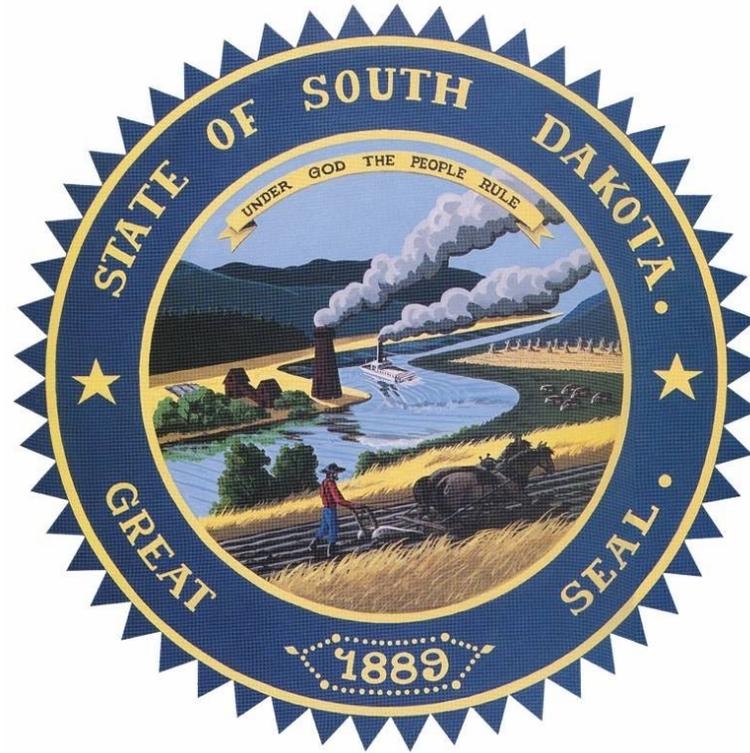


# South Dakota and U.S. Economic Outlook



Presented to Joint Appropriations Committee

March 9, 2015

Jim Terwilliger, Bureau of Finance and Management

# IHS Economics Most Recent US Forecast

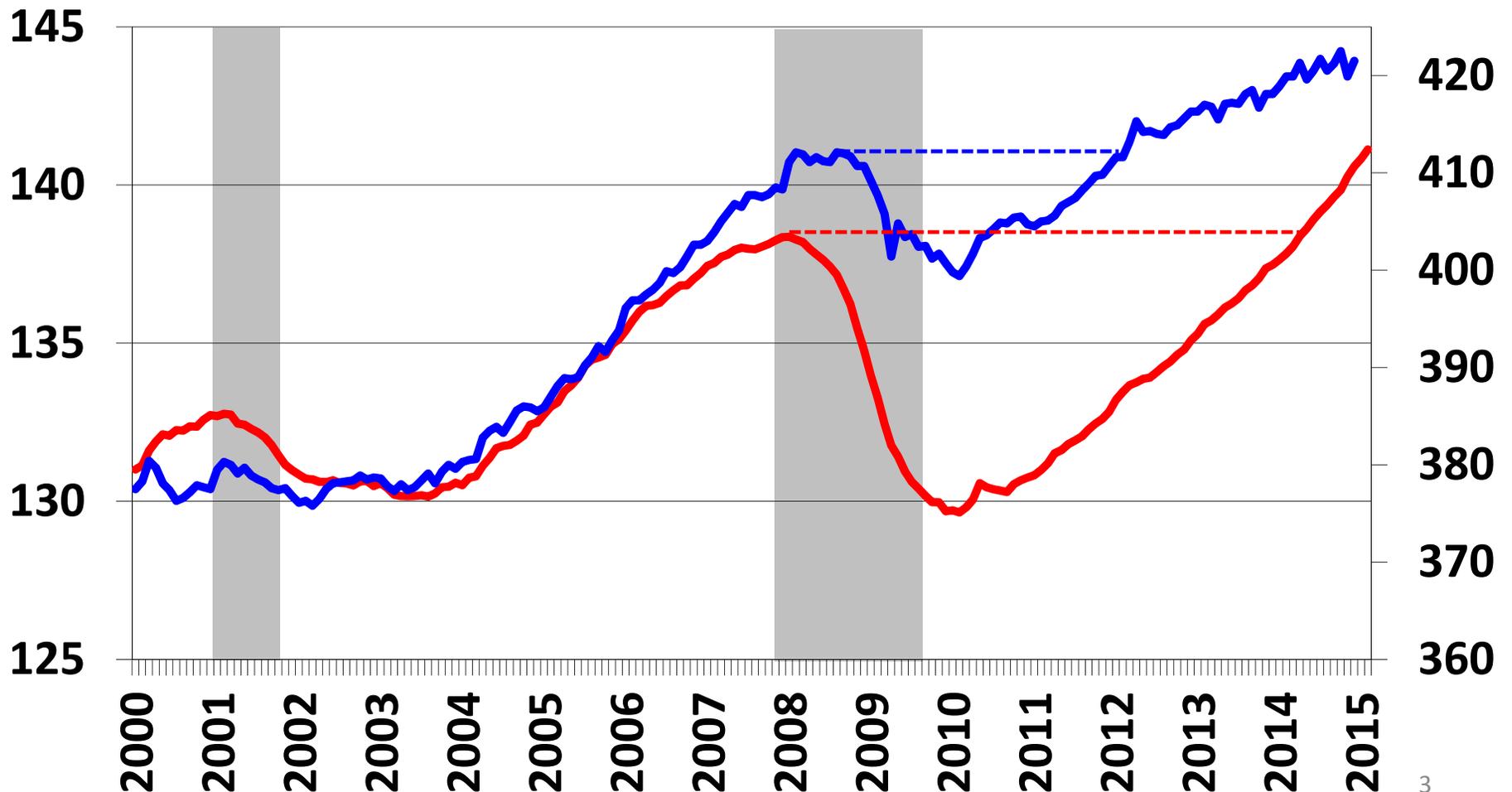
---

	<b>2013</b>	<b>2014</b>	<b>2015 f</b>	<b>2016 f</b>
<b>Real GDP</b>	<b>2.2%</b>	<b>2.4%</b>	<b>3.0%</b>	<b>2.7%</b>
<b>Nonfarm Employment</b>	<b>1.7%</b>	<b>1.9%</b>	<b>2.2%</b>	<b>1.9%</b>
<b>CPI</b>	<b>1.5%</b>	<b>1.6%</b>	<b>-0.7%</b>	<b>2.3%</b>
<b>Housing Starts</b>	<b>0.93 m</b>	<b>1.00 m</b>	<b>1.18 m</b>	<b>1.34 m</b>
<b>Unemployment Rate</b>	<b>7.4%</b>	<b>6.2%</b>	<b>5.5%</b>	<b>5.3%</b>

# Monthly Nonfarm Employment Levels: US growing at faster rate than SD

Millions of Jobs (U.S.)

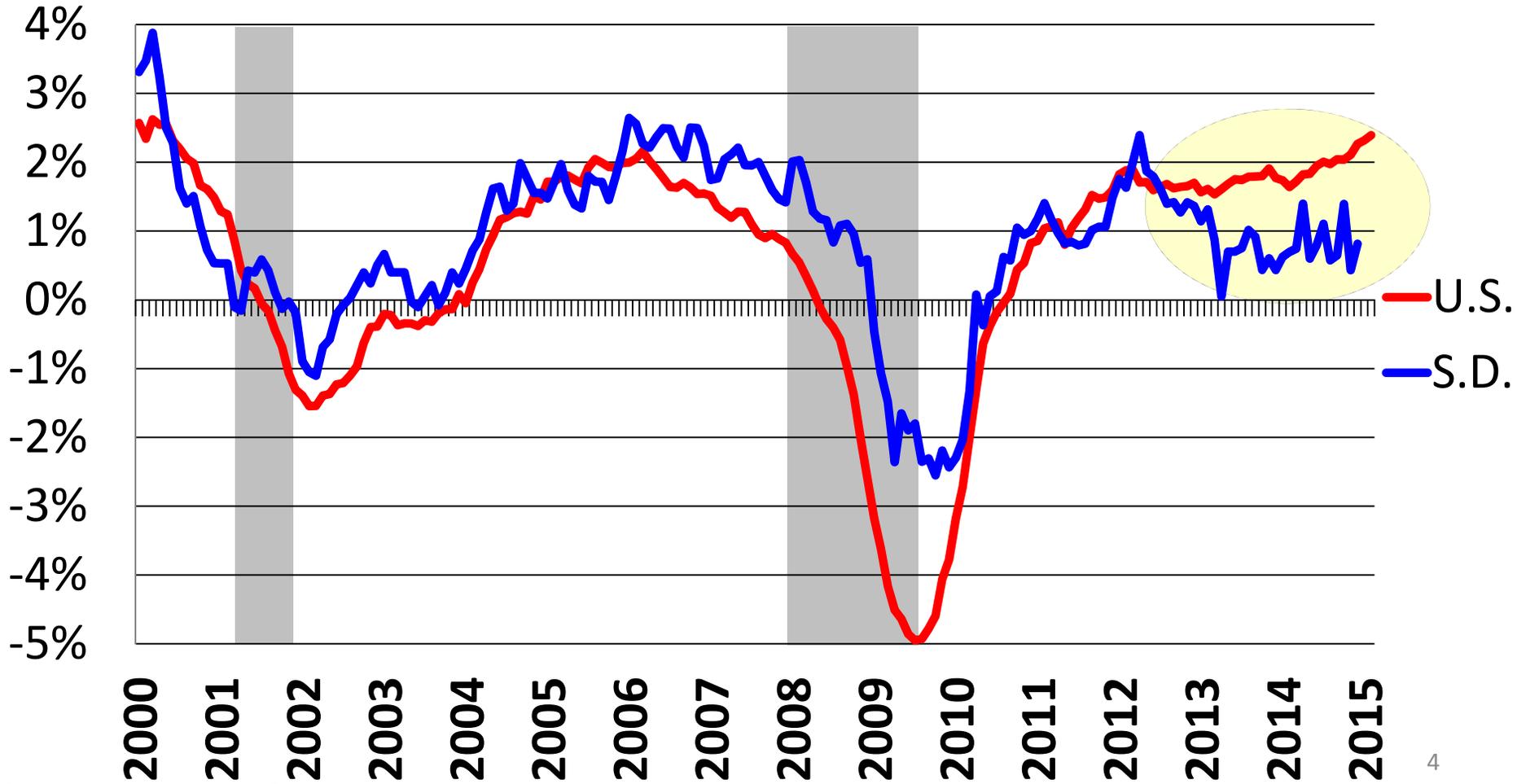
Thousands of Jobs (S.D.)



Source: Bureau of Labor Statistics

# Nonfarm Employment Growth

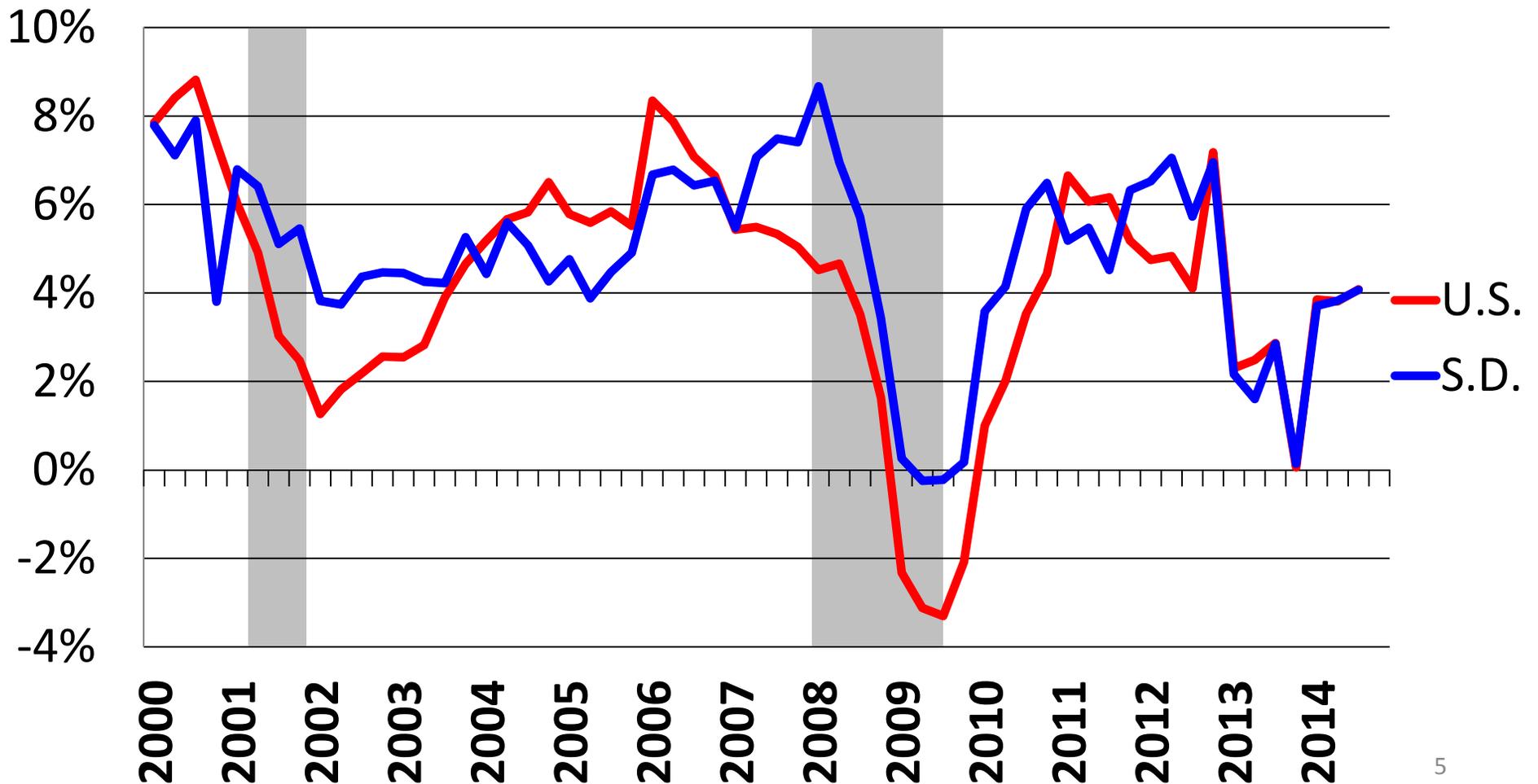
(monthly Y/Y % chg.)



Source: Bureau of Labor Statistics

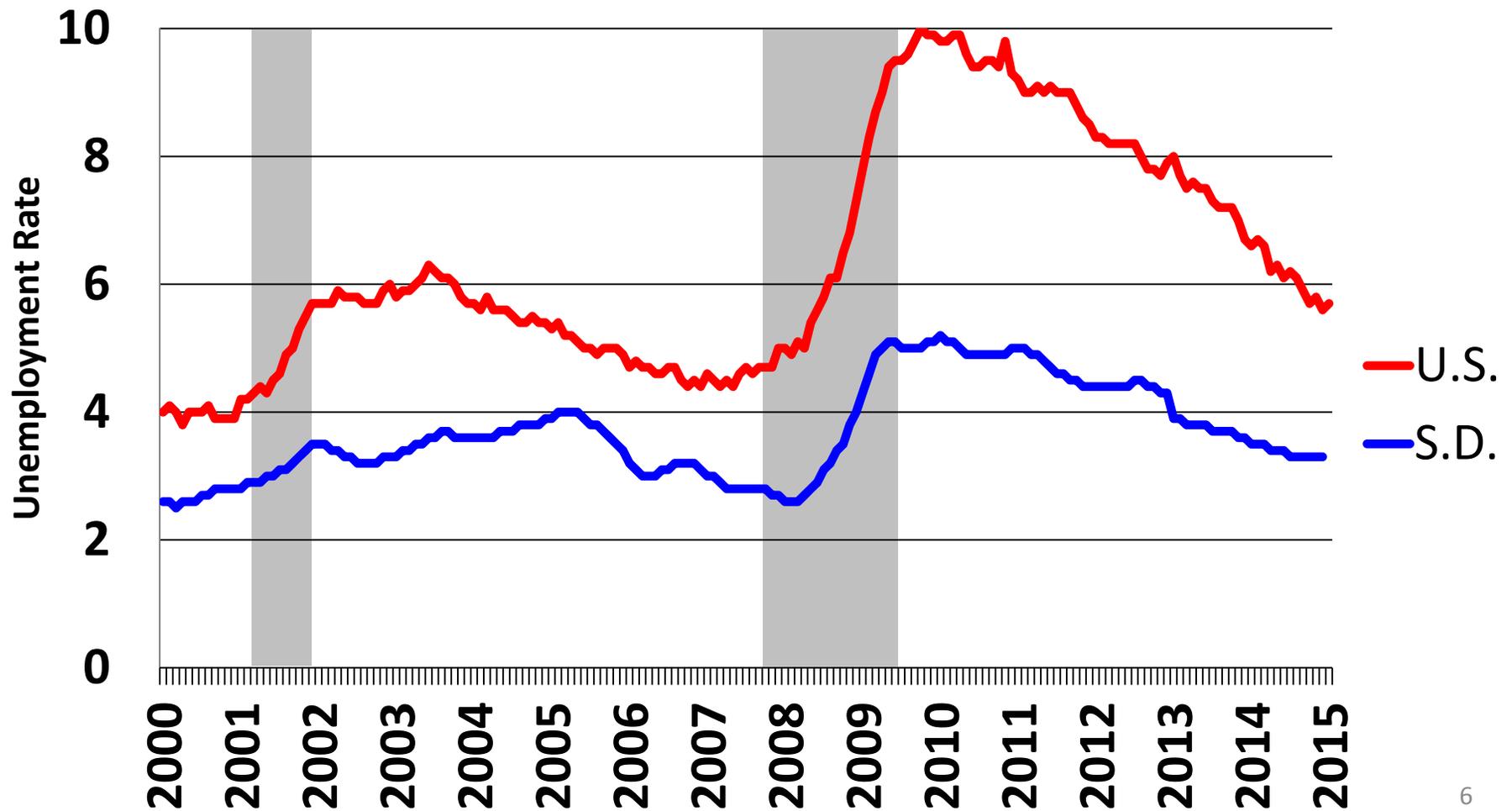
# Growth Rates of Nonfarm Income

(quarterly Y/Y % chg.)



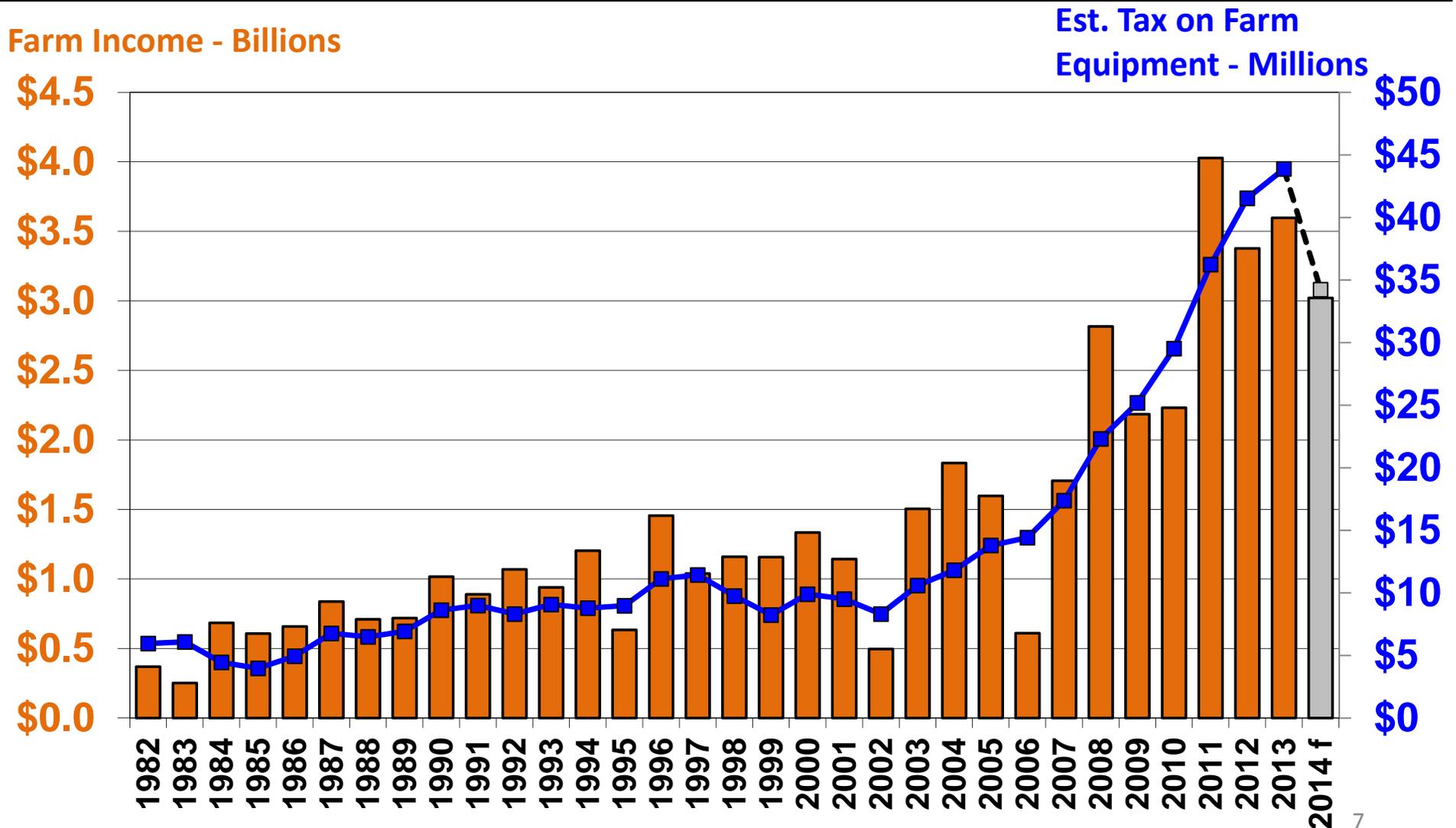
Source: Bureau of Economic Analysis

# Unemployment Rates Trending Lower



Source: Bureau of Labor Statistics

# SD Farm Income – Down from Record Levels Leading to Lower Spending



Source: Bureau of Economic Analysis & SD Department of Revenue

# Most Recent South Dakota Forecast

---

	2013	2014	2015 f	2016 f
SD Nonfarm Employment	0.7%	0.8%	1.1%	1.2%
SD Nonfarm Income	1.7%	3.9%	4.2%	4.8%
SD Housing Starts	5,150	4,640	4,750	4,970
Unemployment Rate (SD)	4.2%	3.8%	3.2%	3.0%