

Our Cities as Economic Engines

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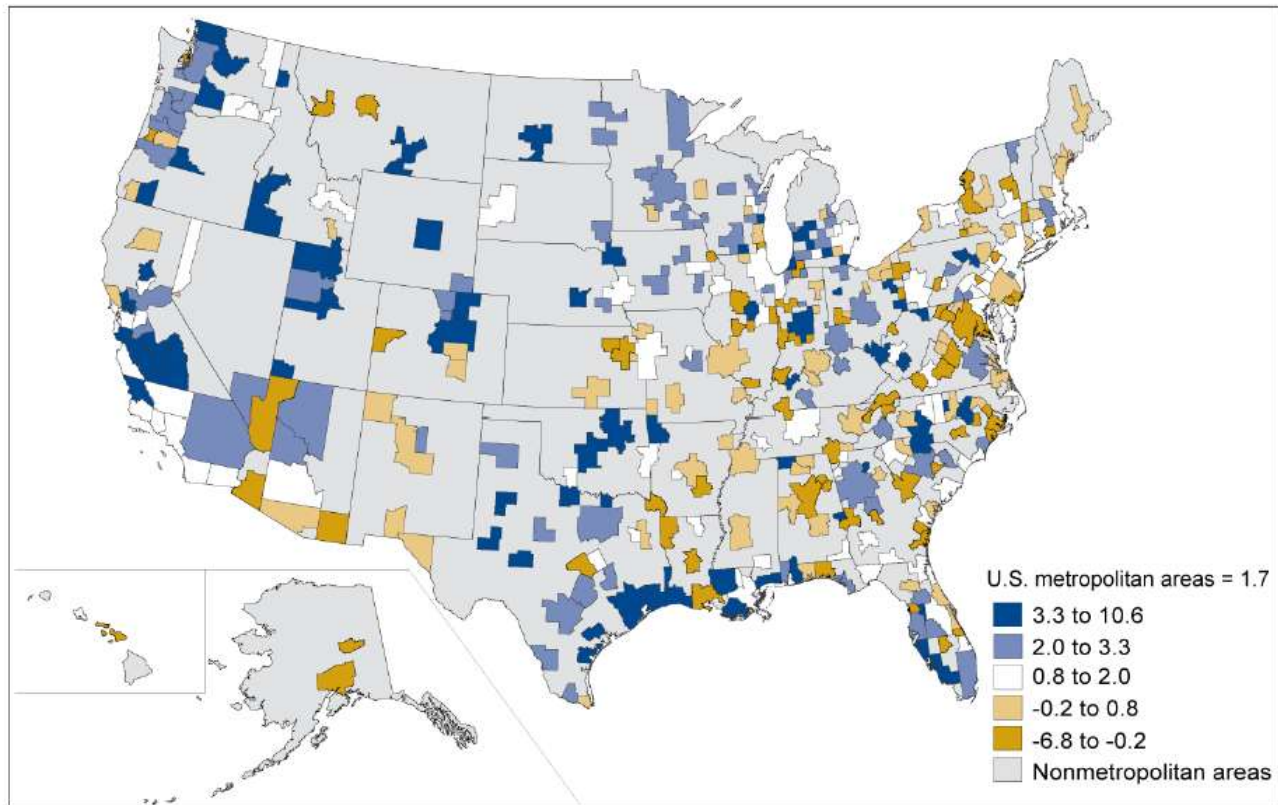
Thursday, October 8, 2015

Focus on the Economy Session

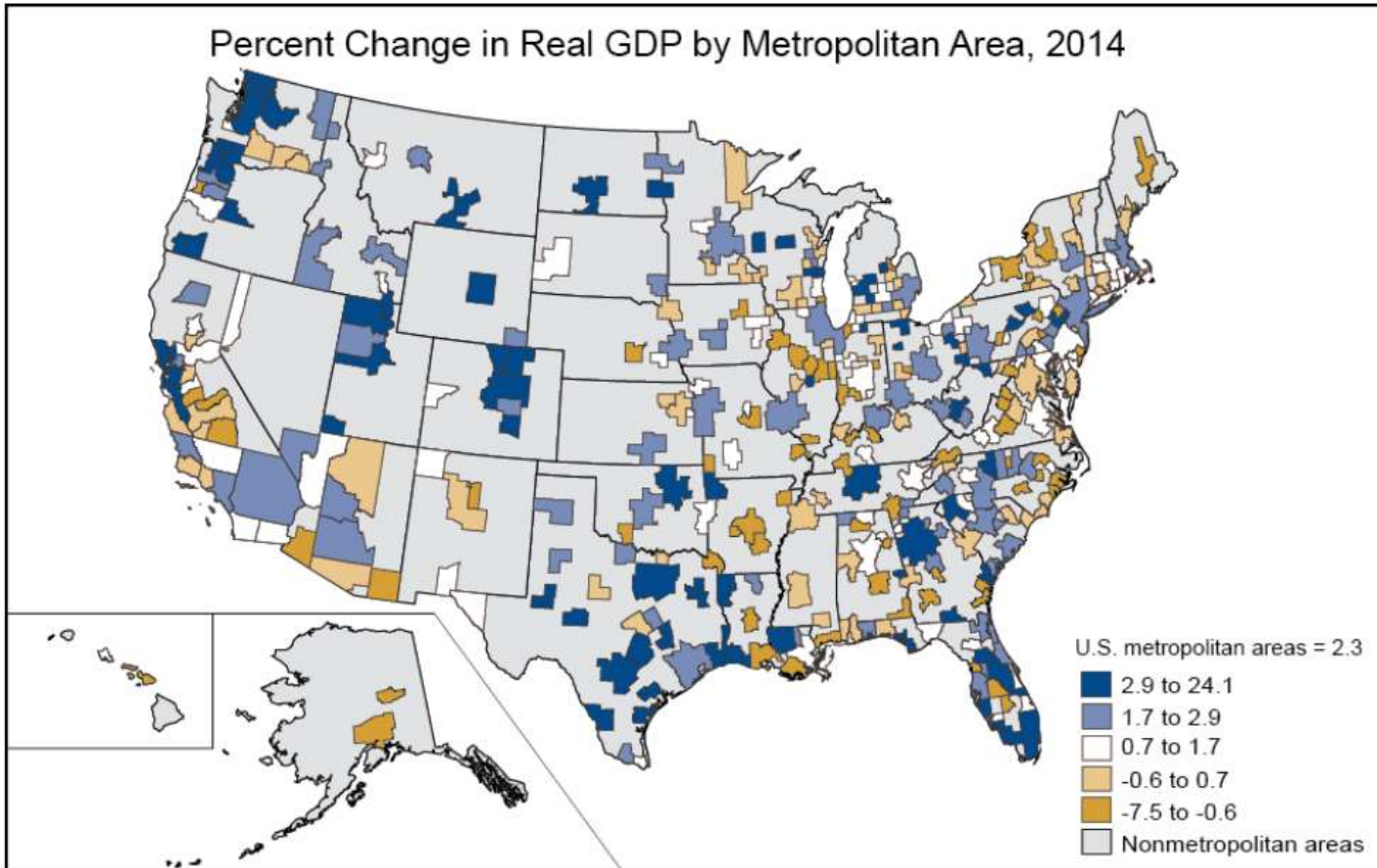
South Dakota Demography Conference

2013 – Strong Metro Growth in Northern Great Plains

Percent Change in Real GDP by Metropolitan Area, 2013



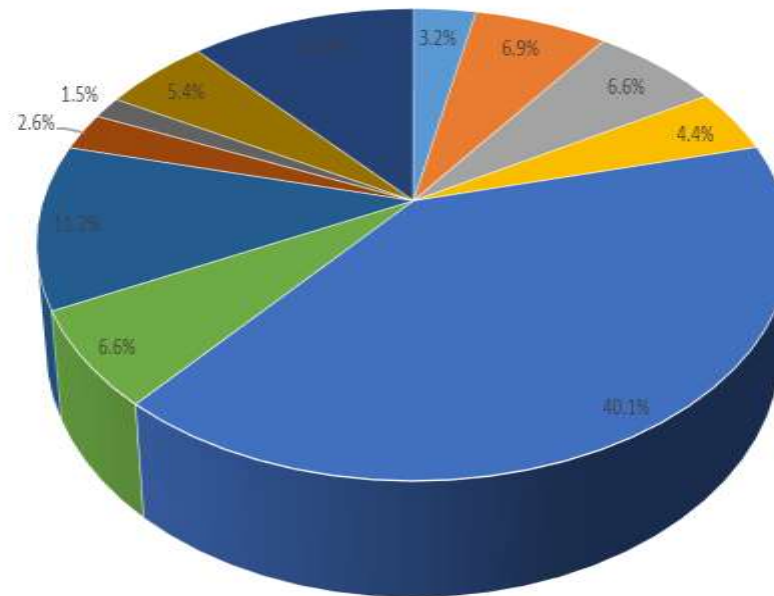
2014 – Growth Continues, Slow Downs in Mississippi Valley



U.S. Bureau of Economic Analysis

Sioux Falls

Sioux Falls GDP by Industry

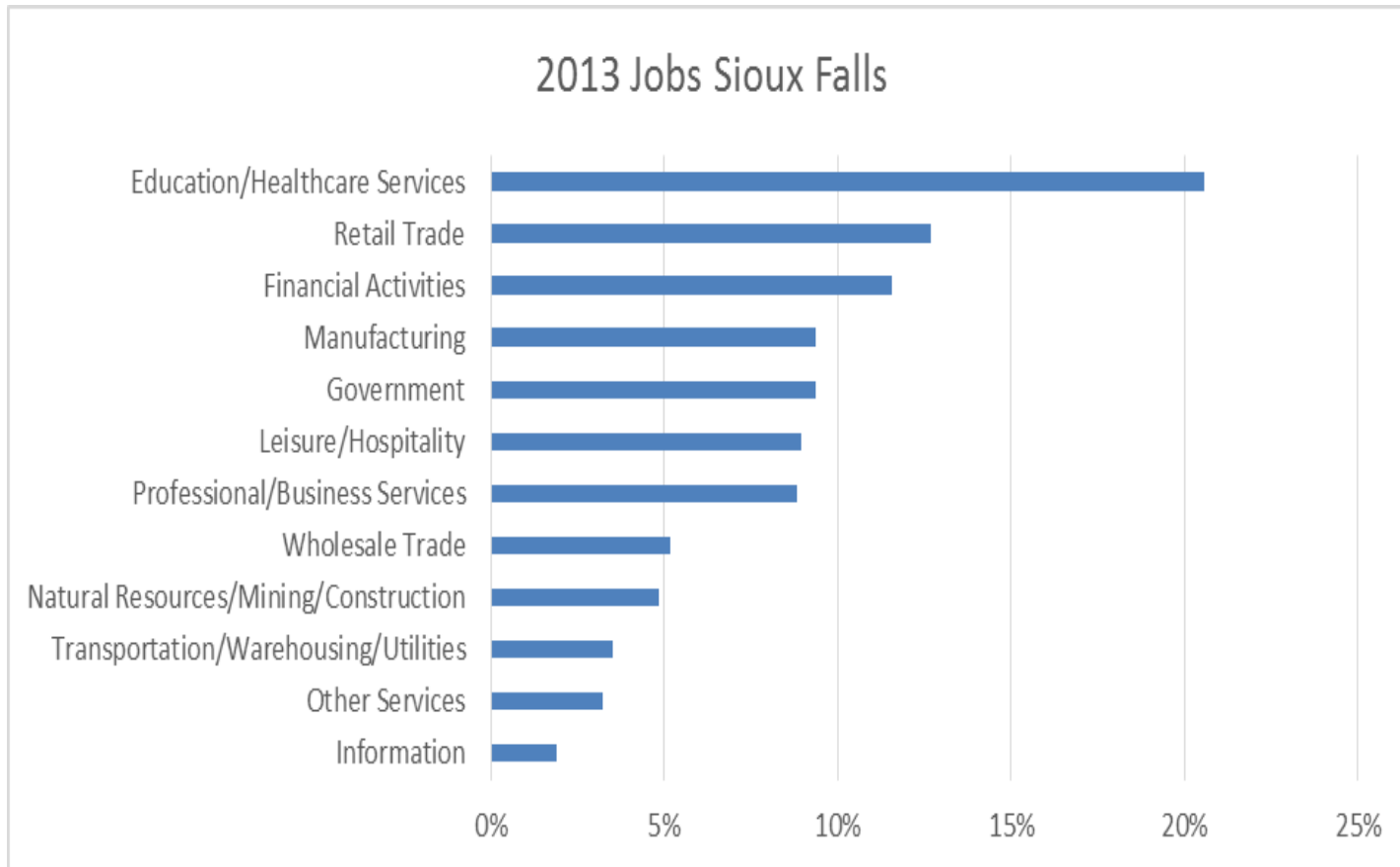


- Construction
- Retail trade
- Finance, insurance, real estate, rental, and leasing
- Educational services, health care, and social assistance
- Other services, except government
- Transportation, Utility, Mfg
- Wholesale trade
- Information
- Professional and business services
- Arts, entertainment, recreation, accommodation, and food services
- Government

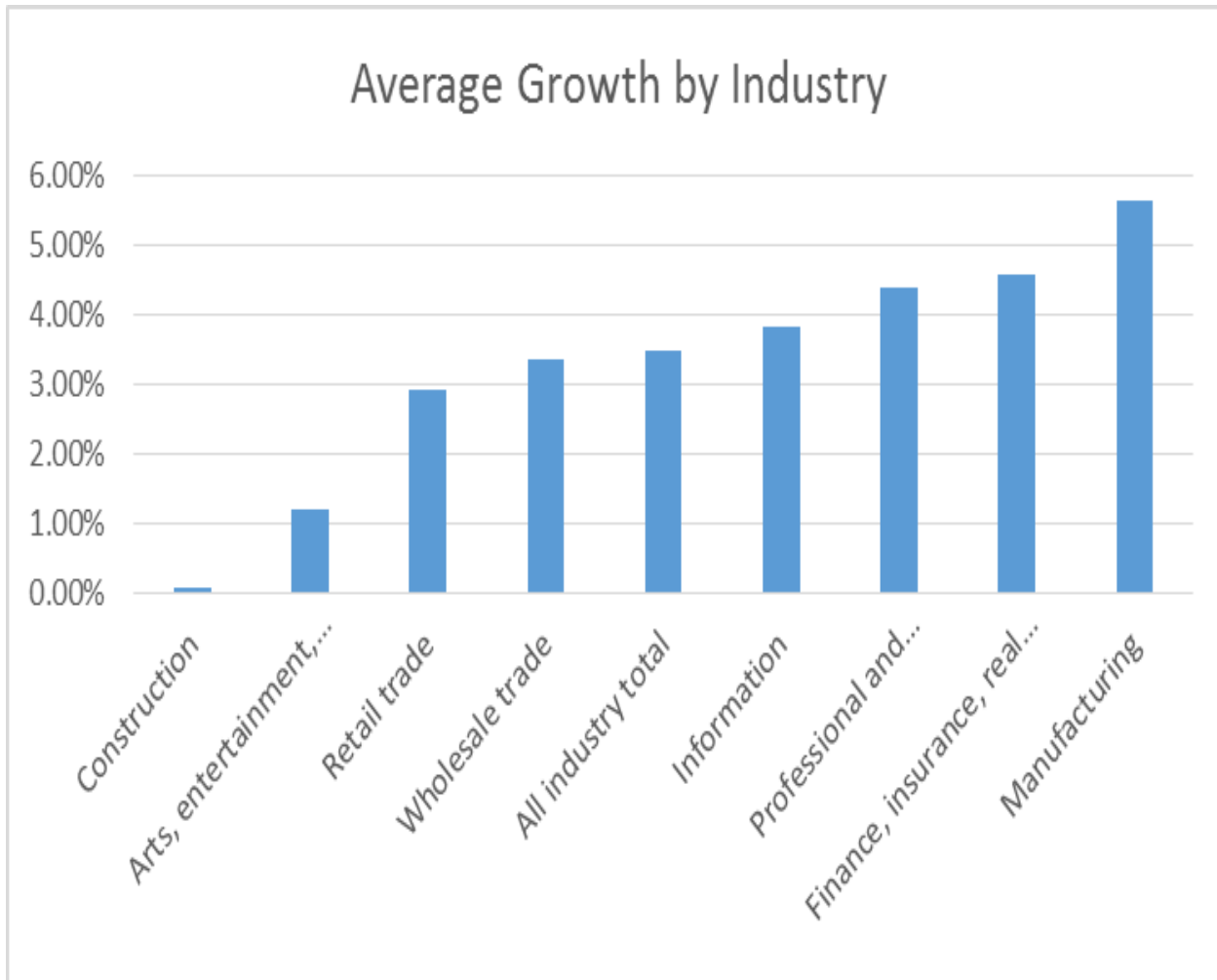
Sioux Falls MSA Sector Change

	2014	2013
Natural Resrouces & Mining	(D)	(D)
Construction	-0.07	0.18
Durable Goods Manufacturing	0.23	0.17
Nondurable Goods Manufacturing	0.04	-0.17
Trade	0.9	0.22
Transportation and Utilities	(D)	(D)
Information	0.06	-0.15
Finance, Insurance, Real Estate, Rental & Leasing	0.14	1.26
Professional and Business Services	0.38	-0.01
Education, Healthcare & Soc Services	(D)	0.55
Arts, Entertainment, Recreation, Lodging & Food	0.1	0.05
Other Services	0.02	0.04
Government	0.07	-0.04
Total	1.7	2.5

Sioux Falls Area Jobs

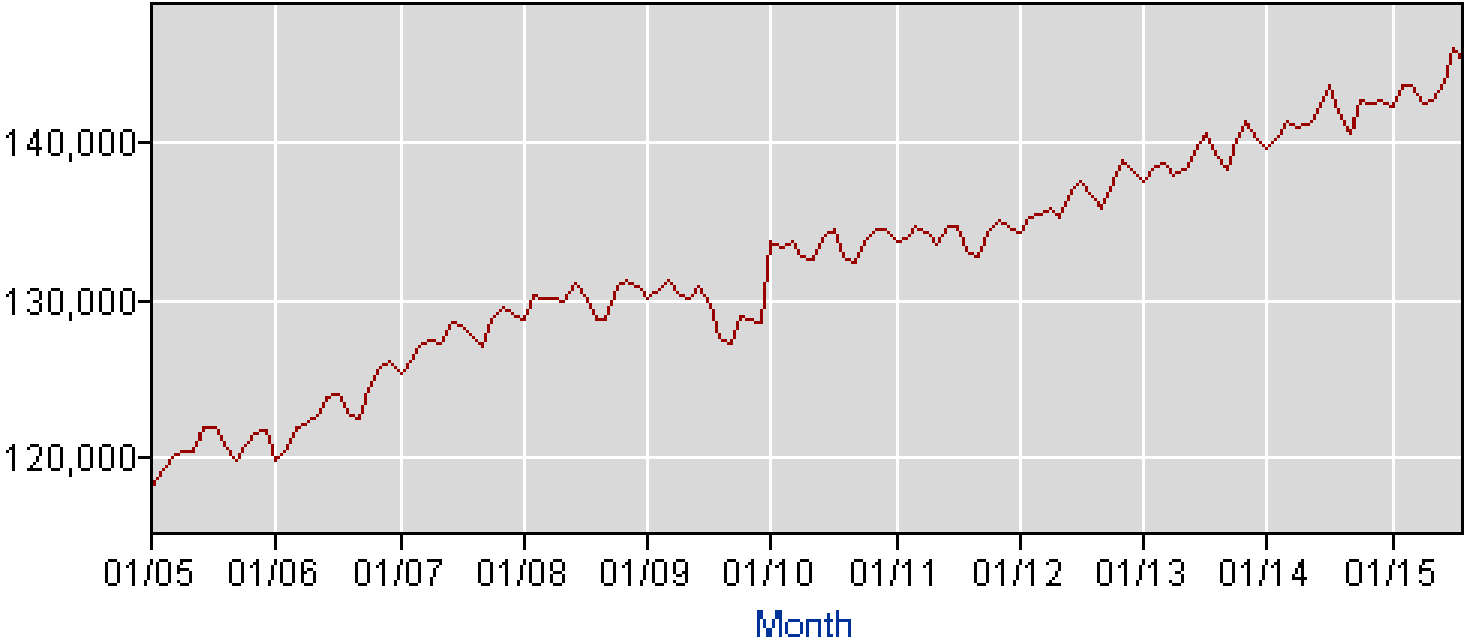


Average GDP Growth by Industry (Sioux Falls, 2001-2014)



Steady Growth in SF Workforce

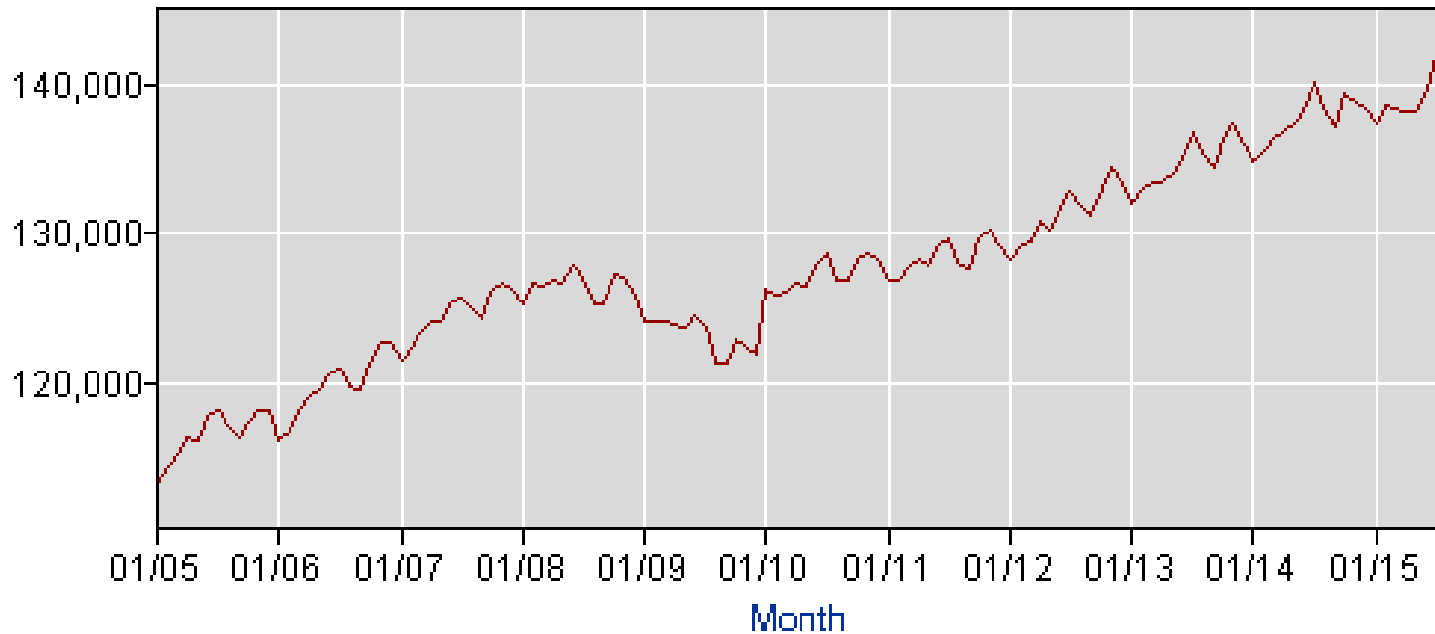
labor force



US Bureau of Labor Statistics

And Growth in Employment

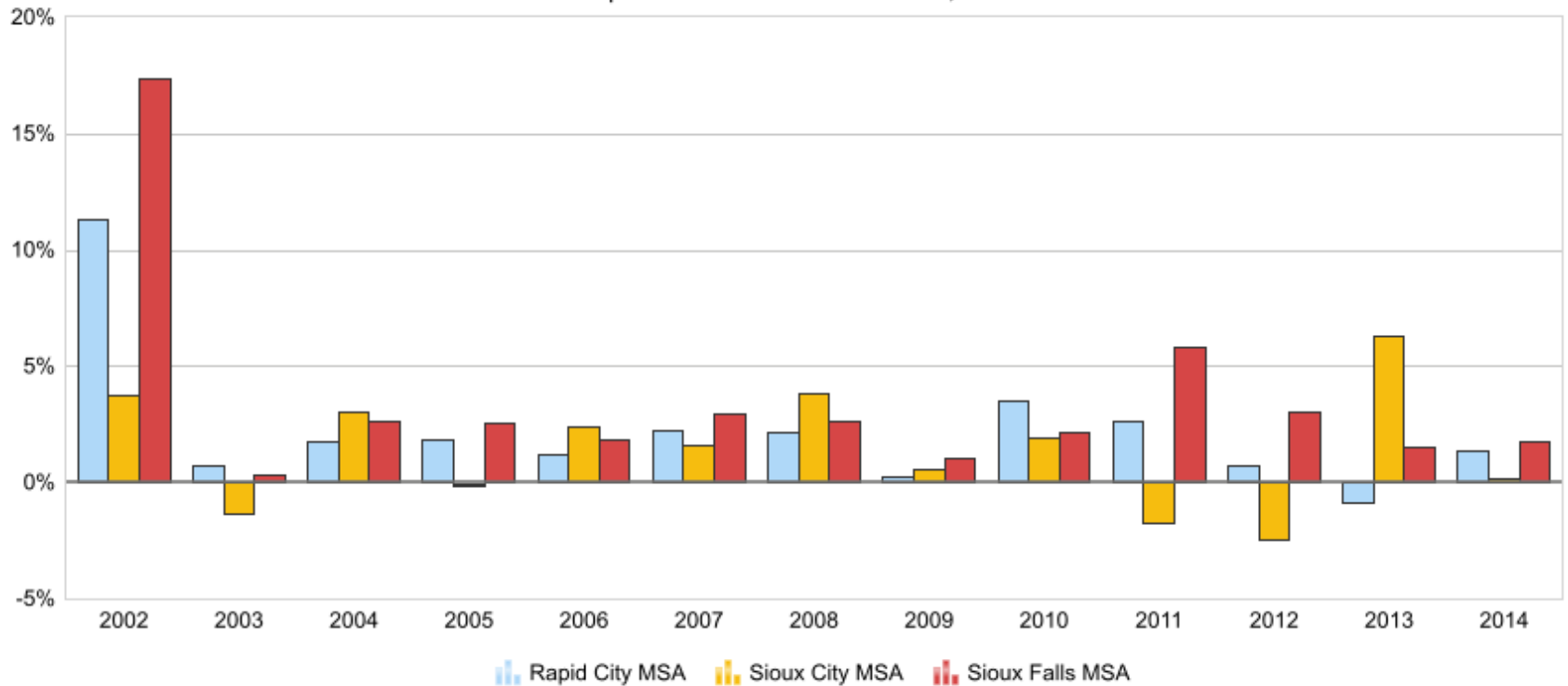
employment



Rapid City

Signs of a Turnaround?

Annual change in real GDP by metropolitan area
Metropolitan areas in South Dakota, 2002-2014



Slow, Uneven Growth

BREAKDOWN: By metropolitan area (annual change) ▾

VIEW: Data & notes ▾

Annual change in real GDP by metropolitan area

Metropolitan areas in South Dakota, 2002-2014

Rapid City metropolitan area	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual percent change in real GDP	11.3%	0.7%	1.7%	1.8%	1.2%	2.2%	2.1%	0.2%	3.5%	2.6%	0.7%	-0.9%	1.3%
Real GDP (billions of 2009 dollars)	\$4.7	\$4.7	\$4.8	\$4.9	\$4.9	\$5.0	\$5.1	\$5.1	\$5.3	\$5.5	\$5.5	\$5.4	\$5.5

A Tale of Two Cities

BREAKDOWN: By metropolitan area (annual change) ▾

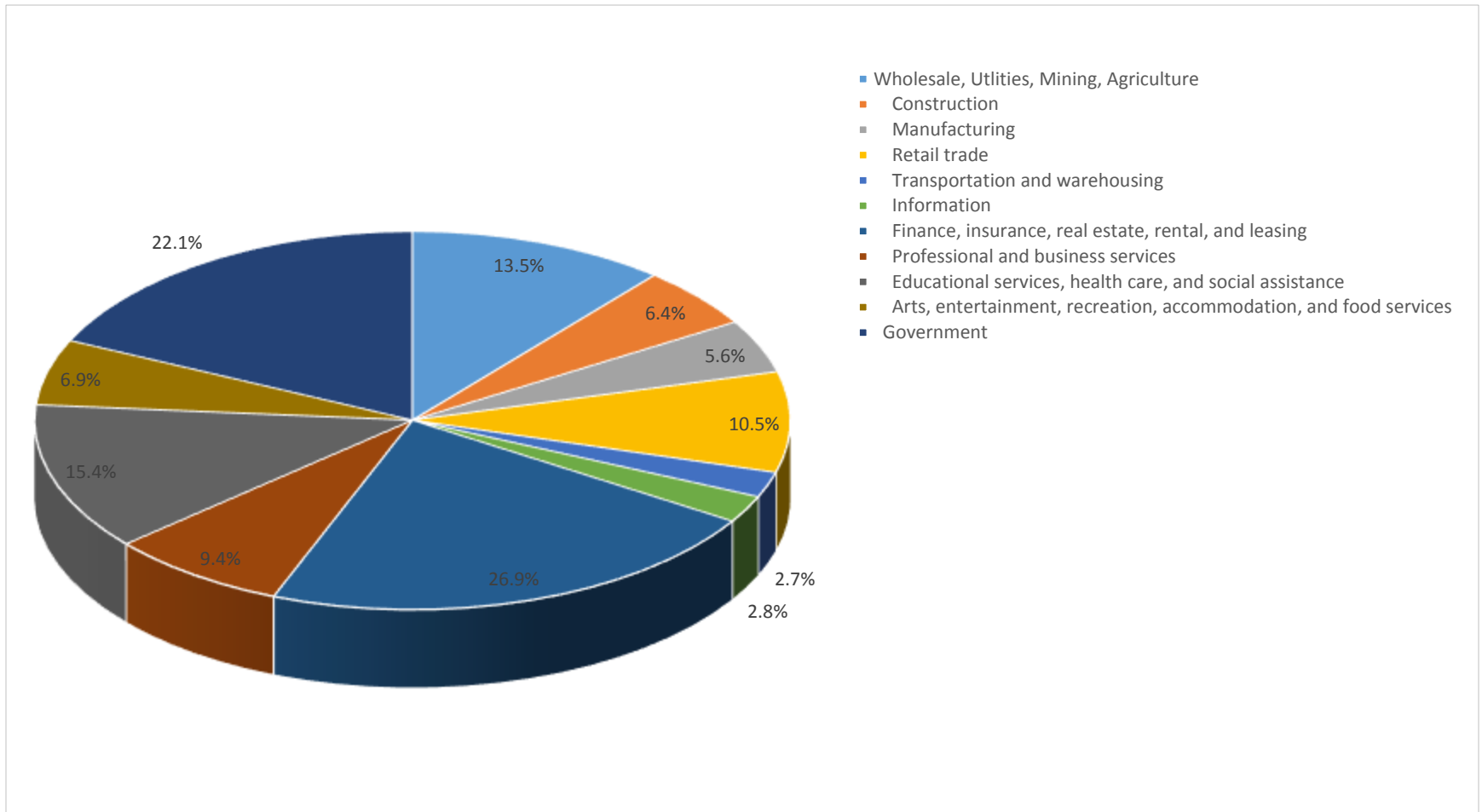
VIEW: Data & notes ▾

Annual change in real GDP by metropolitan area

Metropolitan areas in South Dakota, 2002-2014

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Sioux City metropolitan area	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual percent change in real GDP	3.7%	-1.4%	3.0%	-0.1%	2.4%	1.6%	3.8%	0.5%	1.9%	-1.8%	-2.5%	6.3%	0.1%
Real GDP (billions of 2009 dollars)	\$6.9	\$6.8	\$7.0	\$7.0	\$7.2	\$7.3	\$7.5	\$7.6	\$7.7	\$7.6	\$7.4	\$7.9	\$7.9
Sioux Falls metropolitan area	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual percent change in real GDP	17.3%	0.3%	2.6%	2.5%	1.8%	2.9%	2.6%	1.0%	2.1%	5.8%	3.0%	1.5%	1.7%
Real GDP (billions of 2009 dollars)	\$12.4	\$12.4	\$12.7	\$13.1	\$13.3	\$13.7	\$14.0	\$14.2	\$14.5	\$15.3	\$15.8	\$16.0	\$16.3

Rapid City Metro GDP By Sector



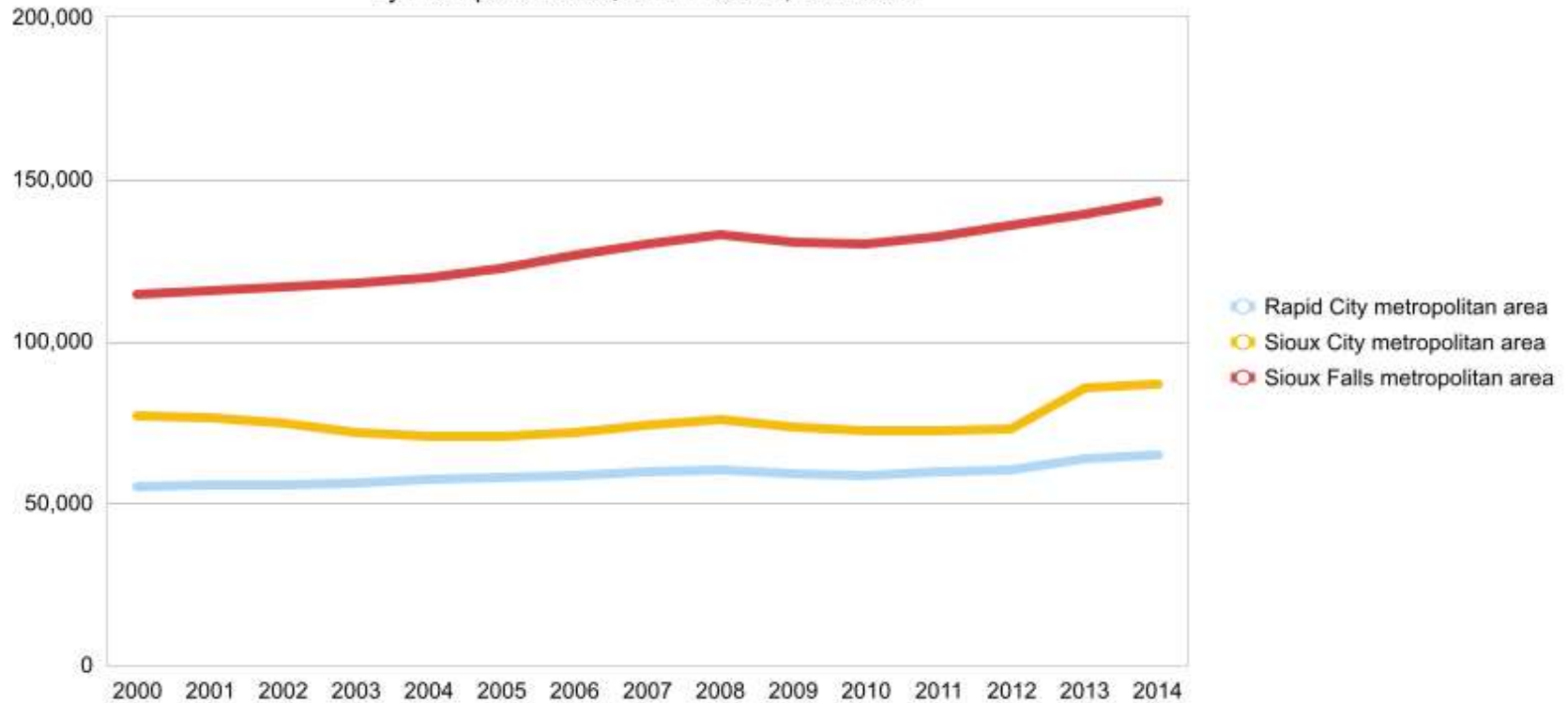
RC MSA Sector Change

	2014	2013
Wholesale & Retail Trade	0.59	0.41
Professional & Business Services	0.29	0.07
Education, Health Care & Soc Services	0.24	0.30
Durable Goods Manufacturing	0.20	0.17
Government	0.12	-0.39
Transportation and Utilities	0.04	-0.08
Information	0.02	0.00
Other Services	0.02	-0.11
Finance, Insurance, Real Estate, Rental & Leasing	0.01	0.41
Construction	0.00	-0.13
Arts, Entertainment, Recreation, Lodging & Food	-0.04	0.15
Nondurable Goods Manufacturing	-0.07	0.04
Natural Resources and Mining	-0.14	0.15
	1.28	0.99

Job Growth Tracks with GDP

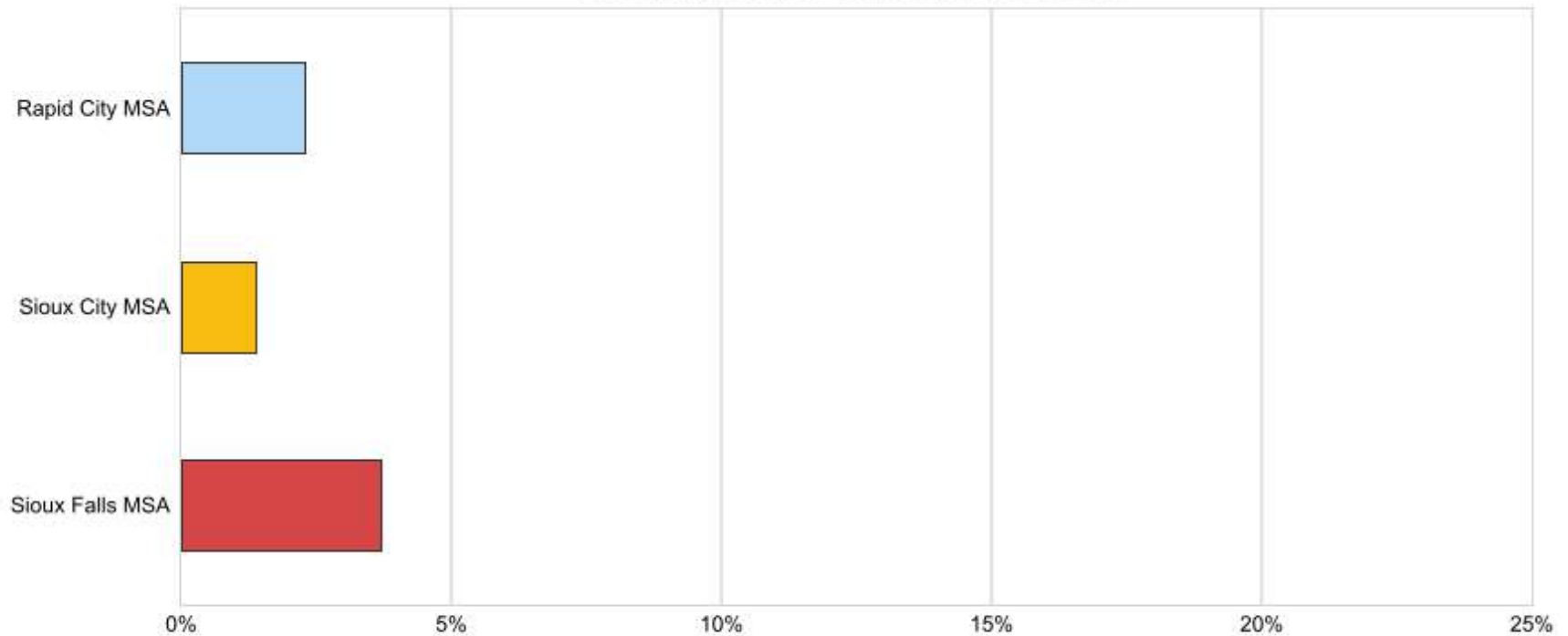
Total nonfarm payroll jobs

By metropolitan area, South Dakota, 2000-2014



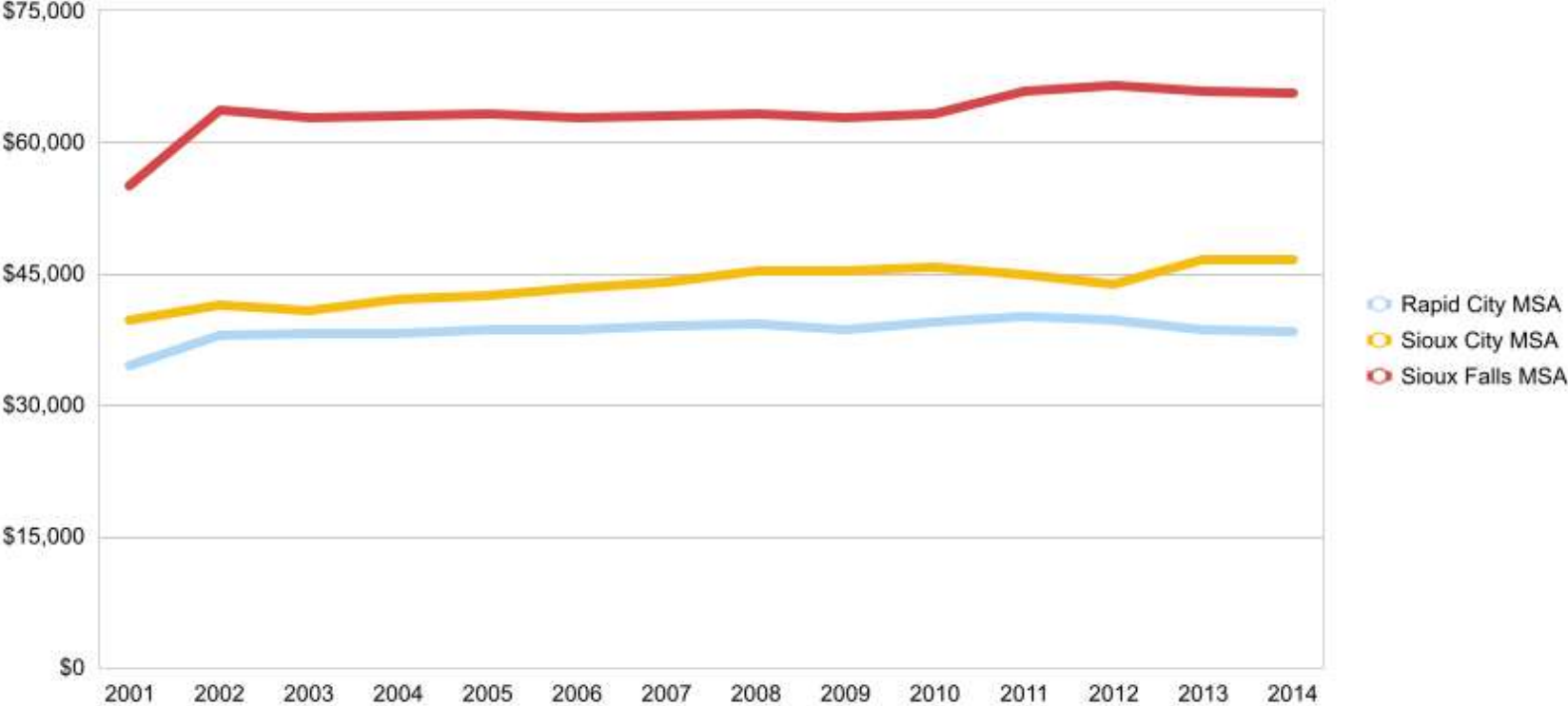
Since 2001, RC Metro Growth Has Averaged 2.3 Percent

Real compound annual growth rate
of Gross Domestic Product
Metropolitan areas in South Dakota, 2001-2014

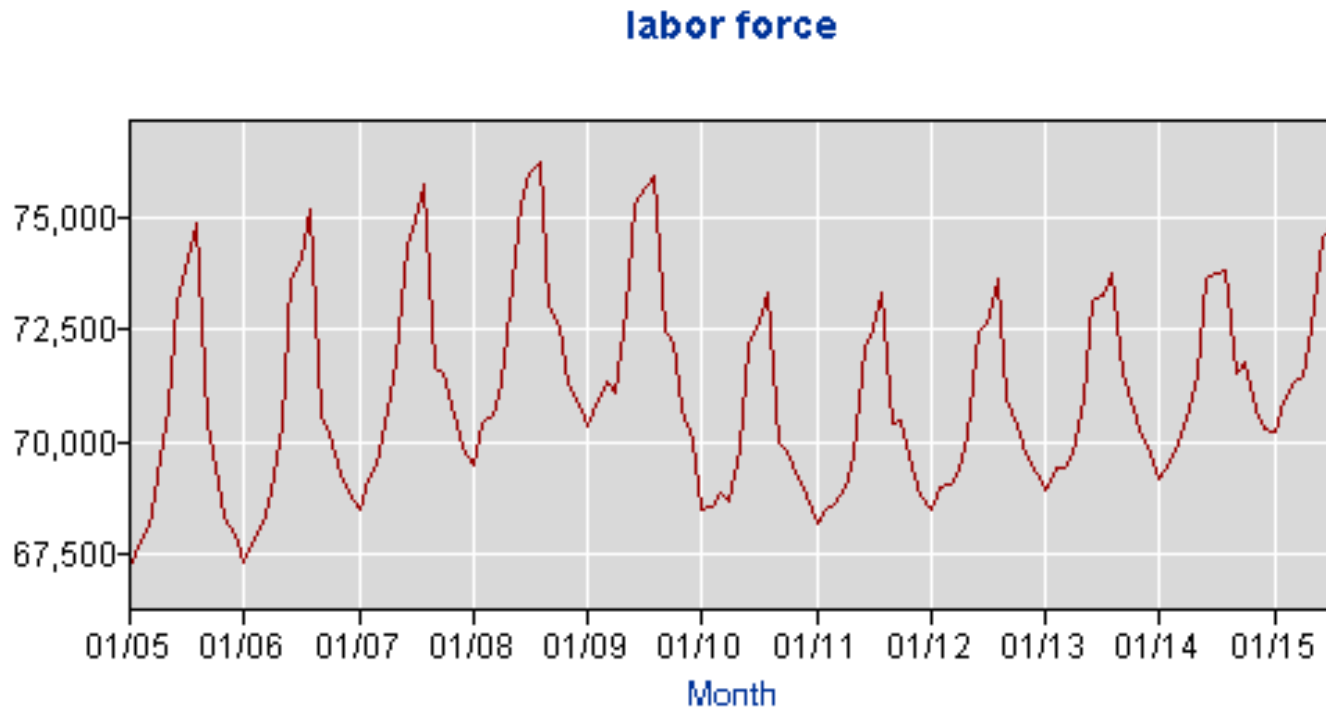


Per Capita GDP Drives Wealth

Real per capita Gross Domestic Product
Metropolitan areas in South Dakota, 2001-2014



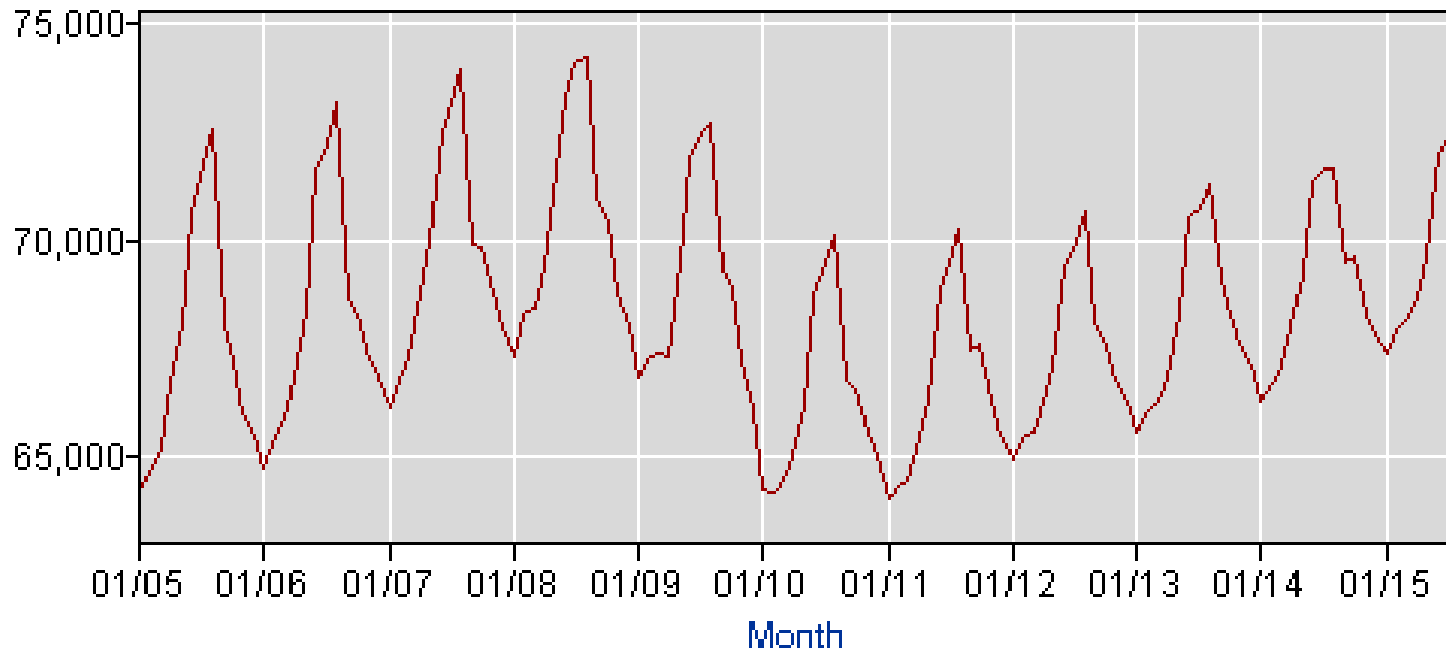
RC Workforce Still Below Peak



US Bureau of Labor Statistics

Total Employment In Recovery

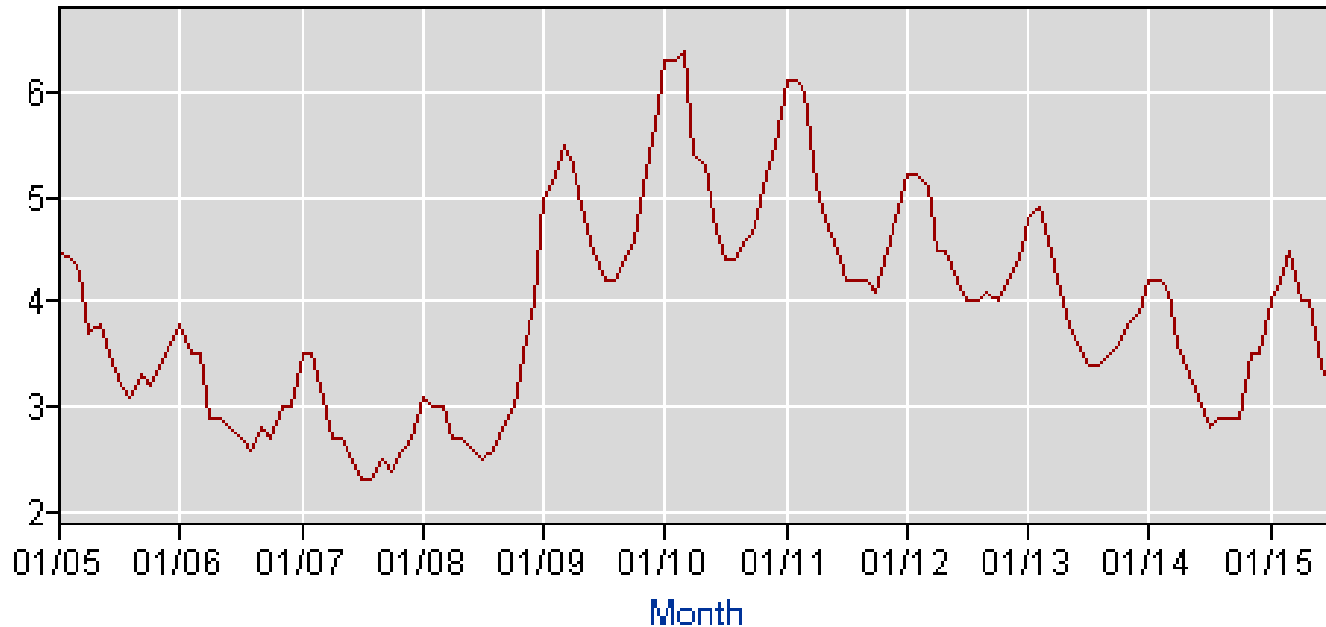
employment



US Bureau of Labor Statistics

While Unemployment Declines

unemployment rate

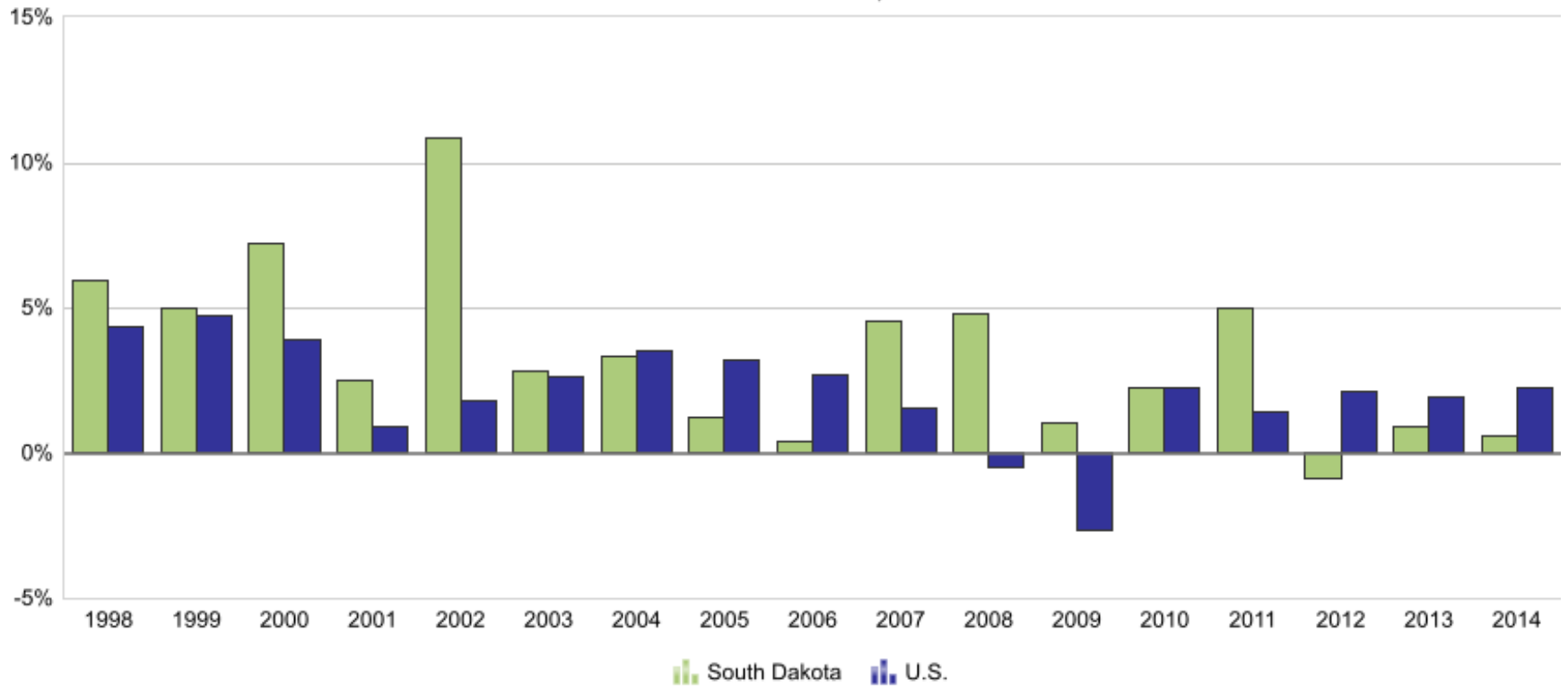


US Bureau of Labor Statistics

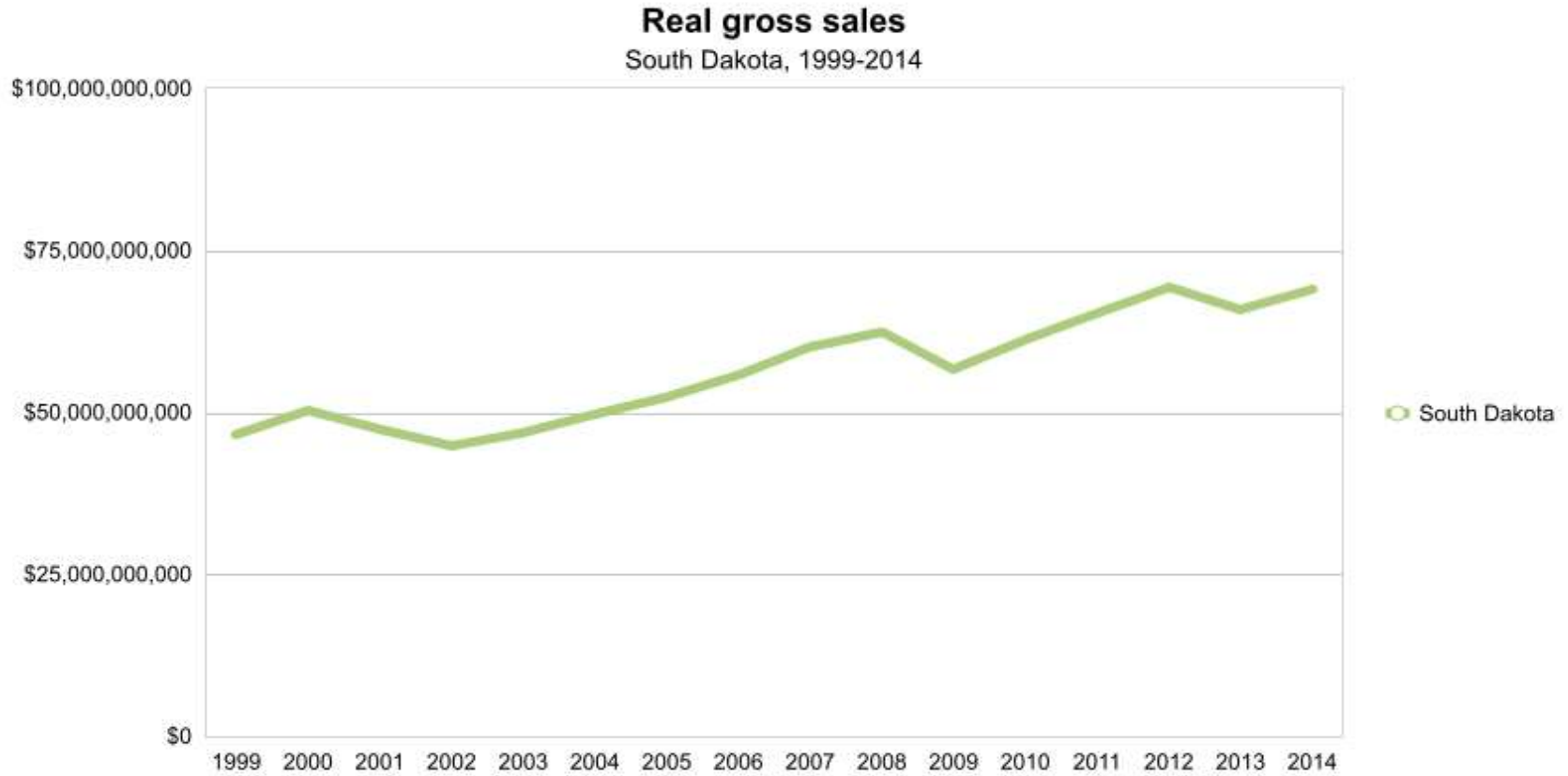
Metros v. State

Annual change in real Gross Domestic Product

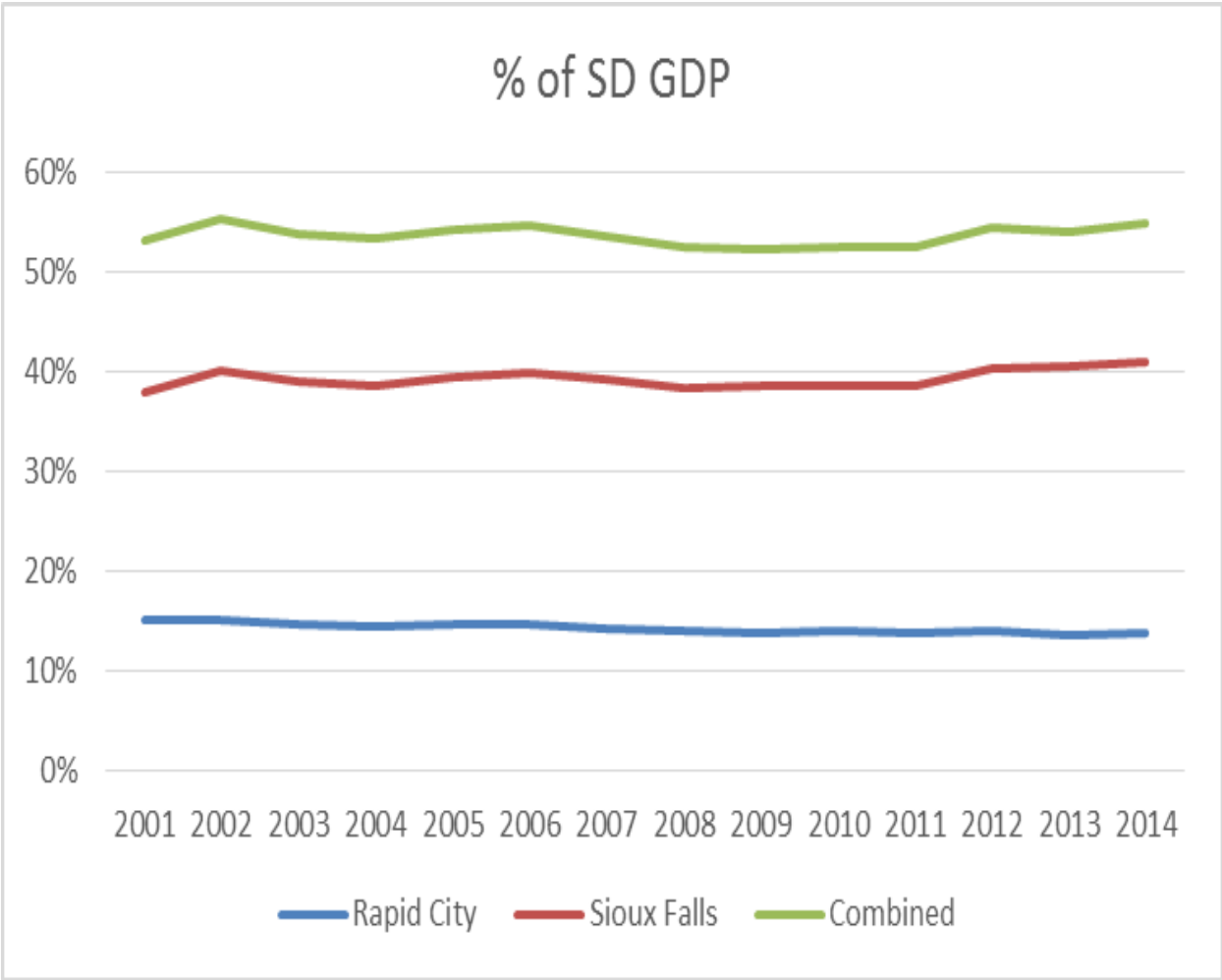
South Dakota and U.S., 1998-2014



Solid Growth over 15 Years

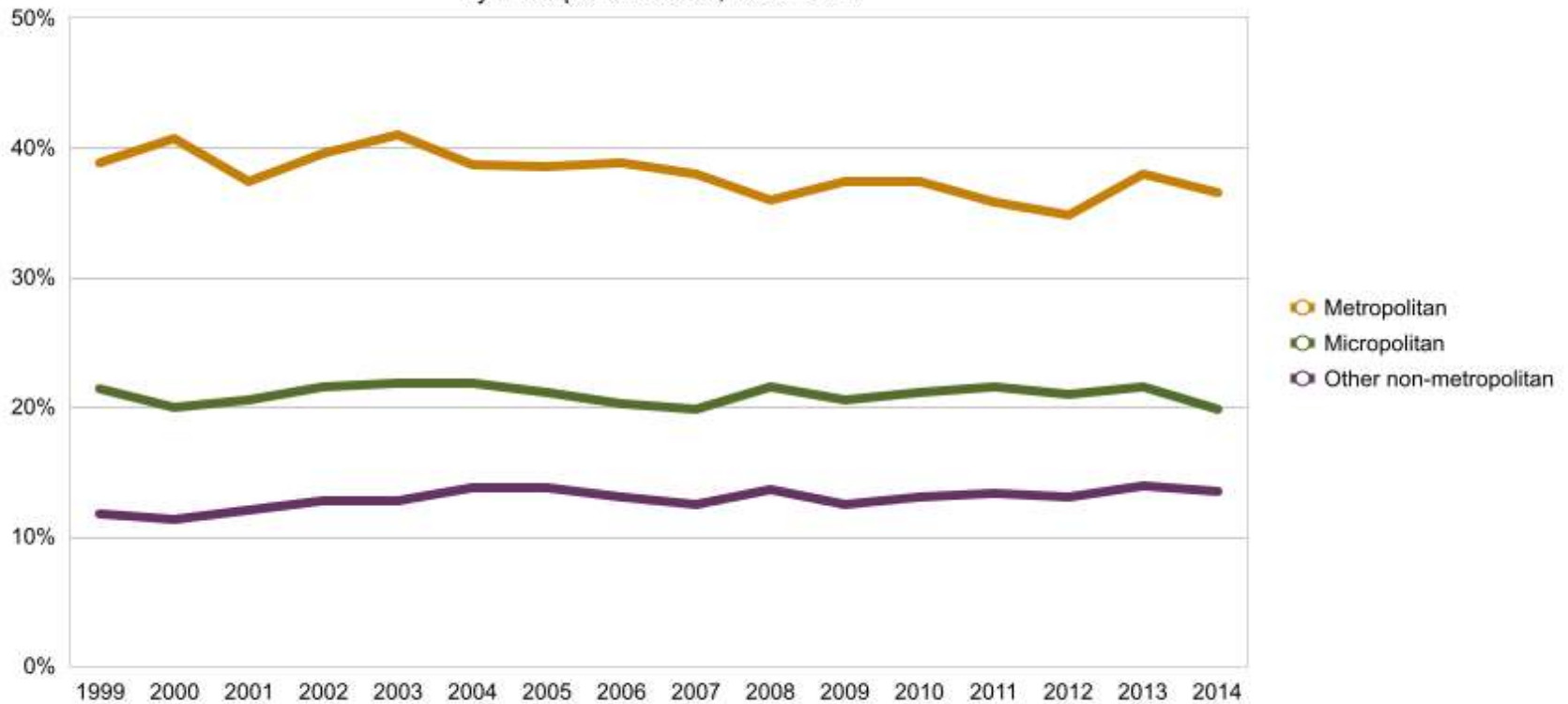


Metro Areas More Than Half SD GDP

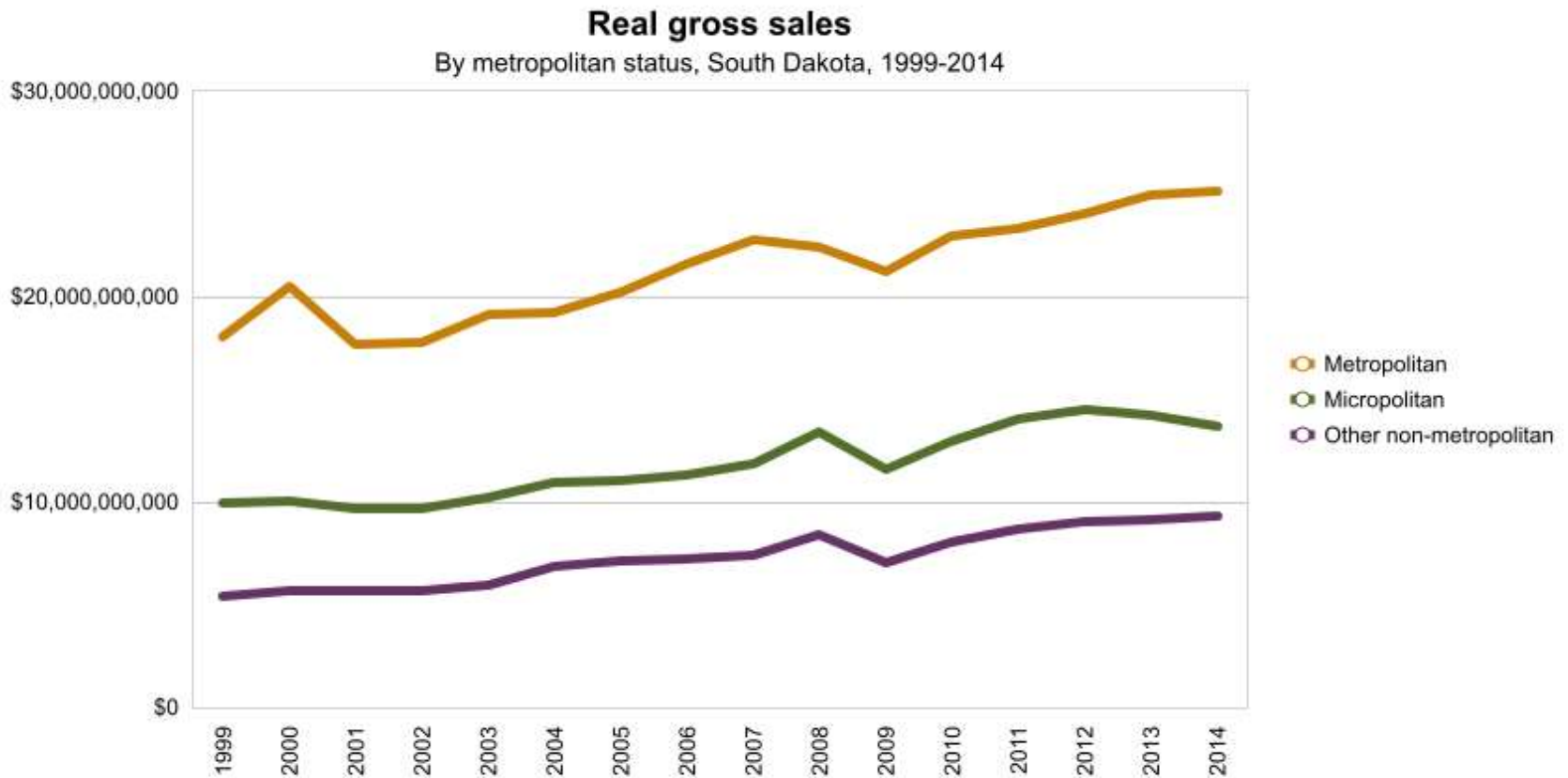


Declining Share of Gross Sales

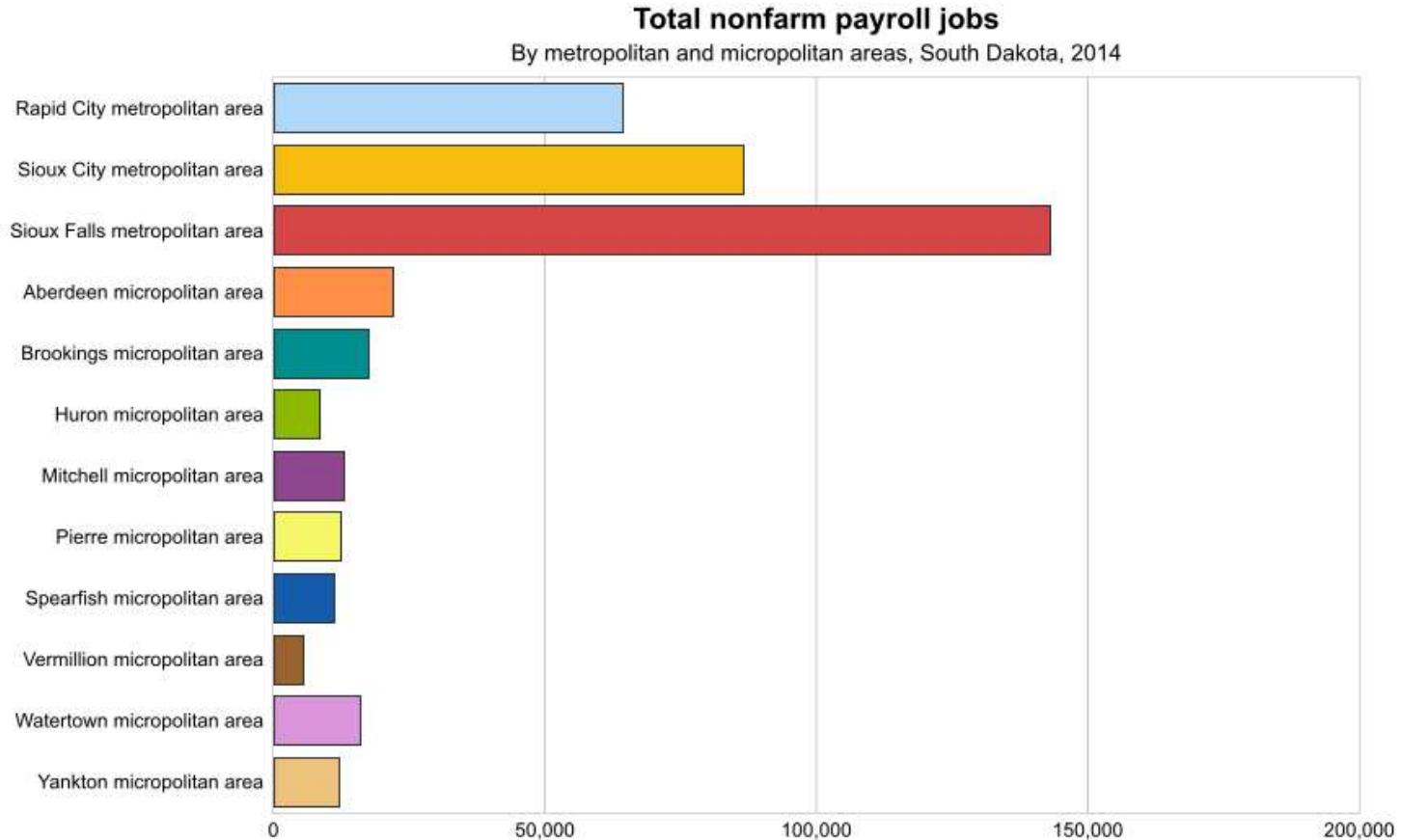
Share of total gross sales in state
By metropolitan status, 1999-2014



Total Gross Sales Roughly Equal Aggregate Metro GDP



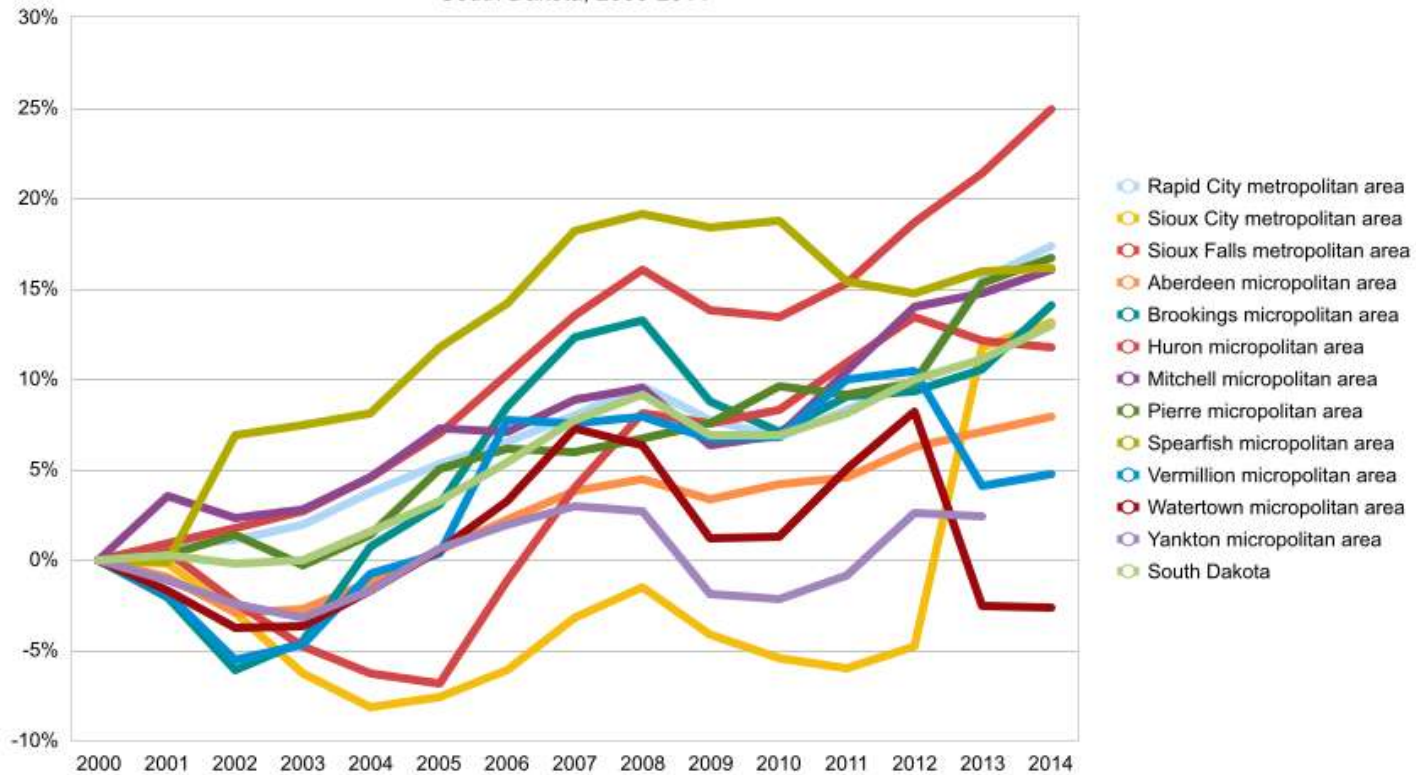
Metro Areas Drive Nonfarm Economy



Job Growth Greatest In Metro Areas

Percent change in jobs since 2000
by metropolitan and micropolitan areas

South Dakota, 2000-2014



**More Stability in
the Future?**

Does Agriculture Drive GDP Volatility?

Annual change in real Gross Domestic Product
South Dakota and U.S., 1998-2014

