



South Carolina Economic Outlook

Volume 6: Issue 5 May 2013

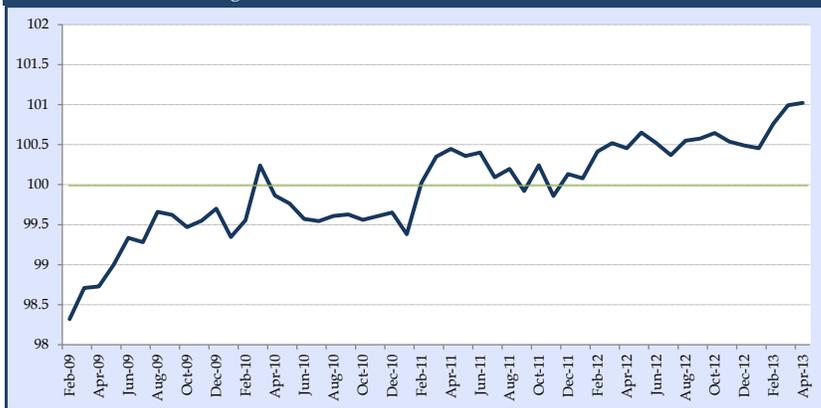
South Carolina Department of Commerce | Division of Research

SC Leading Index Improves Again in April

Bolstered by an increase in the average manufacturing workweek and gains in the stock market, the South Carolina Leading Index (SCLI) remained above the 101 level for the second month and above the 100 mark for 17 consecutive months. An SCLI value above 100 forecasts positive economic growth for the state over the coming three to six months. Despite a 16 percent increase in the average weekly number of initial claims for Unemployment Insurance and a slight decline in building permit activity, the SCLI gained 0.03 points last month. However, the valuation associated with building permits issued in South Carolina increased 3.1 percent last month, pushing the SCLI higher. The Conference Board's Leading Economic Index for the U.S. gained 0.6 percent in April to 95.0.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

ADP Produces First State Employment Reports

On May 10, payroll processing company ADP, with Moody's Analytics, Inc., released its first regional employment report. Like their national employment report, the regional report will be produced prior to the monthly labor market data release by the Bureau of Labor Statistics (BLS) and provides a glimpse of private sector employment trends in South Carolina. In this first report, ADP predicted 2,720 new jobs to payrolls compared to the seasonally-adjusted gain of 2,300 reported by BLS. Reviewing historical data provided by ADP, their estimates correctly predict the directional change of private employment approximately 75 percent of the time for South Carolina, providing a somewhat useful measure of employment growth in the state.

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

+2.2%

South Carolina Stock Index

gained 2.1 points in April, closing at 99.90 on the last trading day of the month.

Bloomberg

Employment

+0.8%

Nonfarm Employment

increased 15,100 non-seasonally adjusted jobs in April from the prior month.

U.S. Bureau of Labor Statistics

-0.2%

Labor Force

decreased by 5,303 to 2,169,430, seasonally-adjusted, in April.

U.S. Bureau of Labor Statistics

-0.4%

Unemployment Rate

decreased to 8.0 percent for the month of April, from 8.4 percent in March.

U.S. Bureau of Labor Statistics

+0.7%

Manufacturing Weekly Hours

increased by 0.3 hours to 42.0 hours in April from a revised 41.7 hours in March.

U.S. Bureau of Labor Statistics

+0.9%

Available Online Job Postings

increased by 500 positions in April to a seasonally-adjusted 57,600 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-0.1%

Single-Family Home Sales Price

decreased by \$100 to \$151,500 in April.

South Carolina Association of Realtors

-1.9%

Residential Building Permits

decreased by 35 permits from the previous month to 1,855 permits issued in April.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

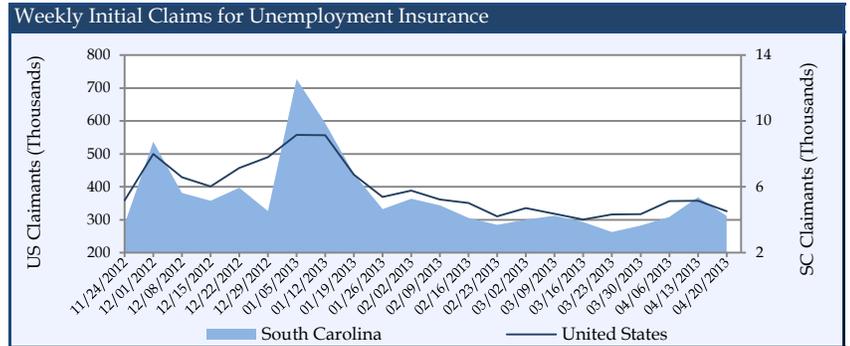
Total non-seasonally adjusted, nonfarm employment increased 15,100 jobs, or 0.8 percent, in April. Strong seasonal gains in the Leisure and Hospitality sector accounted for more than half of the total employment increase last month, contributing 8,700 jobs. The Professional and Business Services sector added 2,700 jobs last month, while the Trade, Transportation and Utilities industries added 2,300 jobs. Industries shedding jobs last month include the Manufacturing sector (-900 jobs), Other Services (-800 jobs) and Government (-200 jobs). Year-over-year, South Carolina has added more than 26,000 non-farm jobs to payrolls.

Industry Sector	April 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	304,300	303,900	300,400	0.13	1.30
Natural Resources and Mining	3,800	3,800	3,900	0.00	-2.56
Construction	79,600	78,300	76,600	1.66	3.92
Manufacturing	220,900	221,800	219,900	-0.41	0.45
Service Providing	1,585,200	1,570,500	1,562,900	0.94	1.43
Trade, Transportation, and Utilities	355,800	353,500	351,100	0.65	1.34
Information	26,000	26,000	25,700	0.00	1.17
Finance	102,200	101,500	98,100	0.69	4.18
Professional and Business Services	232,300	229,600	237,100	1.18	-2.02
Educational and Health Services	213,400	212,100	211,100	0.61	1.09
Leisure and Hospitality	230,400	221,700	220,000	3.92	4.73
Other Services	68,300	69,100	68,900	-1.16	-0.87
Total Private	1,532,700	1,517,400	1,512,400	1.01	1.34
Government	356,800	357,000	350,900	-0.06	1.68
Total Nonfarm	1,889,500	1,874,400	1,863,300	0.81	1.41

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

Weekly Unemployment Claims

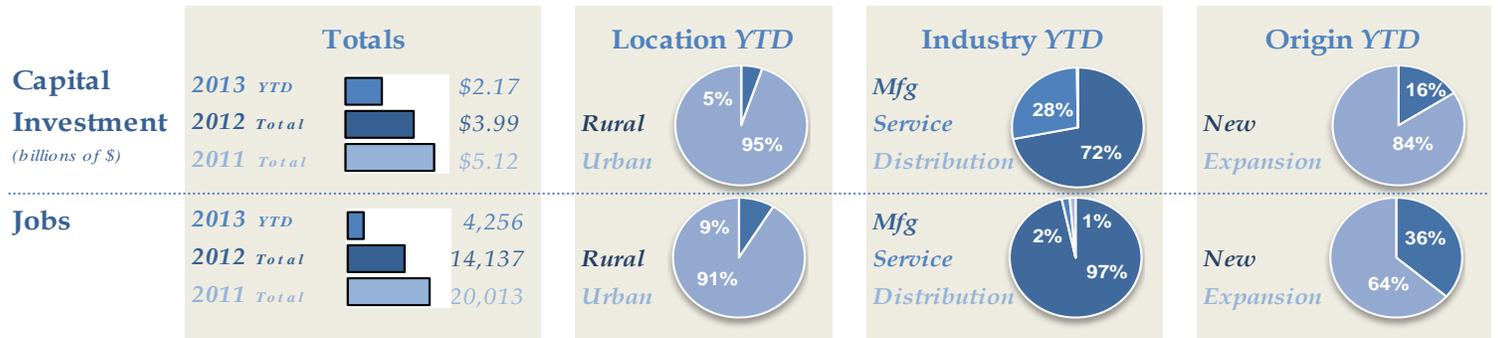
After reaching the lowest level in more than five years in March, the weekly average number of initial claims for Unemployment Insurance (UI) rose 16 percent last month to a weekly average of 4,422. This level is approximately the same as the UI claimant activity one year ago, but significantly lower than levels seen during the recession. Charleston saw a 14 percent decrease in initial UI claims last month, while Columbia, Greenville, Myrtle Beach and Spartanburg each experienced increases greater than 15 percent.



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 stayed practically flat last month, while the number of residential real estate closings increased 5.7 percent to 5,287 in April. The number of building permits issued for new residential construction was also relatively unchanged, down only 1.9 percent from the previous month.

Over the last year, permitting activity has picked up the most in the Charleston, Spartanburg and Greenville metros. Employment in the construction sector also improved, adding 1,300 jobs last month. Foreclosure filings increased 14 percent over the previous month in April.

	Month	Current	Previous Year	% Change Year Ago	2013 YTD	2012 YTD	% Change YTD
Closings	April	5,287	4,324	22.3%	17,936	15,271	17.5%
Median Sales Price*	April	\$151.5	\$146.0	3.8%	\$149.9	\$144.5	3.7%
Foreclosures	April	3,584	2,970	20.7%	12,085	14,025	-13.8%
Residential Building Permits -Total	April	1,855	1,449	28.0%	7,062	5,866	20.4%
Residential Building Permits -Valuation*	April	\$365,229	\$261,391	39.7%	\$1,347,489	\$1,058,927	27.3%

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

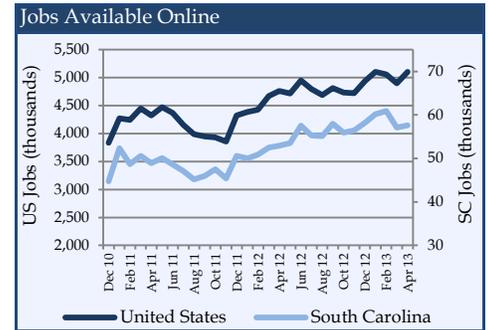
Business Activity



Source: U.S. Census



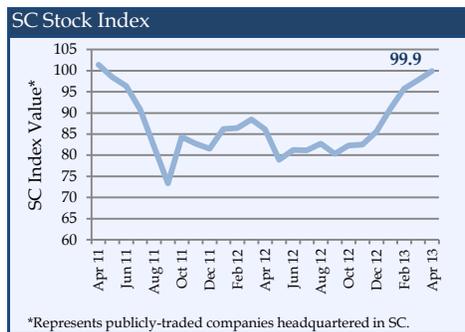
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



Source: Bloomberg



Source: U.S. Department of Labor

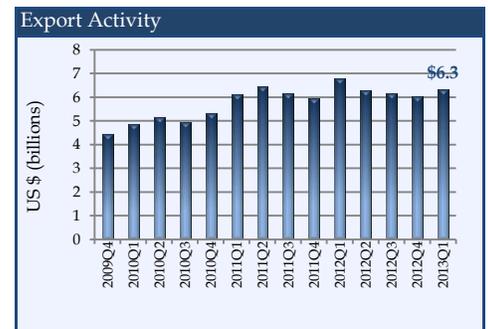
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

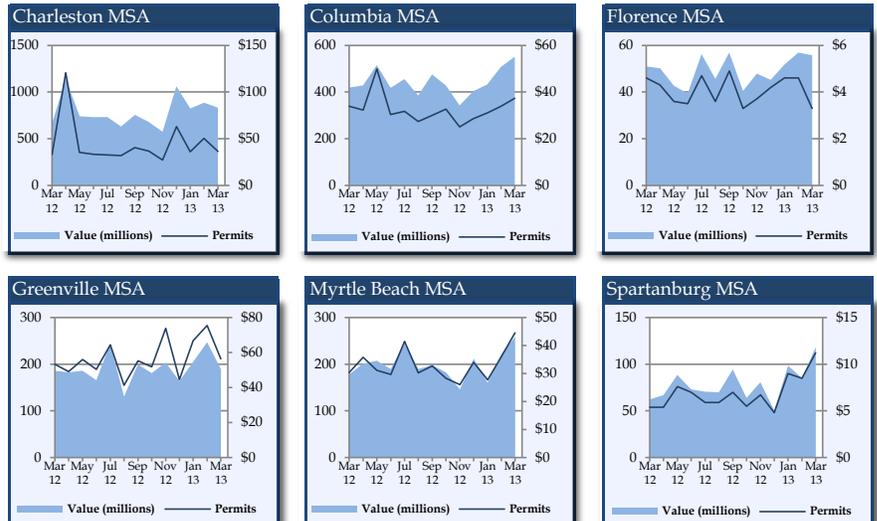
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Apr 12	Apr 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	4,324	5,287
	Median Price (000's)	\$146.0	\$151.5

Source: S.C. Association of Realtors

Building Permits

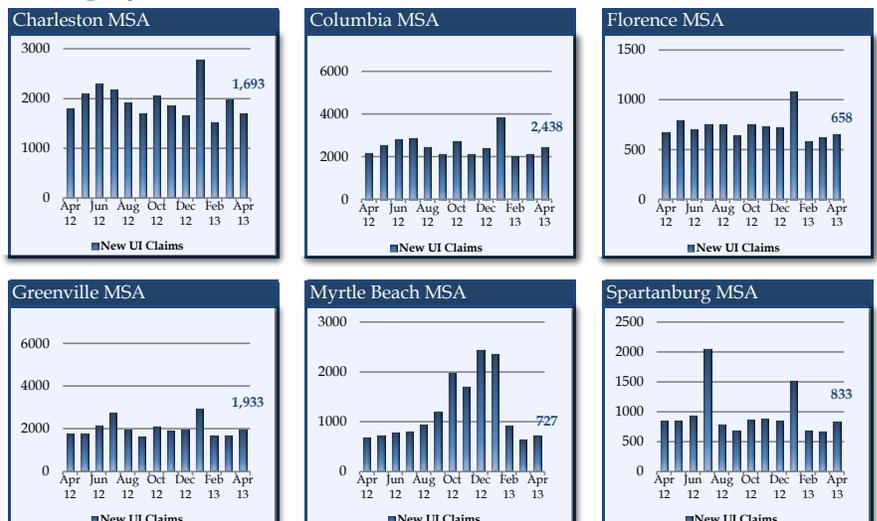


Employment

MSA	Indicator	Mar 13	Apr 13
Charleston	Employment (000's)	308.8	312.6
	Unemployment Rate	6.4	6.0
Columbia	Employment (000's)	345.6	347.1
	Unemployment Rate	6.9	6.5
Florence	Employment (000's)	84.4	84.0
	Unemployment Rate	8.9	8.5
Greenville	Employment (000's)	293.6	294.9
	Unemployment Rate	6.4	6.0
Myrtle Beach	Employment (000's)	114.2	120.5
	Unemployment Rate	9.4	8.1
Spartanburg	Employment (000's)	125.9	126.1
	Unemployment Rate	7.7	7.3
South Carolina	Employment (000's)	1,992.1	1,995.1
	Unemployment Rate	8.4	8.0

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

Unemployment Insurance Claims



Average Weekly Wages, April 2013



Source: US Bureau of Labor Statistics, April 2012 (Reflects average weekly wage for all private employees)