

South Carolina Economic Outlook



South Carolina
Department of Commerce

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Division of Research

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SCLI Forecasts Economic Growth Ahead

Although the South Carolina Leading Index (SCLI) dipped last month, shedding 0.31 points to a value of 101.52, the index continues at a level greater than 100, indicating economic growth over the coming three to six months. A seasonal dip in applications for new residential building permits was the biggest drag on the SCLI. Despite the 37.3 percent decline last month, year-to-date building permits are up 14.8 percent compared to 2013. A 4.3 percent uptick in initial claims for Unemployment Insurance also put negative pressure on the SCLI. Positive indicators last month included strong stock market performance and a 1.7 percent rise in the average manufacturing workweek. In November, the Conference Board's national Leading Economic Index increased, gaining 0.6 percent to 105.5. - David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

SC Shows Strong Gain in Personal Income

South Carolina was the only state among the twelve states in the Southeast region to post a gain in total personal income greater than 1.0 percent in the third quarter of this year. Total, seasonally-adjusted personal income rose just over 1.0 percent to \$179.8 billion. Last quarter's rise followed a 1.9 percent increase in the second quarter of 2014. South Carolina's personal income growth was in the second quintile among all US states while most of the Southeast fell into the bottom two quintiles for income growth. Most of the increase in South Carolina last quarter was from rising earned income, particularly in the finance and healthcare industries.

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 dclayton@SCcommerce.com.

KEY S.C. INDICATORS

Income

+1.0%

State Personal Income

increased to \$179.8 billion in the third quarter of 2014.

U.S. Bureau of Economic Analysis

+0.9%

South Carolina Stock Index

gained 0.92 points in November, closing at 107.99 on the last trading day of the month.

Bloomberg

Employment

+0.7%

Nonfarm Employment

increased by 12,700 non-seasonally adjusted jobs in November from the prior month.

U.S. Bureau of Labor Statistics

+0.3%

Labor Force

increased by 5,563 to 2,197,756, seasonally-adjusted, in November.

U.S. Bureau of Labor Statistics

+0%

Unemployment Rate

remained unchanged at 6.7 percent, seasonally-adjusted, for November.

U.S. Bureau of Labor Statistics

+1.7%

Manufacturing Weekly Hours

increased by 0.7 hours to 42.2 hours in November from 41.5 hours in October.

U.S. Bureau of Labor Statistics

-1.2%

Available Online Job Postings

decreased by 800 positions in November to a seasonally-adjusted 63,700 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+0.9%

Single-Family Home Sales Price

increased by \$1,500 to \$162,000 in November.

South Carolina Association of Realtors

-37.3%

Residential Building Permits

decreased by 972 permits from the previous month to 1,634 permits issued in November.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

In November, total non-seasonally adjusted, nonfarm employment increased by 12,700 over the previous month. The Trade, Transportation, and Utilities sector had the largest gain during the month of November adding 5,400 jobs. Government (+3,500), Manufacturing (+2,300) and Professional and Business

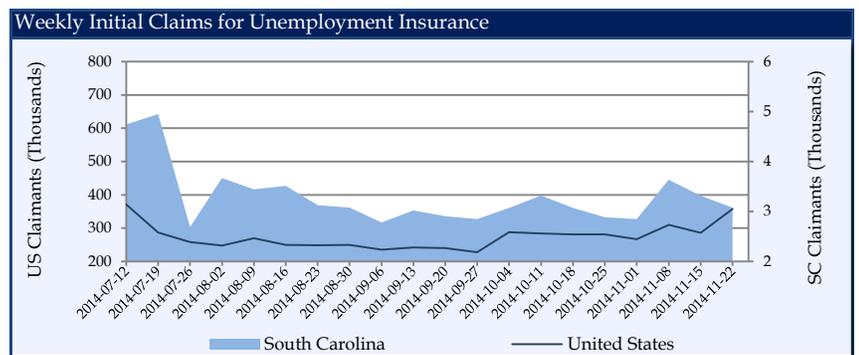
Services (+2,300) also increased employment over the month. Leisure and Hospitality (-2,100) and Construction (-1,200) had the largest declines last month, with a total decrease of 3,300 jobs. Since November 2013, the South Carolina economy has added 50,600 jobs.

Industry Sector	November 2014	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	323,300	322,200	315,100	0.06	2.32
Natural Resources and Mining	3,700	3,700	3,800	0.00	-2.63
Construction	82,900	84,100	82,700	-1.43	0.24
Manufacturing	236,700	234,400	228,600	0.98	3.54
Service Providing	1,651,200	1,639,600	1,608,800	0.71	2.64
Trade, Transportation, and Utilities	375,800	370,400	369,900	1.46	1.60
Information	26,500	25,700	26,300	3.11	0.76
Finance	95,800	95,000	95,900	0.84	-0.10
Professional and Business Services	259,200	256,900	239,100	0.90	8.41
Educational and Health Services	227,600	227,300	223,200	0.13	1.97
Leisure and Hospitality	231,500	233,600	222,900	-0.90	3.86
Other Services	70,900	70,300	71,700	0.85	-1.12
Total Private	1,610,600	1,601,400	1,564,100	0.52	2.92
Government	363,900	360,400	359,800	0.97	1.14
Total Nonfarm	1,974,500	1,961,800	1,923,900	0.60	2.58

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

Weekly Unemployment Claims

The number of initial claims for Unemployment Insurance (UI) rose 4.3 percent in November to 3,219 average weekly claims, following a 5.4 percent rise in October. Last month's level is 21.0 percent lower than the November 2013 weekly claims activity and 30.0 percent lower than two years ago. The Myrtle Beach metro area saw another rise in UI activity with a 28.3 percent increase in initial claimants. The other major South Carolina metros saw moderate decreases in claimant activity, ranging from a 4.1 percent decline in Spartanburg to a 27.1 percent decline in Florence.



Source: U.S. Department of Labor

Average Hourly Earnings

These charts present the average hourly earnings of all employees in private industry, based on a monthly national survey of businesses. The data are not seasonally adjusted.



Source: US Department of Labor, Bureau of Labor Statistics



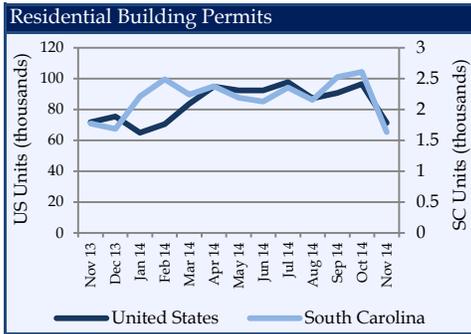
South Carolina Real Estate

Year-to-date, South Carolina has witnessed across the board improvements in the residential real estate market. The number of sale closings has risen 6.6 percent while the median sales price has gained 3.9 percent. Foreclosure activity is down 20.4 percent and residential building permit activity has increased 14.8 percent. While last month saw normal, seasonal declines in home sales and building activity, the year-over-year trend of improvement has clearly continued throughout 2014.

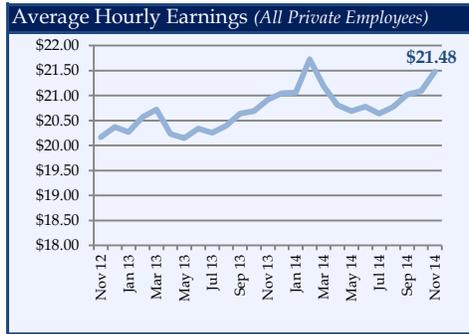
	Month	Current	Previous Year	% Change Year Ago	2014 YTD	2013 YTD	% Change YTD
Closings	November	3,671	3,448	6.5%	46,465	43,604	6.6%
Median Sales Price*	November	\$162.0	\$153.0	5.9%	\$160.0	\$154.0	3.9%
Foreclosures	November	2,272	3,202	-29.0%	25,772	32,395	-20.4%
Residential Building Permits -Total	November	1,634	1,770	-7.7%	24,897	21,684	14.8%
Residential Building Permits -Valuation*	November	\$342,503	\$360,623	-5.0%	\$4,839,316	\$4,177,145	15.9%

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

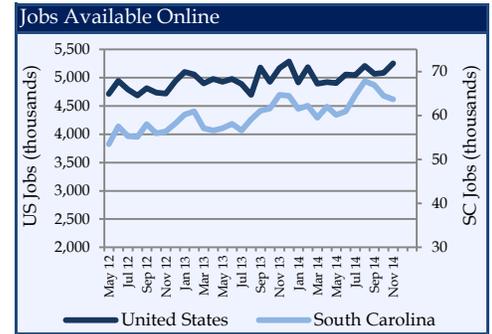
Business Activity



Source: U.S. Census



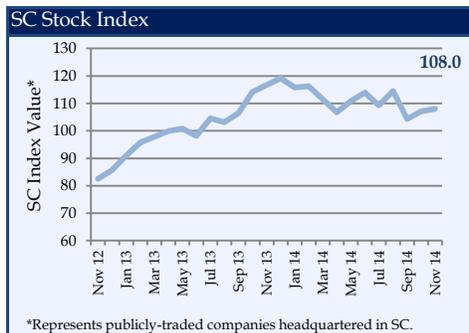
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



*Represents publicly-traded companies headquartered in SC.
Source: Bloomberg

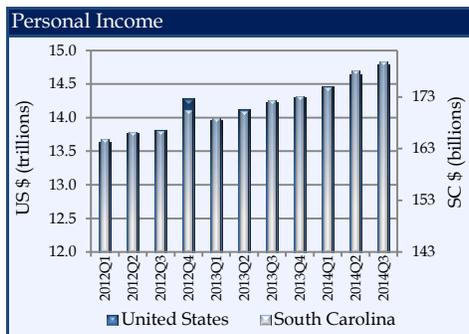


Source: U.S. Department of Labor

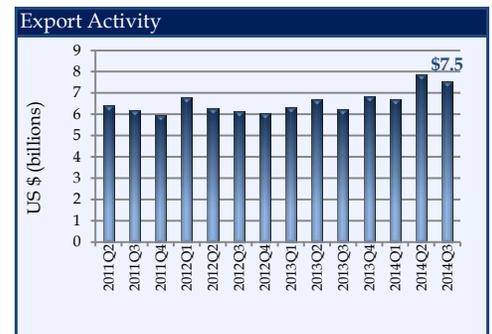
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

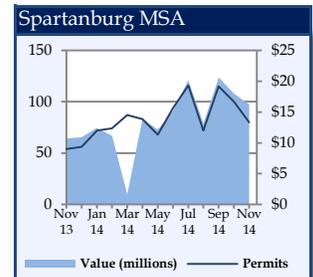
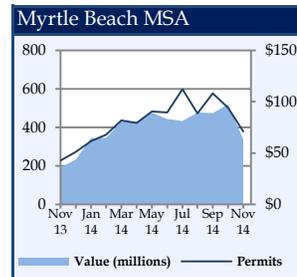
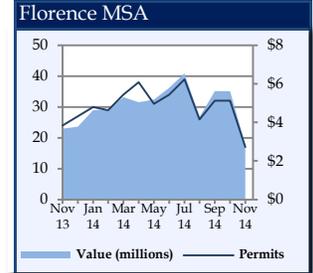
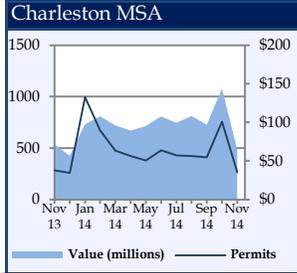
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Nov 13	Nov 14
Charleston	Sales Volume	921	970
	Median Price (000's)	\$203	\$221
Columbia	Sales Volume	632	680
	Median Price (000's)	\$152	\$145
Florence	Sales Volume	118	114
	Median Price (000's)	\$105	\$112
Greenville	Sales Volume	714	719
	Median Price (000's)	\$153	\$163
Myrtle Beach	Sales Volume	767	763
	Median Price (000's)	\$148	\$155
Spartanburg	Sales Volume	274	281
	Median Price (000's)	\$124	\$130
South Carolina	Sales Volume	3,448	3,671
	Median Price (000's)	\$153.0	\$162.0

Source: S.C. Association of Realtors

Building Permits



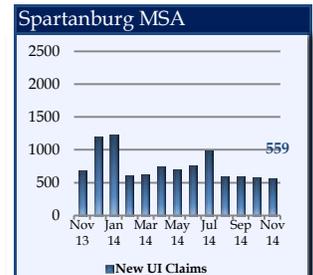
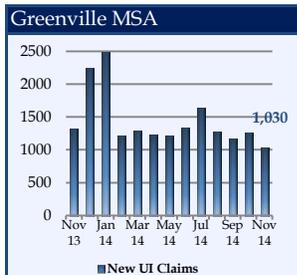
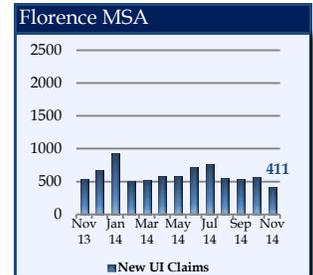
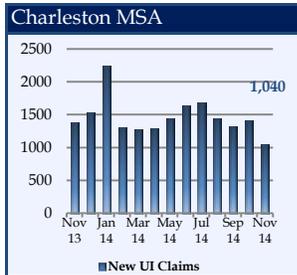
Source: U.S. Census

Employment

MSA	Indicator	Oct 14	Nov 14
Charleston	Employment (000's)	319.3	316.5
	Unemployment Rate	5.6	5.6
Columbia	Employment (000's)	353.2	351.9
	Unemployment Rate	5.9	5.9
Florence	Employment (000's)	86.5	86.5
	Unemployment Rate	7.4	7.2
Greenville	Employment (000's)	304.0	303.2
	Unemployment Rate	5.5	5.4
Myrtle Beach	Employment (000's)	121.1	118.1
	Unemployment Rate	6.8	7.4
Spartanburg	Employment (000's)	131.6	131.5
	Unemployment Rate	5.8	5.8
South Carolina	Employment (000's)	2,045.6	2,051.5
	Unemployment Rate	6.7	6.7

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Manufacturing Employment Growth (November 2013 to November 2014)



Source: US Bureau of Labor Statistics, December 2014