

# South Carolina Economic Outlook



**South Carolina**  
Department of Commerce

Just right for business.

Division of Research

Volume 8 | Issue 1 | January 2015

## SC Leading Index Ends 2014 on a High Note

The South Carolina Leading Index (SCLI) closed December, 2014 with a value of 101.89, up 0.36 points last month. A rebound in residential building permits, which were up 40.8 percent in December after November's 37.3 percent decline, was the primary driver for improvement in the SCLI. A 1.9 percent rise in the average South Carolina manufacturing workweek, up to 42.9 hours, also helped the SCLI. Gains in the stock market were offset by a seasonal 17.0 percent increase in initial claims for Unemployment Insurance. In December, the Conference Board's national Leading Economic Index increased, gaining 0.5 percent to 121.1.

- David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

## Real Estate Market Improves in 2014

Last year saw across the board improvements in the South Carolina real estate market. Comparing December 2014 to a year ago, the number of residential real estate closings has gained 19.5 percent to 4,376 last month. The median home sales price was up 1.9 percent over the year and the number of filings for residential foreclosures continues to fall, down 28.8 percent from last year. Spurred by multi-family construction, mainly in the major metro markets, the number of residential building permits in South Carolina was up 40.8 percent last month and 17.1 percent year-to-date. Construction industries also added 2,100 new jobs over the course of the year.

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](mailto: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

+2.9%

#### South Carolina Stock Index

gained 3.13 points in December, closing at 111.12 on the last trading day of the month.

Bloomberg

### Employment

-0.2%

#### Nonfarm Employment

decreased by 4,500 non-seasonally adjusted jobs in December from the prior month.

U.S. Bureau of Labor Statistics

+0.2%

#### Labor Force

increased by 4,459 to 2,202,017, seasonally-adjusted, in December.

U.S. Bureau of Labor Statistics

-0.2%

#### Unemployment Rate

decreased 0.2 percent to 6.5 percent, seasonally-adjusted, for December.

U.S. Bureau of Labor Statistics

+1.4%

#### Manufacturing Weekly Hours

increased by 0.6 hours to 42.9 hours in December from 42.3 hours in November.

U.S. Bureau of Labor Statistics

-0.8%

#### Available Online Job Postings

decreased by 500 positions in December to a seasonally-adjusted 63,200 job postings.

The Conference Board Help Wanted Online Index

### Real Estate

+0.6%

#### Single-Family Home Sales Price

increased by \$1,000 to \$163,000 in December.

South Carolina Association of Realtors

+40.8%

#### Residential Building Permits

increased by 666 permits from the previous month to 2,300 permits issued in December.

U.S. Census Bureau



# South Carolina Employment

*Non-Seasonally Adjusted Wage and Salary Employment*

Total non-seasonally adjusted, nonfarm employment decreased by 4,500 from the previous month. The Trade, Transportation, and Utilities sector had the largest gain during the month of December adding 2,800 jobs. Construction (+1,200 jobs), Manufacturing (+900) and Education and Health Services (+600) also increased

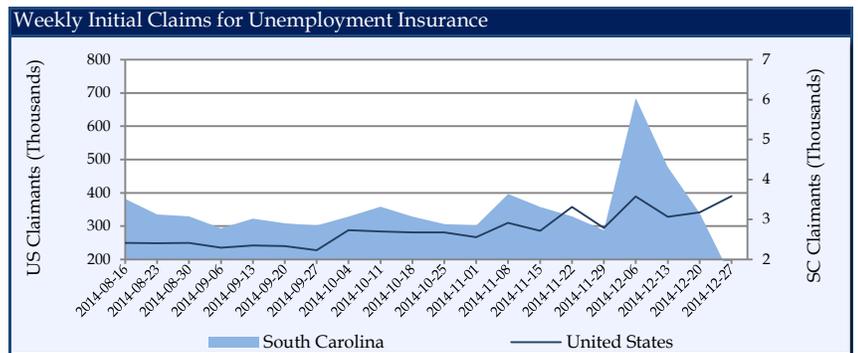
over the month. Leisure and Hospitality (-6,600), Government (-1,300), Professional and Business Services (-1,100), and Other Services (-700) were most affected in December, showing a combined decrease of 9,700 jobs. Since December 2013, 46,400 jobs have been added in the South Carolina economy.

Industry Sector	December 2014	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
<b>Goods Producing</b>	<b>325,700</b>	<b>323,600</b>	<b>314,600</b>	<b>0.65</b>	<b>3.53</b>
Natural Resources and Mining	3,700	3,700	3,700	0.00	0.00
Construction	84,300	83,100	82,200	1.44	2.55
Manufacturing	237,700	236,800	228,700	0.38	3.94
<b>Service Providing</b>	<b>1,643,900</b>	<b>1,650,500</b>	<b>1,608,600</b>	<b>-0.40</b>	<b>2.19</b>
Trade, Transportation, and Utilities	378,400	375,600	374,000	0.75	1.18
Information	26,200	26,300	26,200	-0.38	0.00
Finance	95,600	95,800	95,800	-0.21	-0.21
Professional and Business Services	257,700	258,800	239,700	-0.43	7.51
Educational and Health Services	227,900	227,300	222,800	0.26	2.29
Leisure and Hospitality	225,400	232,000	218,500	-2.84	3.16
Other Services	70,200	70,900	72,600	-0.99	-3.31
<b>Total Private</b>	<b>1,607,100</b>	<b>1,610,300</b>	<b>1,564,200</b>	<b>-0.20</b>	<b>2.74</b>
Government	362,500	363,800	359,000	-0.36	0.97
<b>Total Nonfarm</b>	<b>1,969,600</b>	<b>1,974,100</b>	<b>1,923,200</b>	<b>-0.23</b>	<b>2.41</b>

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

## Weekly Unemployment Claims

The number of initial claims for Unemployment Insurance (UI) rose 17.0 percent in December to 3,765 average weekly claims, following the normal seasonal pattern of temporary facility closures during the holidays. Still showing signs of labor market improvement, last month's level is 26.0 percent lower than December 2013 weekly claims activity and 37.2 percent lower than two years ago. The Spartanburg, Greenville and Columbia labor markets showed the highest increases in UI activity last month, while Charleston and Myrtle Beach showed smaller increases.



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

South Carolina continues to show strong improvements in the residential real estate market. During 2014, the number of home sale closings rose 7.9 percent while the median sales price has gained 3.3 percent. Last month, foreclosure activity was down 21.1 percent year-to-date. Residential building permit activity has increased 16.4 percent and the valuation associated with those permits has gained even more, climbing 17.1 percent year-to-date.

	Month	Current	Previous Year	% Change Year Ago	2014 YTD	2013 YTD	% Change YTD
Closings	December	4,376	3,662	19.5%	50,994	47,281	7.9%
Median Sales Price*	December	\$163.0	\$159.9	1.9%	\$160.0	\$154.9	3.3%
Foreclosures	December	1,972	2,770	-28.8%	27,744	35,165	-21.1%
Residential Building Permits -Total	December	2,300	1,686	36.4%	27,197	23,370	16.4%
Residential Building Permits -Valuation*	December	\$446,827	\$336,478	32.8%	\$5,286,143	\$4,513,623	17.1%

\* 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



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

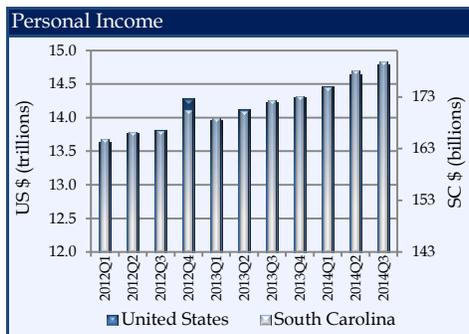


Source: U.S. Department of Labor

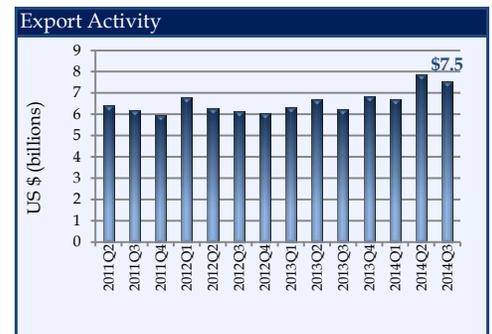
## Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



# South Carolina Regional Update

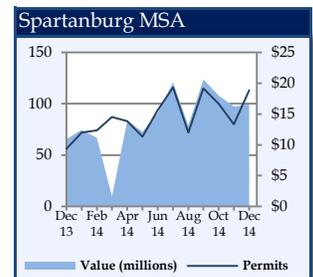
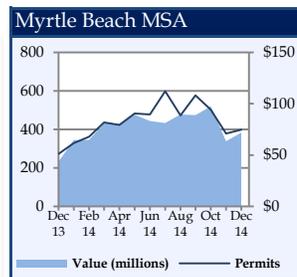
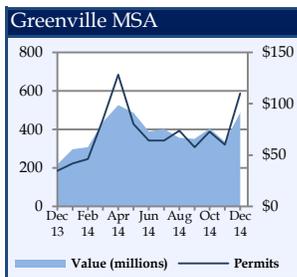
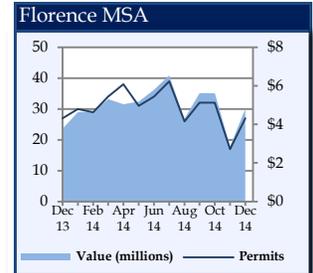
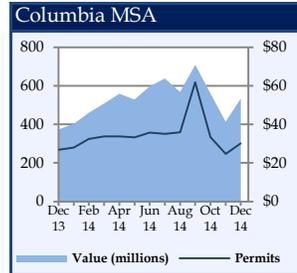
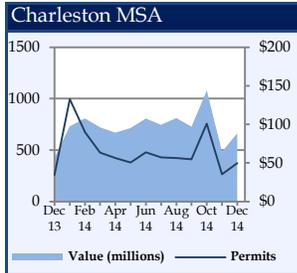
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

## Home Sales

MSA	Indicator	Dec 13	Dec 14
Charleston	Sales Volume	1,092	1,288
	Median Price (000's)	\$223	\$202
Columbia	Sales Volume	687	834
	Median Price (000's)	\$150	\$143
Florence	Sales Volume	129	134
	Median Price (000's)	\$132	\$134
Greenville	Sales Volume	704	850
	Median Price (000's)	\$152	\$161
Myrtle Beach	Sales Volume	787	852
	Median Price (000's)	\$153	\$165
Spartanburg	Sales Volume	234	314
	Median Price (000's)	\$135	\$126
South Carolina	Sales Volume	3,662	4,376
	Median Price (000's)	\$159.9	\$163.0

Source: S.C. Association of Realtors

## Building Permits



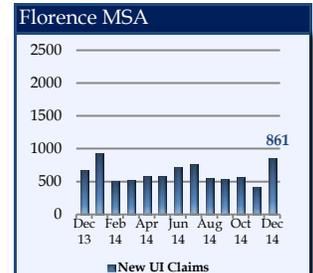
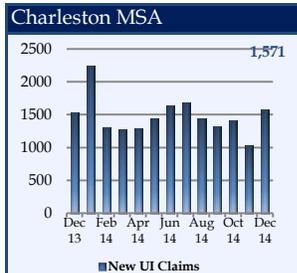
Source: U.S. Census

## Employment

MSA	Indicator	Nov 14	Dec 14
Charleston	Employment (000's)	316.3	318.7
	Unemployment Rate	5.6	5.4
Columbia	Employment (000's)	351.6	348.6
	Unemployment Rate	5.9	5.7
Florence	Employment (000's)	86.5	86.7
	Unemployment Rate	7.2	7.1
Greenville	Employment (000's)	303.2	303.9
	Unemployment Rate	5.4	5.2
Myrtle Beach	Employment (000's)	118.0	116.1
	Unemployment Rate	7.4	8.1
Spartanburg	Employment (000's)	131.5	132.3
	Unemployment Rate	5.8	5.5
South Carolina	Employment (000's)	2,051.4	2,058.7
	Unemployment Rate	6.7	6.5

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

## Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

## Estimated Population Annual Growth Rate (2014 - 2019)

1.8%

Charleston

1.1%

Columbia

1.0%

Greenville

2.1%

Myrtle Beach

0.6%

Spartanburg

Source: ESRI Business Analyst Online, January 2015