



GOVERNOR'S COUNCIL OF ECONOMIC ADVISORS

South Dakota

OUR VISION FOR 2019



NEW MARKETS



STRONG ECONOMY



OVERHAULED CO-OP
PROGRAMS



NEW WEBSITE



NEW
WELCOME CENTERS



NEW CREATIVE



LOW GAS PRICES

South Dakota



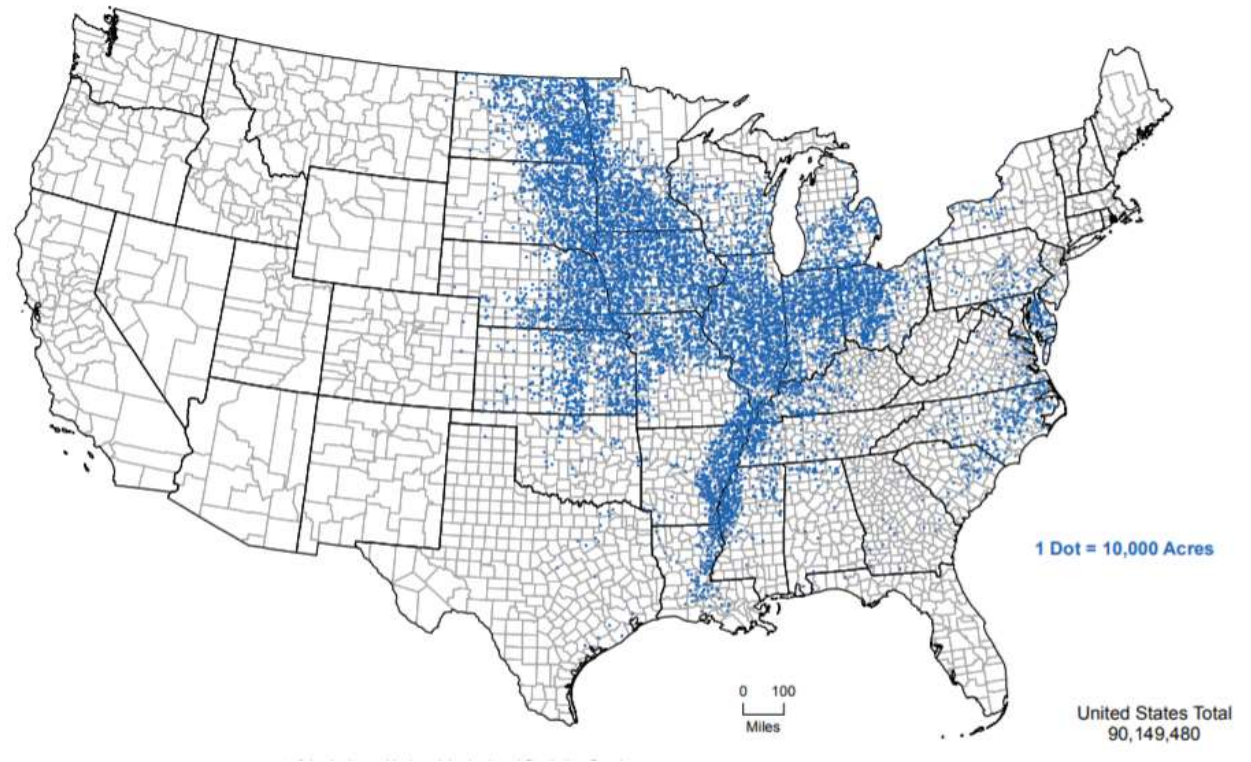
AND THEN 2019 HAPPENED

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2019 AG ECONOMY

ACRES PLANTED - SOYBEANS

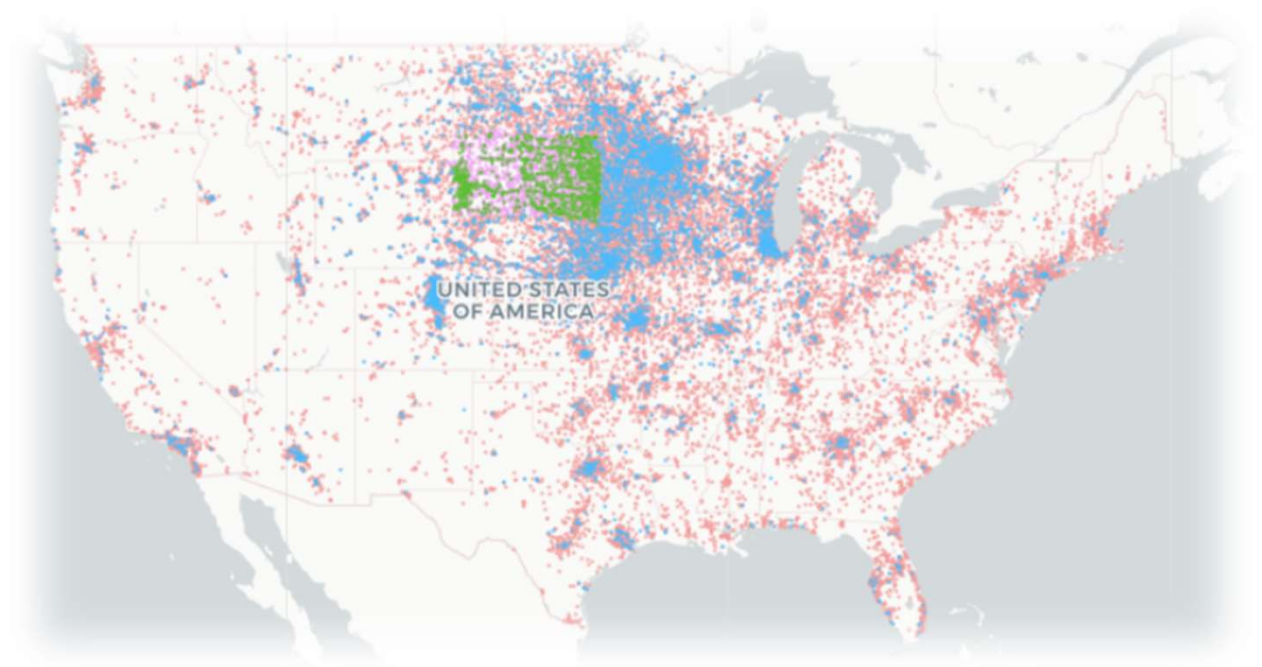
DELAYED PLANTING
FLOODED CROP LAND
LOW COMMODITY PRICES
CHINA TRADE WAR



Source: Farm Bureau News

ARRIVALIST

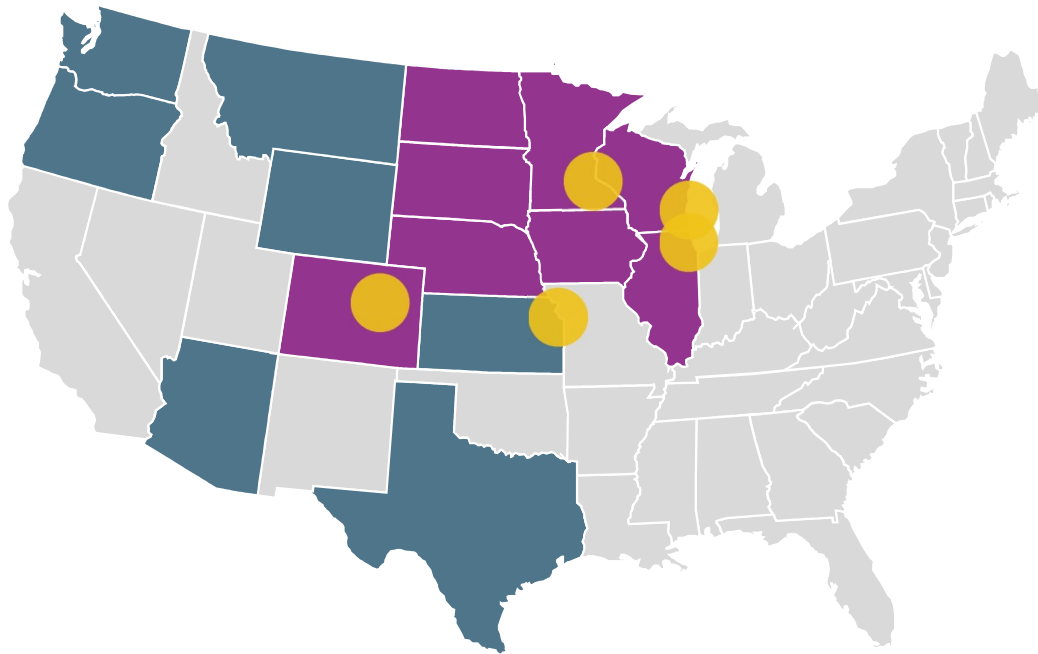
Arrivalist uses a proprietary panel with data from over 120 million monthly active consumers who mirror the general adult population



Source: Arrivalist

INCREMENTAL EFFORT

JULY-AUGUST 2019



Cable & Satellite TV



Radio

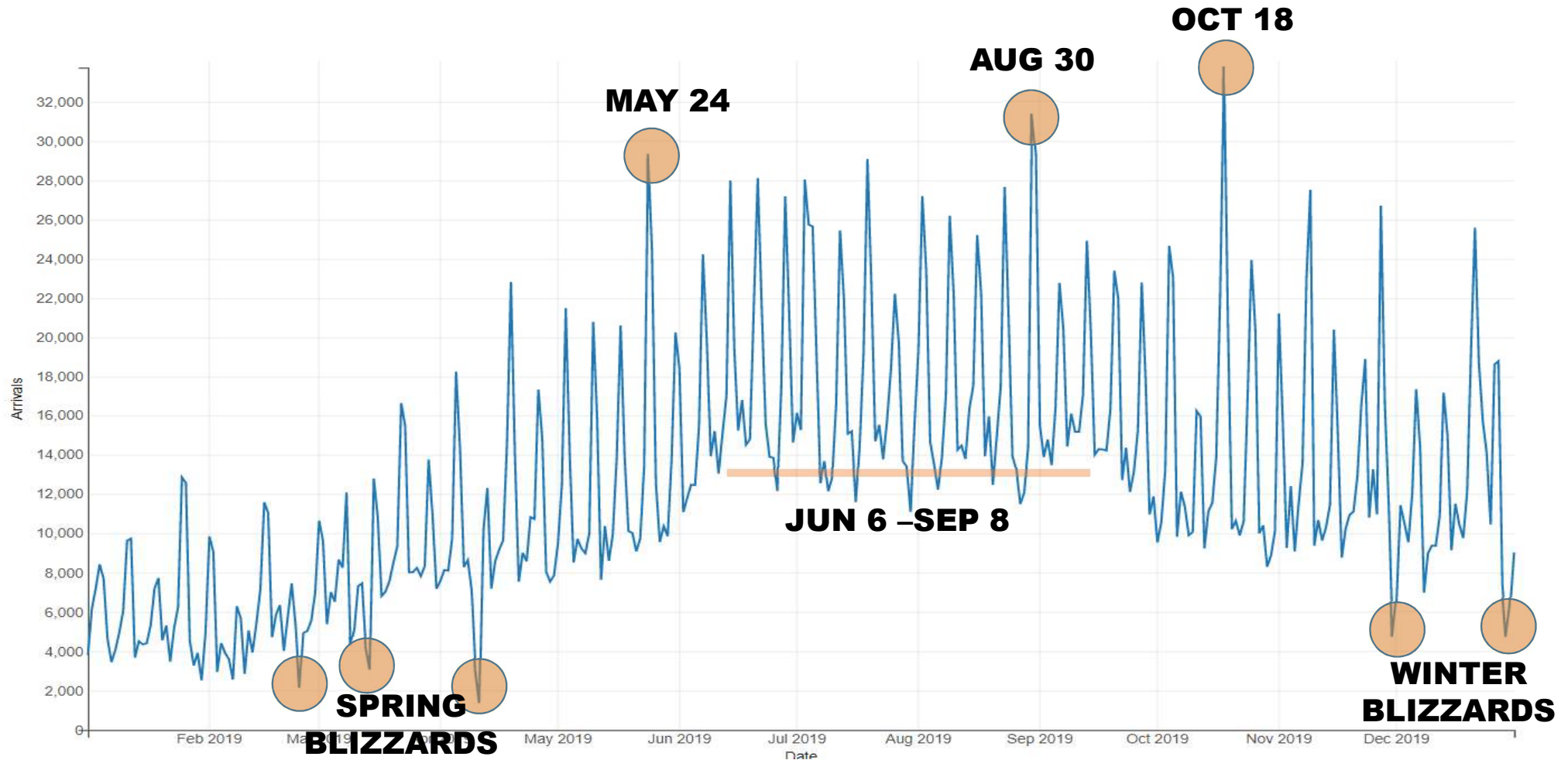


Digital (Expedia)

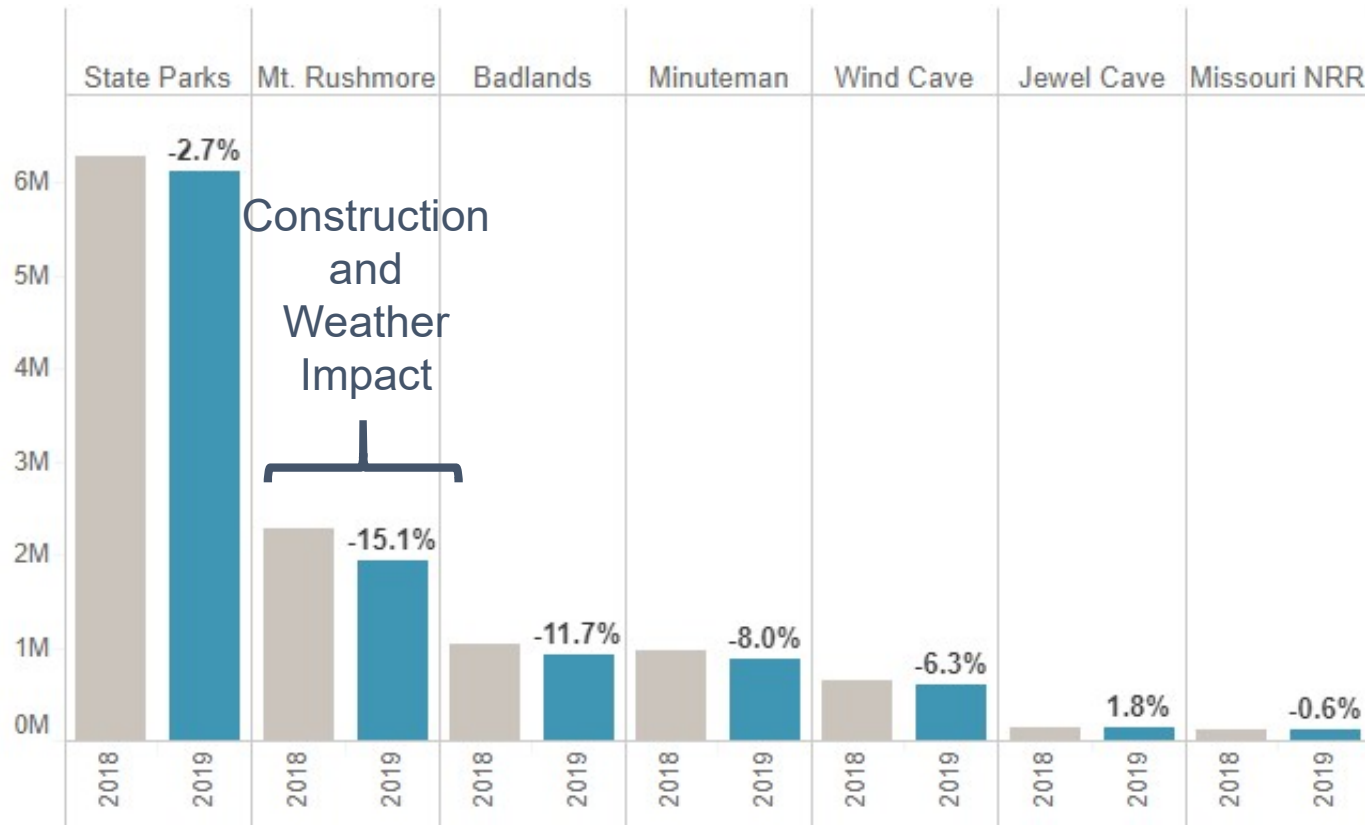
South Dakota

TRACKING TRENDS IN VISITATION

2019 DAILY ARRIVALS

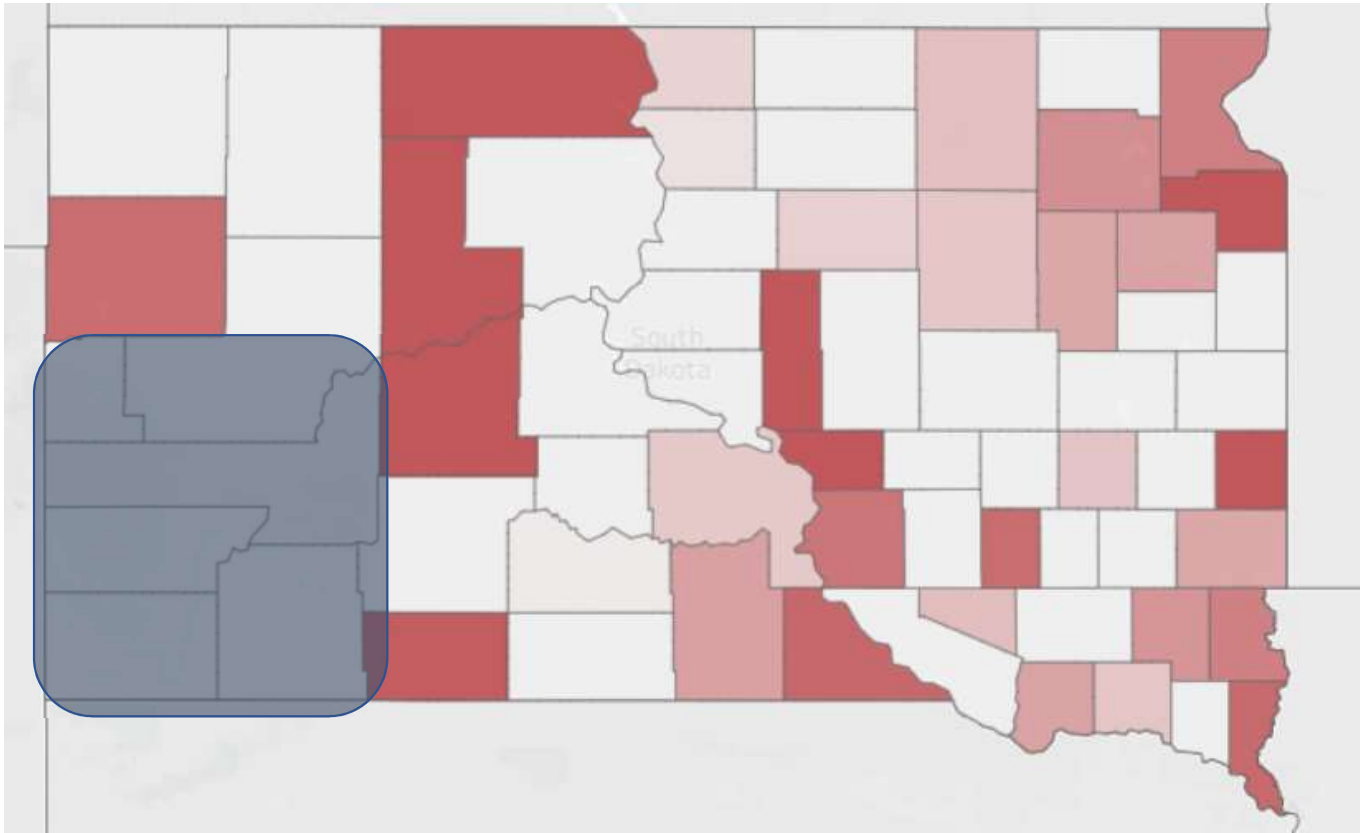


STATE AND NATIONAL PARKS



MOUNT RUSHMORE DOWN 15%

YOY CHANGE IN VISITOR SPENDING

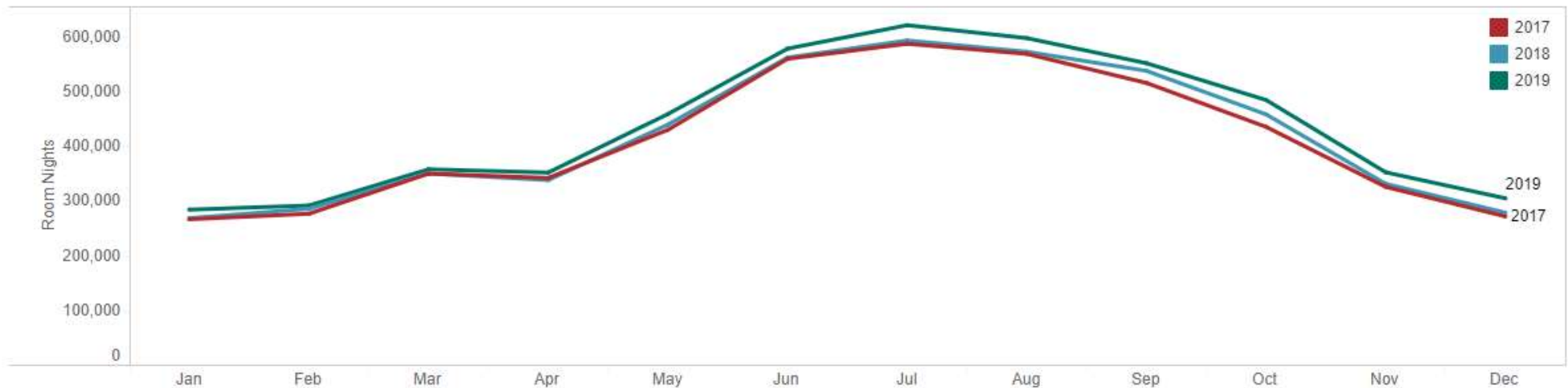


HOTEL PERFORMANCE

STATEWIDE

Occupancy	ADR	RevPAR	Room Nights	Supply	Revenue
57.3%	\$92.25	\$52.86	5,225,694	9,119,771	\$482,057,752.00
YoY % Change					
3.5%	-0.4%	3.1%	4.4%	0.9%	4.0%

YOY Room Nights
REGION: All

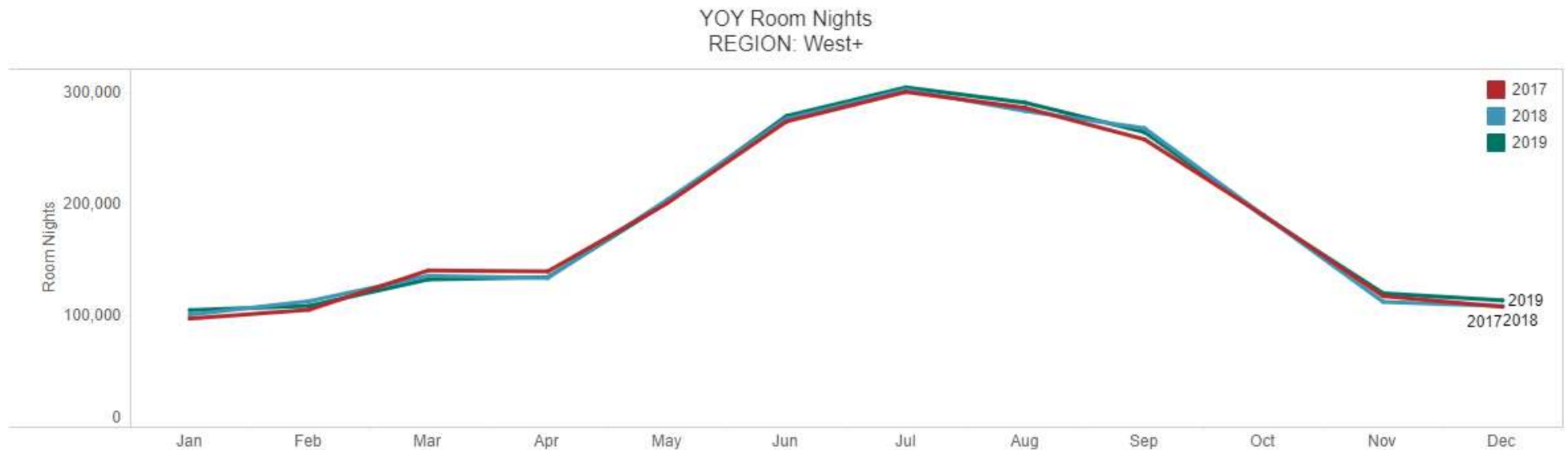


SOURCE: [AirDNA](#) & STR, INC. REPUBLICATION OR OTHER RE-USE OF THIS DATA WITHOUT THE EXPRESS WRITTEN PERMISSION OF AirDNA OR STR IS STRICTLY PROHIBITED.

HOTEL PERFORMANCE

BLACK HILLS REGION

Occupancy	ADR	RevPAR	Room Nights	Supply	Revenue
55.4%	\$97.31	\$53.87	2,237,487	4,041,239	\$217,721,284.00
YoY % Change					
0.6%	-1.7%	-1.2%	0.7%	0.1%	-1.0%



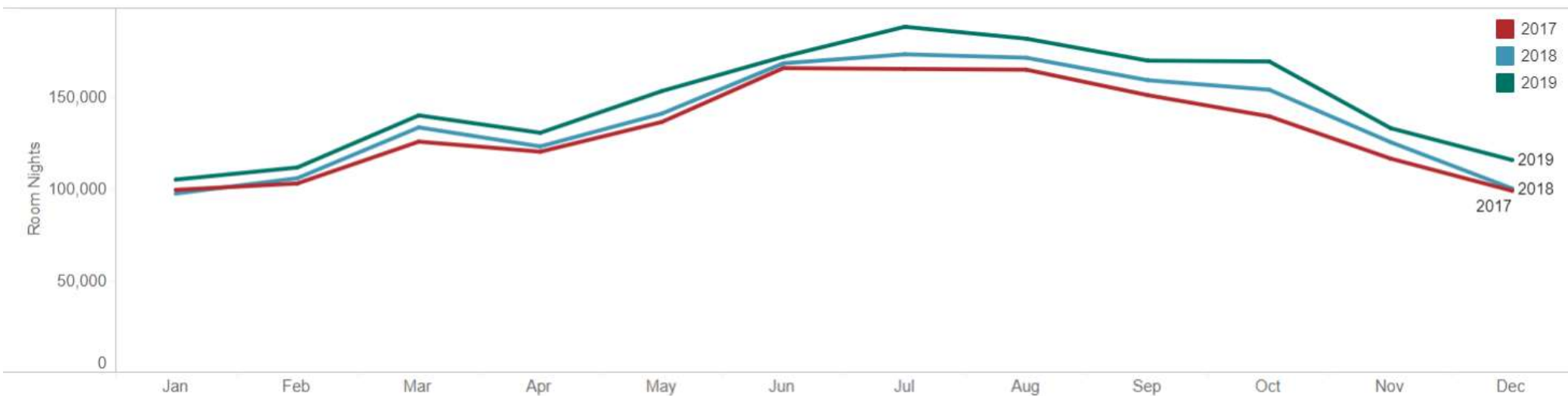
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HOTEL PERFORMANCE

SOUTHEAST REGION

Occupancy	ADR	RevPAR	Room Nights	Supply	Revenue
61.2%	\$90.47	\$55.37	1,766,187	2,885,884	\$159,780,249.00
YoY % Change					
5.2%	1.1%	6.3%	7.1%	1.9%	8.3%

YOY Room Nights
REGION: Southeast+

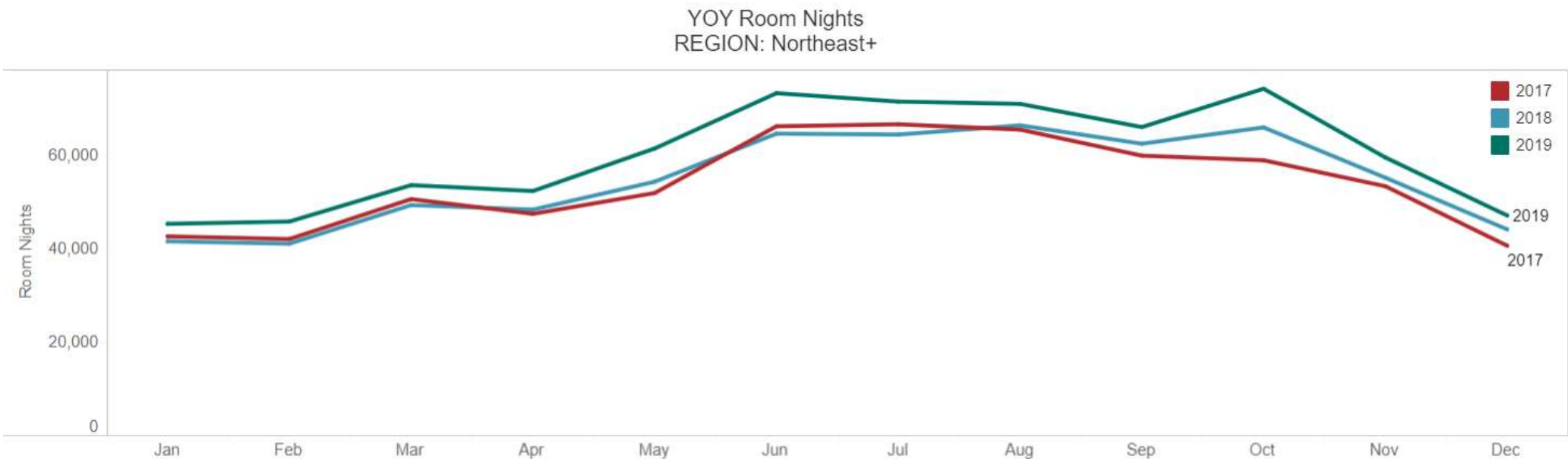


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HOTEL PERFORMANCE

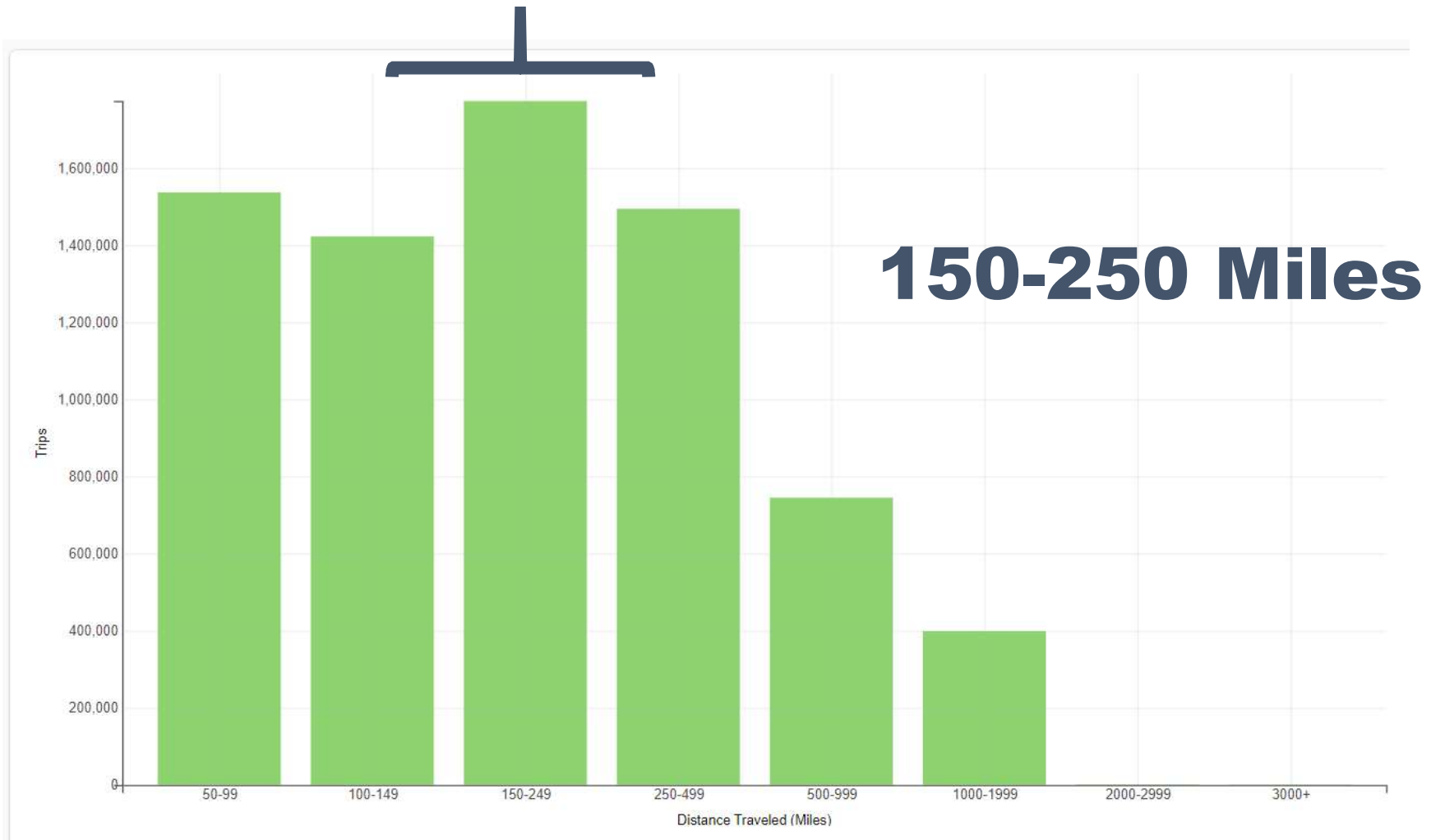
NORTHEAST REGION

Occupancy	ADR	RevPAR	Room Nights	Supply	Revenue
57.3%	\$86.82	\$49.76	721,693	1,259,359	\$62,660,201.00
YoY % Change					
7.9%	2.2%	10.2%	9.6%	1.6%	12.0%



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2019 TRIPS BY DISTANCE





2019 IMPACT



\$14.5M

Total Visitors to South Dakota



3.1%



\$4.1B

Total Visitor Spending



2.8%



\$308M

S&L Tax Revenue

Sources: Tourism Economics "Economic Impact of Tourism in South Dakota, 2019"

A man and a woman are seen from behind, standing on a rocky ridge overlooking a vast, rugged landscape. The man is wearing a white t-shirt and dark jeans, and the woman is wearing a grey t-shirt and blue shorts. They are both looking towards a bright sunset on the horizon. The landscape is characterized by deep, winding canyons and rolling hills, with some green grass visible in the foreground. The sky is a mix of orange, yellow, and grey, suggesting the time is either dawn or dusk. The overall mood is contemplative and hopeful.

LOOKING AHEAD

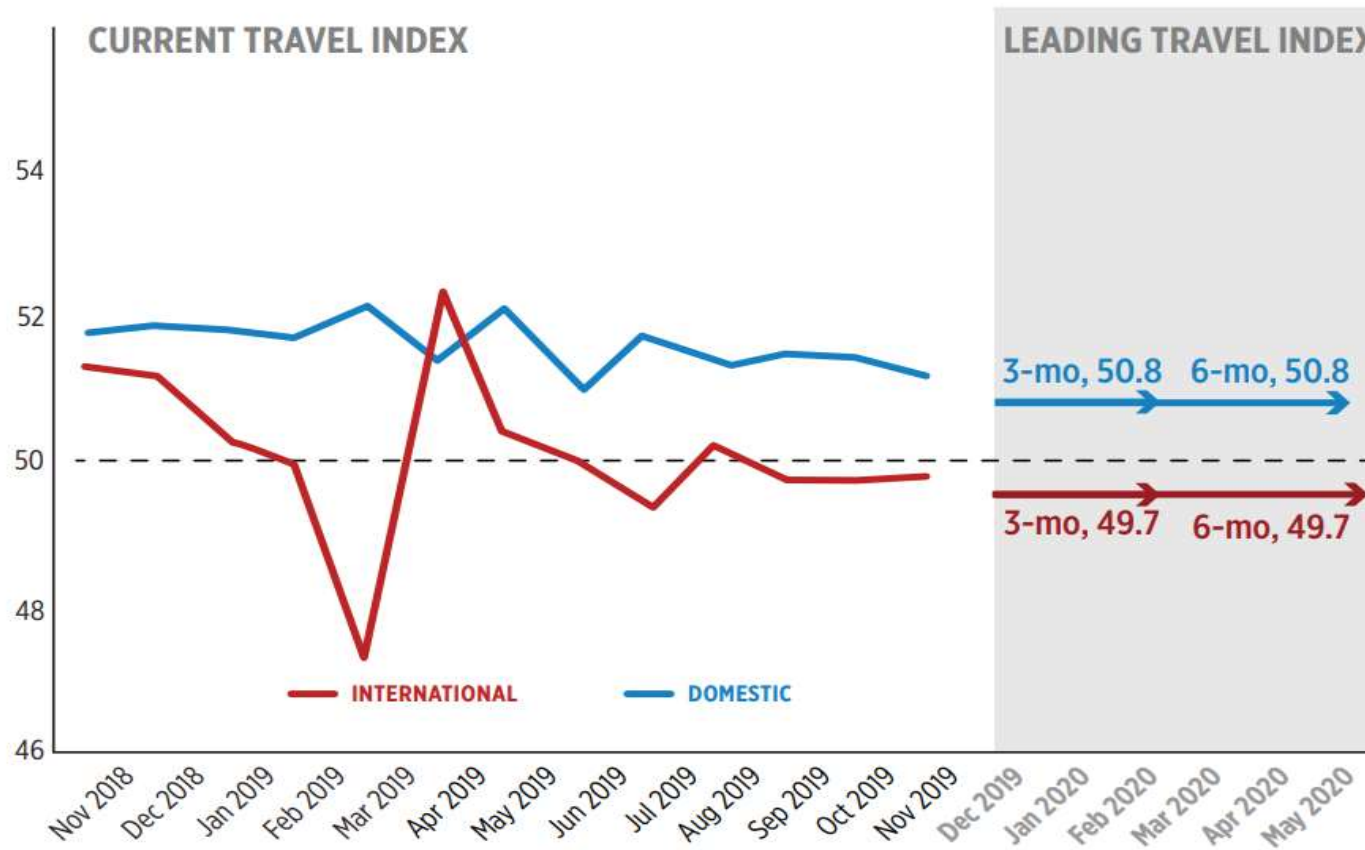
South Dakota

TRAVEL TRENDS INDEX

TRAVEL TRENDS INDEX DATA CATEGORY	MEASUREMENT	TRAVEL SEGMENTS	DETAILS
MACROECONOMIC TRENDS	Unemployment rate	Total, international, domestic (leisure)	Share of labor force
	Exchange rates	Total, international	\$US market rates, weighted average of inbound markets
	GDP by visitor origin	Total, international, domestic (business & leisure)	Gross output, U.S. and weighted average of inbound markets
	Corporate profits	Total, international, domestic (business)	Corporate earnings, U.S. and weighted average of inbound markets
	Personal disposable income	Total, international	Personal income, weighted average of inbound markets
CONSUMER AND BUSINESS SENTIMENT	Consumer travel intentions	Total, domestic (leisure)	Visitor intentions & air visitor intentions
	S&P stock market index	Total, domestic (business)	Stock market index, period average
TRAVEL SEARCH AND BOOKING	ADARA online searches and bookings for future travel	Total, international, domestic (business & leisure)	Domestic/international & business/leisure
	ARC bookings for future travel	Total, domestic	Air travel with 6-month booking windows
	nSight online searches and bookings for future hotel stays	Total, domestic, international	Domestic/international forward bookings

Source: Oxford Economics, U.S. Travel Association

TRAVEL TRENDS INDEX



Source: Oxford Economics, U.S. Travel Association

ECONOMY AT A GLANCE



	2019					
	2016	2017	2018	Q1	Q2	Q3
Production						
<i>Percent change at seasonally adjusted annual rate (unless otherwise noted)</i>						
Gross domestic product*	1.6	2.4	2.9	3.1	2.0	2.1
Personal Income						
<i>Billions of dollars, seasonally adjusted annual rate (unless otherwise noted)</i>						
New England [#] (annual rate)	2.8	4.1	5.6	8.5	2.3	2.9
Mideast [#] (annual rate)	3.1	4.8	5.0	6.8	4.7	2.7
Great Lakes [#] (annual rate)	2.1	3.5	4.9	4.4	3.0	4.3
Plains [#] (annual rate)	1.5	3.2	5.4	2.3	3.0	7.5
Southeast [#] (annual rate)	2.6	4.8	5.4	5.9	4.2	3.7
Southwest [#] (annual rate)	-0.1	6.0	6.3	8.0	4.4	4.0
Rocky Mountain [#] (annual rate)	2.6	6.3	7.0	8.0	5.5	3.1
Far West [#] (annual rate)	4.3	5.0	6.2	6.3	6.3	3.7
Real disposable personal income in the U.S.*	1.8	2.9	4.0	4.5	1.5	2.9
Personal saving rate (level, not change)	6.8	7.0	7.7	8.5	7.8	7.8

IS THE RECESSION NEAR?

US TREASURY 10-YEAR/THREE-MONTH YIELD SPREAD FORETELLS SOON



Source: Franklin Templeton Capital Markets Insights Group, US Federal Reserve, Macrobond

TRAVEL FORECAST



1.6%
GROWTH

In U.S. Leisure Travel Volume
through May 2020



\$2.50-\$2.75
A GALLON

Est. Gas Prices in 2020



1.5%
GROWTH

In Hotel Room Demand in 2020

Source: US Energy Information Administration; Oxford Economics, US Travel; Smith Travel Research

South Dakota

2020 GAME CHANGERS

- 1. ECONOMIC DOWNTURN**
- 2. SPRING FLOODING**
- 3. AG INDUSTRY**
- 4. MIDDLE EAST CONFLICT/GAS PRICES**
- 5. CORONAVIRUS EPIDEMIC**

A group of Native American dancers, likely from the Lakota or Sioux tribes, are performing a traditional dance outdoors. They are wearing elaborate regalia, including feathered headdresses, beaded vests, and long, flowing skirts. The dancers are arranged in a line, moving in a synchronized fashion. In the background, several American flags are visible, and the sky is overcast. The word "QUESTIONS?" is overlaid in large, white, bold letters across the center of the image.

QUESTIONS?

South Dakota



THANK YOU!

South Dakota