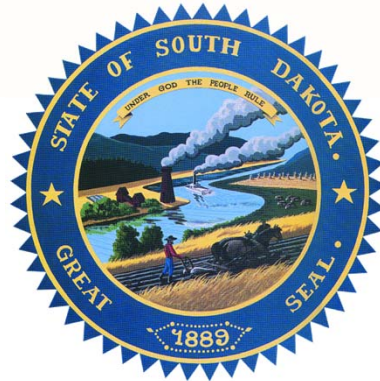


Governor's Council of Economic Advisors

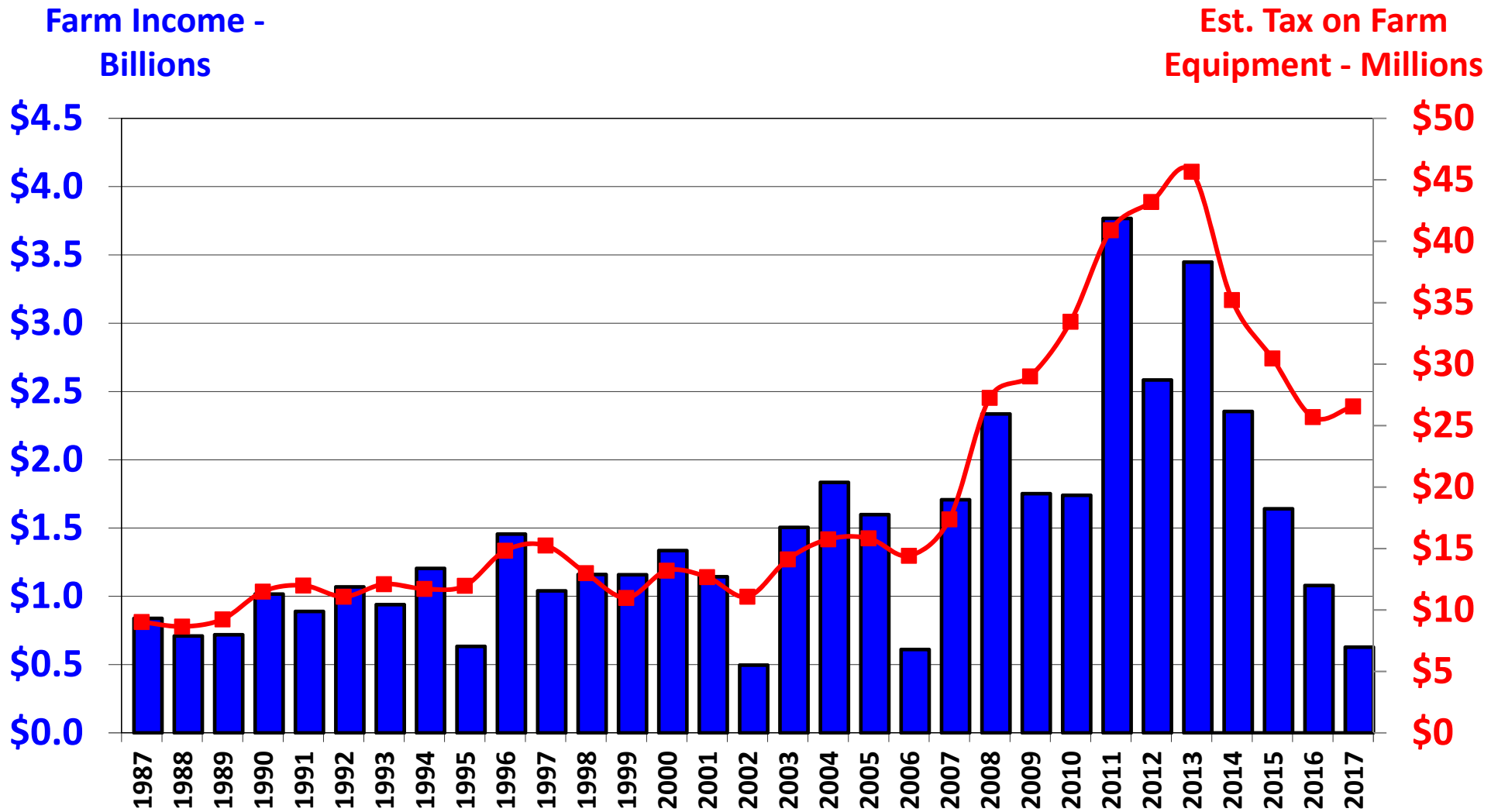


August 30, 2018

IHS Markit Economic Forecast for South Dakota Key Indicators (August '18)

	2016	2017	2018 f	2019 f	2020 f	'08-'17 avg.
SD Real GDP Growth	1.6%	0.3%	2.1%	2.6%	1.9%	1.8%
SD Nonfarm Employment	1.1%	0.9%	0.6%	1.4%	1.3%	0.8%
SD Nonfarm Income	6.7%	2.7%	2.5%	3.8%	4.5%	4.8%
SD Housing Starts	4,100	5,580	5,070	4,920	5,030	4,100
SD Unempl. Rate	3.1%	3.0%	3.3%	3.2%	2.9%	3.7%

SD Farm Income & Spending on Equipment



Source: BEA and SD Dept. of Revenue

FY2017 vs. FY2018 Taxable Sales Growth

Taxable Sales by Major Group Comparison				Average
	(in millions)			Growth from
<u>Top 15 Major Groups (82% of total)</u>	<u>FY17</u>	<u>FY18</u>	<u>% Chg</u>	<u>FY109-FY18</u>
Misc. Retail *	\$2,109.2	\$2,339.9	10.9%	3.4%
General Merchandise Stores	\$2,305.5	\$2,313.6	0.4%	3.3%
Food Stores	\$1,530.5	\$1,528.0	-0.2%	1.5%
Building Materials & Garden Supplies	\$1,421.3	\$1,417.4	-0.3%	3.8%
Eating & Drinking Places	\$1,438.3	\$1,467.0	2.0%	4.0%
Electric, Gas, & Sanitary Services	\$1,423.6	\$1,536.2	7.9%	1.1%
Wholesale Trade - Durable Goods	\$1,131.7	\$1,183.5	4.6%	3.8%
Auto Dealers/Service Stations	\$964.3	\$982.3	1.9%	3.7%
Communications	\$1,201.7	\$1,183.5	-1.5%	3.2%
Business Services	\$995.6	\$1,061.8	6.7%	4.9%
Furniture & Homefurnishing Stores	\$628.1	\$630.6	0.4%	2.4%
Auto Repair, Services, & Parking	\$509.0	\$535.8	5.3%	5.1%
Engineering & Management Services	\$548.3	\$571.3	4.2%	5.9%
Apparel & Accessory Stores	\$392.5	\$421.8	7.5%	4.6%
Hotels & Other Lodging Places	\$592.3	\$609.4	2.9%	5.3%
Total of Top 15 Major Groups	\$17,191.9	\$17,782.2	3.4%	3.4%
Remaining Groups	\$3,600.6	\$3,919.4	8.9%	5.4%
Total Taxable Sales	\$20,792.5	\$21,701.6	4.4%	3.7%

Source: SD Dept. of Revenue