

The South Dakota Economy

October 6, 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.
- In August 2014, total SD nonfarm employment was up 3,100 jobs or 0.7%, compared to August 2013.
 - Sectors that are currently experiencing year-over-year growth (August 2014 compared to August 2013 levels) include: professional and business services (+5.5%); manufacturing (+2.2%); trade, transportation, and utilities (+1.3%); other services (+0.6%); financial activities (+0.3%); and, government (+1.2%).
 - Sectors currently experiencing year-over-year declines include: education and health services (-1.2%); leisure and hospitality (-1.3%); and logging, mining, and construction (-1.8%).

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

- The unemployment rate in South Dakota was tied for the second lowest in the nation in August at 3.6%.
 - SD's unemployment rate in August was 0.1% lower than last month and 0.2% lower than a year ago.
- The U.S. unemployment rate was 6.1% in August 2014.

Income growth in South Dakota.

- South Dakota's total personal income for 2013 increased 2.1% compared to 2012 after recent revisions. The growth rate was slightly higher than the US growth rate of 2.0% over the same time period.
- Over the past three years (2010-2013), the average annual growth of South Dakota's personal income was 5.5%, which was 9th highest of all states. This compares to the US growth in total personal income of 4.5% over the same time period.
- In the second quarter of 2014, South Dakota's personal income grew 2.3% over the first quarter, which was 5th highest of all states and higher than the national growth rate of 1.5% over the same time period.
- South Dakota's per capita personal income in 2013 was \$46,039, which ranked 19th in the nation, and was 2.8% higher than the US per capita personal income of \$44,765 during 2013. This is an improvement from the 24th ranking from 8 years ago.

The housing market.

- In the last twelve months (July 2013 – August 2014) there were 394 less 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 \$10.97 million higher in the last twelve months compared to the same period the year before. *

The agricultural economy.

- As of September 1st, South Dakota's corn production is forecast at 814 million bushels, up 1% from last year's production according to the USDA's National Agriculture Statistics Service. If realized, total corn production would be a record high in South Dakota. Average yield is forecast at 148 bushels per acre, up 10 bushels 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 206 million bushels, 13% higher than last year's production. Area for harvest is 4.91 million acres, up 7% from last year. Yield is forecast at 42 bushels per acre, up 2 bushels from 2013.
- 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 September 28th, topsoil moisture supplies across the state were rated 18% short to very short while subsoil moisture supplies were rated 16% short to very short.
- As of August 1st, South Dakota's 1,000+ capacity feedlots reported 185,000 cattle on feed for the slaughter market. This was up 9% from a year ago.
- Crop prices received by South Dakota farmers continue to be lower than a year ago for most crops.

* 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 |
|---|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------|
| | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | |
| Nonfarm Employment Data (information is seasonally adjusted by BLS and expressed in thousands) | | | | | | | | | | | | | |
| Total Nonfarm | 418.50 | 416.70 | 418.10 | 418.10 | 418.90 | 419.90 | 419.90 | 421.30 | 419.60 | 420.50 | 421.70 | 421.20 | 419.53 |
| change from prior year | 3.80 | 1.80 | 2.50 | 1.80 | 2.60 | 2.90 | 3.10 | 5.80 | 2.50 | 3.30 | 4.60 | 3.10 | 3.15 |
| % change from prior year | 0.92 | 0.43 | 0.60 | 0.43 | 0.62 | 0.70 | 0.74 | 1.40 | 0.60 | 0.79 | 1.10 | 0.74 | 0.76 |
| N.R., Mining & Const. | 21.50 | 21.10 | 21.30 | 21.70 | 21.90 | 21.10 | 21.30 | 21.40 | 20.90 | 21.80 | 22.10 | 21.20 | 21.44 |
| change from prior year | 1.00 | 0.70 | 0.60 | 0.70 | 1.00 | (0.10) | 0.30 | 0.60 | (0.20) | 0.40 | 0.50 | (0.40) | 0.43 |
| % change from prior year | 4.88 | 3.43 | 2.90 | 3.33 | 4.78 | (0.47) | 1.43 | 2.88 | (0.95) | 1.87 | 2.31 | (1.85) | 2.02 |
| Manufacturing Employment | 41.40 | 41.10 | 41.40 | 41.80 | 41.80 | 42.10 | 42.20 | 42.10 | 42.00 | 42.00 | 42.60 | 42.40 | 41.91 |
| change from prior year | (0.10) | (0.50) | (0.30) | 0.30 | 0.20 | 0.40 | 0.50 | 0.50 | 0.40 | 0.30 | 1.10 | 0.90 | 0.31 |
| % change from prior year | (0.24) | (1.20) | (0.72) | 0.72 | 0.48 | 0.96 | 1.20 | 1.20 | 0.96 | 0.72 | 2.65 | 2.17 | 0.74 |
| Trade, Transp., & Utilities | 83.50 | 82.80 | 83.40 | 83.40 | 83.50 | 84.40 | 84.40 | 85.10 | 84.40 | 84.60 | 84.90 | 84.50 | 84.08 |
| change from prior year | 0.40 | (0.30) | 0.00 | 0.00 | 0.30 | 1.10 | 1.00 | 1.80 | 0.80 | 1.10 | 1.30 | 1.10 | 0.72 |
| % change from prior year | 0.48 | (0.36) | 0.00 | 0.00 | 0.36 | 1.32 | 1.20 | 2.16 | 0.96 | 1.32 | 1.56 | 1.32 | 0.86 |
| Financial Activities | 29.90 | 29.90 | 30.00 | 30.00 | 29.50 | 29.50 | 29.60 | 29.90 | 29.60 | 29.80 | 29.90 | 30.00 | 29.80 |
| change from prior year | 1.00 | 1.00 | 1.00 | 0.80 | 0.20 | 0.00 | 0.10 | 0.40 | 0.00 | (0.10) | 0.10 | 0.10 | 0.38 |
| % change from prior year | 3.46 | 3.46 | 3.45 | 2.74 | 0.68 | 0.00 | 0.34 | 1.36 | 0.00 | (0.33) | 0.34 | 0.33 | 1.30 |
| Prof. and Business Services | 29.40 | 29.70 | 29.70 | 29.60 | 30.10 | 29.90 | 29.90 | 29.60 | 30.00 | 30.70 | 31.00 | 30.90 | 30.04 |
| change from prior year | 0.10 | 0.40 | 0.40 | 0.30 | 0.80 | 0.60 | 0.60 | 0.40 | 0.40 | 1.20 | 1.60 | 1.60 | 0.70 |
| % change from prior year | 0.34 | 1.37 | 1.37 | 1.02 | 2.73 | 2.05 | 2.05 | 1.37 | 1.35 | 4.07 | 5.44 | 5.46 | 2.39 |
| Educ. & Health Services | 67.80 | 68.20 | 68.30 | 68.10 | 68.00 | 68.50 | 68.30 | 68.10 | 67.60 | 67.50 | 67.10 | 67.10 | 67.88 |
| change from prior year | 0.30 | 0.70 | 0.80 | 0.60 | 0.30 | 0.60 | 0.40 | 0.30 | (0.30) | (0.40) | (0.80) | (0.80) | 0.14 |
| % change from prior year | 0.44 | 1.04 | 1.19 | 0.89 | 0.44 | 0.88 | 0.59 | 0.44 | (0.44) | (0.59) | (1.18) | (1.18) | 0.21 |
| Leisure & Hospitality | 44.70 | 44.50 | 44.40 | 44.20 | 44.30 | 44.70 | 44.70 | 45.20 | 44.80 | 43.60 | 43.50 | 44.10 | 44.39 |
| change from prior year | 0.40 | 0.10 | 0.10 | (0.40) | (0.40) | 0.10 | 0.10 | 1.10 | 0.20 | (0.90) | (1.20) | (0.60) | (0.12) |
| % change from prior year | 0.90 | 0.23 | 0.23 | (0.90) | (0.89) | 0.22 | 0.22 | 2.49 | 0.45 | (2.02) | (2.68) | (1.34) | (0.26) |
| Other Services | 16.00 | 15.80 | 15.90 | 15.90 | 16.30 | 16.10 | 15.90 | 16.10 | 16.40 | 16.10 | 16.20 | 16.10 | 16.07 |
| change from prior year | 0.20 | 0.00 | 0.10 | 0.00 | 0.40 | 0.20 | 0.00 | 0.10 | 0.40 | 0.10 | 0.20 | 0.10 | 0.15 |
| % change from prior year | 1.27 | 0.00 | 0.63 | 0.00 | 2.52 | 1.26 | 0.00 | 0.63 | 2.50 | 0.63 | 1.25 | 0.63 | 0.94 |
| Government | 78.30 | 77.50 | 77.50 | 77.20 | 77.40 | 77.40 | 77.40 | 77.70 | 77.60 | 78.10 | 78.10 | 78.70 | 77.74 |
| change from prior year | 0.60 | (0.30) | (0.30) | (0.60) | (0.30) | (0.20) | 0.00 | 0.60 | 0.60 | 1.40 | 1.50 | 0.90 | 0.33 |
| % change from prior year | 0.77 | (0.39) | (0.39) | (0.77) | (0.39) | (0.26) | 0.00 | 0.78 | 0.78 | 1.83 | 1.96 | 1.16 | 0.42 |
| NonFarm (excluding Govt.) | 340.2 | 339.2 | 340.6 | 340.9 | 341.5 | 342.5 | 342.5 | 343.6 | 342.0 | 342.4 | 343.6 | 342.5 | 341.79 |
| change from prior year | 3.2 | 2.1 | 2.8 | 2.4 | 2.9 | 3.1 | 3.1 | 5.2 | 1.9 | 1.9 | 3.1 | 2.2 | 2.82 |
| % change from prior year | 0.95 | 0.62 | 0.83 | 0.71 | 0.86 | 0.91 | 0.91 | 1.54 | 0.56 | 0.56 | 0.91 | 0.65 | 0.83 |

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|---|-------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------------------|
| | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | |
| Number of Housing Units Authorized by Building Permits (information is not seasonally adjusted)* | | | | | | | | | | | | | |
| One-Family Units - S.D. Total | 264 | 217 | 179 | 83 | 76 | 75 | 158 | 308 | 234 | 257 | 242 | 203 | 2,296 |
| change from prior year | 9 | (64) | 8 | (35) | (9) | (37) | (76) | (127) | 4 | 33 | (4) | (1) | (299) |
| Total Family Units - S.D. Total | 625 | 285 | 200 | 195 | 246 | 116 | 492 | 646 | 440 | 311 | 310 | 343 | 4,209 |
| change from prior year | 93 | (65) | (141) | 29 | (39) | (17) | (74) | 18 | 116 | (58) | (29) | (227) | (394) |
| Total Family Units - Minnehaha Co. | 180 | 126 | 71 | 115 | 54 | 54 | 365 | 452 | 271 | 120 | 124 | 137 | 2,069 |
| change from prior year | (88) | 3 | (57) | 69 | (116) | 6 | 49 | (18) | 177 | (2) | 30 | (231) | (178) |
| Total Family Units - Pennington Co. | 187 | 31 | 31 | 23 | 22 | 18 | 61 | 34 | 36 | 38 | 36 | 26 | 543 |
| change from prior year | 156 | (53) | 3 | (27) | 3 | (7) | (27) | (17) | (2) | (5) | (20) | 2 | 6 |
| Value of Building Permits Issued (information is not seasonally adjusted and is expressed in millions of dollars)* | | | | | | | | | | | | | |
| One-Family units - S.D. Total | 46.43 | 37.78 | 28.79 | 15.32 | 14.09 | 15.88 | 30.21 | 59.79 | 44.87 | 47.33 | 47.43 | 37.56 | 425.47 |
| change from prior year | 5.74 | (6.09) | (2.33) | (0.93) | (1.63) | (2.05) | 7.14 | (9.81) | 5.01 | 6.01 | 5.86 | 0.50 | 7.40 |
| Total Family units - S.D. Total | 76.64 | 43.31 | 31.98 | 22.82 | 27.95 | 19.41 | 57.40 | 89.51 | 62.76 | 52.75 | 53.38 | 49.23 | 587.14 |
| change from prior year | 14.89 | (7.31) | (11.50) | 3.02 | (4.63) | (0.71) | 6.18 | 3.95 | 16.42 | 1.10 | 6.57 | (17.00) | 10.97 |
| Total Family Units - Minnehaha Co. | 24.47 | 18.39 | 11.37 | 10.96 | 7.50 | 8.26 | 38.85 | 53.86 | 31.32 | 19.76 | 21.07 | 21.41 | 267.22 |
| change from prior year | (5.35) | (0.85) | (6.43) | 4.45 | (2.44) | 1.45 | 19.99 | (6.49) | 17.97 | 3.12 | 4.31 | (17.35) | 12.37 |
| Total Family Units - Pennington Co. | 18.49 | 5.30 | 6.48 | 4.85 | 3.29 | 3.63 | 7.38 | 7.53 | 7.49 | 6.75 | 7.01 | 5.11 | 83.32 |
| change from prior year | 12.28 | (3.47) | 0.56 | (0.34) | (0.12) | (1.04) | (7.65) | (0.17) | 0.97 | (0.93) | 1.57 | 0.38 | 2.04 |

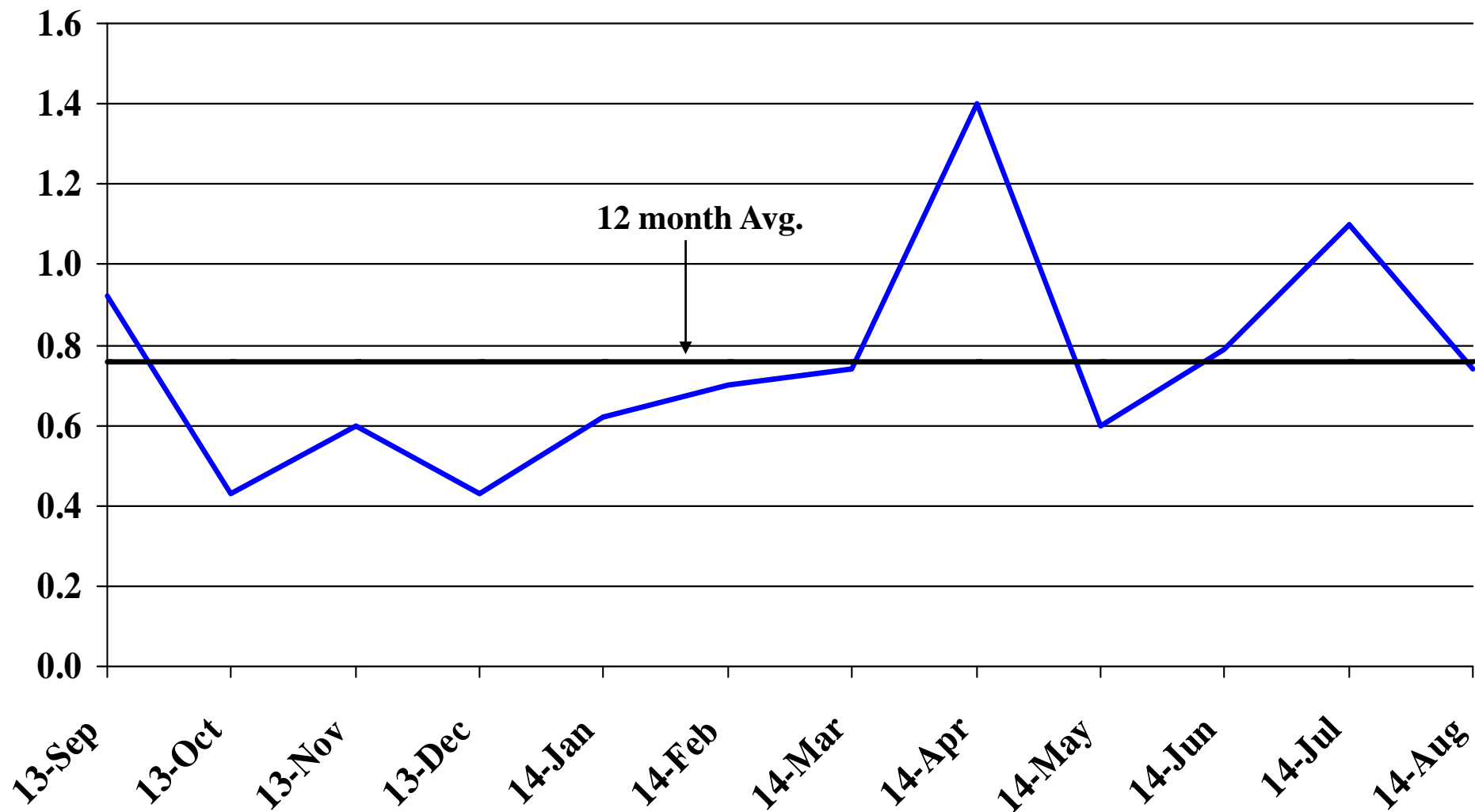
| Automobile Data (information is not seasonally adjusted) | | | | | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------|-------|--------|
| New Non-Comm. Veh. Titled | 3,740 | 4,047 | 2,923 | 3,421 | 4,314 | 2,746 | 2,829 | 3,323 | 3,365 | 4,877 | 2,698 | 4,174 | 42,457 |
| change from prior year | 685 | 654 | (241) | 285 | 451 | (547) | (22) | (351) | (397) | 1,481 | (1,069) | 593 | 1,522 |

| Agriculture (information is not seasonally adjusted) | | | | | | | | | | | | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|----------|---------|---------|---------|---------|
| Wheat | 6.60 | 6.69 | 6.62 | 6.48 | 6.46 | 6.70 | 7.05 | 6.99 | 7.26 | 6.83 | 6.33 | 5.64 | 6.64 |
| change from prior year | (1.71) | (1.72) | (1.94) | (2.00) | (1.64) | (1.35) | (0.70) | (0.70) | (0.53) | (0.94) | (0.85) | (1.19) | (1.27) |
| Corn | 5.46 | 4.22 | 3.98 | 3.96 | 4.11 | 4.10 | 4.10 | 4.19 | 4.24 | 4.06 | 3.67 | 3.13 | 4.10 |
| change from prior year | (1.37) | (2.39) | (2.84) | (2.75) | (2.74) | (2.78) | (2.94) | (2.40) | (2.64) | (2.74) | (2.91) | (2.86) | (2.61) |
| Soybeans | 12.80 | 12.30 | 12.20 | 12.70 | 12.50 | 12.70 | 14.00 | 13.70 | 14.00 | 13.90 | 12.70 | 11.80 | 12.94 |
| change from prior year | (1.40) | (1.50) | (2.00) | (1.50) | (1.40) | (1.70) | (0.40) | (0.30) | (0.60) | (0.80) | (2.20) | (2.00) | (1.32) |
| Hay | 128.00 | 159.00 | 148.00 | 139.00 | 135.00 | 126.00 | 123.00 | 127.00 | 131.00 | 126.00 | 117.00 | 116.00 | 131.25 |
| change from prior year | (78.00) | (62.00) | (61.00) | (74.00) | (76.00) | (90.00) | (98.00) | (95.00) | (108.00) | (95.00) | (61.00) | (43.00) | (78.42) |

* Housing permit statistics are from monthly reporting places only.

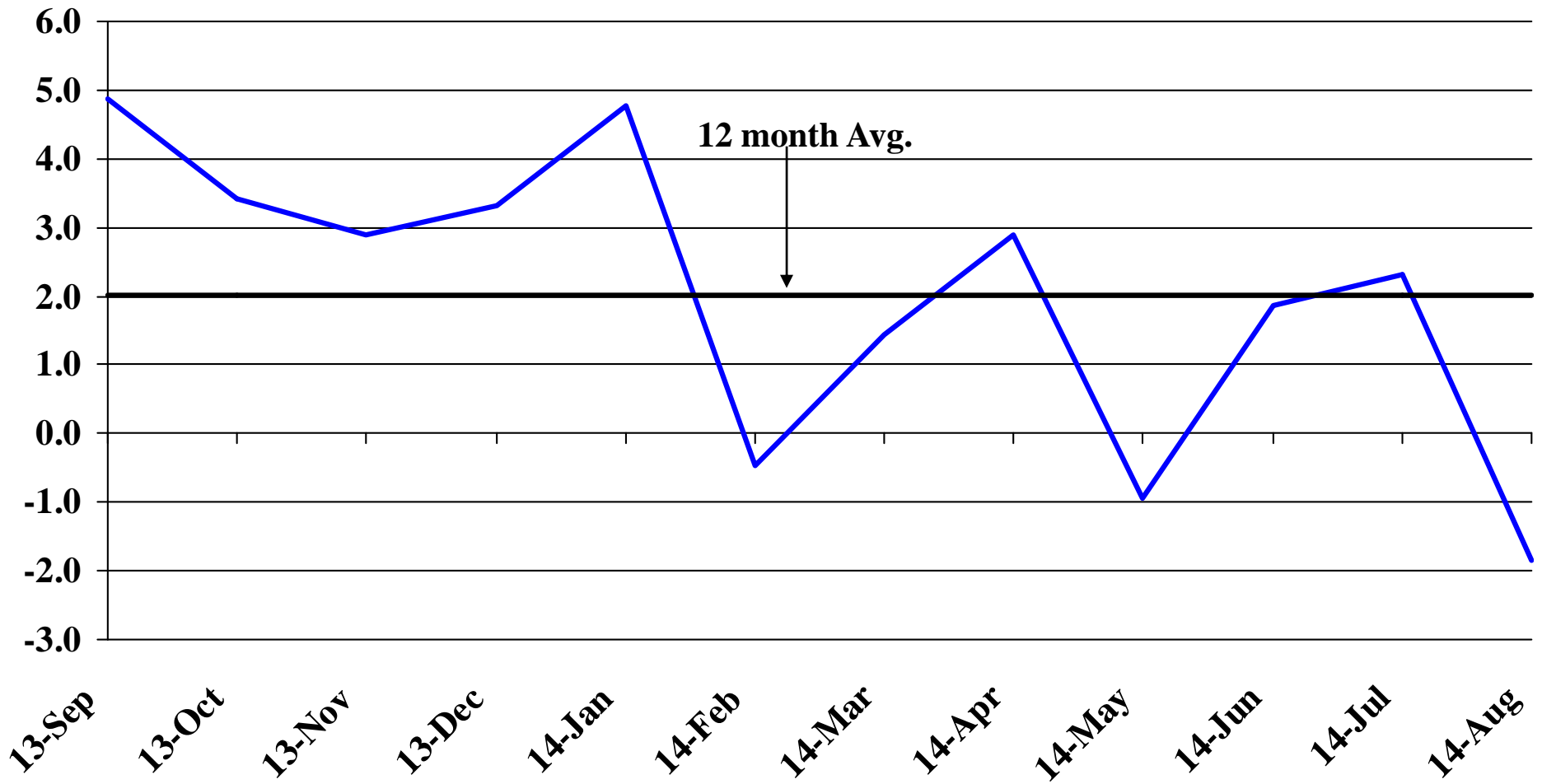
Recent Trends in Nonfarm Employment

Percent Change



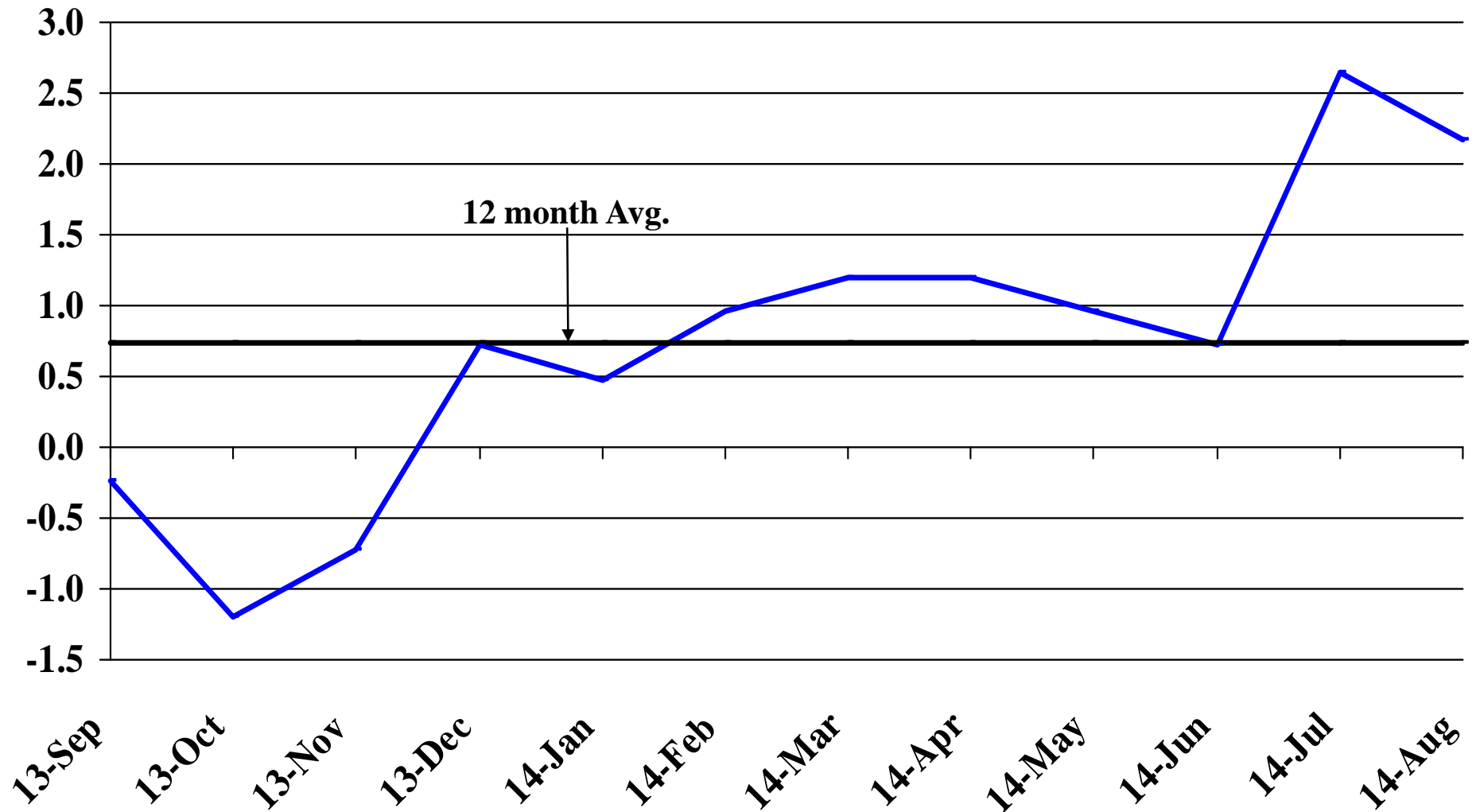
Recent Trends in Natural Resources, Mining and Construction Employment

Percent Change



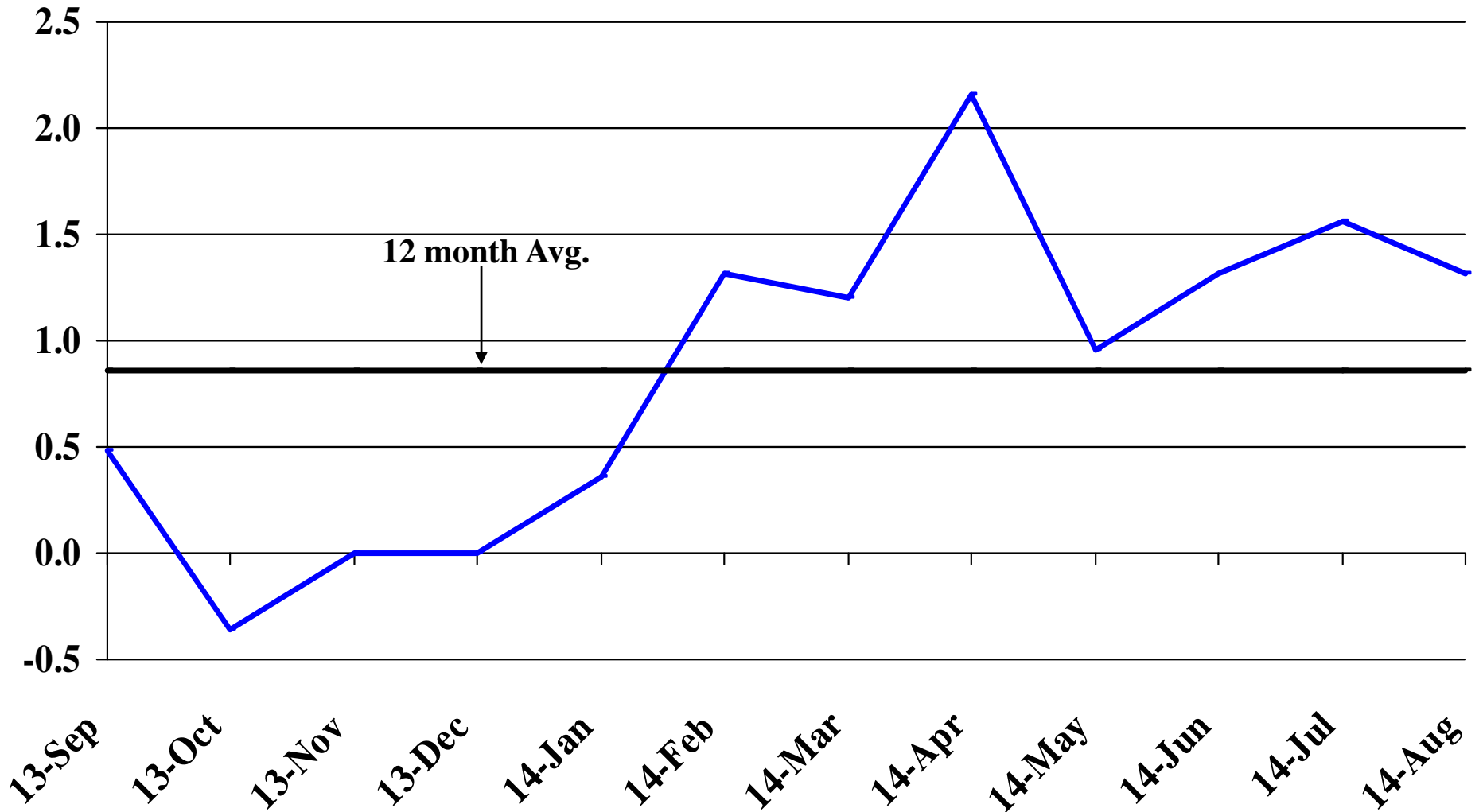
Recent Trends in Manufacturing Employment

Percent Change



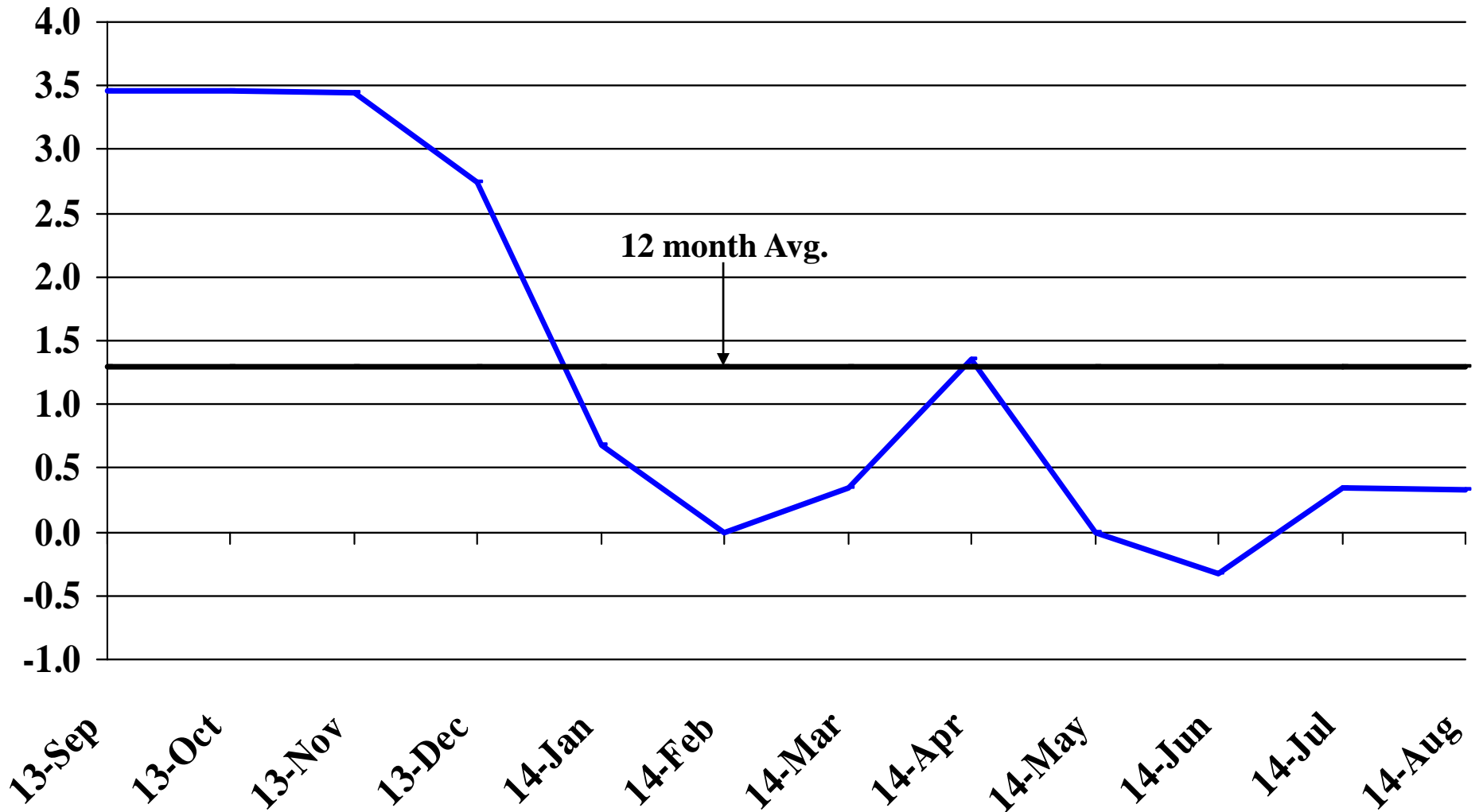
Recent Trends in Trade, Transportation, and Utilities Employment

Percent Change



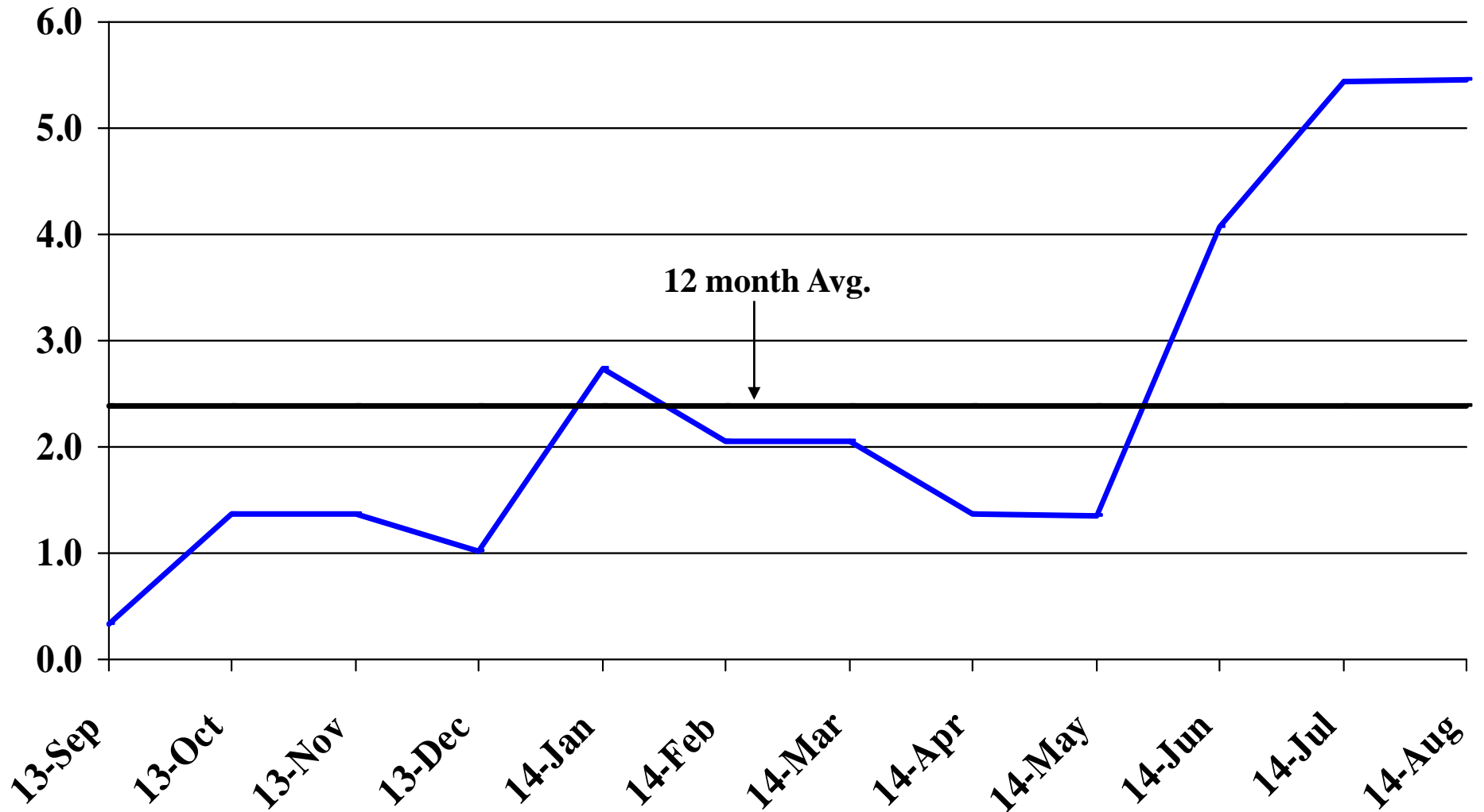
Recent Trends in Financial Activities Employment

Percent Change



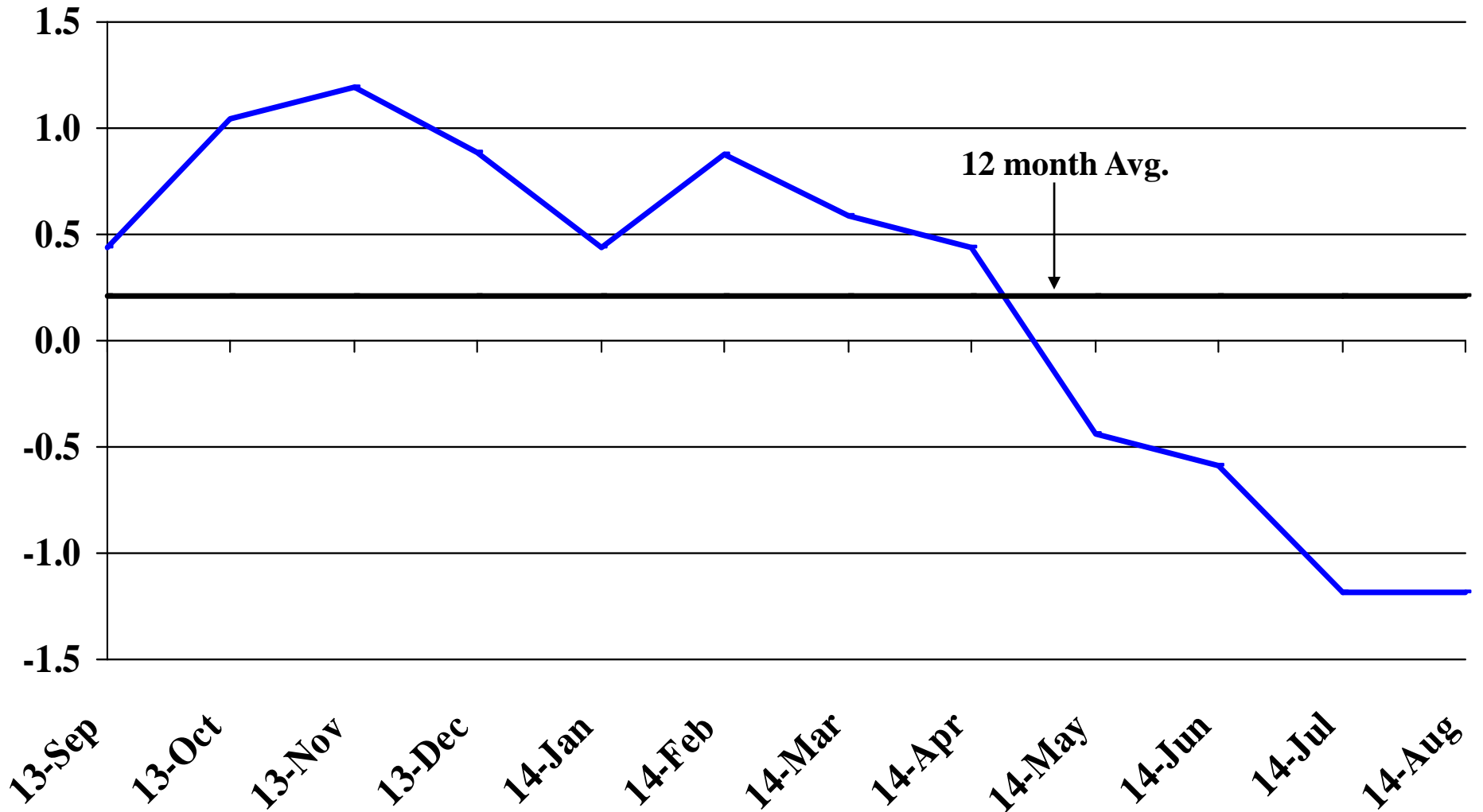
Recent Trends in Professional and Business Services Employment

Percent Change



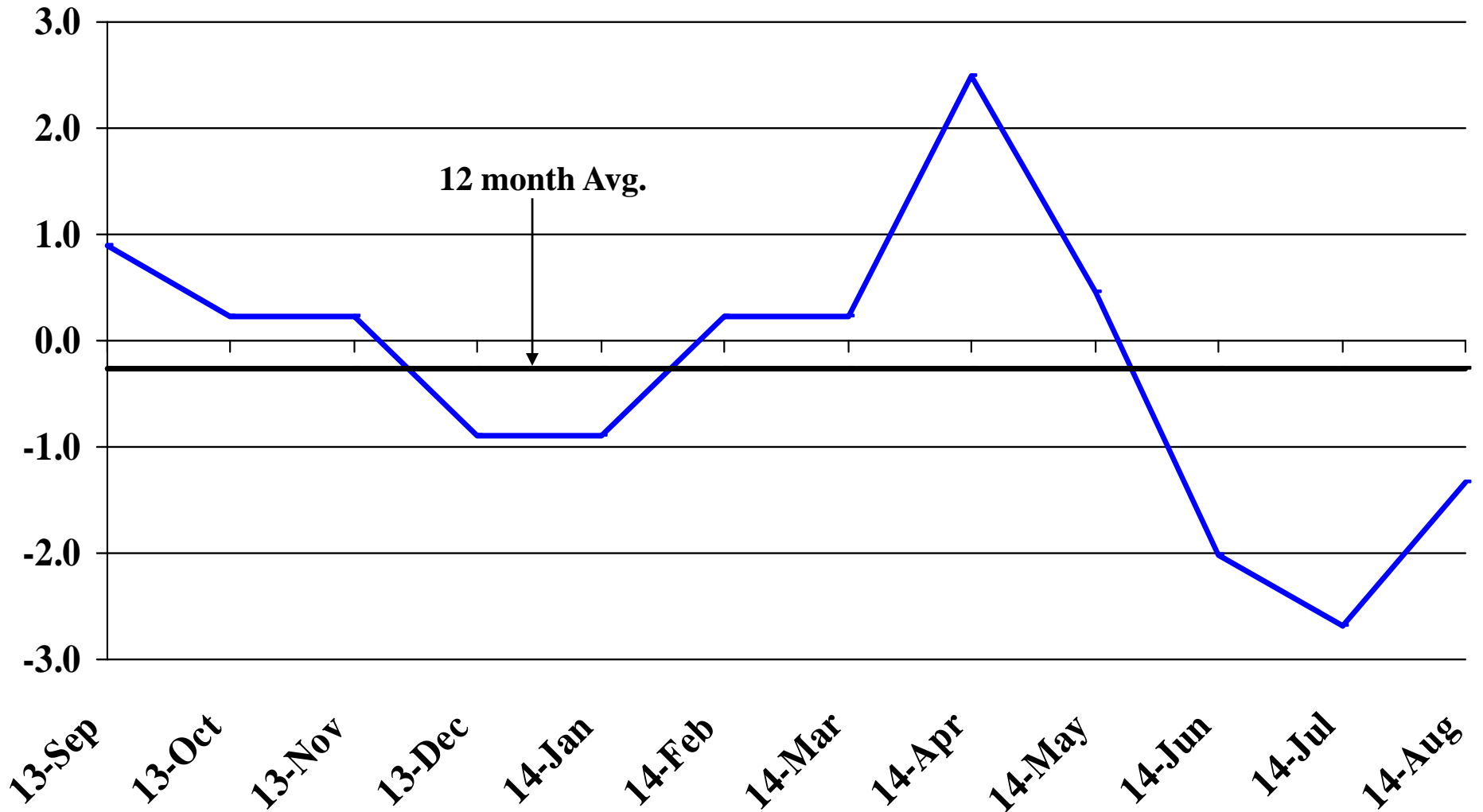
Recent Trends in Educational and Health Services Employment

Percent Change



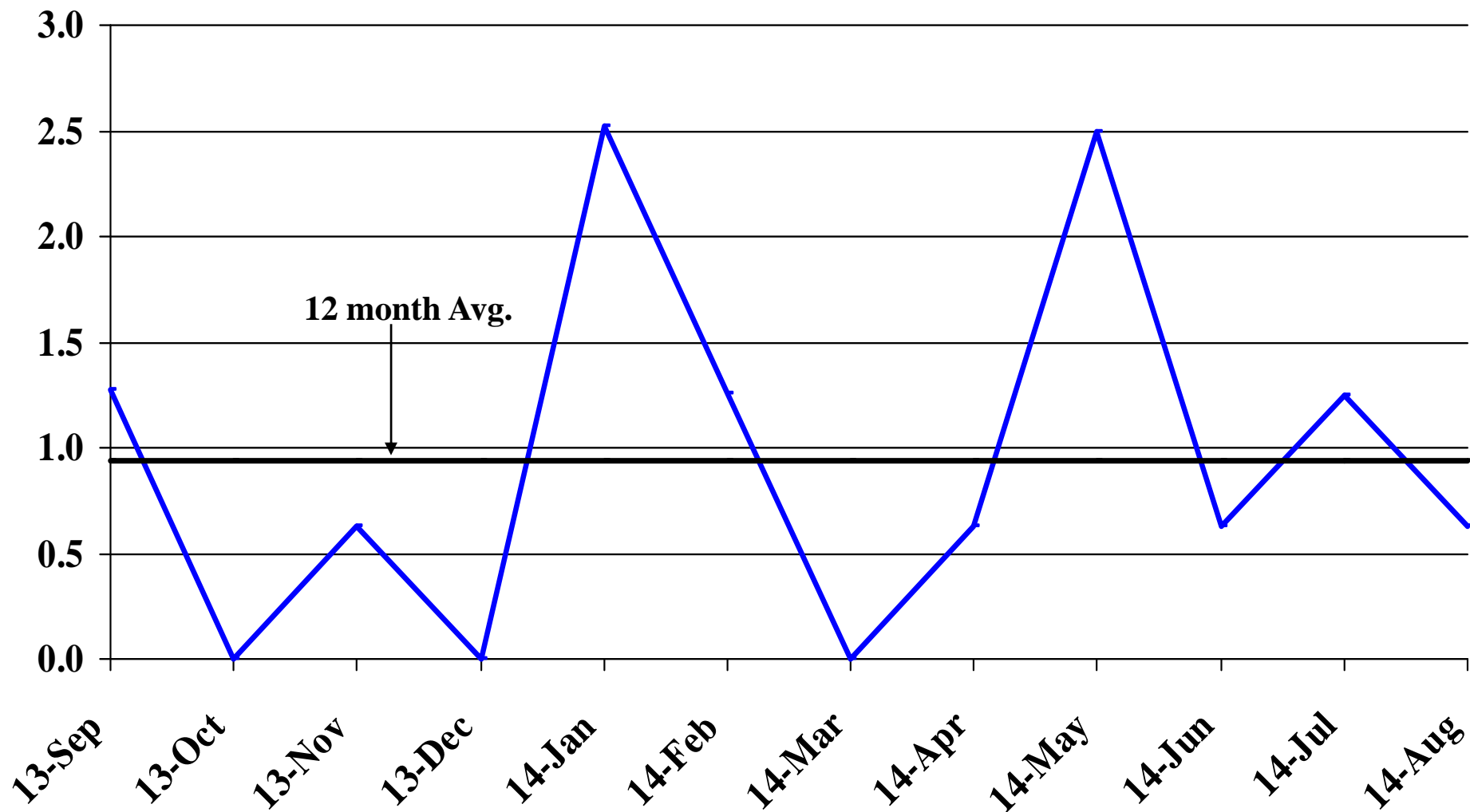
Recent Trends in Leisure and Hospitality Employment

Percent Change



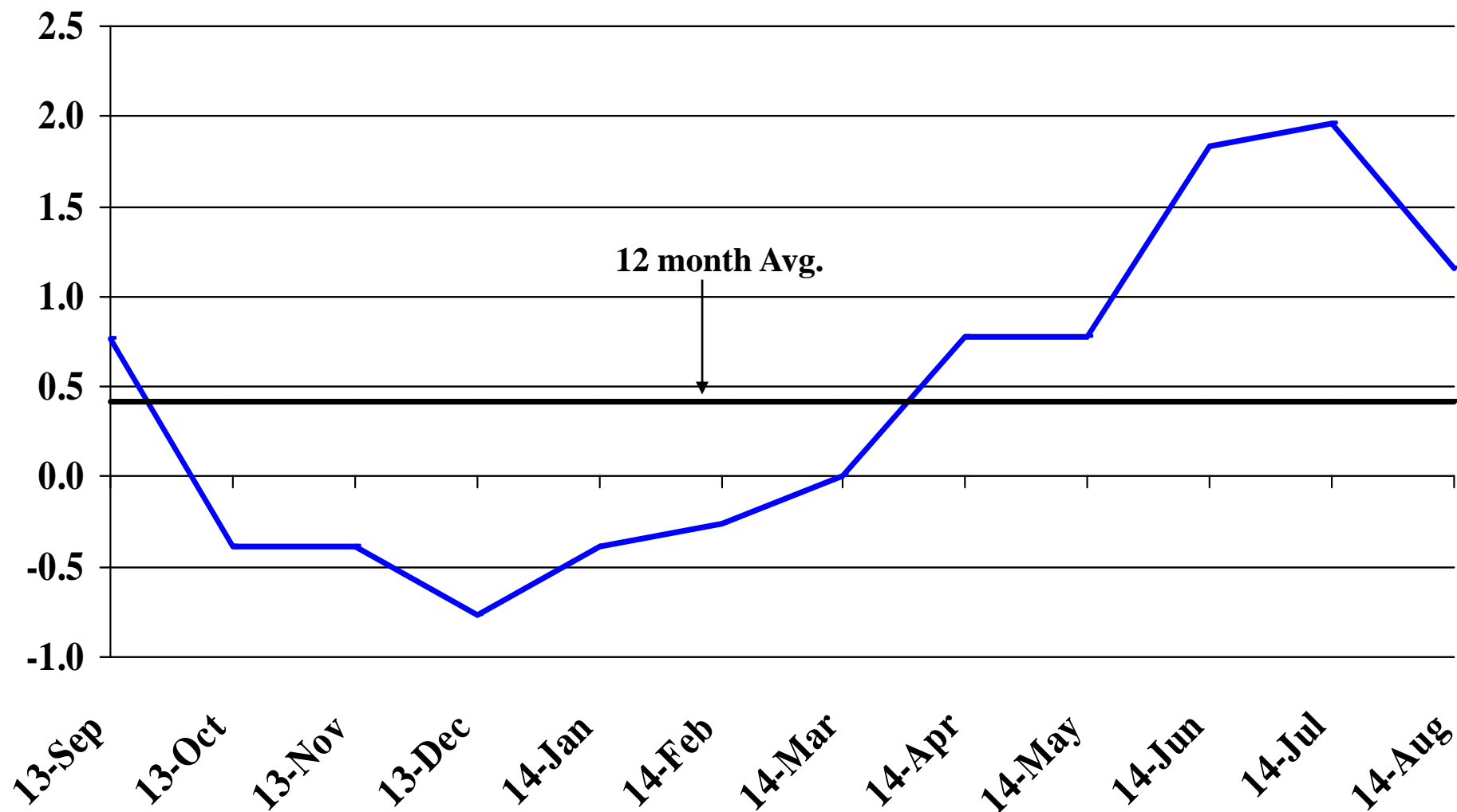
Recent Trends in Other Services Employment

Percent Change



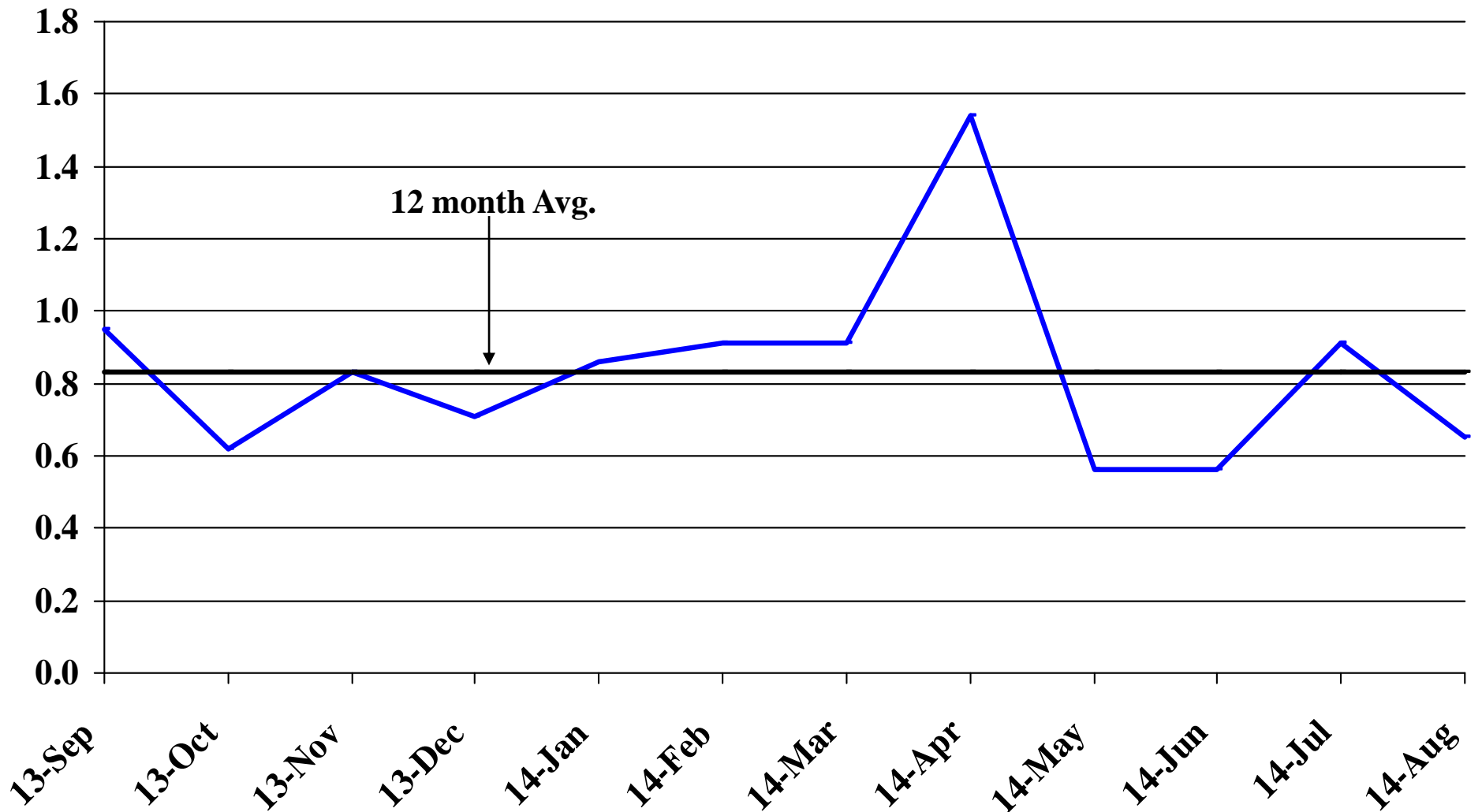
Recent Trends in Government Employment

Percent Change

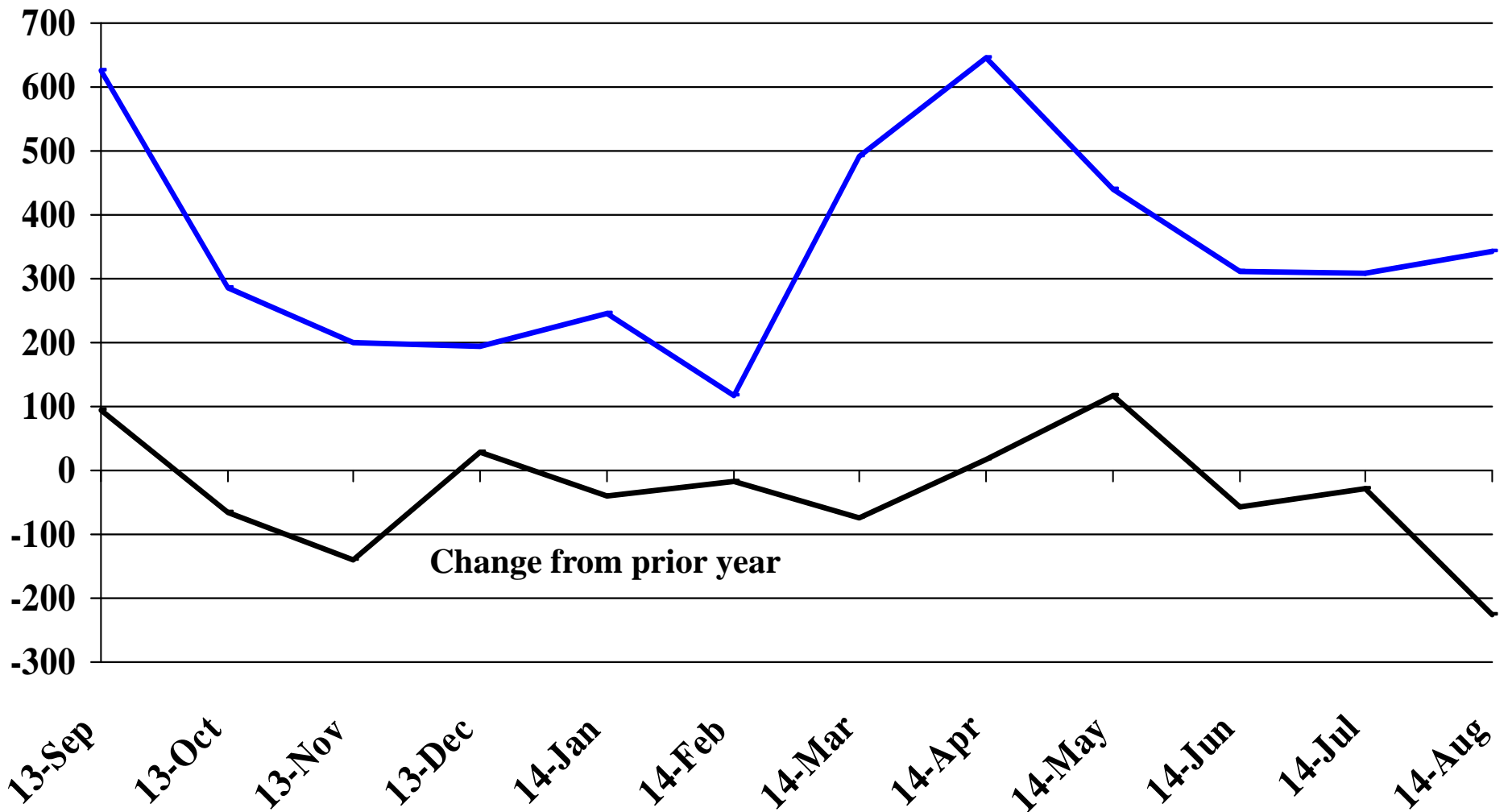


Recent Trends in Nonfarm Employment (excluding Government Employment)

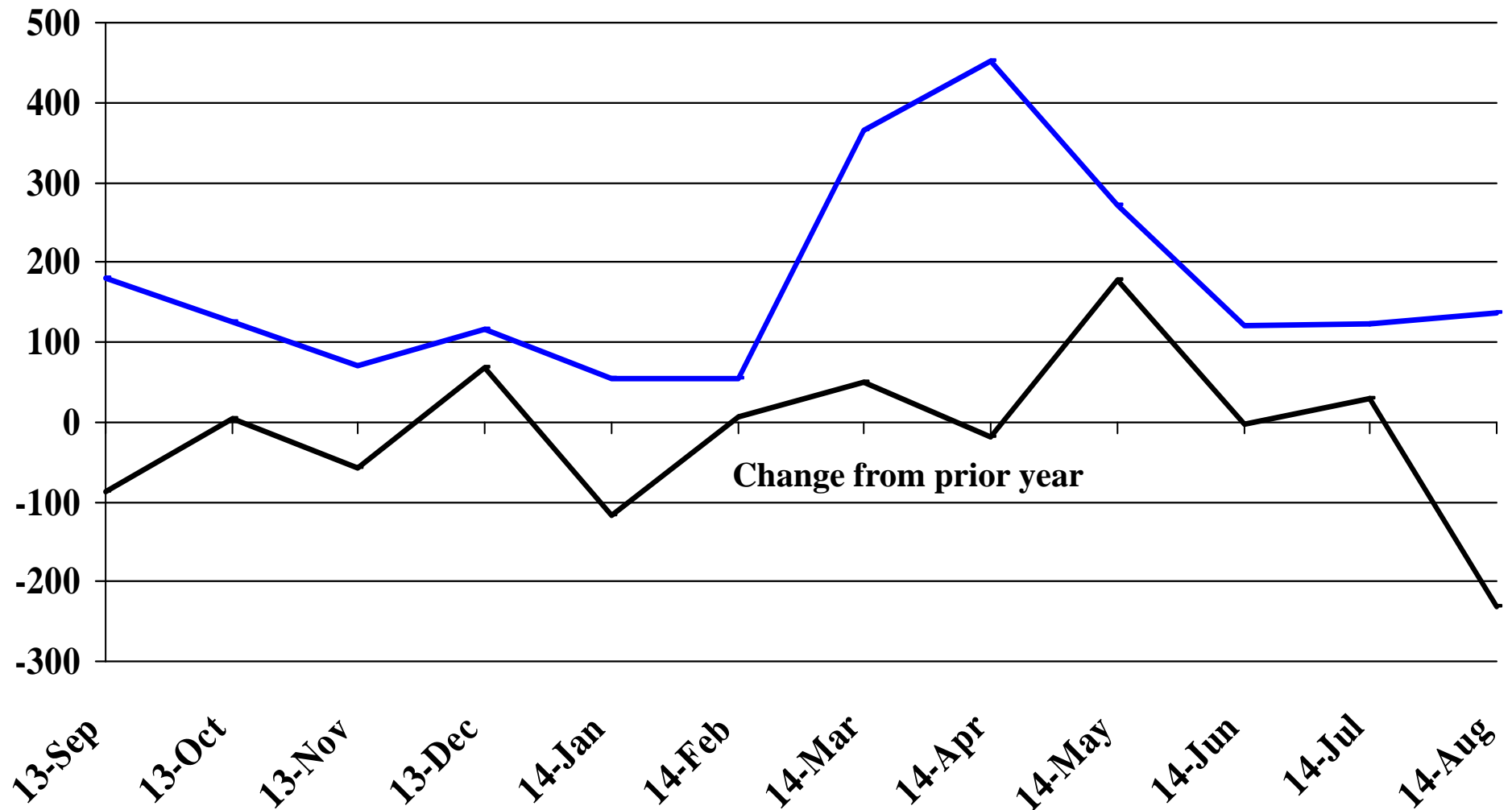
Percent Change



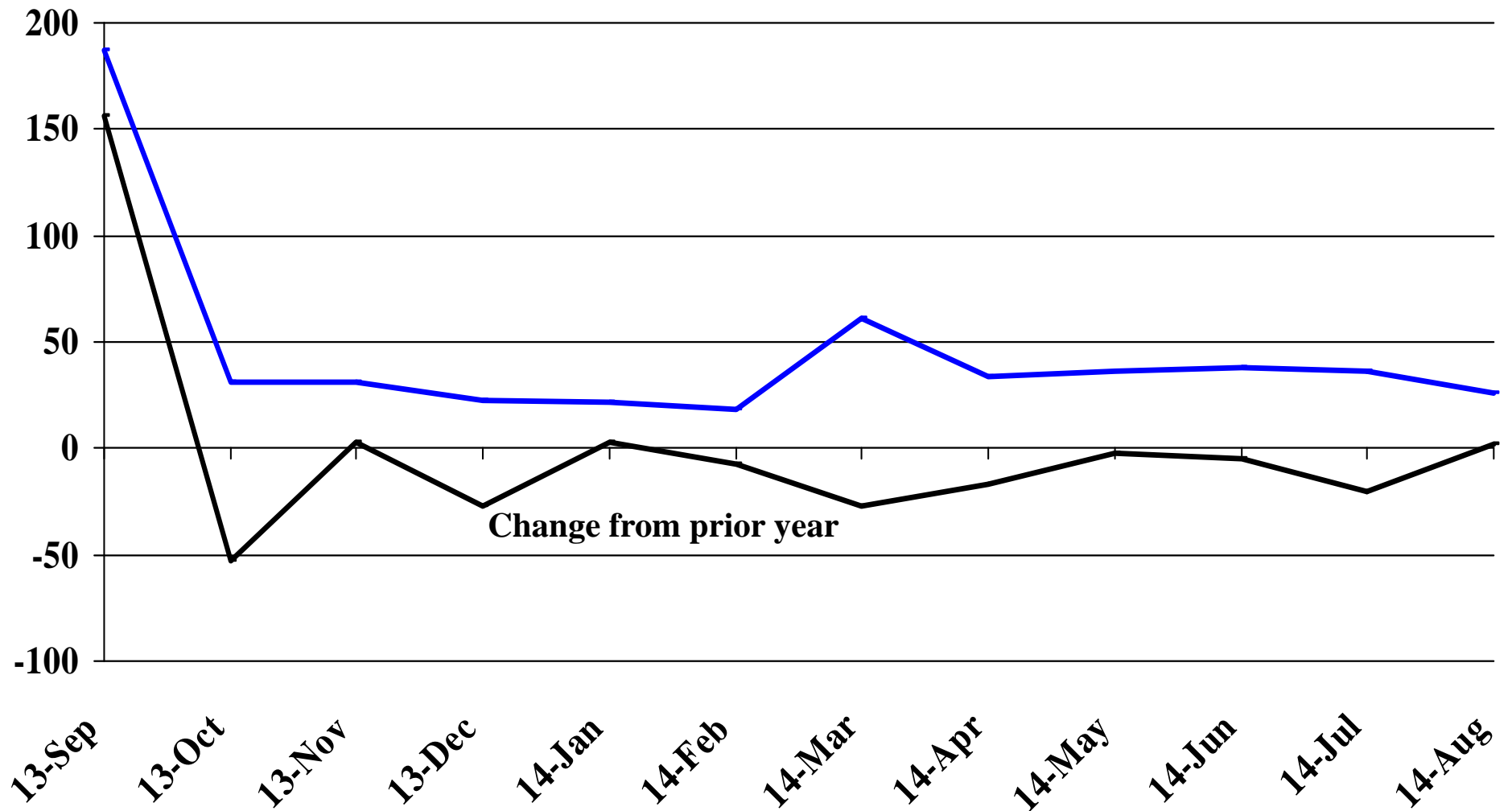
Recent Trends in the Number of Units Authorized by Residential Building Permits for South Dakota



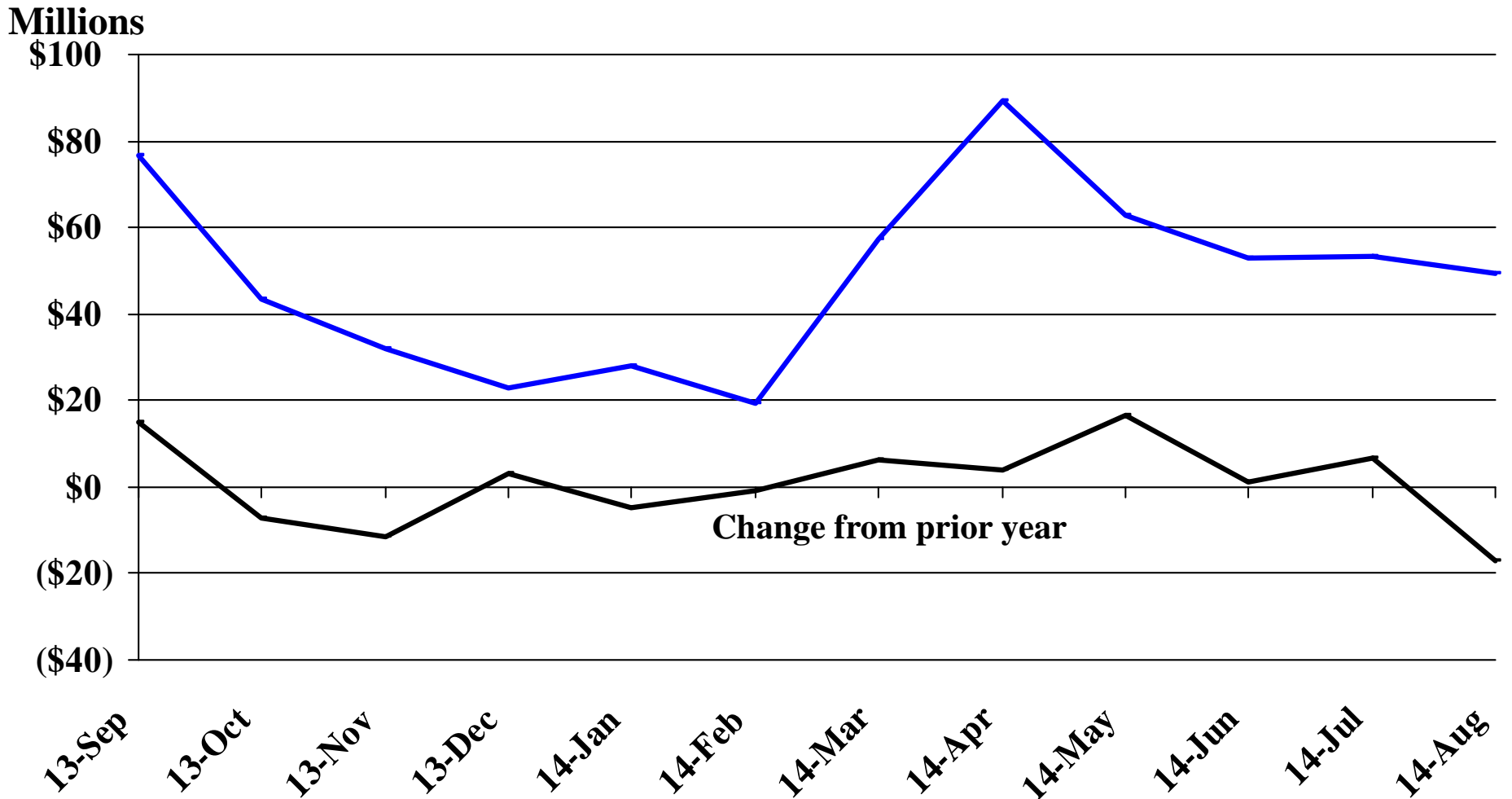
Recent Trends in the Number of Residential Units Authorized by Building Permits for Minnehaha County



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

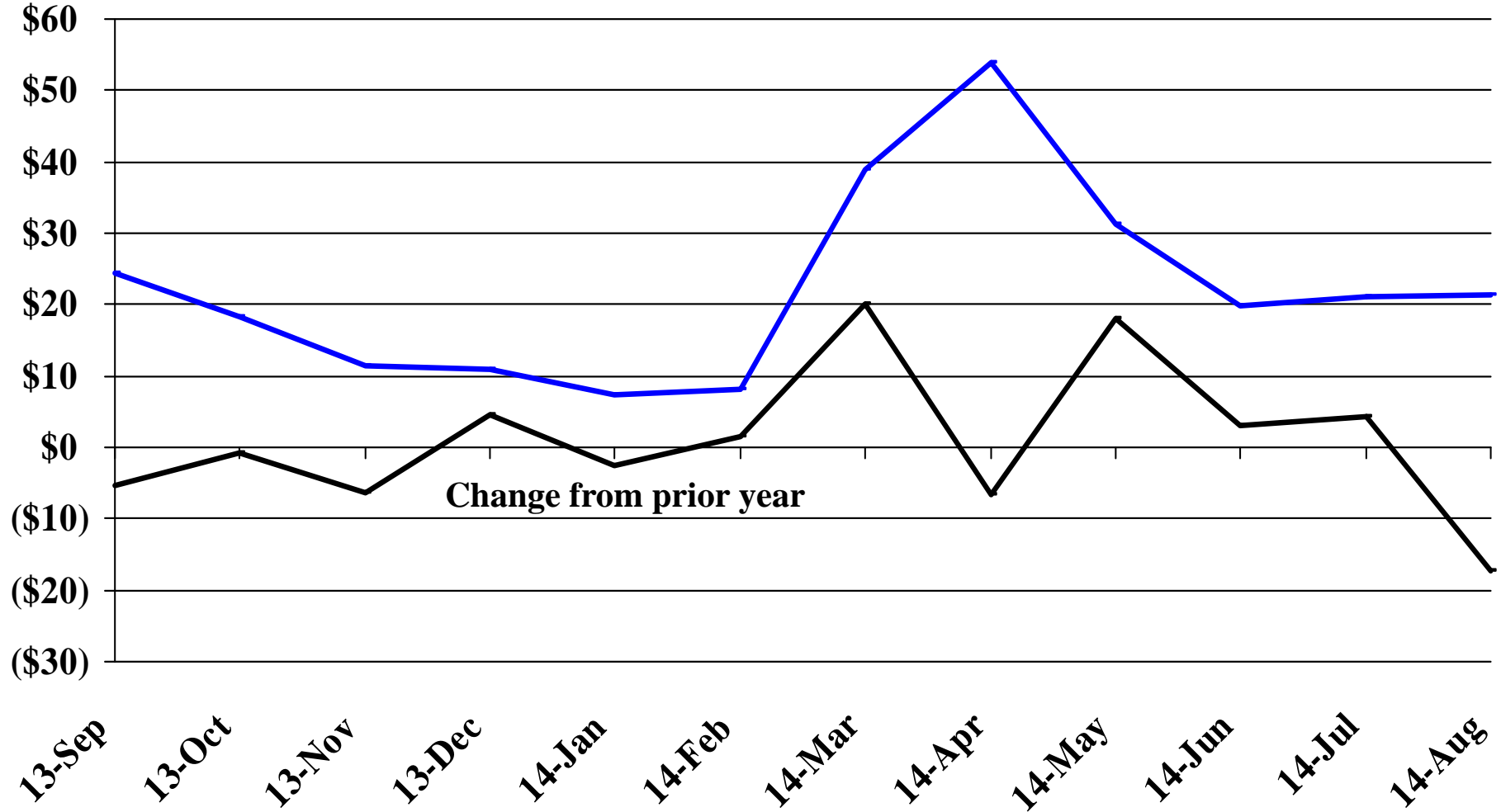


Recent Trends in the Value of Residential Building Permits Issued for South Dakota

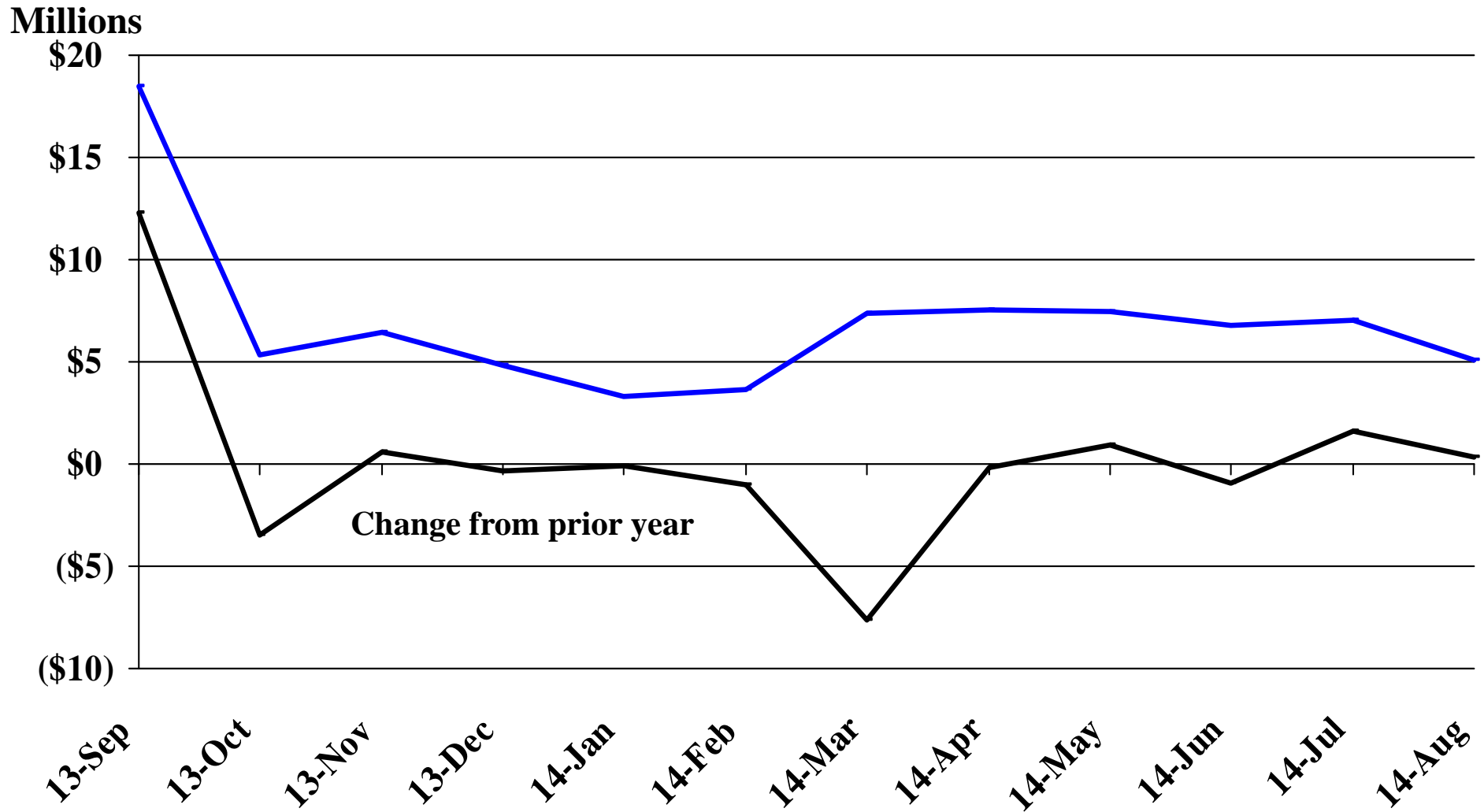


Recent Trends in the Value of Residential Building Permits Issued for Minnehaha County

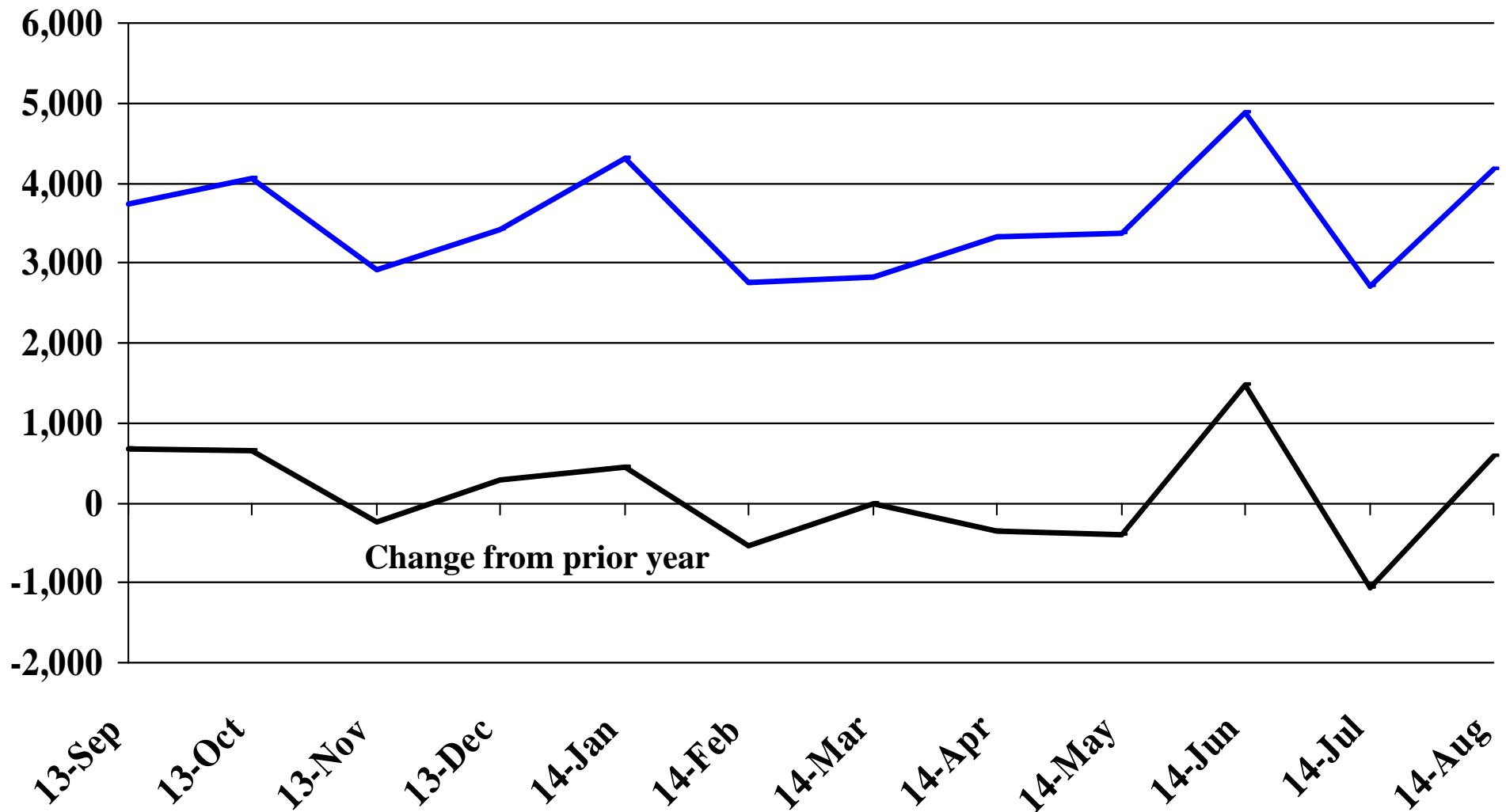
Millions



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

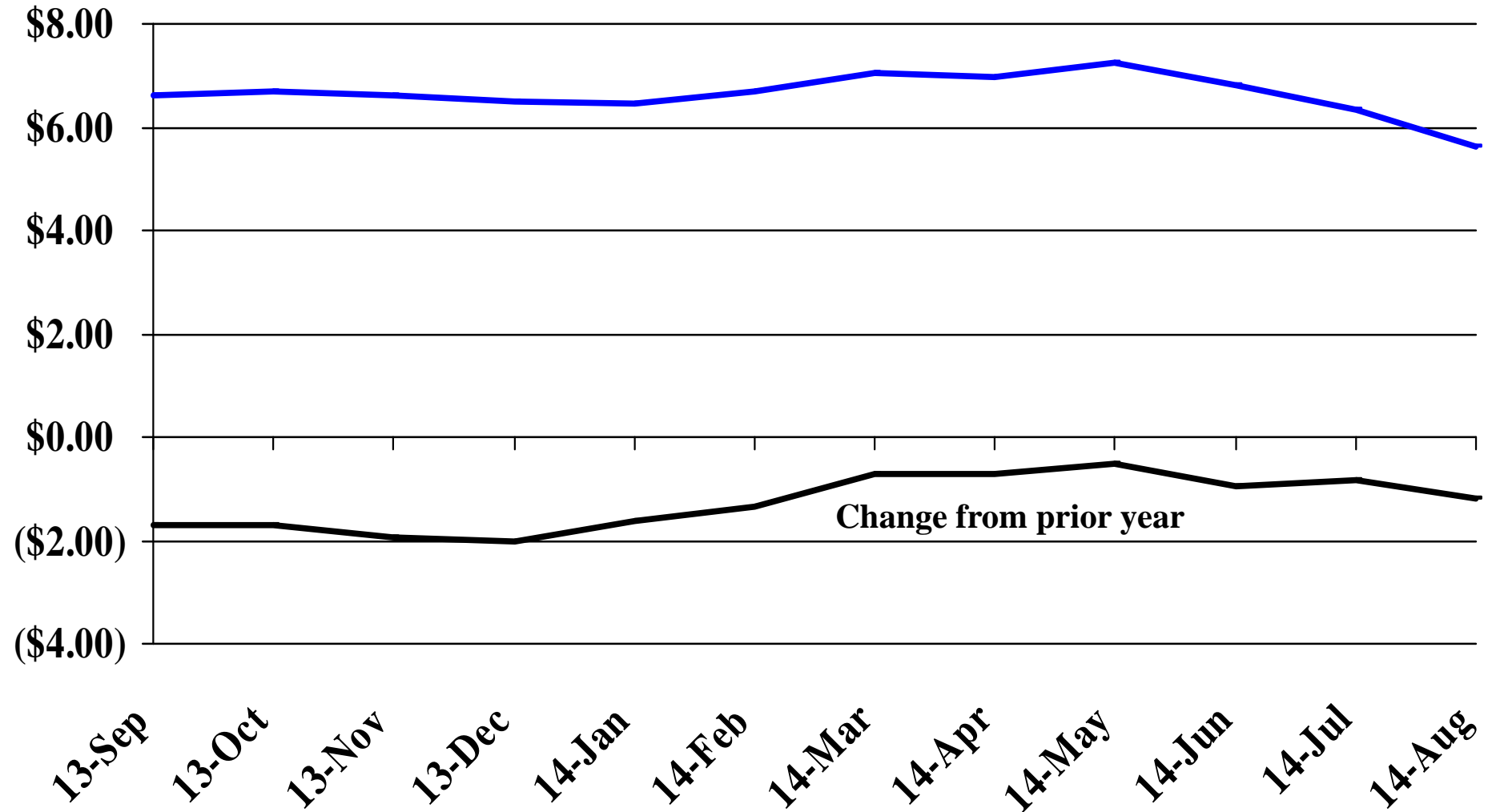


Recent Trends in the Number of New Non-Commercial Vehicles Titled



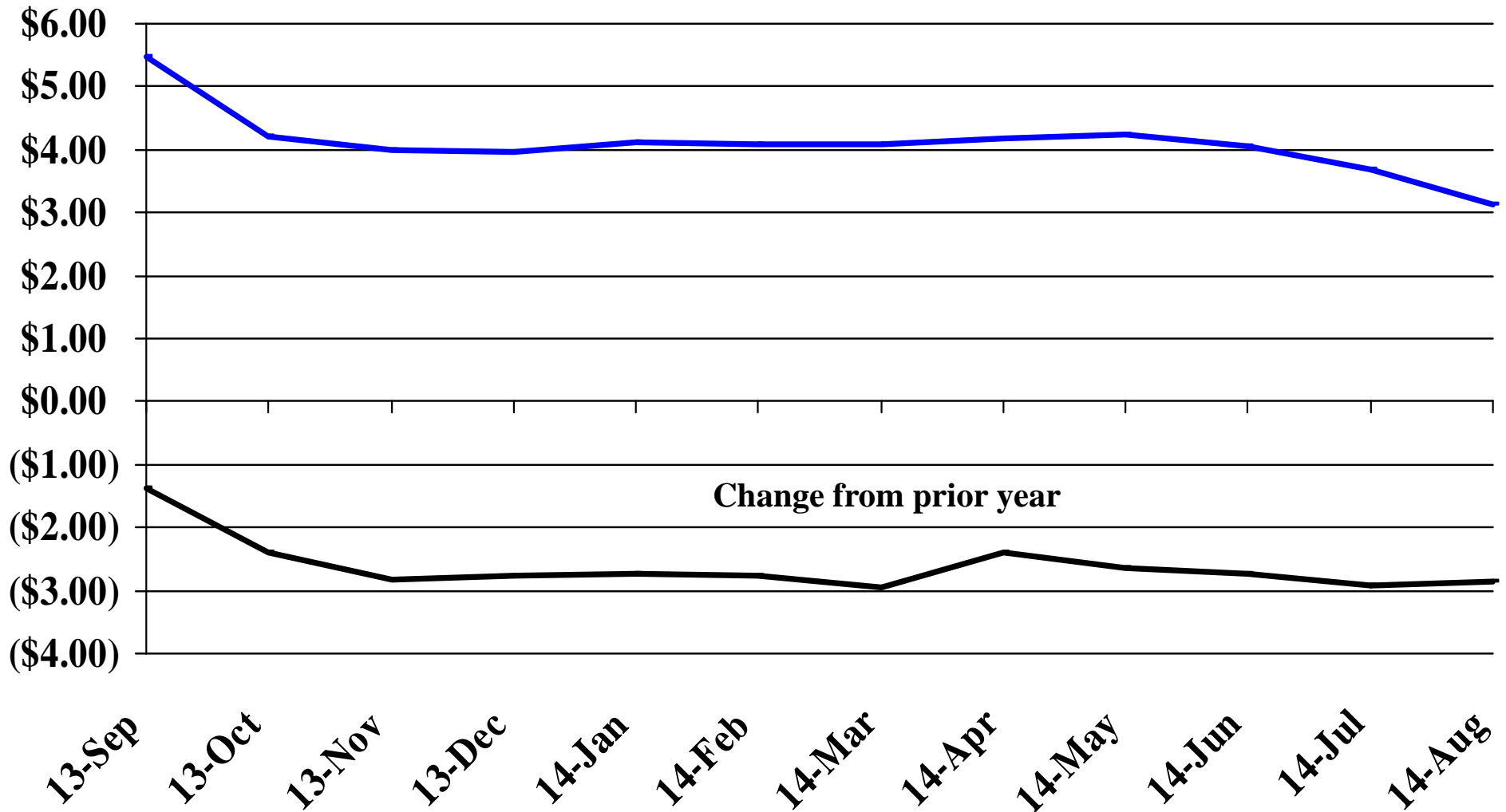
Recent Trends in the Price of Wheat

\$'s Per Bushel



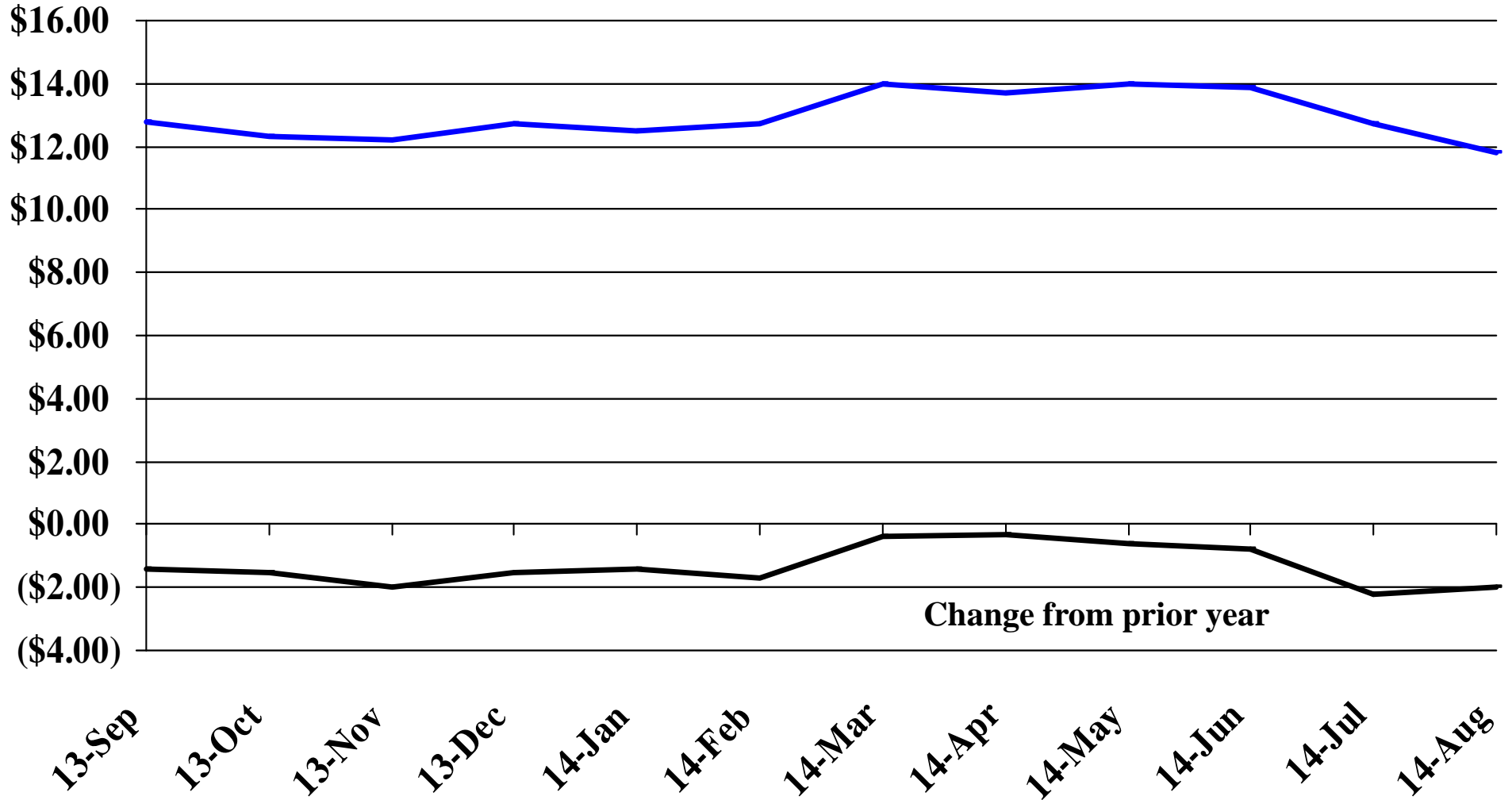
Recent Trends in the Price of Corn

\$'s Per Bushel



Recent Trends in the Price of Soybeans

\$'s Per Bushel



Recent Trends in the Price of Hay

\$'s Per Ton

