South Carolina Commerce

South Carolina Economic Outlook

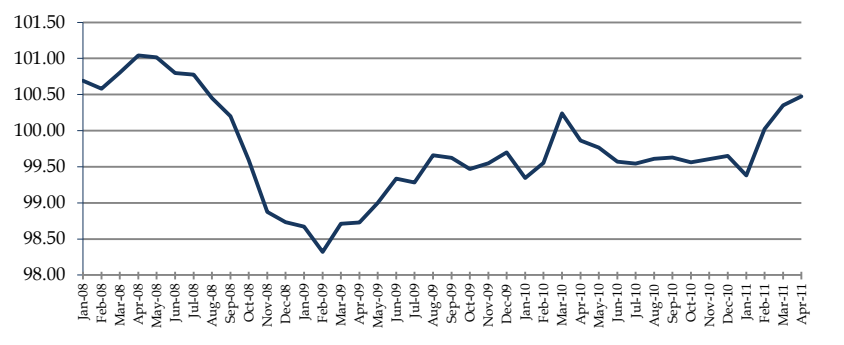
Volume 4: Issue 5 May 2011

South Carolina Department of Commerce | Division of Research

S.C. Leading Index Continues Upward

While the upward momentum of the South Carolina Leading Index (SCLI) continued throughout April, the rate of growth slowed. The SCLI, which provides a forward look at the state's economy for the upcoming three-to-six month period, reached 100.48 in April, an increase of 0.12 percent over the March value. Mixed results for the index's underlying components tempered the overall rise. While building permits experienced a month-over-month decrease, the value of those permits rose. Slight increases in initial claims for Unemployment Insurance weighed the index down, while weekly manufacturing hours posted an increase over the previous month, boosting the index upward.

-Rebecca M. Gunnlaugsson, Ph.D.



Source: South Carolina Department of Commerce

State Exports Rise in 1st Quarter

First quarter state exports increased 15.3 percent over the fourth quarter of 2010 to a value of $6.13 billion. This figure also represents an increase of 25.8 percent over the first quarter of 2010. At a national level, first quarter exports were 1.0 percent higher than the previous quarter and 18.4 percent higher than the first quarter of 2010.

Primary export commodities from the state during the first quarter included vehicles ($1.9 billion), machinery ($1.1 billion), rubber ($0.46 billion), electrical machinery ($0.38 billion), plastic ($0.28 billion), and organic chemicals ($0.27 billion).

In 2010, South Carolina experienced its highest level of exports. After declining 16.9 percent in 2009, annual exports from the state of South Carolina rose 23.2 percent in 2010 over the previous year's levels, reaching $20.3 billion.

The South Carolina Department of Commerce's Research Division is a highly-skilled, multidisciplinary group of professionals dedicated to the collection, analysis and dissemination of precise, timely data. The team of 13 individuals—including two Ph.D.s and seven Master's degrees—has experience ranging from economics and business to statistics, information technology, and more. The group integrates workforce and economic development research through the incorporation of federally-funded Labor Market Information directives and state-funded workforce and economic development initiatives. If you would like to receive Commerce's monthly Economic Outlook, e-mail EconomicOutlook@SCcommerce.com .

KEY S.C. INDICATORS

Income

+15.3% **State Exports**
increased to $6.1 billion in the first quarter of 2011, a 15.3 percent increase over the previous quarter.
Global Trade Information Services, Inc.

-0.4% **South Carolina Stock Index**
fell 0.4 points in April, closing at 101.39 on the last trading day of the month.
Bloomberg

Employment

+0.6% **Nonfarm Employment**
rose by 11,700 non-seasonally adjusted jobs in April over the previous month.
U.S. Bureau of Labor Statistics

+0.02% **Labor Force**
increased by a seasonally-adjusted 455 people in April.
U.S. Bureau of Labor Statistics

-0.1% **Unemployment Rate**
fell 0.1 percentage points to 9.8 percent in April.
U.S. Bureau of Labor Statistics

+1.2% **Manufacturing Weekly Hours**
rose to 42.9 hours in April over the previous month.
U.S. Bureau of Labor Statistics

-3.4% **Available Online Job Postings**
declined 1,700 positions in April to a seasonally-adjusted 48,900 job postings.
The Conference Board Help Wanted Online Index

Real Estate

-1.70% **Single-Family Home Sales Price**
fell to $142,500 in April, down 1.7 percent over March.
South Carolina Association of Realtors

-2.7% **Residential Building Permits**
decreased 42 permits over March, but were up 60 permits over April 2011.
U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Total nonfarm employment continued to climb in April, rising an estimated 11,700 jobs, as both the goods-producing and the service sectors expanded. The majority of the job gains came from the Leisure and Hospitality industry (+6,600), as seasonal hires continued to increase. Led by the Retail Trade subsector, the Trade, Transportation & Utilities sector added 2,400 jobs, while the Professional and Business Services sector, which includes temporary staffing agencies, added 600 positions. The Construction industry grew by 1,100 jobs, and the Manufacturing sector increased by 1,600 workers. After adding 5,700 positions over the past year, the Education and Health Services industry lost 600 jobs in April. Government employment declined 500 positions, primarily due to losses at the local levels.

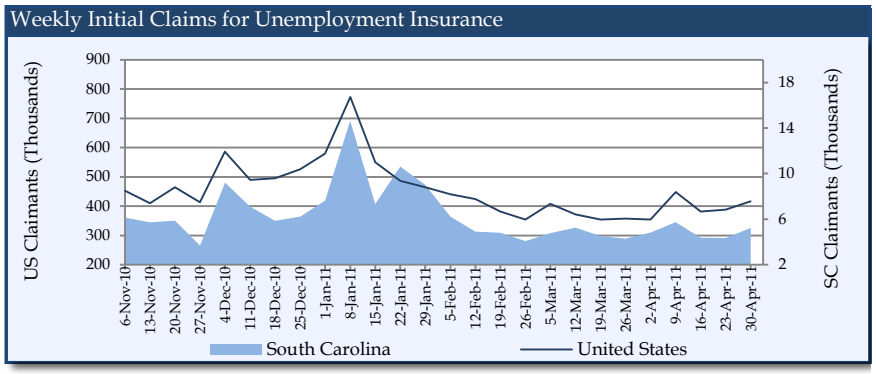
Industry Sector	April 2011	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	**293,400**	**290,700**	**289,400**	**0.93**	**1.38**
Natural Resources and Mining	4,100	4,100	4,000	0.00	2.50
Construction	76,600	75,500	78,800	1.46	-2.79
Manufacturing	212,700	211,100	206,600	0.76	2.95
Service Providing	**1,532,600**	**1,523,600**	**1,520,500**	**0.59**	**0.80**
Trade, Transportation, and Utilities	347,600	345,200	341,800	0.70	1.70
Information	25,700	25,700	25,700	0.00	0.00
Finance	97,800	97,500	97,200	0.31	0.62
Professional and Business Services	224,800	224,200	211,600	0.27	6.24
Educational and Health Services	218,500	219,100	212,800	-0.27	2.68
Leisure and Hospitality	213,300	206,700	210,500	3.19	1.33
Other Services	67,600	67,400	68,800	0.30	-1.74
Total Private	**1,488,700**	**1,476,500**	**1,457,800**	**0.83**	**2.12**
Government	337,300	337,800	352,100	-0.15	-4.20
Total Nonfarm	**1,826,000**	**1,814,300**	**1,809,900**	**0.64**	**0.89**

Source: U.S. Department of Labor, Bureau of Labor Statistics

Weekly Unemployment Claims

Initial Unemployment Insurance claims rose slightly during the month of April to just more than 4,900 average weekly claims. These levels are consistent with pre-recession levels from April of 2006 and 2007. Most claims originated with workers in the Administrative Support Services industry, followed by employees in the Food Services and Specialty Trade Contractors industries.

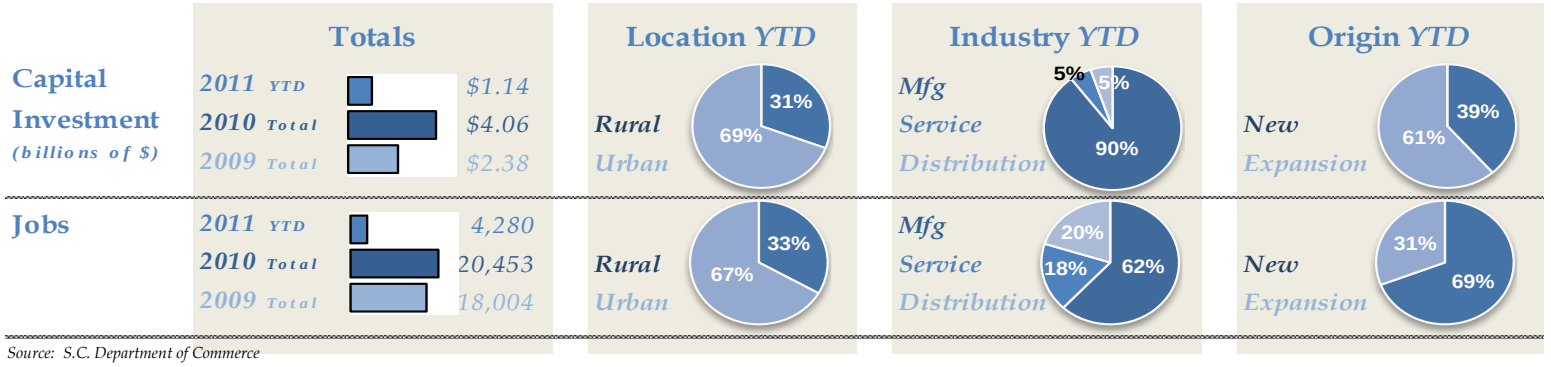
Meanwhile, continued claims have continued to decline, reaching 52,702 claims for the last week in April, the lowest level witnessed since June of 2008. These figures do not, however, include individuals receiving Federal Emergency Umemployment Compensation.



Source: U.S. Department of Labor

Capital Investment and Job Announcements

Capital Investment and Job Announcements provide statistics on industry recruitment efforts by the South Carolina Department of Commerce, detailing upcoming jobs and capital investment projects pledged by firms this year-to-date.



Source: S.C. Department of Commerce

South Carolina Real Estate

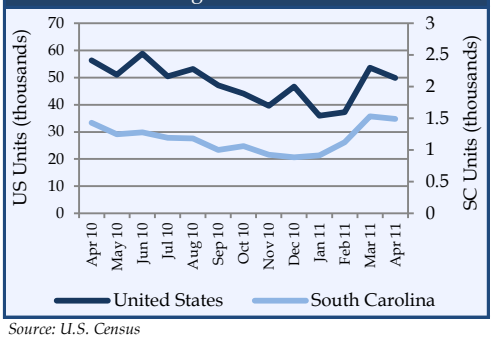
South Carolina home sales in April continued a trend of underperforming the previous year's sales, with closings on residential homes numbering 18.4 percent fewer than homes sold in April of 2010. Year-to-date closings are 7.7 percent below their levels of the previous year. The median sales price declined 3.0 percent over last year to $142,500. Foreclosure activity, however, continues to fall, with 0.8 percent fewer foreclosures occurring during the month of April than the previous year. Additionally, residential building permits finally experienced an increase in year-over-year permits issued as well as valuation of those permits.

	Month	Current	Previous Year	% Change Year Ago	2011 YTD	2010 YTD	% Change YTD
Closings	April	4,006	4,911	-18.4%	13,876	15,041	-7.7%
Median Sales Price*	April	$142.5	$146.9	-3.0%	$140.6	$146.2	-3.8%
Foreclosures	April	3,119	3,145	-0.8%	11,732	13,159	-10.8%
Residential Building Permits-Total	April	1,490	1,430	4.2%	5,059	5,844	-13.4%
Residential Building Permits-Valuation*	April	$242,043	$238,680	1.4%	$831,124	$994,836	-16.5%

** Thousands of US dollars. Source: S.C. Association of Realtors, RealtyTrac, U.S. Census*

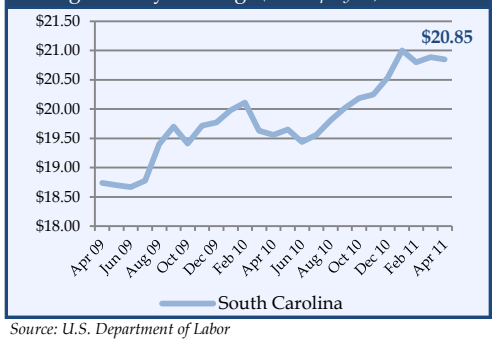
Business Activity

Residential Building Permits



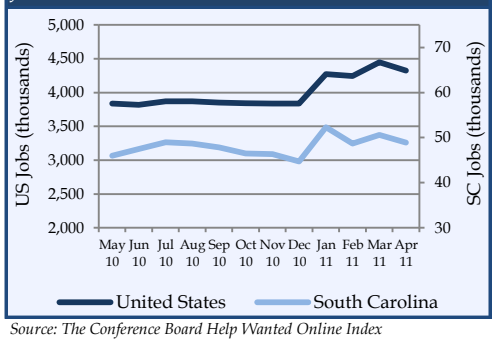
Source: U.S. Census

Average Hourly Earnings *(All Employees)*



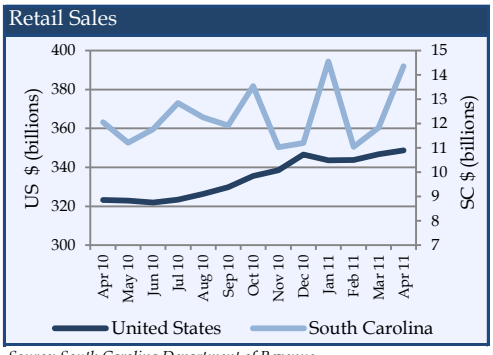
Source: U.S. Department of Labor

Jobs Available Online



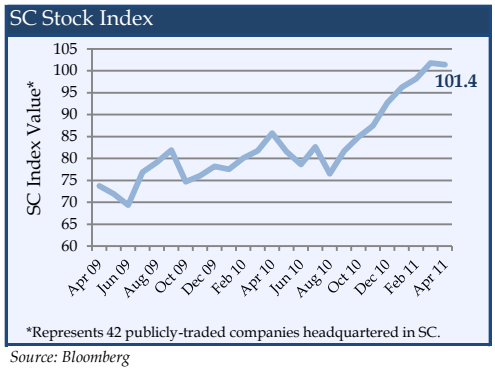
Source: The Conference Board Help Wanted Online Index

Retail Sales



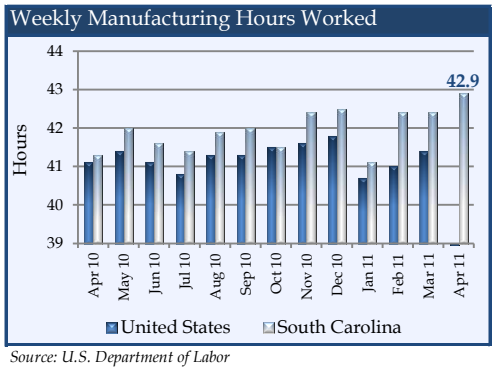
Source: South Carolina Department of Revenue
Note: SC Retail Sales delayed due to changes in reporting methods.

SC Stock Index



Source: Bloomberg

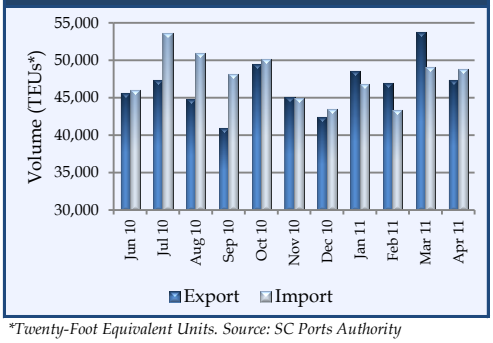
Weekly Manufacturing Hours Worked



Source: U.S. Department of Labor

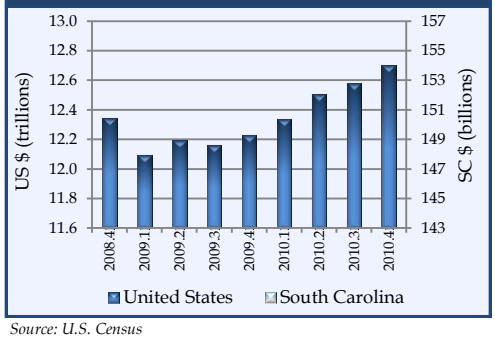
Income and Output

Port of Charleston



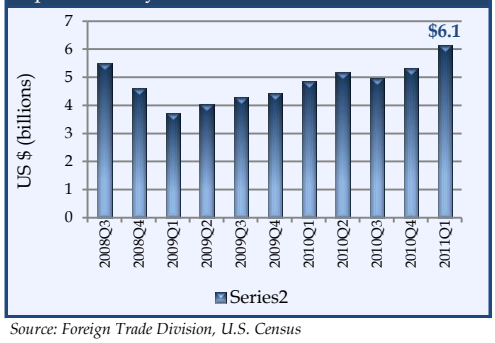
**Twenty-Foot Equivalent Units. Source: SC Ports Authority*

Personal Income



Source: U.S. Census

Export Activity



Source: Foreign Trade Division, U.S. Census

South Carolina Regional Update

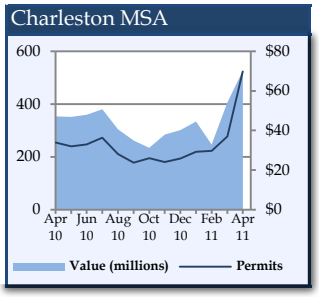
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSA) in the state. During the month of April, the Greenville MSA experienced the highest average hourly earnings among private employers at $22.86, 9.6 percent higher than the statewide value of $20.85.

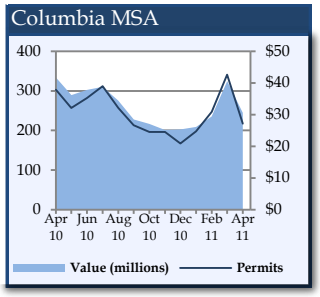
Home Sales

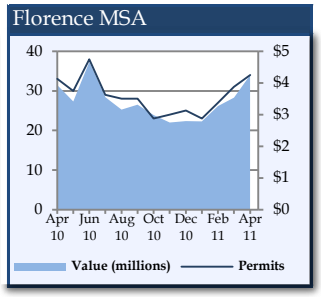
MSA	Indicator	Apr 10	Apr 11
Charleston	*Sales Volume*	873	792
	Median Price (000's)	$179	$173
Columbia	*Sales Volume*	735	517
	Median Price (000's)	$140	$140
Florence	*Sales Volume*	180	111
	Median Price (000's)	$122	$116
Greenville	*Sales Volume*	755	574
	Median Price (000's)	$139	$135
Myrtle Beach	*Sales Volume*	677	676
	Median Price (000's)	$150	$145
Spartanburg	*Sales Volume*	287	193
	Median Price (000's)	$120	$117
South Carolina	*Sales Volume*	**4,911**	**4,006**
	Median Price (000's)	**$146.9**	**$142.5**

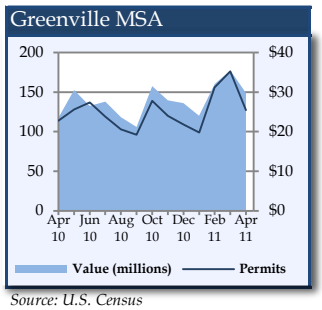
Source: S.C. Association of Realtors

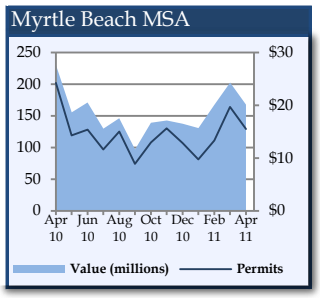
Building Permits

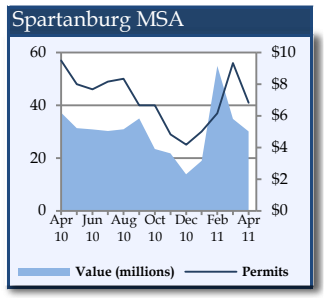












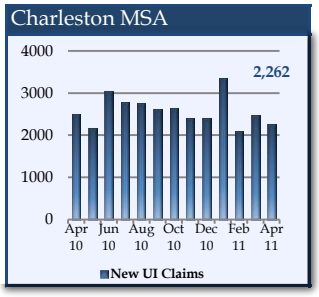
Source: U.S. Census

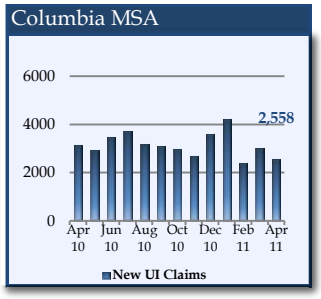
Employment

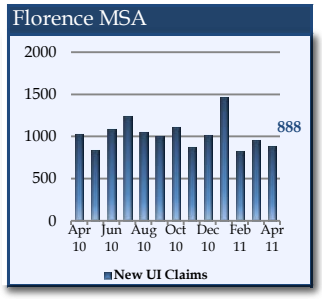
MSA	Indicator	Mar 11	Apr 11
Charleston	*Employment (000's)*	293.9	296.3
	Unemployment Rate	8.0	8.0
Columbia	*Employment (000's)*	337.4	336.9
	Unemployment Rate	8.0	8.1
Florence	*Employment (000's)*	83.4	84.7
	Unemployment Rate	10.5	10.5
Greenville	*Employment (000's)*	286.7	286.8
	Unemployment Rate	8.0	8.0
Myrtle Beach	*Employment (000's)*	116.0	120.9
	Unemployment Rate	11.1	10.2
Spartanburg	*Employment (000's)*	121.5	121.6
	Unemployment Rate	9.5	9.6
South Carolina	*Employment (000's)*	**1,939.4**	**1,942.3**
	Unemployment Rate	**9.9**	**9.8**

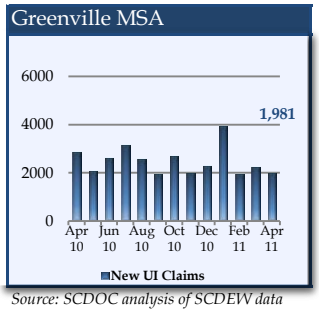
Source: U.S. Bureau of Labor Statistics (MSA figures not seasonally adjusted)

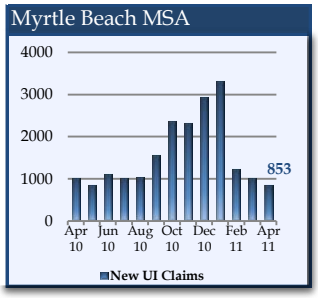
Unemployment Insurance Claims

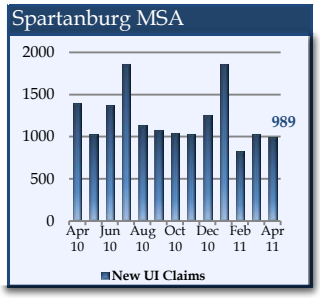












Source: SCDOC analysis of SCDEW data

Hourly Earnings

Charleston	Columbia	Florence	Greenville	Myrtle Beach	Spartanburg
$21.37	$19.49	$17.14	$22.86	$14.76	$18.15

Reflects Average Hourly Earnings (AHE) of all private employers April 2011. Statewide AHE for the same period was $20.85. Source: Bureau of Labor Statistics