



South Dakota Economic Update

June 17, 2016

Summary

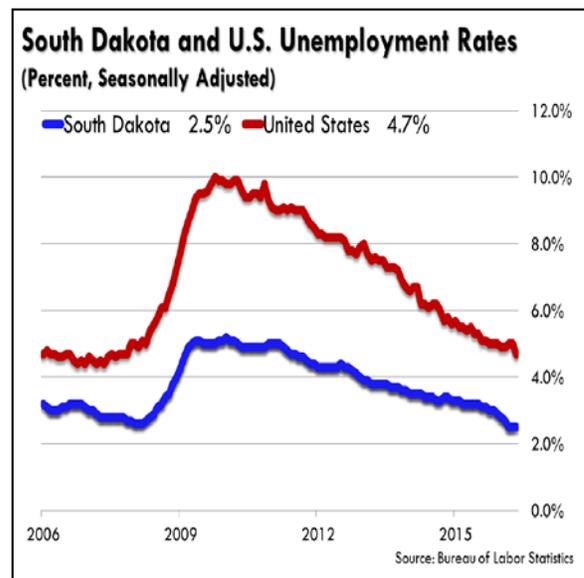
Nonfarm payroll employment in South Dakota increased by 1,600 jobs and the unemployment rate was unchanged at 2.5 percent in May according to data released by the Bureau of Labor Statistics (BLS).

South Dakota Unemployment Rate

During May, the unemployment rate in South Dakota was unchanged at 2.5 percent. The number of people counted as unemployed rose by 183 in May to 11,558, while the labor force grew by 205 to 454,673. South Dakota posted the lowest unemployment rate in the nation. A year earlier, the unemployment rate in South Dakota stood at 3.2 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 reached 2.4 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 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 1,600 jobs, or 0.37 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls was unchanged. Over the past 12 months nonfarm payrolls in South Dakota increased by 5,700, or 1.33 percent. South Dakota nonfarm payroll employment has increased in 8 of the past 12 months.

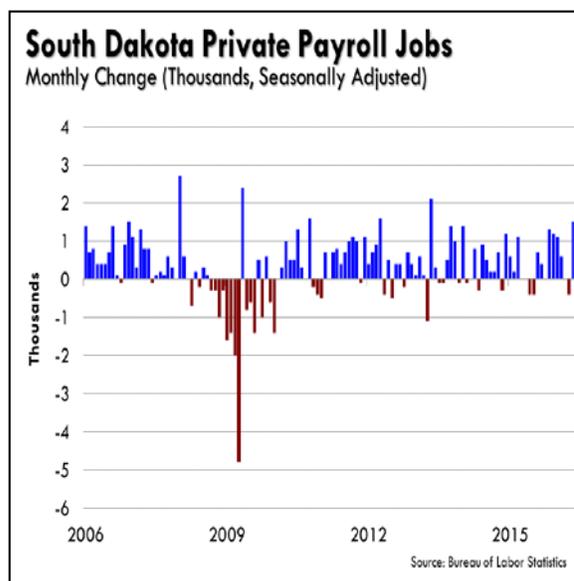
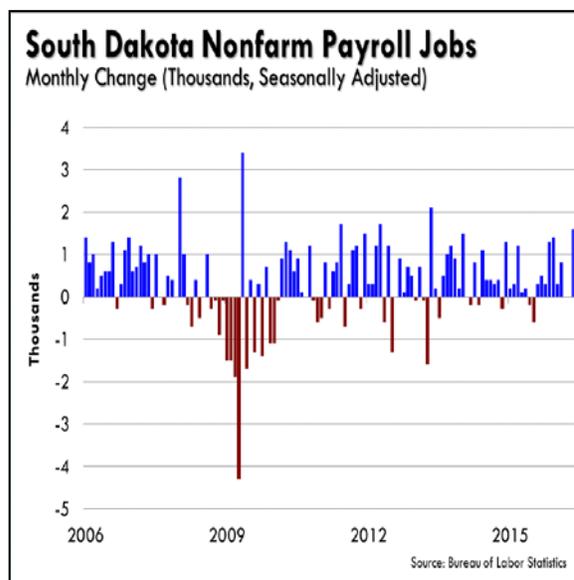
Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. South Dakota ranks 26th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, South Dakota private sector payrolls increased by 1,500, or 0.42 percent. Private sector payrolls declined by 400 jobs in the prior month. Over the past 12 months, private sector payrolls in South Dakota increased by 5,600, or 1.60 percent. South Dakota private sector payroll employment has increased in 7 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent.

South Dakota ranks 24th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in South Dakota increased by 100, or 0.13 percent. Federal government payroll employment increased by 100, or 0.90 percent. State government payroll employment declined by 100, or 0.55 percent, while local government payroll employment increased by 100, or 0.21 percent.



Over the past year, total government payroll employment increased by 100, or 0.13 percent. State government payroll employment declined by 300, or 1.62 percent. Local government payroll employment increased by 300, or 0.62 percent.

The best performing sectors on a seasonally adjusted basis during May were Manufacturing (+900) and Educational & Health Services (+800). The poorest performing sectors during the month were Leisure & Hospitality (-700) and Logging, Mining & Construction (-200).

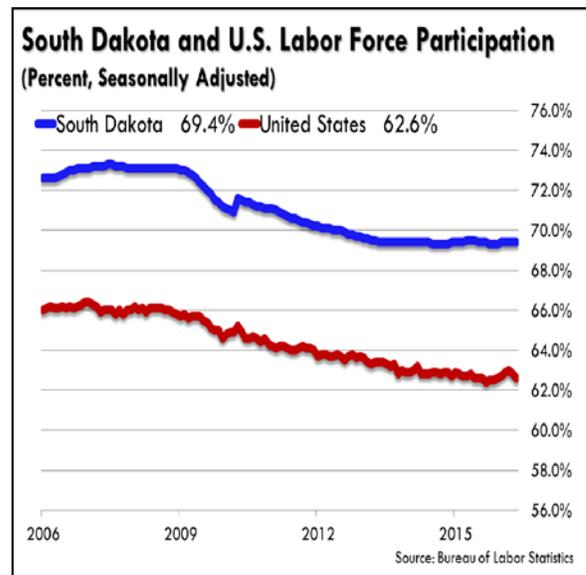
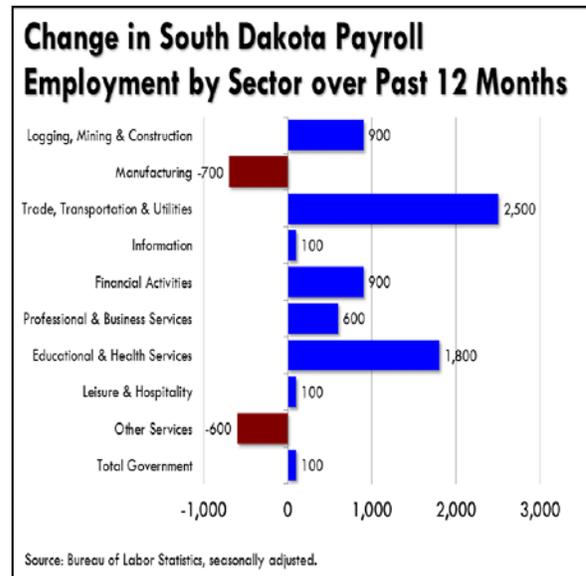
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+2,500) and Educational & Health Services (+1,800). The poorest performing sectors for the year were Manufacturing (-700) and Other Services (-600).

Other South Dakota Labor Force Statistics

The labor force participation rate in South Dakota was unchanged at 69.4 percent in May. Among the 50 states and the District of Columbia, 5 have a higher labor force participation rate than South Dakota. 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 declined by 0.2 percentage point to 62.6 percent in May 2016, 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, rose to 67.7 percent in May from 67.6 percent the prior month. At 67.7 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 hit 62.2 percent.

The national employment-to-population ratio held steady at 59.7 percent in May. That rate was 0.3 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 June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

