

# South Carolina Economic Outlook



**South Carolina**  
Department of Commerce

Just right for business.

Division of Research

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## SCLI Continues to Forecast Economic Growth

Although dropping 0.34 points to a value of 101.80, the South Carolina Leading Index continued to hold a value above 100 in June, predicting economic growth for the state over the next three to six months. Each of the components of the SCLI put downward pressure on the Index last month. The most significant drivers of the SCLI were a 1.6 percent decline in the average manufacturing workweek and a 14.5 percent drop in the number of residential housing units permitted last month. A seasonal increase of 26.8 percent in the number of initial claims for Unemployment Insurance also pushed the SCLI lower. Last month, the Conference Board's national Leading Economic Index gained 0.6 percent to a value of 123.6.

- David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

## SC Real Estate Market Mixed in June

The number of residential real estate closings hit a 12 month high in June, with 7,460 units sold. The median South Carolina home sales price also reached a 12 month high at \$182,000 last month. For the first half of 2015, home sales have been particularly strong in the Charleston, Columbia and Greenville markets, while median sales price gains have improved the most in Florence and Spartanburg. The number of residential building permits issued in South Carolina dipped 14.5 percent in June, compared to May, while the valuation associated with those permits declined only 3.7 percent. Fewer multi-family units were permitted in June compared to the previous month.

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

+1.2%

#### State Personal Income

increased to \$183.7 billion in the first quarter of 2015.

*U.S. Bureau of Economic Analysis*

-3.2%

#### South Carolina Stock Index

lost 3.54 points in June, closing at 107.73 on the last trading day of the month.

*Bloomberg*

### Employment

+0.5%

#### Nonfarm Employment

increased by 10,400 non-seasonally adjusted jobs in June from the prior month.

*U.S. Bureau of Labor Statistics*

-0.1%

#### Labor Force

decreased by 2,307 to 2,260,791, seasonally-adjusted, in June.

*U.S. Bureau of Labor Statistics*

-0.2%

#### Unemployment Rate

decreased 0.2 percent to 6.6 percent, seasonally-adjusted, for June.

*U.S. Bureau of Labor Statistics*

-1.6%

#### Manufacturing Weekly Hours

decreased by 0.7 hours to 42.0 hours in June from 42.7 hours in May.

*U.S. Bureau of Labor Statistics*

+0.4%

#### Available Online Job Postings

increased by 300 positions in June to a seasonally-adjusted 68,200 job postings.

*The Conference Board Help Wanted Online Index*

### Real Estate

+4.1%

#### Single-Family Home Sales Price

increased by \$7,100 to \$182,000 in June.

*South Carolina Association of Realtors*

-14.5%

#### Residential Building Permits

decreased by 430 permits from the previous month to 2,530 permits issued in June.

*U.S. Census Bureau*



# South Carolina Employment

*Non-Seasonally Adjusted Wage and Salary Employment*

Total non-seasonally adjusted, nonfarm employment increased by 10,400 from the previous month, a 0.52 percent gain for the month and 2.79 percent for the year. Last month, the Leisure and Hospitality (+8,700 jobs) and Trade, Transportation and Utilities (+4,100 jobs) sectors saw the greatest employment

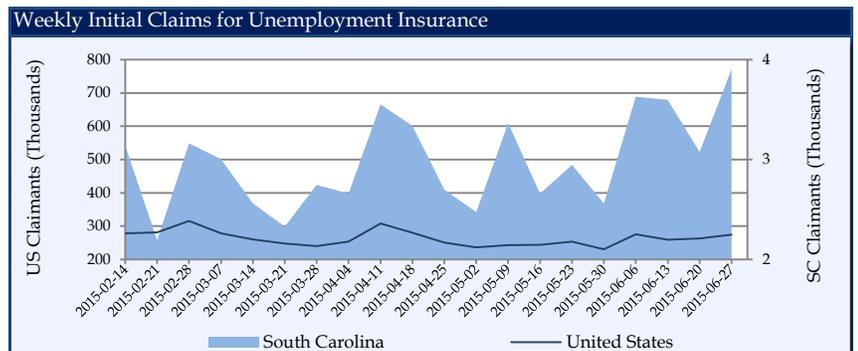
increases. The Services sectors have added 85 percent of all the jobs gained year-over-year, contributing 46,800 new jobs during the last 12 months. Manufacturing added 500 jobs last month and is up 2,100 positions over the last year. Compared to a year ago, the Professional and Business Services sector has experienced the largest increase, adding 16,300 jobs or 6.39 percent.

Industry Sector	June 2015	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
<b>Goods Producing</b>	<b>326,600</b>	<b>323,800</b>	<b>318,500</b>	<b>0.86</b>	<b>2.54</b>
Natural Resources and Mining	3,800	3,800	3,900	0.00	-2.56
Construction	89,500	87,200	83,400	2.64	7.31
Manufacturing	233,300	232,800	231,200	0.21	0.91
<b>Service Providing</b>	<b>1,695,100</b>	<b>1,687,500</b>	<b>1,648,300</b>	<b>0.45</b>	<b>2.84</b>
Trade, Transportation, and Utilities	384,800	380,700	376,000	1.08	2.34
Information	26,800	26,700	26,500	0.37	1.13
Finance	95,800	95,500	97,500	0.31	-1.74
Professional and Business Services	271,300	268,900	255,000	0.89	6.39
Educational and Health Services	231,100	234,300	224,200	-1.37	3.08
Leisure and Hospitality	251,600	242,900	242,200	3.58	3.88
Other Services	72,600	73,400	72,600	-1.09	0.00
<b>Total Private</b>	<b>1,660,600</b>	<b>1,646,200</b>	<b>1,612,500</b>	<b>0.87</b>	<b>2.98</b>
Government	361,100	365,100	354,300	-1.10	1.92
<b>Total Nonfarm</b>	<b>2,021,700</b>	<b>2,011,300</b>	<b>1,966,800</b>	<b>0.52</b>	<b>2.79</b>

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

## Weekly Unemployment Claims

Following normal seasonal patterns, the number of initial claims for Unemployment Insurance (UI) in South Carolina increased 26.8 percent last month to 3,551 average weekly claims. Last month's level was 14.4 percent lower than June 2014 weekly claims activity and 21.6 percent lower than two years ago. Claimant activity increased the most in the Spartanburg, Florence and Charleston areas last month.



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

The South Carolina real estate market continues to improve with strong gains in real estate sales and building activity, comparing year-to-date 2015 to the same period in 2014. With 7,460 homes sold last month, the SC real estate market has seen a year-to-date increase of 16.2 percent compared to 2014. Likewise, the median sales price is up 6.2 percent year-to-date and the number of residential building permits has increased 15.2 percent. Although up slightly in June, the number of foreclosure filings has also decreased 8.8 percent year-to-date.

	Month	Current	Previous Year	% Change Year Ago	2015 YTD	2014 YTD	% Change YTD
Closings	June	7,460	6,482	15.1%	35,824	30,817	16.2%
Median Sales Price*	June	\$182.0	\$174.0	4.6%	\$169.9	\$160.0	6.2%
Foreclosures	June	2,238	1,972	13.5%	13,009	14,261	-8.8%
Residential Building Permits -Total	June	2,530	2,129	18.8%	15,703	13,630	15.2%
Residential Building Permits -Valuation*	June	\$522,442	\$446,127	17.1%	\$3,089,087	\$2,576,851	19.9%

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

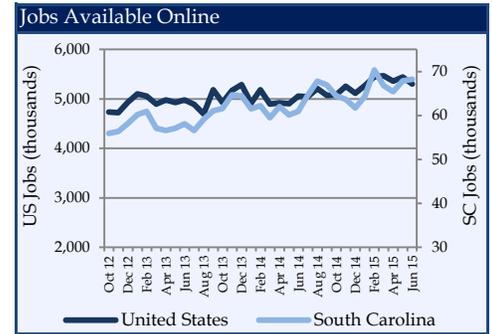
## Business Activity



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

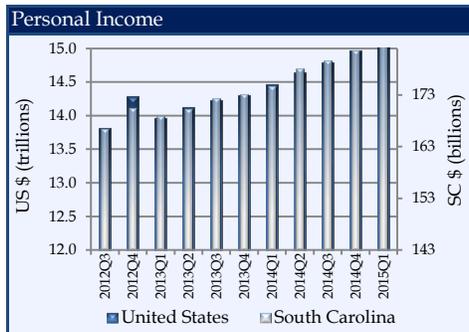


Source: U.S. Department of Labor

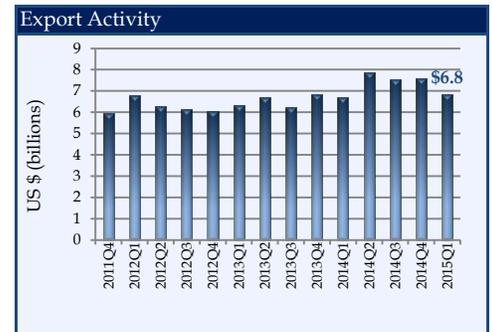
## Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



# South Carolina Regional Update

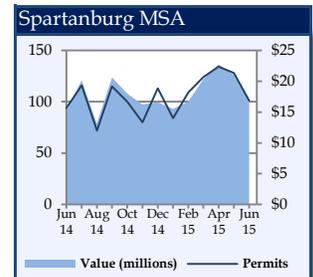
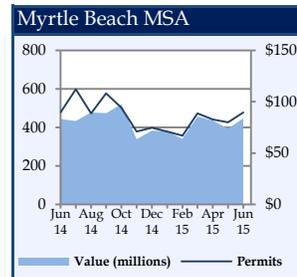
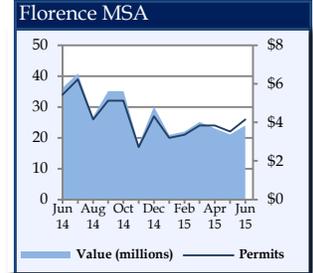
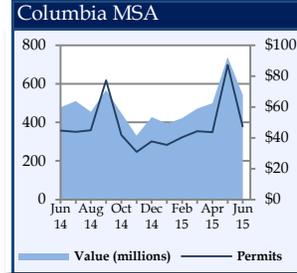
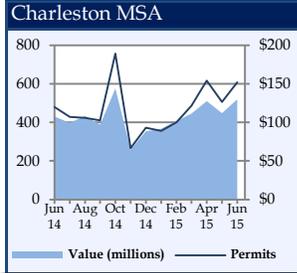
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

## Home Sales

MSA	Indicator	Jun 14	Jun 15
Charleston	Sales Volume	1,453	1,691
	Median Price (000's)	\$228	\$240
Columbia	Sales Volume	941	1,125
	Median Price (000's)	\$160	\$160
Florence	Sales Volume	172	177
	Median Price (000's)	\$138	\$130
Greenville	Sales Volume	1,036	1,242
	Median Price (000's)	\$168	\$180
Myrtle Beach	Sales Volume	1,007	1,118
	Median Price (000's)	\$163	\$168
Spartanburg	Sales Volume	376	414
	Median Price (000's)	\$127	\$145
South Carolina	Sales Volume	6,482	7,460
	Median Price (000's)	\$174.0	\$182.0

Source: S.C. Association of Realtors

## Building Permits



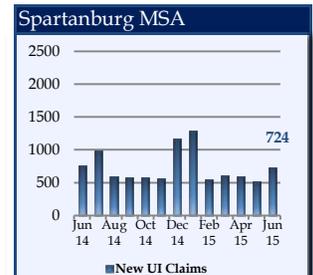
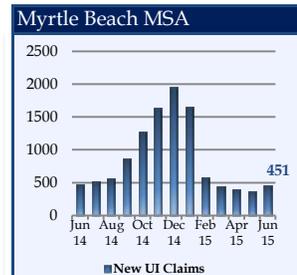
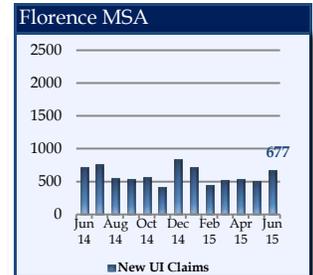
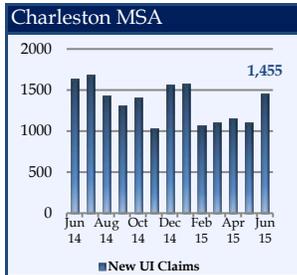
Source: U.S. Census

## Employment

MSA	Indicator	May 15	Jun 15
Charleston	Employment (000's)	341.2	341.9
	Unemployment Rate	5.7	5.8
Columbia	Employment (000's)	369.6	370.4
	Unemployment Rate	6.0	6.3
Florence	Employment (000's)	87.7	87.6
	Unemployment Rate	7.5	7.8
Greenville	Employment (000's)	391.0	392.1
	Unemployment Rate	5.9	6.1
Myrtle Beach	Employment (000's)	176.0	182.6
	Unemployment Rate	7.0	6.8
Spartanburg	Employment (000's)	140.5	140.4
	Unemployment Rate	6.5	6.9
South Carolina	Employment (000's)	2,109.9	2,112.0
	Unemployment Rate	6.8	6.6

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

## Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

## Brookings Metro Monitor - Recovery Ranking of 100 Largest US Metro Areas



Source: Brookings Metro Monitor - July 2015