



South Dakota Economic Update

October 21, 2016

Summary

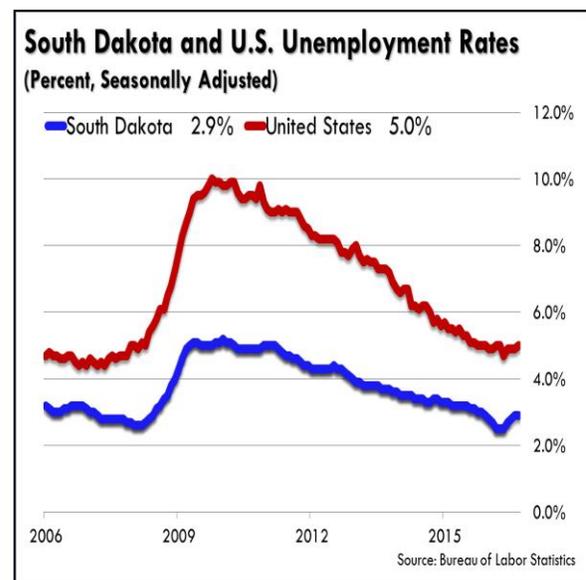
Nonfarm payroll employment in South Dakota increased by 800 jobs, and the unemployment rate was unchanged at 2.9 percent in September according to data released by the Bureau of Labor Statistics (BLS).

South Dakota Unemployment Rate

During September, the unemployment rate in South Dakota was unchanged at 2.9 percent. The number of people counted as unemployed fell by 44 in September to 13,090, while the labor force fell by 260 to 457,158. South Dakota posted the lowest unemployment rate in the nation. A year earlier, the unemployment rate in South Dakota stood at 3.1 percent.

The 10-year peak for the unemployment rate in South Dakota was 5.2 percent in January 2010. The series high for the unemployment rate in South Dakota occurred in January 1983 when the unemployment rate reached 5.9 percent. The 10-year low for the unemployment rate in South Dakota was 2.5 percent in May 2016. The series low for the unemployment rate in South Dakota occurred in July 2000 when the unemployment rate was 2.4 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate rose by 0.1 percentage point to 5.0 percent in September. September's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



South Dakota Payroll Employment

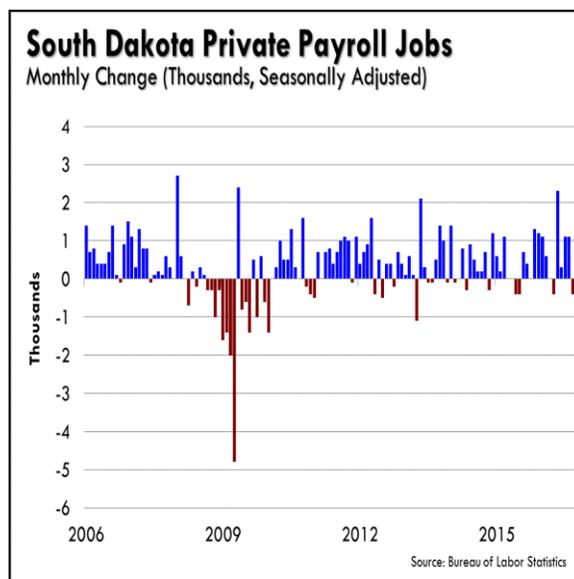
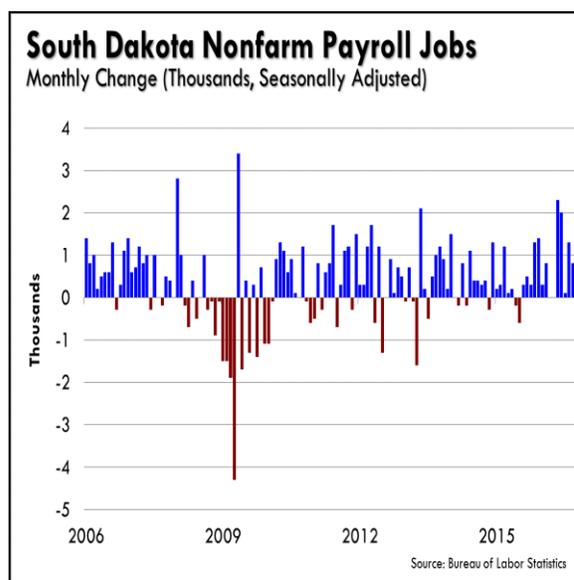
South Dakota nonfarm payrolls increased by 800 jobs, or 0.18 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls increased by 1,300. Over the past 12 months, nonfarm payrolls in South Dakota increased by 10,600, or 2.48 percent. South Dakota nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally, nonfarm payrolls increased by 156,000 jobs in September, or 0.11 percent. Over the 12-month period ending September 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. South Dakota ranks 12th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During September, South Dakota private-sector payrolls declined by 400, or 0.11 percent. Private-sector payrolls increased by 1,100 jobs in the prior month. Over the past 12 months, private-sector payrolls in South Dakota increased by 8,200, or 2.34 percent. South Dakota private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 167,000 jobs in September, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,302,000 jobs in the private-sector, an increase of 1.91 percent. South Dakota ranks 18th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

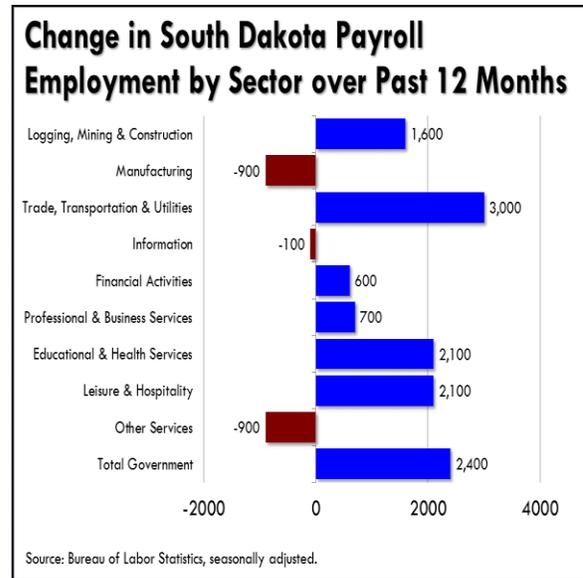
During September, total government payroll employment in South Dakota increased by 1,200, or 1.52 percent. Federal government payroll employment increased by 200, or 1.80 percent. State government payroll employment increased by 300, or 1.62 percent, while local government payroll employment increased by 700, or 1.42 percent.



Over the past year, total government payroll employment increased by 2,400, or 3.09 percent. State government payroll employment increased by 400, or 2.17 percent. Local government payroll employment increased by 1,800, or 3.73 percent.

The best performing sectors on a seasonally adjusted basis during September were Leisure & Hospitality (+1,500) and Total Government (+1,200). The poorest performing sectors during the month were Other Services (-1,000) and Trade, Transportation & Utilities (-700).

The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+3,000) and Total Government (+2,400). The poorest performing sectors during the last twelve months were Other Services (-900) and Manufacturing (-900).

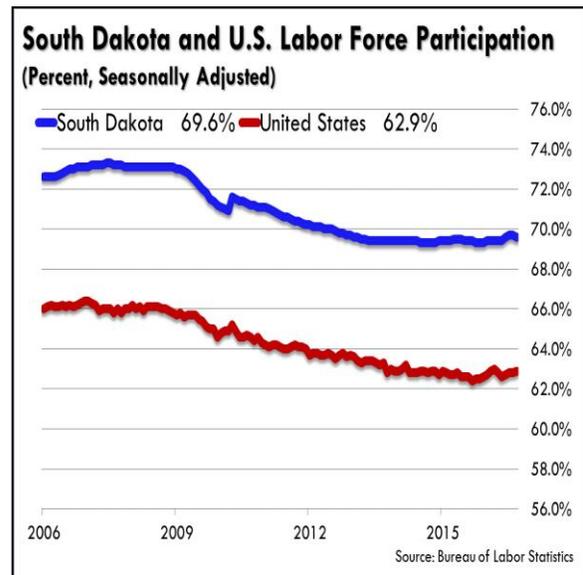


Other South Dakota Labor Force Statistics

The labor force participation rate in South Dakota declined to 69.6 percent in September from 69.7 percent the prior month. At 69.6 percent, South Dakota has one of the five highest labor force participation rates in the nation. The labor force participation rate in South Dakota is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in South Dakota was 73.3 percent in July 2007. The series high for the labor force participation rate in South Dakota occurred in July 2004 when the labor force participation rate hit 73.4 percent. The 10-year low for the labor force participation rate was 69.3 percent in December 2015. The series low for the labor force participation rate occurred in August 1976 when the labor force participation rate hit 64.3 percent.

The national labor force participation rate rose by 0.1 percentage point to 62.9 percent in September, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the South Dakota civilian noninstitutionalized population 16 years and older counted as employed, was unchanged at 67.6 percent in September. At 67.6 percent, South Dakota has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in South Dakota is 0.4 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in South Dakota was 71.2 percent in February 2008. The series high for the employment-to-population ratio in South Dakota occurred in February 2000 when the employment-to-population ratio hit 71.4 percent. The 10-year low for the employment-to-population ratio was 66.8 percent in November 2013. The series low for the employment-to-population ratio occurred in September 1976 when the employment-to-population ratio was 62.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.8 percent in September. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for October is scheduled for release on November 18, 2016. The national employment situation report for October will be released on Friday, November 4, 2016.

