

South Dakota and United States Economic Outlook



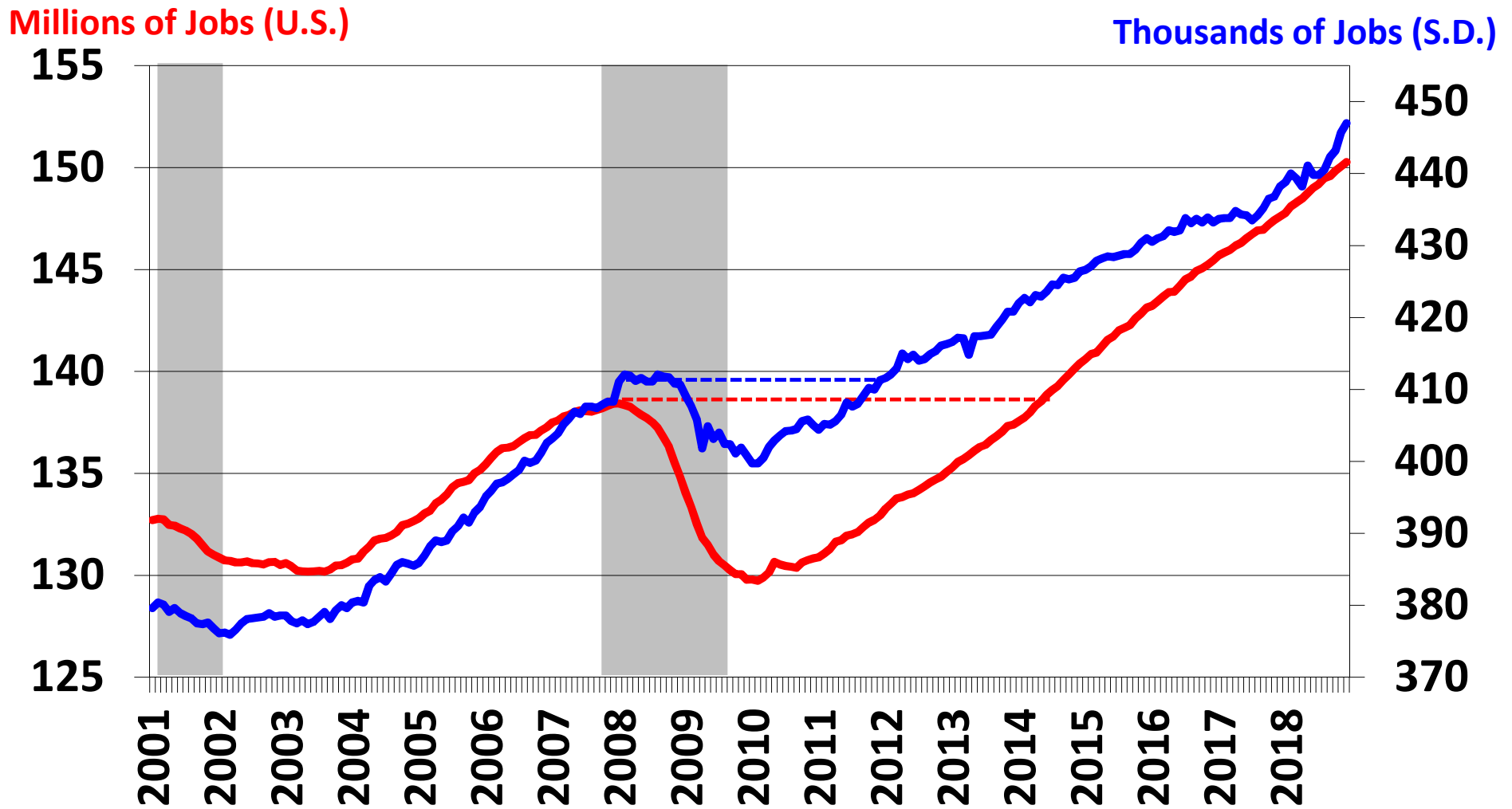
Presented to Joint Appropriations Committee
February 13, 2019

IHS Markit's Forecast for US Economy

(January 2019)

	2016	2017	2018	2019 f	2020 f
Real GDP	1.6%	2.2%	2.9%	2.5%	2.0%
Nonfarm Employment	1.8%	1.6%	1.6%	1.4%	1.0%
CPI	1.3%	2.1%	2.4%	2.0%	2.5%
Housing Starts (m)	1.2 m	1.2 m	1.3 m	1.3 m	1.4 m
Unemployment Rate	4.9%	4.4%	3.9%	3.6%	3.7%

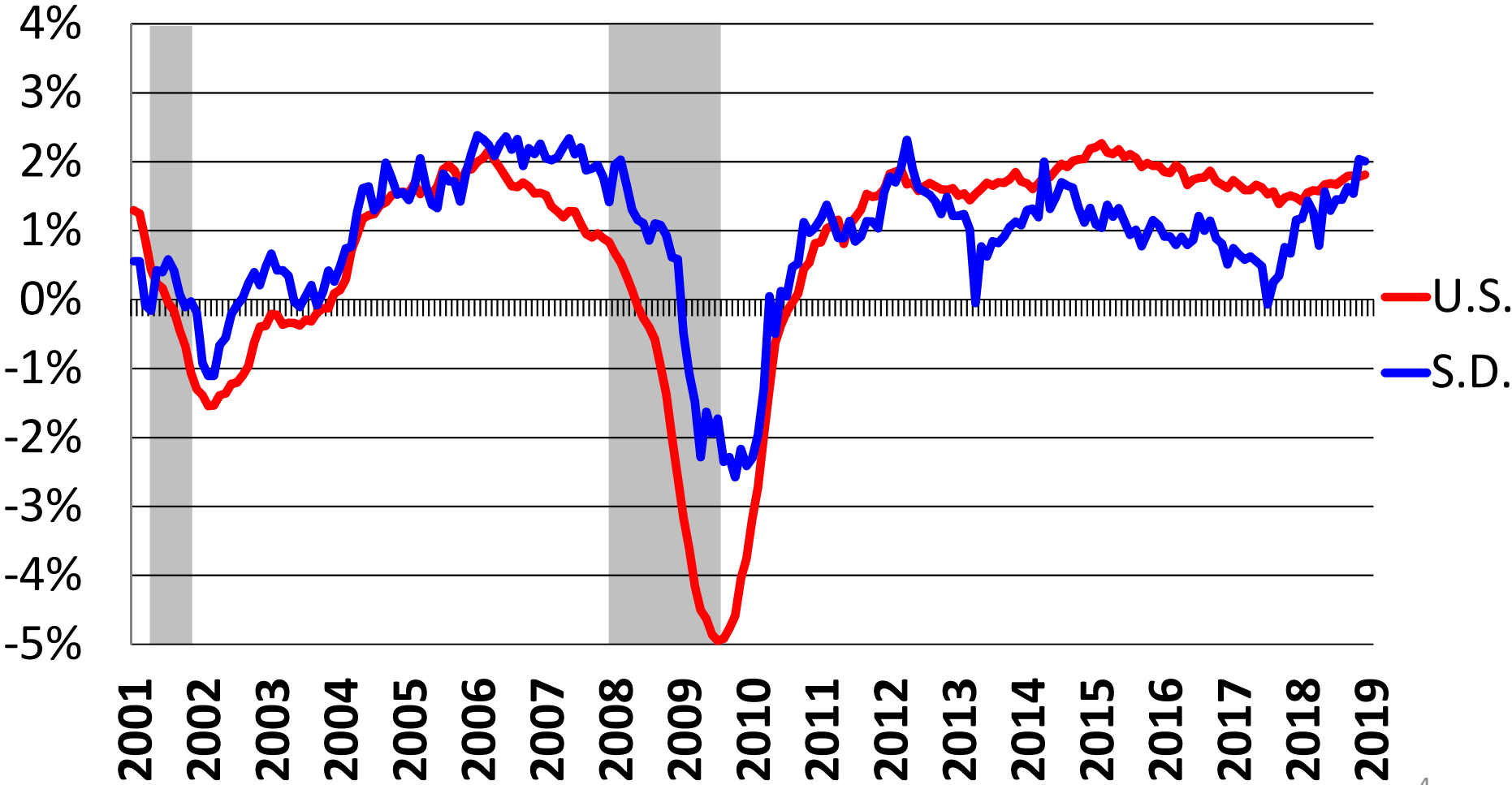
Monthly Nonfarm Employment Levels



Source: Bureau of Labor Statistics

Nonfarm Employment Growth

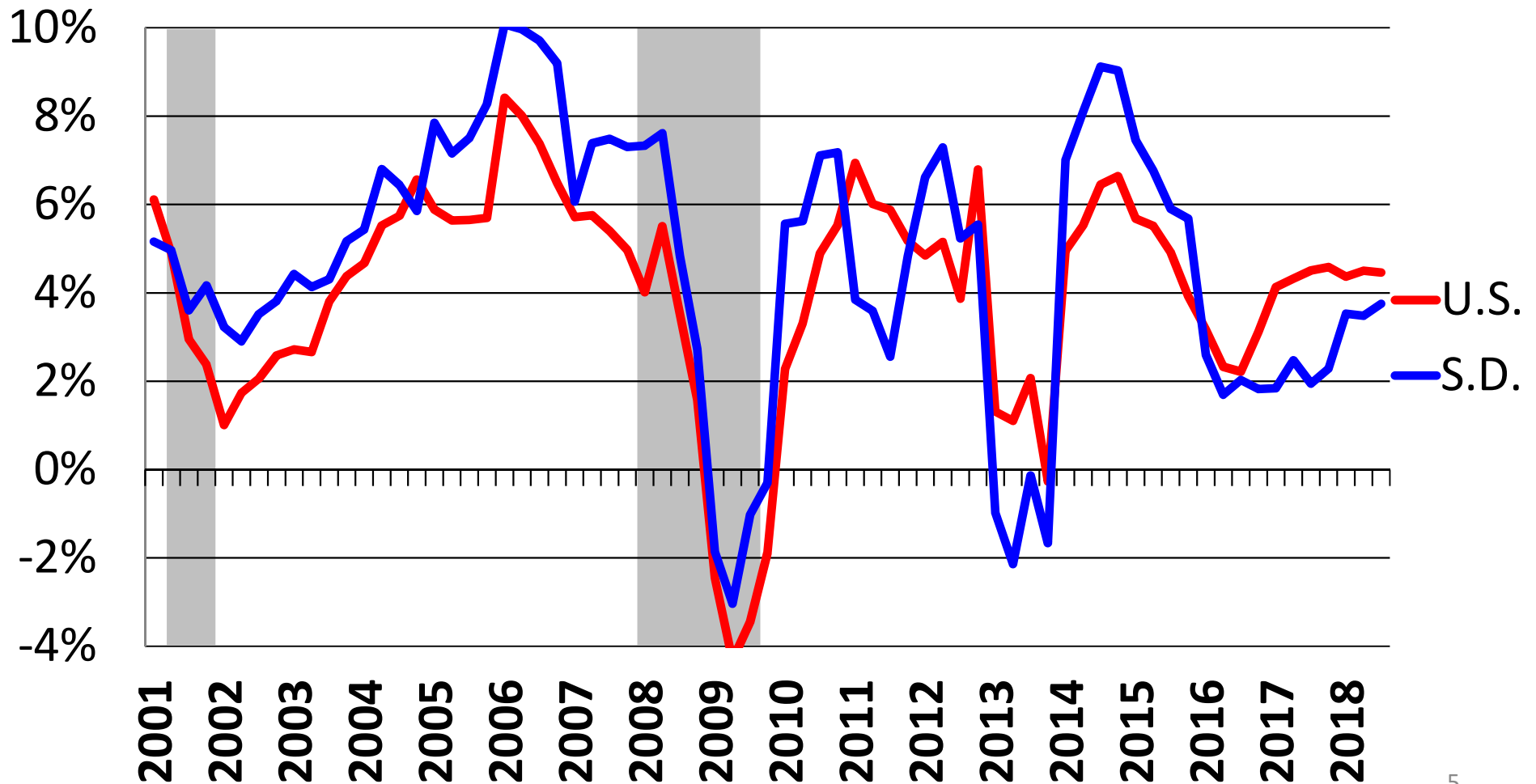
(monthly Y/Y % chg.)



Source: Bureau of Labor Statistics

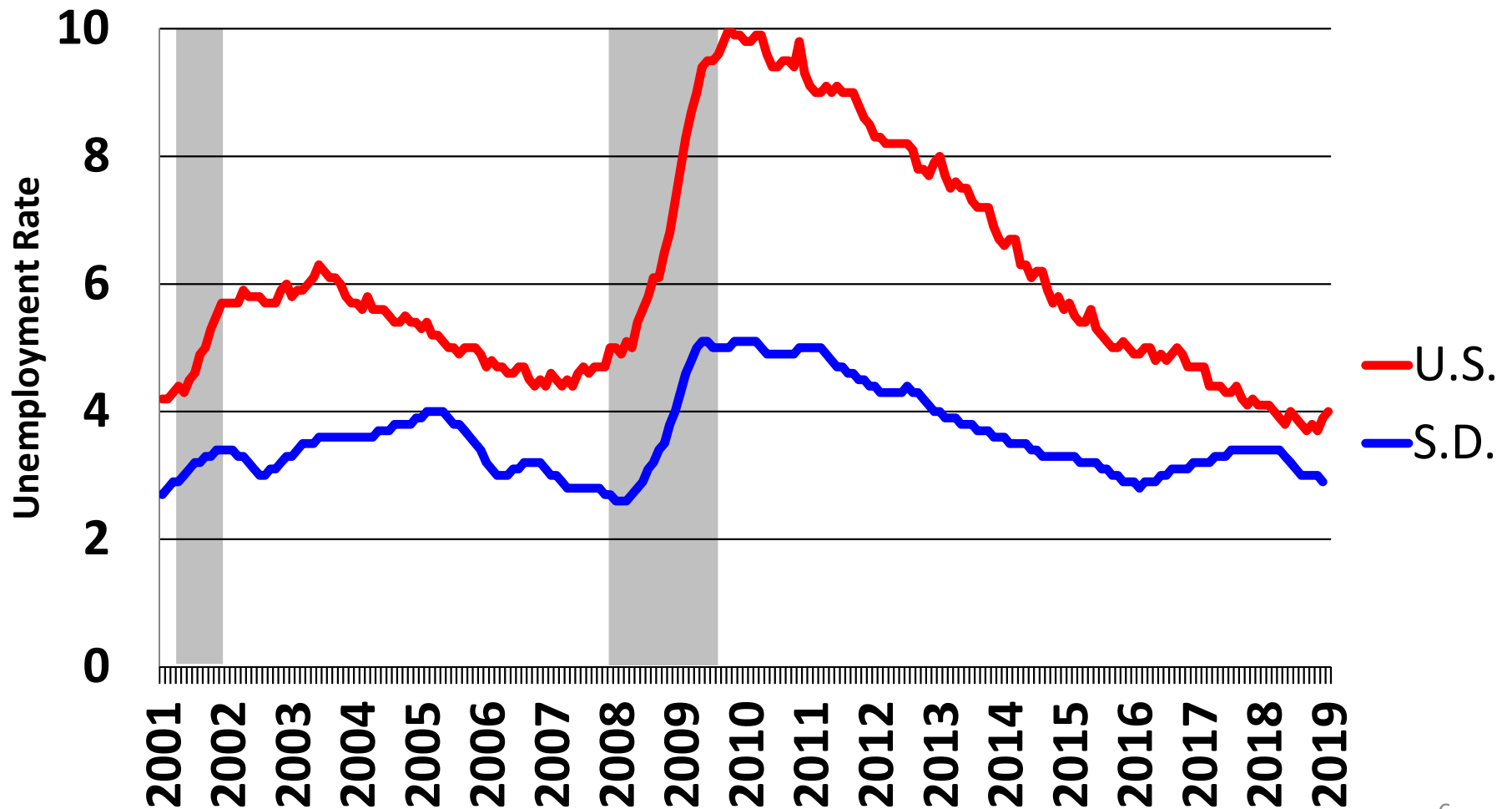
Growth Rates of Nonfarm Income

(quarterly Y/Y % chg.)



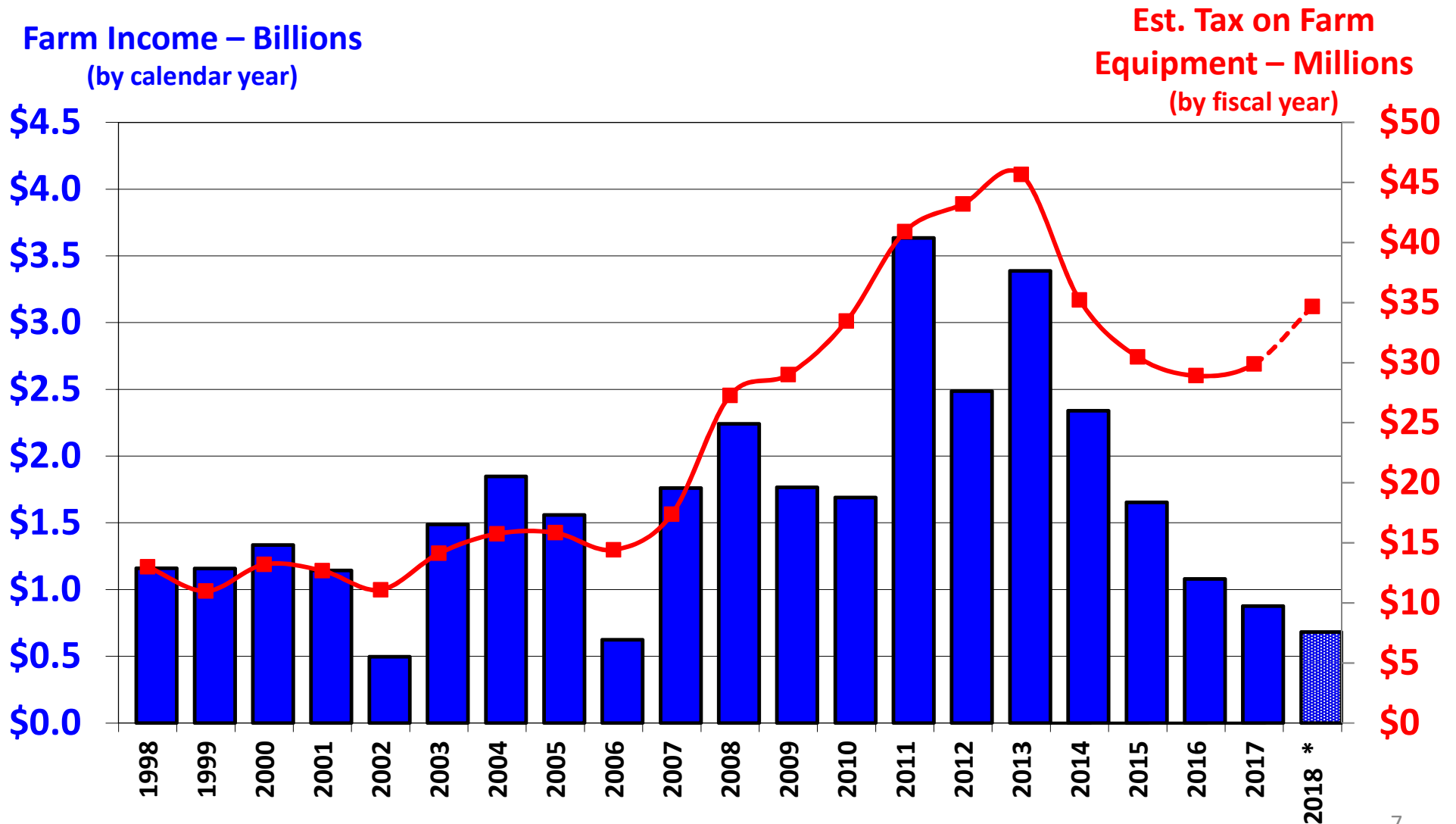
Source: Bureau of Economic Analysis

Unemployment Rates



Source: Bureau of Labor Statistics

South Dakota Farm Income & Spending on Equipment



Source: BEA and SD Dept. of Revenue

Most Recent South Dakota Economic Forecast

(January 2019)

	2016	2017	2018 f	2019 f	2020 f	'08-'17 avg.
SD Real GDP Growth	0.2%	0.0%	1.6%	2.3%	2.0%	1.6%
SD Nonfarm Employment	0.9%	0.6%	1.5%	1.1%	0.9%	0.9%
SD Nonfarm Income	2.0%	2.1%	3.7%	4.1%	4.0%	4.2%
SD Housing Starts	5,580	5,080	4,690	4,760	4,810	4,270
SD Unempl. Rate	3.0%	3.3%	3.2%	2.9%	3.0%	3.78%