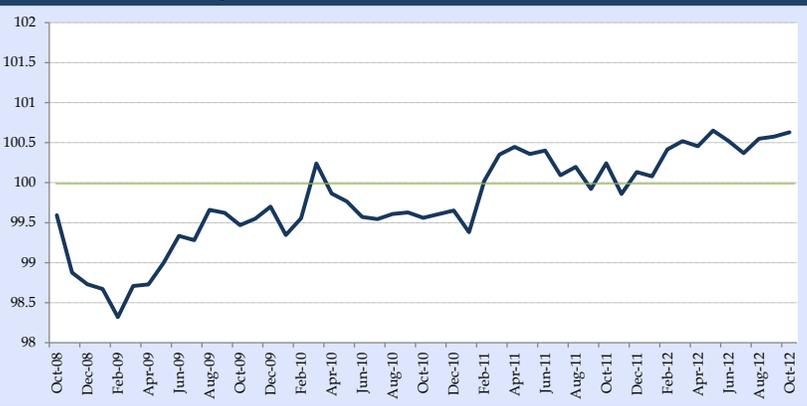


SC Leading Index Remains Positive

For the 11th consecutive month, the South Carolina Leading Index (SCLI) has registered above the 100 mark, consistently indicating improving economic conditions in the state. The SCLI improved largely due to increasing residential permit activity, up 3.5 percent last month by number of permits and up 17 percent by the value associated with those permits. A modest increase in initial claimants for Unemployment Insurance and a 0.2 percent decrease in the average manufacturing workweek negatively impacted the SCLI in October. Last month also saw significant labor market improvements, with a substantial 0.5 percent decrease in the unemployment rate coupled with a 0.2 percent increase in the South Carolina labor force. The Conference Board's national Leading Economic Index also improved last month, gaining 0.2 percent.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Real Estate Market Continues to Improve

While the median South Carolina home sales price has remained essentially flat over the last twelve months, around \$150,000, the number of year-to-date real estate closings and residential building permits issued has rebounded significantly, gaining 11 percent and 24.6 percent respectively. Last month, Charleston, Greenville and Florence each saw more than a 25 percent increase in permitting activity. Foreclosure activity is also up 18.4 percent compared to year-to-date totals last year, likely suppressing median home prices in many markets. Employment in the construction industry has held constant at approximately 75,000 over the last year, down from a peak of 127,000 jobs in 2006.

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

+0.8%

State Personal Income

grew to \$161.3 billion in the second quarter of 2012.

U.S. Bureau of Economic Analysis

+2.4%

South Carolina Stock Index

gained 1.93 points in October, closing at 82.26 on the last trading day of the month.

Bloomberg

Employment

+0.6%

Nonfarm Employment

increased 11,100 non-seasonally adjusted jobs in October from the prior month.

U.S. Bureau of Labor Statistics

+0.2%

Labor Force

increased by 3,891 to 2,137,825, seasonally-adjusted, in August.

U.S. Bureau of Labor Statistics

-0.5%

Unemployment Rate

decreased to 8.6 percent for the month of October, from 9.1 percent in September.

U.S. Bureau of Labor Statistics

-0.2%

Manufacturing Weekly Hours

decreased by 0.1 hours to 42.4 hours in October from the previous month.

U.S. Bureau of Labor Statistics

-3.6%

Available Online Job Postings

fell by 2,100 positions in October to a seasonally-adjusted 55,900 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-2.7%

Single-Family Home Sales Price

decreased to \$149,900 in October.

South Carolina Association of Realtors

+3.5%

Residential Building Permits

rose by 56 permits from the previous month to 1,638 permits issued in October.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

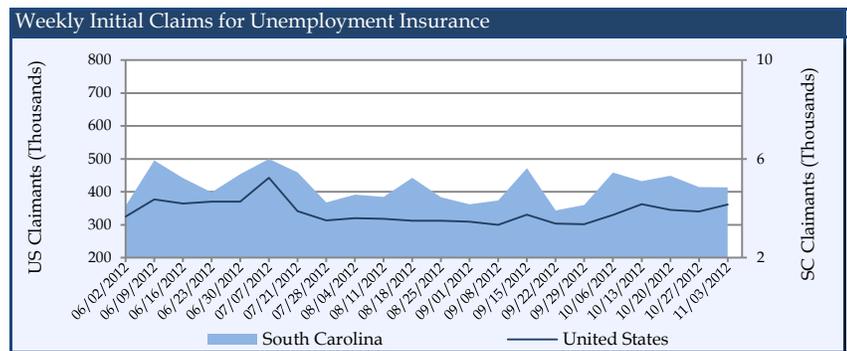
Total non-seasonally adjusted, nonfarm employment gained 11,100 jobs, or 0.6 percent, in October. The Service Providing (+10,200) and Government (+5,100) sectors contributed the largest share of new jobs, while Construction added 900 new positions. Among sub-sectors, Trade, Transportation and Utilities gained 1,900 positions; Finance increased 1,300 jobs and Educational and Health Services added 1,200 positions. Year over year, the sectors of Manufacturing (+5,300), Educational and Health Services (+7,100) and Leisure and Hospitality (+6,300) have expanded the most.

Industry Sector	October 2012	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	303,300	302,400	298,000	0.30	1.78
Natural Resources and Mining	3,600	3,600	3,800	0.00	-5.26
Construction	75,600	74,700	75,400	1.20	0.27
Manufacturing	224,100	224,100	218,800	0.00	2.42
Service Providing	1,571,600	1,561,400	1,542,400	0.65	1.89
Trade, Transportation, and Utilities	356,200	354,300	351,700	0.54	1.28
Information	26,800	27,000	26,100	-0.74	2.68
Finance	98,800	97,500	96,300	1.33	2.60
Professional and Business Services	232,100	232,100	229,900	0.00	0.96
Educational and Health Services	226,000	224,800	218,900	0.53	3.24
Leisure and Hospitality	214,000	214,400	207,700	-0.19	3.03
Other Services	69,700	68,400	69,000	1.90	1.01
Total Private	1,526,900	1,520,900	1,497,600	0.39	1.96
Government	348,000	342,900	342,800	1.49	1.52
Total Nonfarm	1,874,900	1,863,800	1,840,400	0.60	1.87

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

Weekly Unemployment Claims

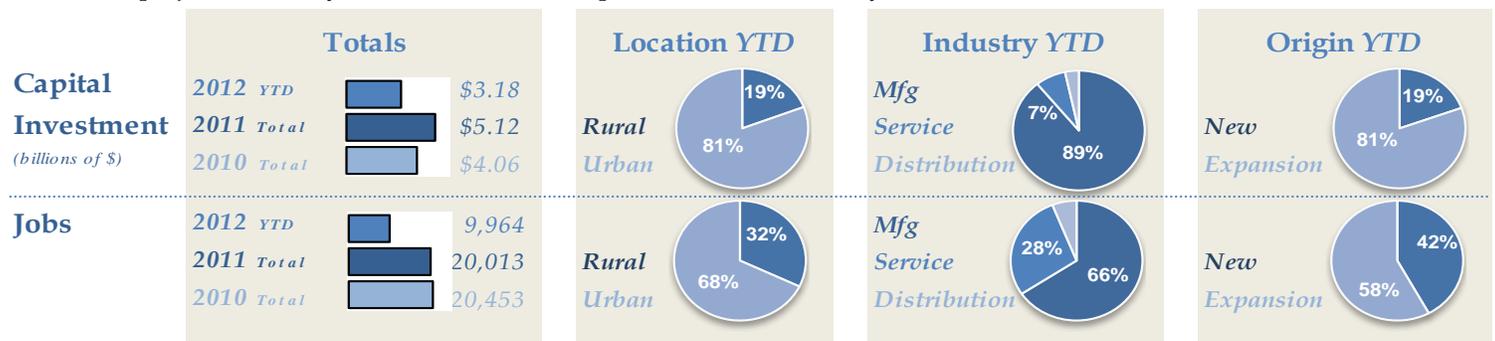
After two months of decline in the weekly average number of initial claimants for Unemployment Insurance (UI) in South Carolina, the state had a 10.4 percent increase in initial claimant activity last month. The weekly average number of initial UI claimants was 4,971 in October. Every major metro area in South Carolina saw an increase in UI claimant activity last month. Claimant activity in Charleston rose 20.6 percent, in Columbia 27.9 percent, in Greenville 29.0 percent and in Myrtle Beach 65.6 percent over the previous month. Initial claimant activity for October 2012 was still 4 percent less than a year ago.



Source: U.S. Department of Labor

Capital Investment and Job Recruitment

Capital Investment and Job Recruitment provide 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

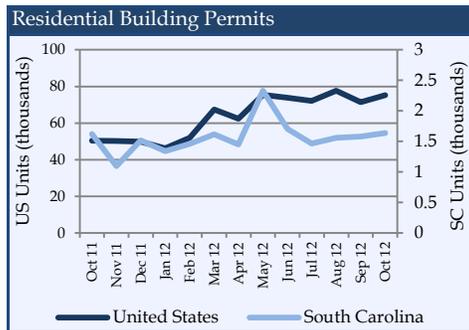
The median South Carolina home sales price in October was \$194,400, down 2.7 percent from the previous month and 0.1 percent lower than one year ago. The year-over-year comparison of the number of homes sold is up, with 24 percent more homes sold in October 2012 compared to October 2011. Foreclosure activity increased 0.3 percent last month following a 12.4 percent increase in September.

Compared to October 2011, foreclosure filing activity was 24.6 percent higher in October 2012. Permits for residential construction continue a strong trend; the value of residential properties associated with permits issued last month is 40.1 percent greater than the valuation of permits issued last October.

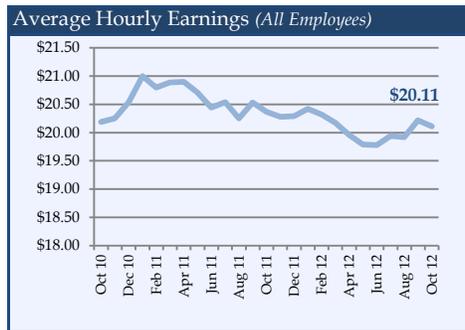
	Month	Current	Previous Year	% Change Year Ago	2012 YTD	2011 YTD	% Change YTD
Closings	October	4,608	3,717	24.0%	44,589	40,156	11.0%
Median Sales Price*	October	\$149.9	\$150.0	-0.1%	\$150.0	\$147.5	1.7%
Foreclosures	October	3,557	3,652	-2.6%	35,924	30,329	18.4%
Residential Building Permits -Total	October	1,638	1,623	0.9%	16,151	12,962	24.6%
Residential Building Permits -Valuation*	October	\$319,856	\$228,387	40.1%	\$2,853,791	\$2,244,261	27.2%

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

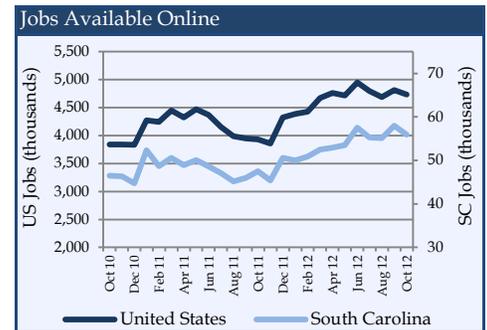
Business Activity



Source: U.S. Census



Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



Source: Bloomberg

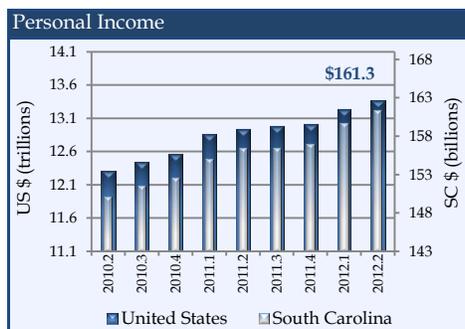


Source: U.S. Department of Labor

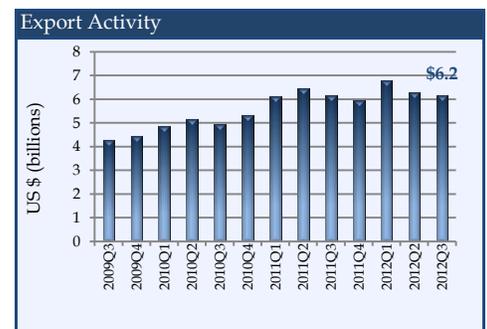
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

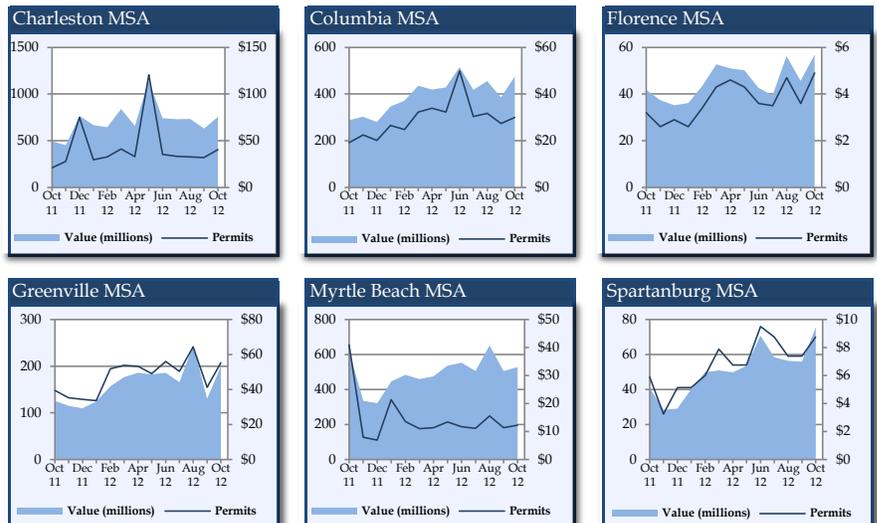
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Oct 11	Oct 12
Charleston	Sales Volume	684	894
	Median Price (000's)	\$190	\$185
Columbia	Sales Volume	511	663
	Median Price (000's)	\$148	\$139
Florence	Sales Volume	121	150
	Median Price (000's)	\$120	\$135
Greenville	Sales Volume	489	660
	Median Price (000's)	\$144	\$144
Myrtle Beach	Sales Volume	608	754
	Median Price (000's)	\$145	\$136
Spartanburg	Sales Volume	214	259
	Median Price (000's)	\$115	\$125
South Carolina	Sales Volume	3,717	4,608
	Median Price (000's)	\$150.0	\$149.9

Source: S.C. Association of Realtors

Building Permits



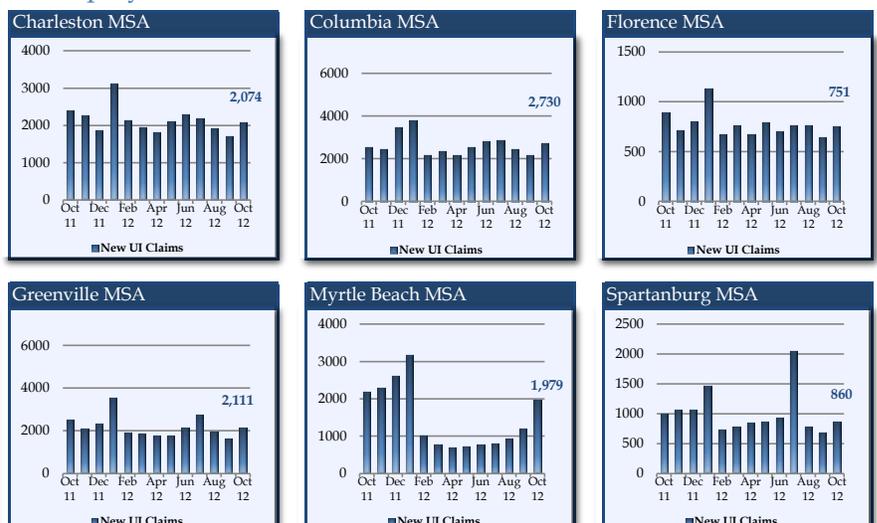
Source: U.S. Census

Employment

MSA	Indicator	Sep 12	Oct 12
Charleston	Employment (000's)	306.8	306.5
	Unemployment Rate	6.8	6.7
Columbia	Employment (000's)	341.0	344.8
	Unemployment Rate	7.4	7.3
Florence	Employment (000's)	85.0	85.4
	Unemployment Rate	9.2	9.0
Greenville	Employment (000's)	287.4	290.8
	Unemployment Rate	6.8	6.8
Myrtle Beach	Employment (000's)	115.3	114.6
	Unemployment Rate	8.8	9.1
Spartanburg	Employment (000's)	123.4	124.1
	Unemployment Rate	8.3	8.1
South Carolina	Employment (000's)	1,940.1	1,954.8
	Unemployment Rate	9.1	8.6

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Growth in Per Capita Personal Income, 2010 to 2011



Source: US Bureau of Economic Analysis, November 2012