

Housing Market Boosts SC Leading Index in May

A significant increase in residential building permits lifted the South Carolina Leading Index (SCLI) to 100.68 in May, its highest value since 2009. May's SCLI value is somewhat inflated due to an unusually large number of apartment unit building permits issued in the Charleston area. Despite an increase in the number of first time claimants for Unemployment Insurance, up 1.2 percent, and a slight decrease in the average manufacturing workweek, down 0.5 percent, the SCLI continues to forecast economic growth for South Carolina over the next three to six months. May marks six consecutive months of positive economic outlook for the state's economy. The Conference Board's national Leading Economic Index also showed improvement last month, gaining 0.3 percent.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Real Estate Market Continues to Improve

The Charleston metropolitan area issued 934 building permits for apartment housing in May, resulting in a 267 percent increase in residential building permits for the region last month. Meanwhile, Columbia, Florence and Greenville saw declines in the number of residential permits issued between 5 and 8 percent. Foreclosure activity picked up in May, with 33.5 percent more foreclosure actions initiated last month in South Carolina. The number of homes sold in May fell 7.2 percent to 3,880 home closings, while the median home sales price gained 3.1 percent to \$150,500. Construction employment also gained in May, adding 1,400 jobs or 1.9 percent.

The Research Division at the South Carolina Department of Commerce is a highly-skilled, multidisciplinary team of professionals dedicated to the economic development of South Carolina and the collection, analysis and dissemination of information to support that mission. The Research Division publishes reports and analyses for statewide constituents and proposals for companies considering South Carolina for investment. If you would like to receive Commerce's monthly Economic Outlook, e-mail EconomicOutlook@SCcommerce.com.

KEY S.C. INDICATORS

Income

+0.8%

State Personal Income

grew to \$159.8 billion in first quarter of 2012.

U.S. Bureau of Economic Analysis

-8.3%

South Carolina Stock Index

lost 7.15 points in May, closing at 78.99 on the last trading day of the month.

Bloomberg

Employment

+0.9%

Nonfarm Employment

increased 16,800 non-seasonally adjusted jobs in May from the prior month.

U.S. Bureau of Labor Statistics

+0.1%

Labor Force

increased by 1,975 to 2,153,265, seasonally-adjusted, in May.

U.S. Bureau of Labor Statistics

+0.3%

Unemployment Rate

increased to 9.1 percent for the month of May.

U.S. Bureau of Labor Statistics

-0.5%

Manufacturing Weekly Hours

decreased by 0.2 hours to 41.8 hours in May from the previous month.

U.S. Bureau of Labor Statistics

+1.1%

Available Online Job Postings

rose by 600 positions in May to a seasonally-adjusted 53,500 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+3.1%

Single-Family Home Sales Price

increased to \$150,500 in May.

South Carolina Association of Realtors

+60.9%

Residential Building Permits

rose by 883 permits from the previous month.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

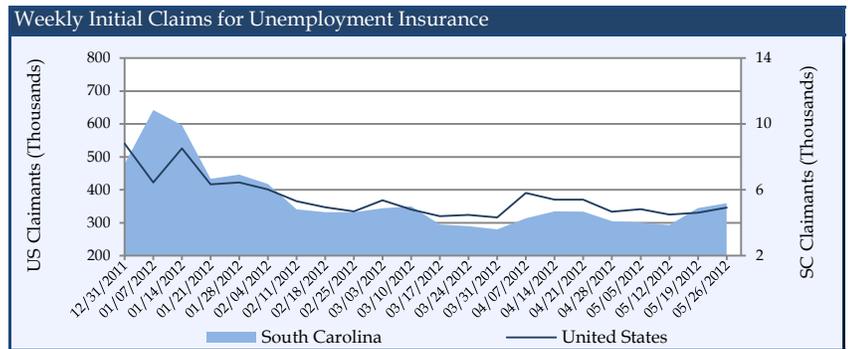
Although not sufficient to cover the expanding labor force, total non-seasonally adjusted, nonfarm employment in South Carolina grew a substantial 16,800 jobs last month. The Services sectors accounted for 93 percent of the total job gains in May. Trade, Transportation and Utilities and Business Services saw the largest increase, each gaining 4,700 new jobs, followed by Administrative and Support Services, which gained 4,400. Government employment remained relatively flat in May, gaining 100 jobs. While manufacturing employment has increased 15 of the last 17 months, May brought a slight decrease of 200 jobs.

Industry Sector	May 2012	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	301,600	300,400	296,500	0.40	1.72
Natural Resources and Mining	3,800	3,800	4,000	0.00	-5.00
Construction	76,000	74,600	77,700	1.88	-2.19
Manufacturing	221,800	222,000	214,800	-0.09	3.26
Service Providing	1,570,900	1,555,300	1,554,600	1.00	1.05
Trade, Transportation, and Utilities	357,600	352,900	350,500	1.33	2.03
Information	26,200	26,100	25,600	0.38	2.34
Finance	95,900	94,900	96,700	1.05	-0.83
Professional and Business Services	235,900	231,200	230,300	2.03	2.43
Educational and Health Services	221,000	219,900	217,500	0.50	1.61
Leisure and Hospitality	217,900	214,200	220,400	1.73	-1.13
Other Services	70,000	69,800	69,000	0.29	1.45
Total Private	1,526,100	1,509,400	1,506,500	1.11	1.30
Government	346,400	346,300	344,600	0.03	0.52
Total Nonfarm	1,872,500	1,855,700	1,851,100	0.91	1.16

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

Weekly Unemployment Claims

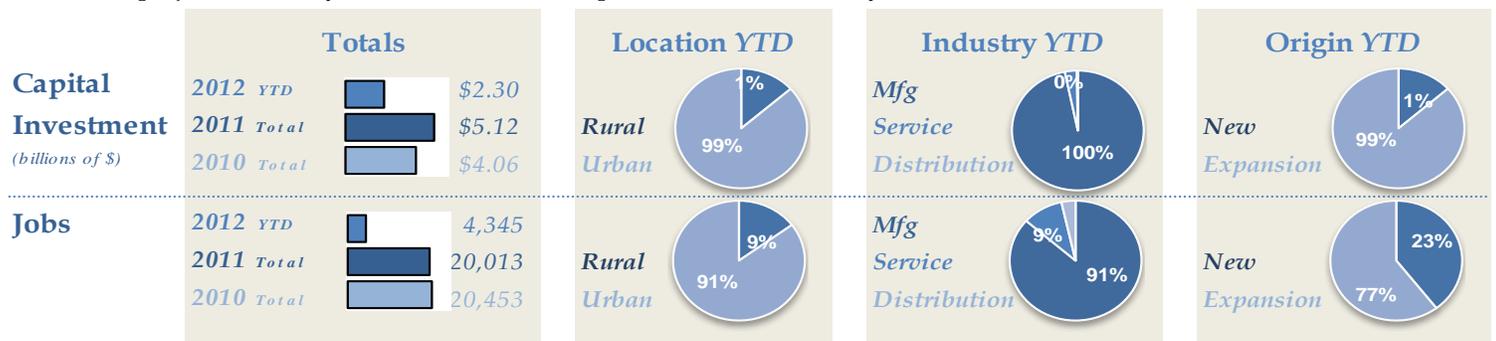
The weekly average number of initial claimants for Unemployment Insurance (UI) in South Carolina increased 1.2 percent in May, for the second consecutive month of increased activity. Charleston, Columbia and Florence each saw increases exceeding 15 percent in May, while Greenville, Spartanburg and Myrtle Beach metro areas saw moderate increases between 1 and 6 percent. May's initial UI claimant activity was approximately 6 percent lower than UI claimant activity one year ago.



Source: U.S. Department of Labor

Capital Investment and Job Recruitment

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



Source: S.C. Department of Commerce Note: Not all closed projects have yet undergone announcement.

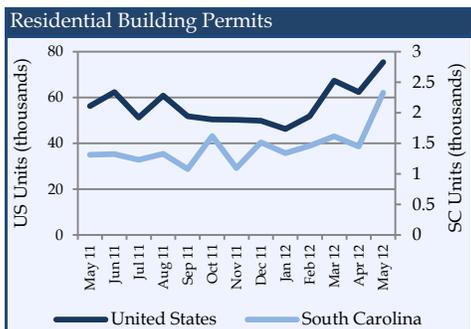
South Carolina Real Estate

The median South Carolina home sales price in May was \$150,500, 0.3 percent higher than this time last year and 3.1 percent higher than the value in April. The year-over-year comparison of the number of homes sold is down, as 6.6 percent fewer homes were sold in May, 2012 compared to May, 2011. Foreclosure activity was up last month, with 3,966 filings made in May compared to 2,970 in April and 2,854 one year ago.

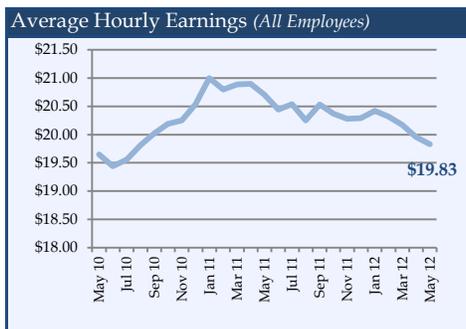
	Month	Current	Previous Year	% Change Year Ago	2012 YTD	2011 YTD	% Change YTD
Closings	May	3,880	4,154	-6.6%	18,980	18,191	4.3%
Median Sales Price*	May	\$150.5	\$150.0	0.3%	\$145.0	\$144.0	0.7%
Foreclosures	May	3,966	2,854	39.0%	17,991	14,586	23.3%
Residential Building Permits -Total	May	2,332	1,316	77.2%	8,198	6,375	28.6%
Residential Building Permits -Valuation*	May	\$315,316	\$233,158	35.2%	\$1,374,243	\$1,064,282	29.1%

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

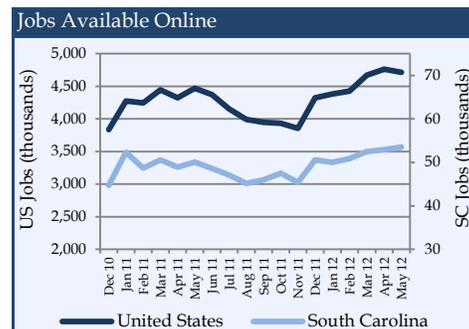
Business Activity



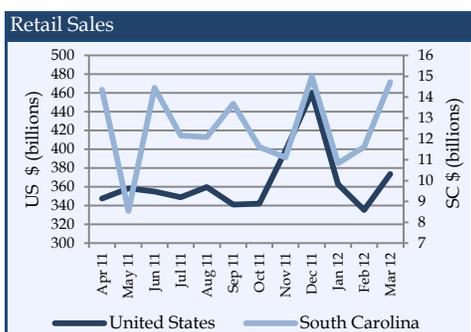
Source: U.S. Census



Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



Source: Bloomberg

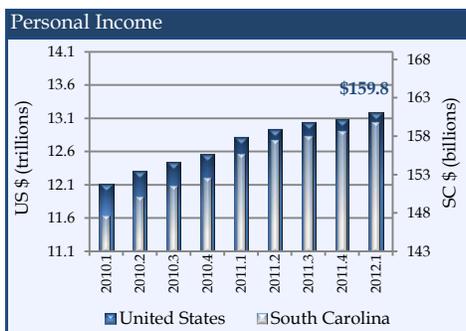


Source: U.S. Department of Labor

Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

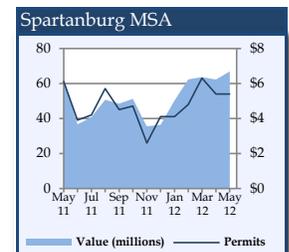
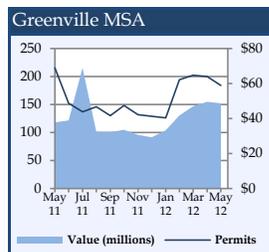
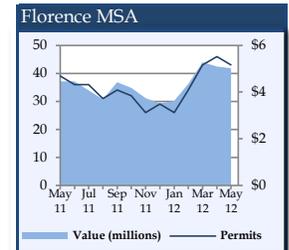
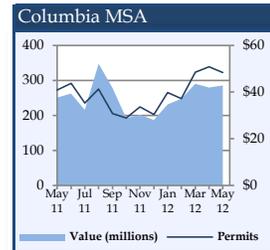
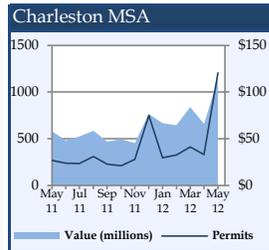
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	May 11	May 12
Charleston	Sales Volume	837	990
	Median Price (000's)	\$180	\$200
Columbia	Sales Volume	595	716
	Median Price (000's)	\$146	\$139
Florence	Sales Volume	121	128
	Median Price (000's)	\$108	\$143
Greenville	Sales Volume	614	664
	Median Price (000's)	\$138	\$143
Myrtle Beach	Sales Volume	713	793
	Median Price (000's)	\$142	\$137
Spartanburg	Sales Volume	252	212
	Median Price (000's)	\$115	\$116
South Carolina	Sales Volume	4,154	3,880
	Median Price (000's)	\$150.0	\$150.5

Source: S.C. Association of Realtors

Building Permits



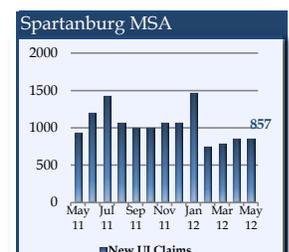
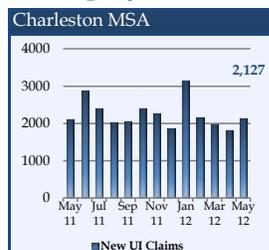
Source: U.S. Census

Employment

MSA	Indicator	Apr 12	May 12
Charleston	Employment (000's)	305.3	304.4
	Unemployment Rate	7.0	7.9
Columbia	Employment (000's)	341.6	343.4
	Unemployment Rate	7.5	8.4
Florence	Employment (000's)	85.6	86.3
	Unemployment Rate	9.3	10.0
Greenville	Employment (000's)	289.0	289.4
	Unemployment Rate	7.0	8.0
Myrtle Beach	Employment (000's)	115.3	119.0
	Unemployment Rate	9.5	9.9
Spartanburg	Employment (000's)	121.7	121.3
	Unemployment Rate	8.5	9.5
South Carolina	Employment (000's)	1,961.2	1,957.4
	Unemployment Rate	8.8	9.1

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Number of Patents for Invention Issued, For Patents Granted in 2010



Source: US Patent and Trademark Office, PTMT, November 2011.