



South Carolina Economic Outlook

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South Carolina Department of Commerce | Division of Research

SC Leading Index Reaches High Point

The South Carolina Leading Index (SCLI) reached 101.1 in May, passing its highest point since June 2007 and marking four consecutive months of improvement. Positive drivers for the SCLI last month included a 26.3 percent increase in permits for new residential construction and a 2.6 percent decrease in initial claims for Unemployment Insurance. The total valuation associated with residential building permits also increased 17.5 percent last month. The average manufacturing workweek decreased 1.4 percent in May and reached a low point since January 2011. The Conference Board's Leading Economic Index for the U.S. also improved last month, gaining 0.1 percent, following a 0.8 percent increase in April.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

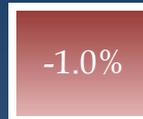
SC Housing Market Heats Up

Heading into summer, the housing market continues to improve in South Carolina. The number of building permits issued for new residential construction last month was up more than 26 percent compared to April and nearly twice the level of permits issued in May two years ago. The coastal region saw the greatest increase in building permits last month; Charleston had a 53 percent increase compared to April and Myrtle Beach activity increased 39 percent. The median sales price for a single-family home also rose sharply last month, gaining \$8,500 or 5.6 percent. Last month's median sales price gain was the largest, in dollar terms, since August 2009. Home sales volume was up 21 percent compared to a year ago, with the sharpest increases in Greenville and Spartanburg, each up nearly 40 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



State Personal Income

decreased to \$163.3 billion in the first quarter of 2013.

U.S. Bureau of Economic Analysis

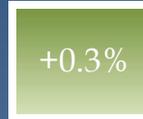


South Carolina Stock Index

gained 0.95 points in May, closing at 100.85 on the last trading day of the month.

Bloomberg

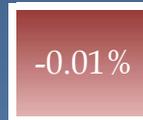
Employment



Nonfarm Employment

increased 5,400 non-seasonally adjusted jobs in May from the prior month.

U.S. Bureau of Labor Statistics



Labor Force

decreased by 276 to 2,169,409, seasonally-adjusted, in May.

U.S. Bureau of Labor Statistics



Unemployment Rate

remained unchanged at 8.0 percent for the month of May.

U.S. Bureau of Labor Statistics



Manufacturing Weekly Hours

decreased by 0.6 hours to 41.3 hours in May from a revised 41.9 hours in April.

U.S. Bureau of Labor Statistics

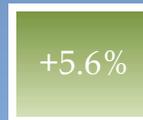


Available Online Job Postings

decreased by 200 positions in May to a seasonally-adjusted 56,400 job postings.

The Conference Board Help Wanted Online Index

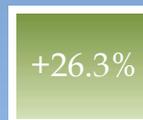
Real Estate



Single-Family Home Sales Price

increased by \$8,500 to \$160,000 in May.

South Carolina Association of Realtors



Residential Building Permits

increased by 487 permits from the previous month to 2,342 permits issued in May.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

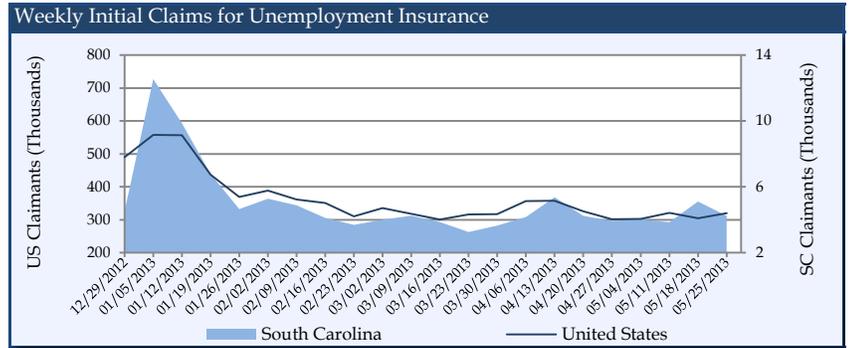
Total non-seasonally adjusted, nonfarm employment increased 5,400 jobs, or 0.3 percent, in May. The Professional and Business Services sector grew by 3,700 jobs (1.6 percent), with much of the gain in the Administrative and Support Services subsector. With tourism picking up, the Leisure and Hospitality sector saw a gain of 2,900 jobs (1.3 percent). The Finance sector also added 1,600 jobs and is up 5,300 positions year-over-year. Last month, Government shed 2,100 jobs, mostly at the state level. Manufacturing, primarily durable goods, also lost ground in May, shedding 1,000 jobs.

Industry Sector	May 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	303,900	304,700	302,100	-0.26	0.60
Natural Resources and Mining	3,800	3,800	3,900	0.00	-2.56
Construction	79,600	79,400	77,700	0.25	2.45
Manufacturing	220,500	221,500	220,500	-0.45	0.00
Service Providing	1,591,300	1,585,100	1,571,500	0.39	1.26
Trade, Transportation, and Utilities	356,300	355,700	353,800	0.17	0.71
Information	25,900	26,000	26,000	-0.38	-0.38
Finance	103,700	102,100	98,400	1.57	5.39
Professional and Business Services	236,200	232,500	238,300	1.59	-0.88
Educational and Health Services	212,600	213,400	211,300	-0.37	0.62
Leisure and Hospitality	233,400	230,500	224,200	1.26	4.10
Other Services	68,800	68,400	69,400	0.58	-0.86
Total Private	1,540,800	1,533,300	1,523,500	0.49	1.14
Government	354,400	356,500	350,100	-0.59	1.23
Total Nonfarm	1,895,200	1,889,800	1,873,600	0.29	1.15

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

Weekly Unemployment Claims

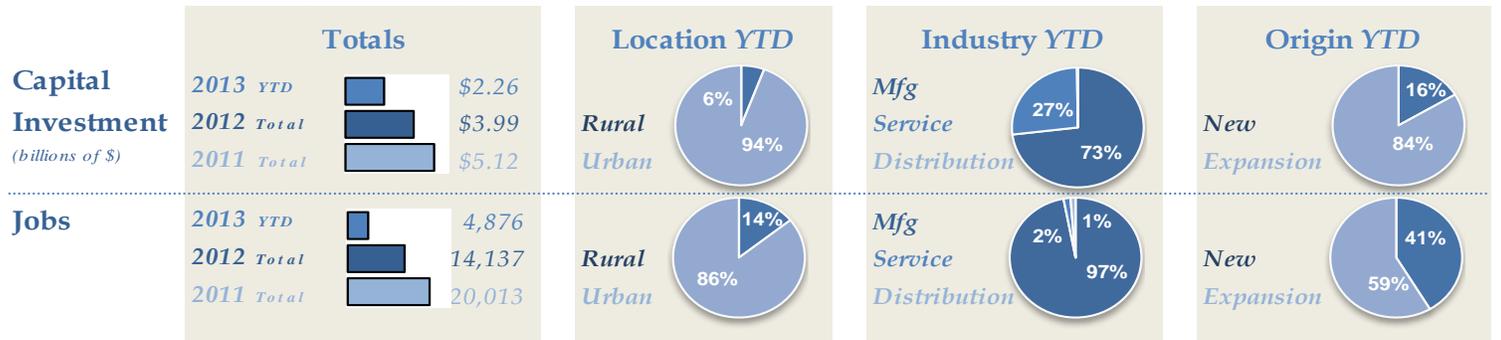
The average weekly number of initial claims for Unemployment Insurance (UI) has remained relatively stable since the seasonal spike in claimant activity in January and essentially at the same levels seen in 2011 and 2012. Last month the average weekly number of new claims was 4,306, or 3 percent less than April and 4 percent less than a year ago. The largest declines last month were seen in Greenville (-14 percent) and Spartanburg (-9 percent). Florence and Charleston had increased initial claimant activity of 9 percent and 3 percent, respectively.



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

Seasonal home sales activity pushed the volume of real estate closings and the median home sales price higher last month. Last month, the median sales price increased 5.6 percent and home sales volume gained 12.1 percent. The long-run trend is also improving. Compared to a year ago, the number of closed sales is up 20.9 percent and the median sales price is up 3.9 percent. Building permit activity, cumulative year-to-date, has also improved substantially and is up 14.7 percent. Construction employment also gained in May, adding 200 jobs and up 1,900 from a year ago. Also good news, foreclosure filings were down 2 percent in May compared to April and down 11 percent year-over-year.

	Month	Current	Previous Year	% Change Year Ago	2013 YTD	2012 YTD	% Change YTD
Closings	May	6,074	5,025	20.9%	24,184	20,294	19.2%
Median Sales Price*	May	\$160.0	\$154.0	3.9%	\$152.0	\$145.9	4.2%
Foreclosures	May	3,521	3,966	-11.2%	15,606	17,991	-13.3%
Residential Building Permits -Total	May	2,342	2,332	0.4%	9,404	8,198	14.7%
Residential Building Permits -Valuation*	May	\$429,170	\$315,316	36.1%	\$1,776,659	\$1,374,243	29.3%

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

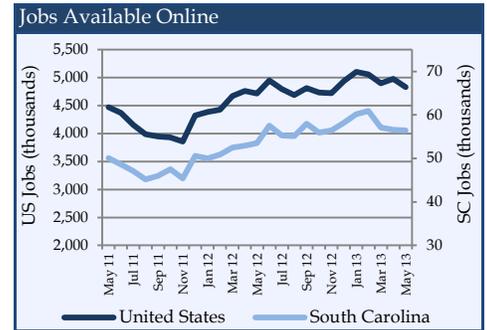
Business Activity



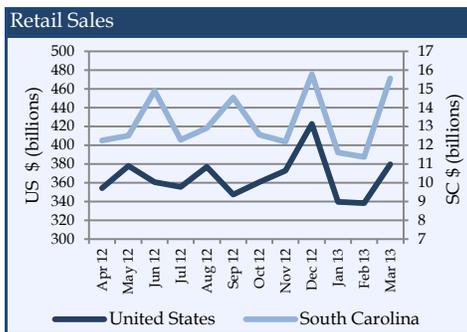
Source: U.S. Census



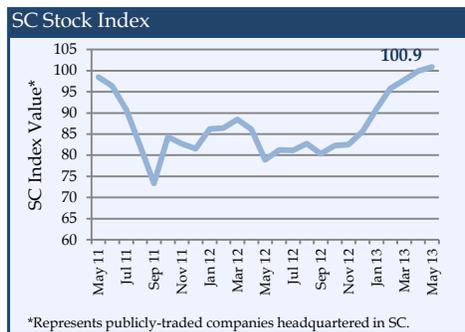
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



Source: Bloomberg

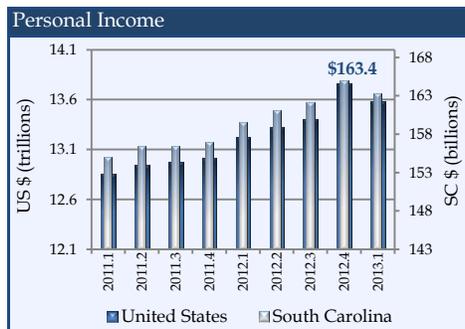


Source: U.S. Department of Labor

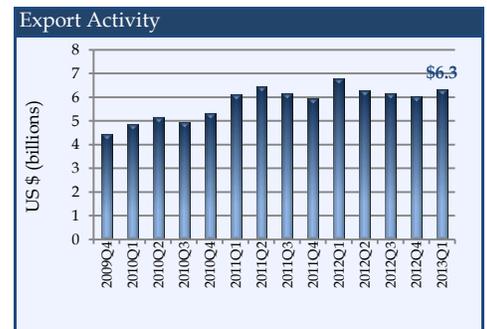
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

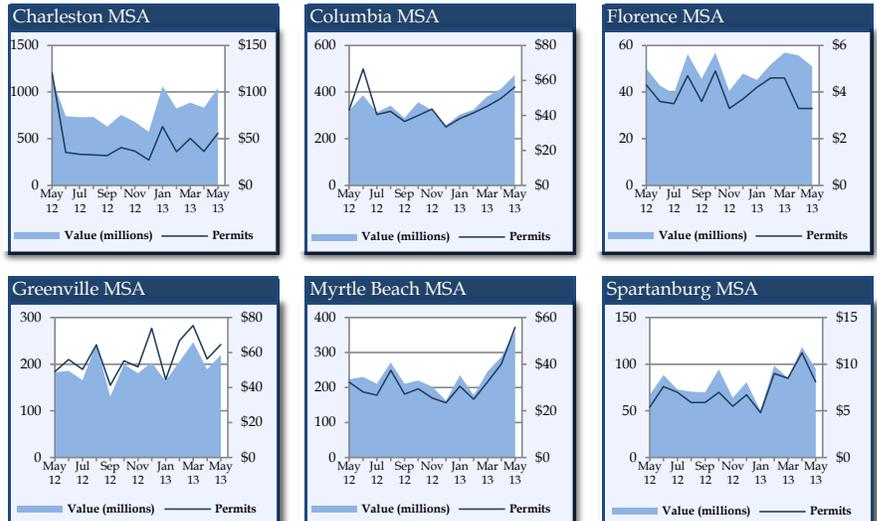
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	May 12	May 13
Charleston	Sales Volume	842	1,011
	Median Price (000's)	\$182	\$204
Columbia	Sales Volume	646	751
	Median Price (000's)	\$140	\$141
Florence	Sales Volume	107	160
	Median Price (000's)	\$133	\$115
Greenville	Sales Volume	617	807
	Median Price (000's)	\$141	\$152
Myrtle Beach	Sales Volume	725	840
	Median Price (000's)	\$136	\$135
Spartanburg	Sales Volume	223	316
	Median Price (000's)	\$115	\$123
South Carolina	Sales Volume	5,025	6,074
	Median Price (000's)	\$154.0	\$160.0

Source: S.C. Association of Realtors

Building Permits

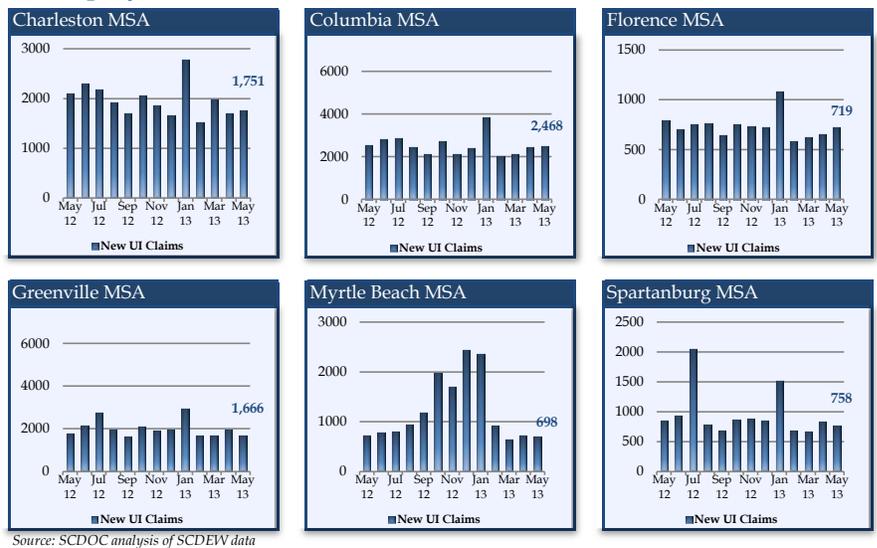


Employment

MSA	Indicator	Apr 13	May 13
Charleston	Employment (000's)	312.6	316.2
	Unemployment Rate	5.9	6.4
Columbia	Employment (000's)	347.1	349.5
	Unemployment Rate	6.5	6.9
Florence	Employment (000's)	84.0	84.6
	Unemployment Rate	8.4	9.0
Greenville	Employment (000's)	295.2	295.3
	Unemployment Rate	6.0	6.5
Myrtle Beach	Employment (000's)	120.5	122.4
	Unemployment Rate	8.1	8.3
Spartanburg	Employment (000's)	126.2	125.9
	Unemployment Rate	7.2	7.7
South Carolina	Employment (000's)	1,995.1	1,996.6
	Unemployment Rate	8.0	8.0

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

Unemployment Insurance Claims



Patents for Invention Granted (Utility Patents) by Metro Area, 2011



Source: US Patent and Trademark Office, February 2013