

SCLI Forecasts Improving Economy

The South Carolina Leading Index (SCLI) reached 101.04 in March, making two consecutive months of improvement and 16 consecutive months above the 100 mark (Jan 2000 = 100). An SCLI value above 100 forecasts positive economic growth for the state over the coming three to six months. A 15 percent decrease in initial claims for Unemployment Insurance and a 17 percent increase in permits for new residential construction were the primary drivers of the SCLI gain last month. Gains in the stock market also helped push the SCLI higher. The only negative contributor to the SCLI in March was a 0.1 hour reduction in the average manufacturing workweek. The Conference Board's Leading Economic Index for the U.S. declined 0.1 percent in March to 94.7 (2004 = 100), following two consecutive months of increase.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

SC Home Sales Up 13 Percent Year-to-Date

Except for an increase in foreclosure filing activity (up 9.7 percent) all residential real estate indicators had positive movement in March. The median South Carolina home sales price gained 4.6 percent, the number of residential real estate closings grew by 33 percent, and the number of residential building permits issued increased 17.2 percent. New construction permits for multi-family residential buildings pushed Charleston's permitting volume up 39 percent last month. The Myrtle Beach area also saw a 30 percent rise in building permits last month. Despite positive movement for the housing market, Construction employment in South Carolina lost 400 jobs last month and remains relatively unchanged over the last twelve months.

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

+1.7%

State Personal Income

grew to \$164.8 billion in the fourth quarter of 2012.

U.S. Bureau of Economic Analysis

+2.1%

South Carolina Stock Index

gained 2.0 points in March, closing at 97.79 on the last trading day of the month.

Bloomberg

Employment

+1.0%

Nonfarm Employment

increased 18,200 non-seasonally adjusted jobs in March from the prior month.

U.S. Bureau of Labor Statistics

-0.2%

Labor Force

decreased by 3,775 to 2,175,091, seasonally-adjusted, in March.

U.S. Bureau of Labor Statistics

-0.2%

Unemployment Rate

decreased to 8.4 percent for the month of March, from 8.6 percent in February.

U.S. Bureau of Labor Statistics

-0.2%

Manufacturing Weekly Hours

decreased by 0.1 hours to 42.0 hours in March from the previous month.

U.S. Bureau of Labor Statistics

-6.2%

Available Online Job Postings

decreased by 3,800 positions in March to a seasonally-adjusted 57,100 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+4.6%

Single-Family Home Sales Price

increased to \$151,600 in March.

South Carolina Association of Realtors

+17.2%

Residential Building Permits

increased by 278 permits from the previous month to 1,890 permits issued in March.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

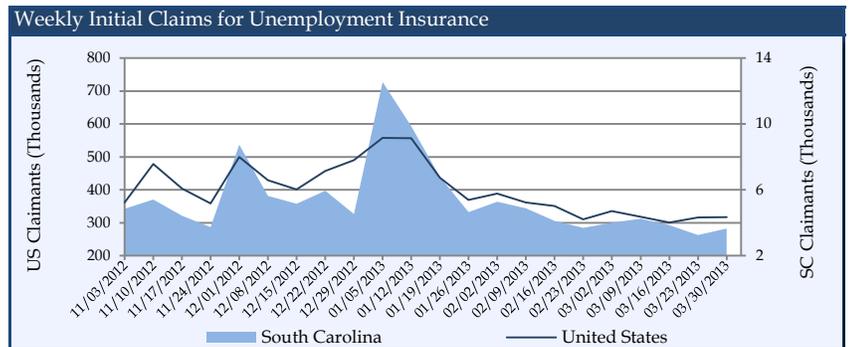
Total non-seasonally adjusted, nonfarm employment increased 18,200 jobs, or 1.0 percent, in March. The private sector contributed 88 percent of the total job gains last month, with seasonal gains in Leisure and Hospitality (+9,800) providing the lion's share of growth. Other sectors with significant gains last month included Professional and Business Services (+2,600 jobs); Trade, Transportation and Utilities (+1,900 jobs); and Finance (+1,600 jobs). Manufacturing also posted a gain in March, adding 600 jobs. The Manufacturing sector in South Carolina has added jobs in 8 of the last 12 months and 16 of the last 24 months.

Industry Sector	March 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	303,300	303,100	301,000	0.07	0.76
Natural Resources and Mining	3,800	3,800	3,900	0.00	-2.56
Construction	78,500	78,900	77,500	-0.51	1.29
Manufacturing	221,000	220,400	219,600	0.27	0.64
Service Providing	1,571,900	1,553,900	1,549,500	1.16	1.45
Trade, Transportation, and Utilities	353,900	352,000	349,500	0.54	1.26
Information	26,000	26,400	25,600	-1.52	1.56
Finance	101,500	99,900	97,300	1.60	4.32
Professional and Business Services	229,900	227,300	234,000	1.14	-1.75
Educational and Health Services	212,000	212,400	211,700	-0.19	0.14
Leisure and Hospitality	222,100	212,300	210,800	4.62	5.36
Other Services	69,200	68,500	69,000	1.02	0.29
Total Private	1,517,900	1,501,900	1,498,900	1.07	1.27
Government	357,300	355,100	351,600	0.62	1.62
Total Nonfarm	1,875,200	1,857,000	1,850,500	0.98	1.33

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

Weekly Unemployment Claims

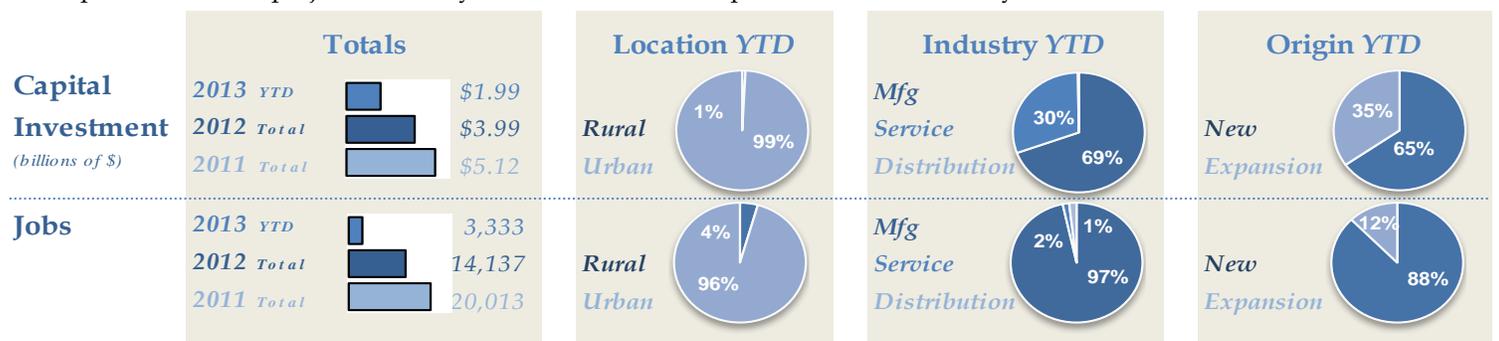
In March, the weekly average of initial claims for Unemployment Insurance (UI) in South Carolina fell to the lowest levels seen since 2007. On average last month, 3,800 initial claims for UI were made per week in the state, significantly below the 4,487 weekly average in February and the 4,719 average a year ago. With improvements in the tourism economy, the Myrtle Beach metro area saw a 31 percent decline in initial UI claims. Meanwhile Charleston saw a 30 percent increase and the other metro areas experienced smaller changes.



Source: U.S. Department of Labor

Capital Investment and Job Recruitment

Capital Investment and Job Recruitment provide preliminary 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.

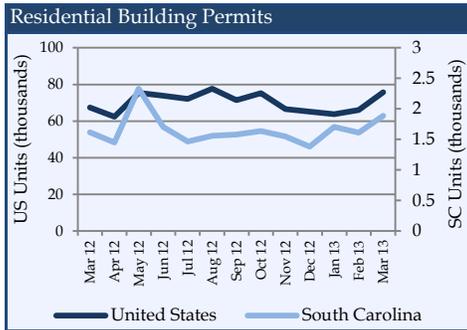
South Carolina Real Estate

The median South Carolina home sales price gained ground in March after several months of decline. The median price in March was \$151,600, which is approximately 4 percent higher than one year ago. The volume of residential real estate closings has rebounded more significantly, up 33 percent last month and nearly 14 percent over the last year. Building permits for new residential construction have also continued to improve, gaining 17 percent last month. Foreclosure filings and distressed properties continue to be a drag on the housing market; however, filing activity is down 7.4 percent compared to March a year ago.

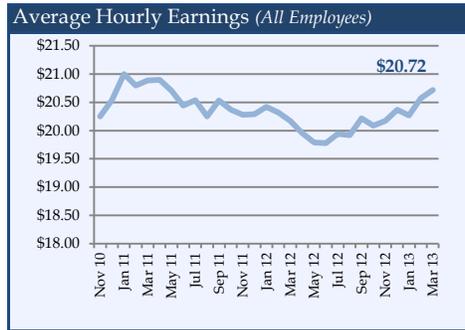
	Month	Current	Previous Year	% Change Year Ago	2012 YTD	2011 YTD	% Change YTD
Closings	March	5,001	4,580	9.2%	12,462	10,947	13.8%
Median Sales Price*	March	\$151.6	\$144.9	4.6%	\$149.0	\$143.0	4.2%
Foreclosures	March	3,144	3,396	-7.4%	8,501	11,055	-23.1%
Residential Building Permits -Total	March	1,890	1,618	16.8%	5,207	4,417	17.9%
Residential Building Permits -Valuation*	March	\$354,305	\$306,102	15.7%	\$982,260	\$797,536	23.2%

* 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

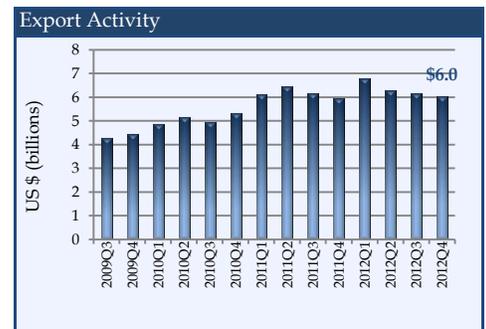
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

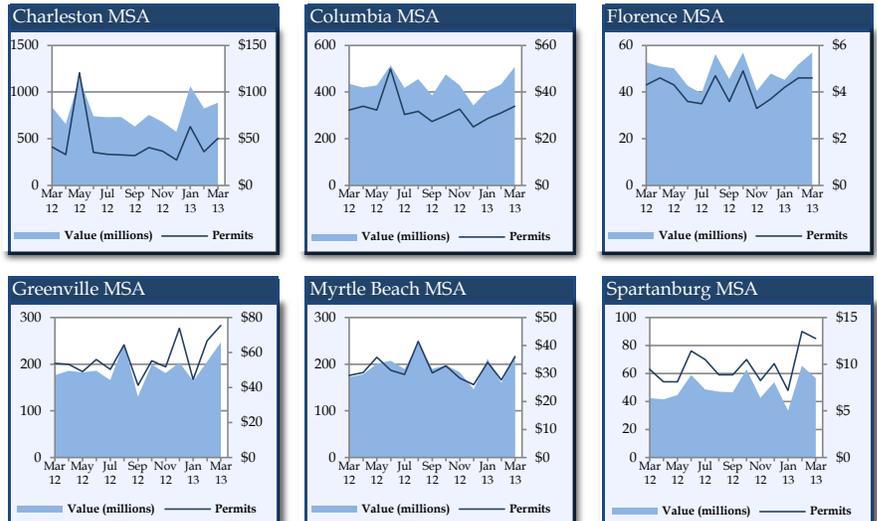
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Mar 12	Mar 13
Charleston	Sales Volume	912	1,038
	Median Price (000's)	\$182	\$202
Columbia	Sales Volume	637	734
	Median Price (000's)	\$135	\$144
Florence	Sales Volume	129	131
	Median Price (000's)	\$114	\$115
Greenville	Sales Volume	628	741
	Median Price (000's)	\$144	\$145
Myrtle Beach	Sales Volume	742	741
	Median Price (000's)	\$138	\$138
Spartanburg	Sales Volume	269	277
	Median Price (000's)	\$102	\$119
South Carolina	Sales Volume	4,580	5,001
	Median Price (000's)	\$144.9	\$151.6

Source: S.C. Association of Realtors

Building Permits



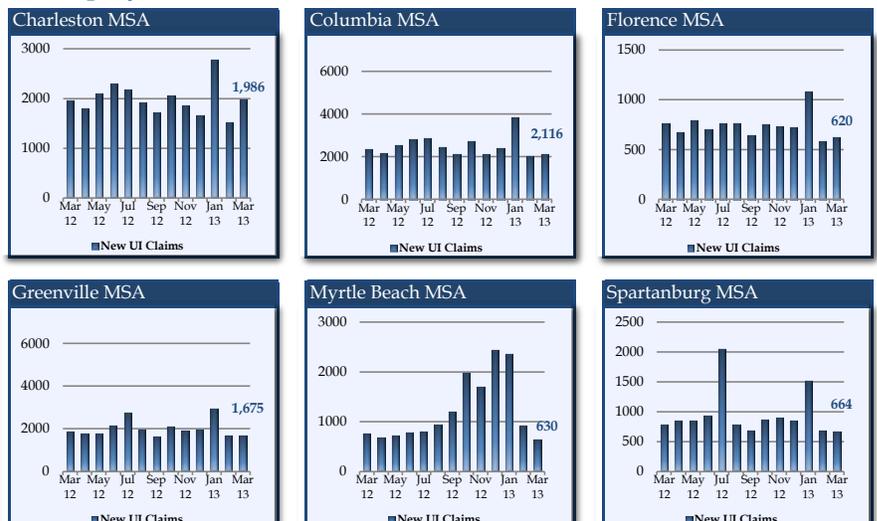
Source: U.S. Census

Employment

MSA	Indicator	Feb 13	Mar 13
Charleston	Employment (000's)	308.4	309.2
	Unemployment Rate	6.8	6.4
Columbia	Employment (000's)	344.2	345.6
	Unemployment Rate	7.4	6.9
Florence	Employment (000's)	84.3	84.4
	Unemployment Rate	9.7	8.9
Greenville	Employment (000's)	291.9	293.5
	Unemployment Rate	6.8	6.4
Myrtle Beach	Employment (000's)	110.5	114.2
	Unemployment Rate	11.1	9.4
Spartanburg	Employment (000's)	125.6	125.9
	Unemployment Rate	8.3	7.7
South Carolina	Employment (000's)	1,991.6	1,992.1
	Unemployment Rate	8.6	8.4

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Change in Per Capita Real GDP for South Carolina Metro Areas, 2010 to 2011



Source: U.S. Department of Commerce, Bureau of Economic Analysis (Feb. 2013)