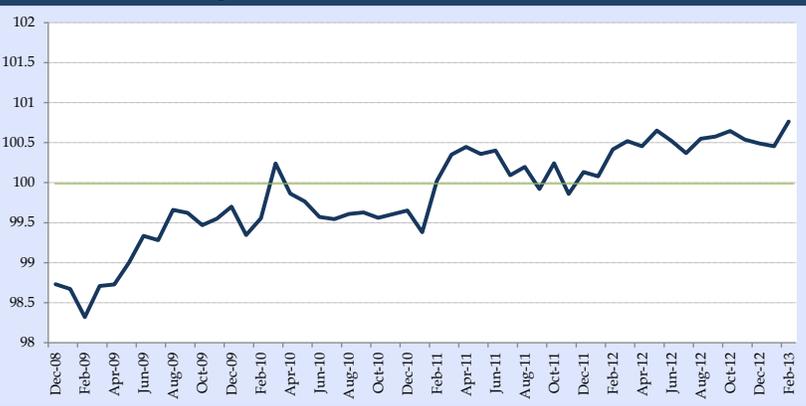


SC Leading Index Rebounds in February

Following three months of decline, the South Carolina Leading Index (SCLI) surged 0.31 points in February to its highest value since 2008. Now at 100.76, the SCLI has been above the 100 mark for fifteen consecutive months and has consistently forecast positive economic growth since the beginning of 2011. Last month, a marked decline in initial claims for unemployment insurance (down 47 percent from the previous month), coupled with a 1.4 percent increase in the average manufacturing work week pushed the SCLI higher. Although the number of housing permits issued last month decreased from January, the valuation associated with those permits increased slightly. Strong gains in the stock market also helped the SCLI improve. The Conference Board's national leading economic index also posted a gain of 0.5 percent in February.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

SC Housing Market Continues Recovery

After a 23 percent increase in January, the number of building permits for new residential construction declined by 5.5 percent in February. Compared to building permit activity a year ago, activity is up more than 10 percent. The number of permits issued over the last twelve months in the Charleston, Columbia, Greenville and Spartanburg metros exceeded the permit volume for each area during the previous twelve months by more than 30 percent. Year-over-year comparisons for residential real estate closings also show stronger activity in Charleston (+16 percent), Columbia (+21 percent) and Greenville (+12 percent). Compared to February 2012, home prices last month showed a modest improvement of 4.3 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

+1.7%

State Personal Income

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

U.S. Bureau of Economic Analysis

+5.3%

South Carolina Stock Index

gained 4.8 points in February, closing at 95.78 on the last trading day of the month.

Bloomberg

Employment

+1.0%

Nonfarm Employment

increased 17,900 non-seasonally adjusted jobs in February from the prior month.

U.S. Bureau of Labor Statistics

+0.1%

Labor Force

increased by 2,527 to 2,179,248, seasonally adjusted, in February.

U.S. Bureau of Labor Statistics

-0.1%

Unemployment Rate

decreased to 8.6 percent for the month of February, from 8.7 percent in January.

U.S. Bureau of Labor Statistics

1.4%

Manufacturing Weekly Hours

increased by 0.6 hours to 42.1 hours in February from the previous month.

U.S. Bureau of Labor Statistics

+1.2%

Available Online Job Postings

increased by 700 positions in February to a seasonally-adjusted 60,900 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-0.3%

Single-Family Home Sales Price

decreased to \$145,000 in February.

South Carolina Association of Realtors

-5.5%

Residential Building Permits

fell by 93 permits from the previous month to 1,612 permits issued in February.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

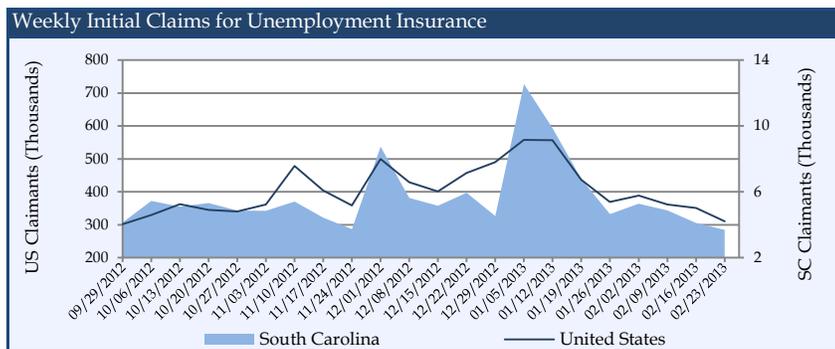
Total non-seasonally adjusted, nonfarm employment increased 1,200 jobs, or 0.4 percent, in February. The Service Providing sectors, including Government, drove the increase. Specifically, gains in Government (+8,000 jobs), Leisure and Hospitality (+4,100 jobs) and Educational and Health Services (+3,800 jobs) were the largest contributors last month. During the last twelve months, the Goods Producing sectors gained 4,500 jobs while the Service Providing sectors, including Government, added 25,600. Manufacturing employment has grown by 2,100 jobs over the year while Construction employment grew by 2,500.

Industry Sector	February 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	303,100	301,900	298,600	0.40	1.51
Natural Resources and Mining	3,800	3,800	3,900	0.00	-2.56
Construction	78,700	77,800	76,200	1.16	3.28
Manufacturing	220,600	220,300	218,500	0.14	0.96
Service Providing	1,554,500	1,537,800	1,528,900	1.09	1.67
Trade, Transportation, and Utilities	351,600	353,900	346,400	-0.65	1.50
Information	26,500	26,000	25,800	1.92	2.71
Finance	100,100	99,400	96,800	0.70	3.41
Professional and Business Services	227,400	225,100	230,300	1.02	-1.26
Educational and Health Services	213,100	209,300	211,200	1.82	0.90
Leisure and Hospitality	212,200	208,100	201,400	1.97	5.36
Other Services	68,400	68,800	67,900	-0.58	0.74
Total Private	1,502,400	1,492,500	1,478,400	0.66	1.62
Government	355,200	347,200	349,100	2.30	1.75
Total Nonfarm	1,857,600	1,839,700	1,827,500	0.97	1.65

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

Weekly Unemployment Claims

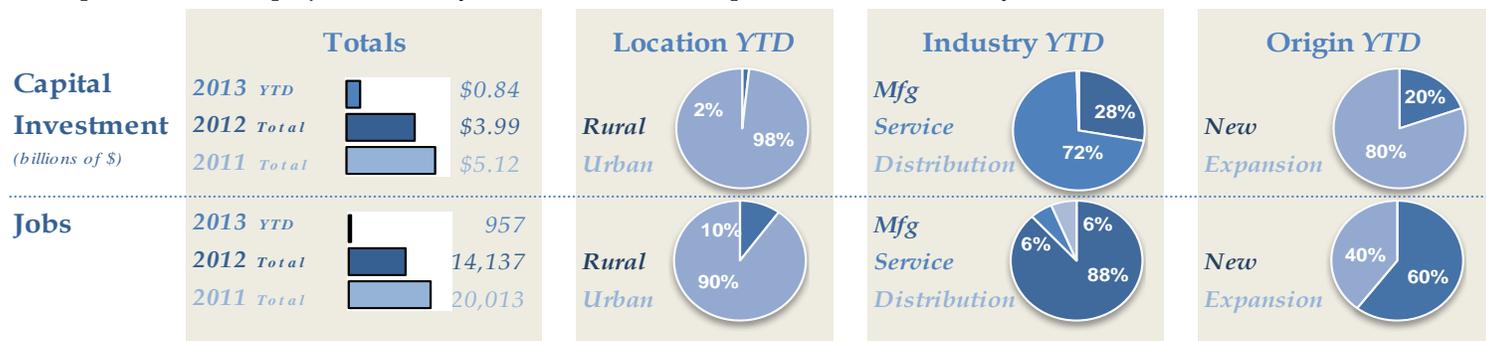
Following the December and January seasonal spike of Unemployment Insurance (UI) claimant activity, the weekly average number of initial claimants for UI fell by nearly 50 percent in February to more normal levels of 4,000 to 5,000 per week. Compared to one year ago, the weekly average number of initial claimants for UI in South Carolina was down approximately 5.4 percent in February. Last month, initial UI claimant numbers fell to twelve month lows in Charleston, Columbia, Florence and Spartanburg.



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 has retreated a bit in recent months, from a twelve month high of \$158,000 in December 2012 to \$145,000 in February 2013. Year-over-year, the median home sales price was still up 4.3 percent last month. The number of residential real estate closings is also up compared to one year ago, with 337 more properties sold in February 2013 than February 2012, equating to a 9.9 percent increase. Despite the recent increase in residential foreclosure activity, up nearly 16 percent last month, the long term trend is declining with 34 percent fewer foreclosure filings last month than a year ago.

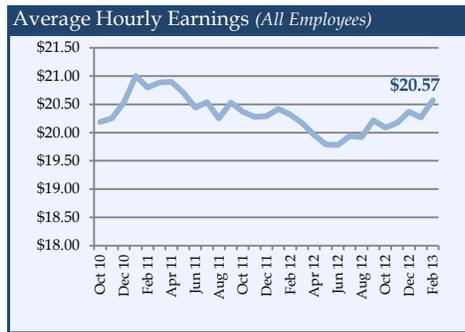
	Month	Current	Previous Year	% Change Year Ago	2012 YTD	2011 YTD	% Change YTD
Closings	February	3,750	3,413	9.9%	7,312	6,363	14.9%
Median Sales Price*	February	\$145.0	\$139.0	4.3%	\$145.0	\$142.0	2.1%
Foreclosures	February	2,867	4,373	-34.4%	5,357	7,659	-30.1%
Residential Building Permits -Total	February	1,612	1,458	10.6%	3,317	2,799	18.5%
Residential Building Permits -Valuation*	February	\$313,571	\$267,529	17.2%	\$627,955	\$491,434	27.8%

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

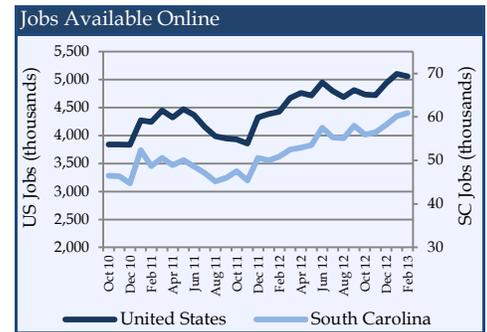
Business Activity



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

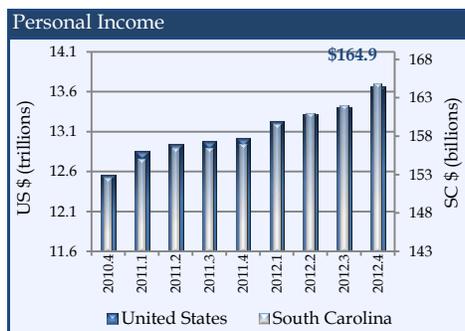


Source: U.S. Department of Labor

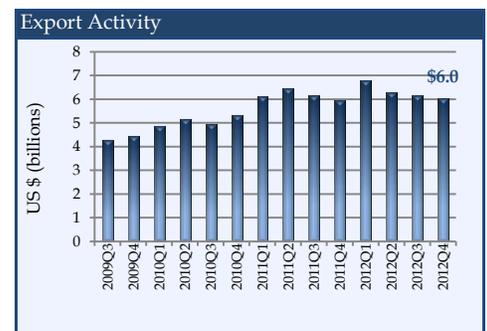
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

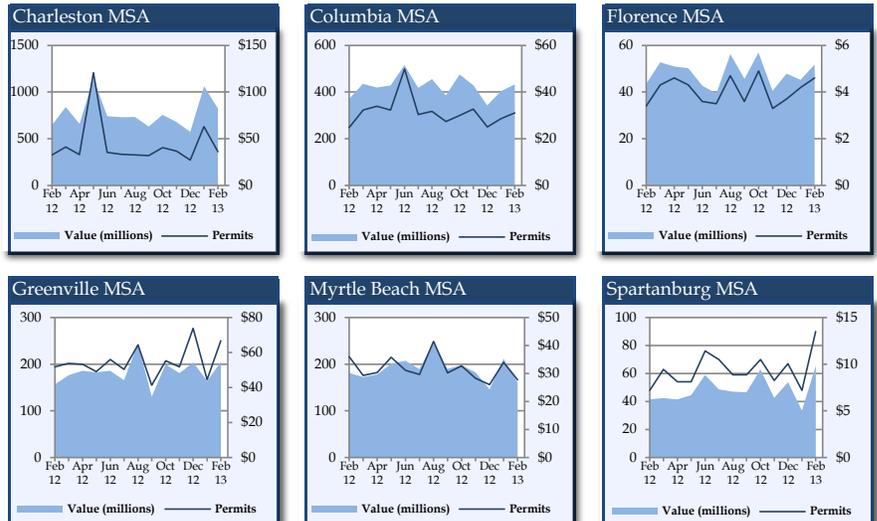
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Feb 12	Feb 13
Charleston	Sales Volume	619	718
	Median Price (000's)	\$170	\$181
Columbia	Sales Volume	462	559
	Median Price (000's)	\$136	\$133
Florence	Sales Volume	109	120
	Median Price (000's)	\$116	\$117
Greenville	Sales Volume	473	530
	Median Price (000's)	\$135	\$144
Myrtle Beach	Sales Volume	567	622
	Median Price (000's)	\$136	\$140
Spartanburg	Sales Volume	196	210
	Median Price (000's)	\$111	\$120
South Carolina	Sales Volume	3,413	3,750
	Median Price (000's)	\$139.0	\$145.0

Source: S.C. Association of Realtors

Building Permits

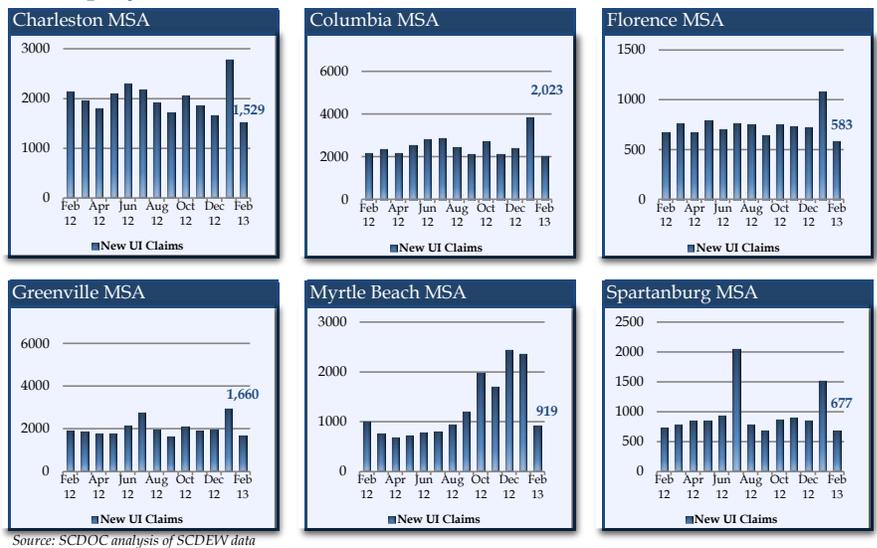


Employment

MSA	Indicator	Jan 13	Feb 13
Charleston	Employment (000's)	306.8	308.2
	Unemployment Rate	7.3	6.8
Columbia	Employment (000's)	342.3	344.1
	Unemployment Rate	7.9	7.4
Florence	Employment (000's)	84.1	84.3
	Unemployment Rate	10.1	9.8
Greenville	Employment (000's)	290.3	291.8
	Unemployment Rate	7.3	6.9
Myrtle Beach	Employment (000's)	109.0	110.5
	Unemployment Rate	12.4	11.2
Spartanburg	Employment (000's)	124.5	125.5
	Unemployment Rate	8.9	8.4
South Carolina	Employment (000's)	1,987.7	1,991.6
	Unemployment Rate	8.7	8.6

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

Unemployment Insurance Claims



Growth in Value of Exports for South Carolina Metro Areas, 2010 to 2011



Source: U.S. Department of Commerce, International Trade Administration