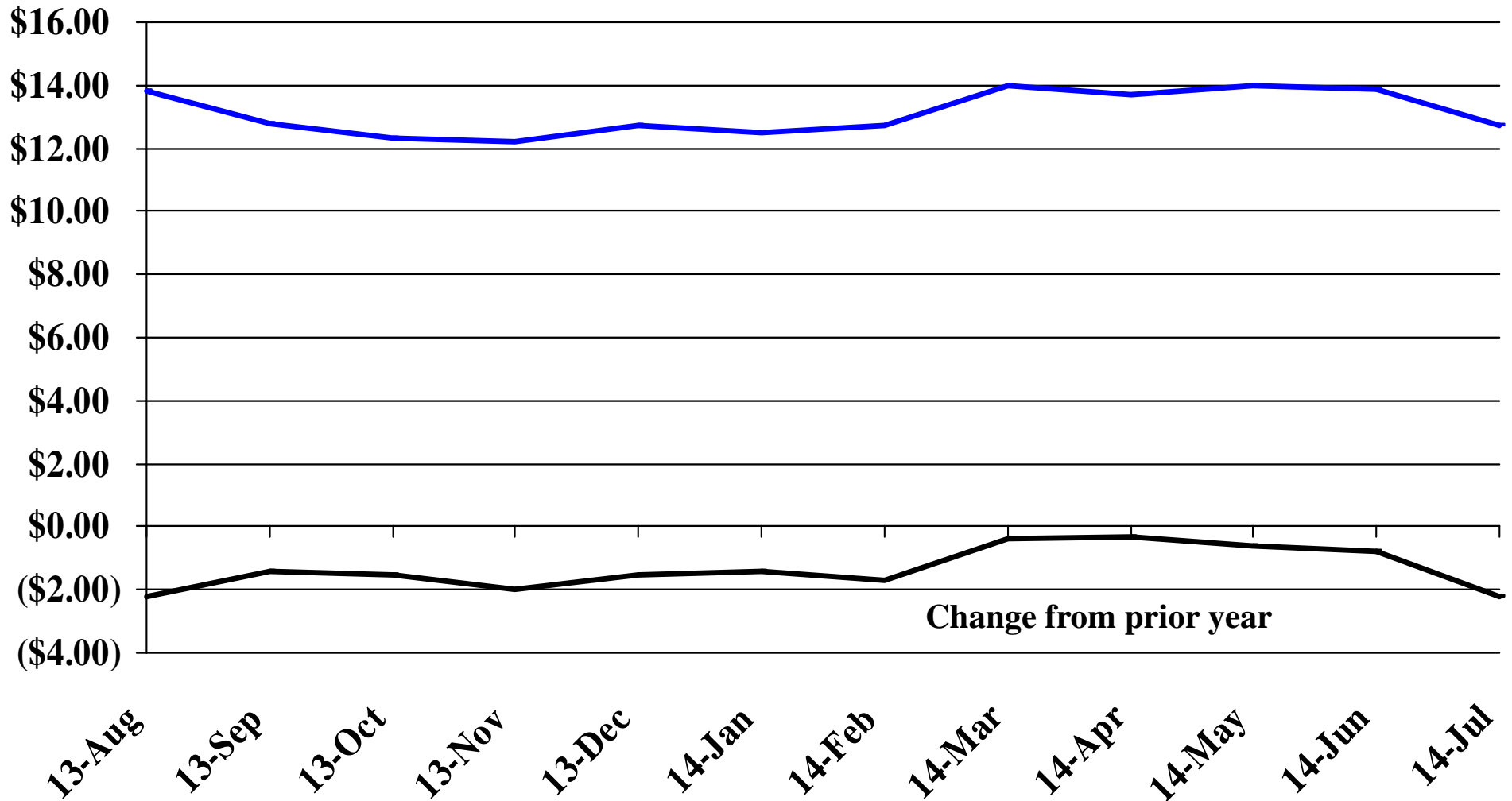
# Recent Trends in the Price of Corn

\$'s Per Bushel



# Recent Trends in the Price of Soybeans

\$'s Per Bushel





# Recent Trends in the Price of Hay

\$'s Per Ton

