



SC Leading Index Reaches Six Year High

The South Carolina Leading Index (SCLI) marked three consecutive months of improvement and reached a six-year high in October, closing the month at 101.24. An SCLI value above 100 indicates improving economic conditions for the state over the coming three to six months. Strong stock market performance and an increase in the average manufacturing workweek pushed the SCLI higher last month, while a 10.5 percent increase in initial claims for Unemployment Insurance and a 9.1 decrease in building permits for new residential construction dampened the gain. Meanwhile, the Conference Board's national Leading Economic Index increased 0.2 percent in October to 97.5.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Housing Market Slows in October

Last month, the South Carolina housing market slowed its pace of improvement. The volume of residential real estate closings fell 4.3 percent and the median South Carolina home sales price declined 2.9 percent. The number of residential building permits issued last month also declined by 9.1 percent. However, the year-over-year gains in the housing market are still evident, with a 5.2 percent increase in closings, 3.3 percent increase in median sales price, and 34.1 percent increase in building permits. Employment in the construction industry has also improved over the year, adding 4,900 jobs. Overall, the Charleston and Greenville markets have shown the most significant gains in home sales prices and closings.

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 dclayton@SCcommerce.com.

KEY S.C. INDICATORS

Income

+1.1%

State Personal Income

increased to \$168.3 billion in the second quarter of 2013.

U.S. Bureau of Economic Analysis

+7.4%

South Carolina Stock Index

gained 7.86 points in October, closing at 114.23 on the last trading day of the month.

Bloomberg

Employment

+0.5%

Nonfarm Employment

increased 9,600 non-seasonally adjusted jobs in October from the prior month.

U.S. Bureau of Labor Statistics

-0.2%

Labor Force

decreased by 3,992 to 2,156,692, seasonally-adjusted, in October.

U.S. Bureau of Labor Statistics

-0.4%

Unemployment Rate

fell by 0.4 percent to 7.5 percent for the month of October.

U.S. Bureau of Labor Statistics

+0.2%

Manufacturing Weekly Hours

increased by 0.1 hours to 41.6 hours in October from 41.5 hours in September.

U.S. Bureau of Labor Statistics

+0.8%

Available Online Job Postings

increased by 500 positions in October to a seasonally-adjusted 61,600 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-2.9%

Single-Family Home Sales Price

decreased by \$4,600 to \$154,900 in October.

South Carolina Association of Realtors

-9.1%

Residential Building Permits

decreased by 221 permits from the previous month to 2,197 permits issued in October.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

The labor market showed strong gains in October, both on the private employment side (+4,100 jobs) and in government jobs (+5,500 jobs). Employment in the Construction industry is finally showing stronger growth, gaining 2,400 jobs last month and nearly 5,000 over the last year.

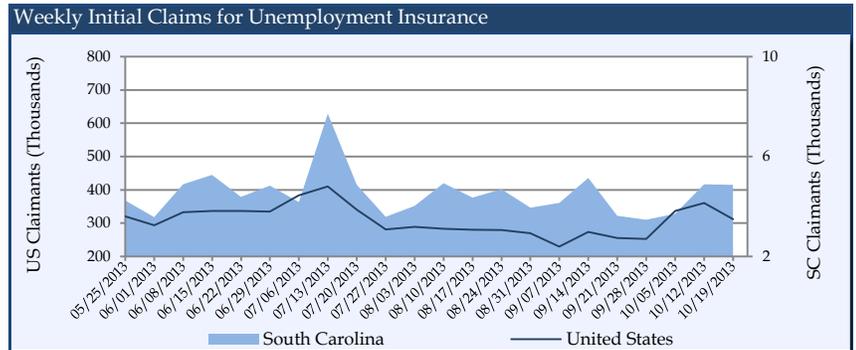
Manufacturing (+2,300 jobs); Trade, Transportation and Utilities (+1,500 jobs); and Education and Health Services (+1,800 jobs) also continued adding positions in October. Last month, the Leisure and Hospitality sector saw a seasonal decline in employment of 3,500 positions and the Professional and Business Services Sector shed 1,300 jobs.

Industry Sector	October 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	312,100	307,400	303,400	1.53	2.87
Natural Resources and Mining	3,700	3,700	3,800	0.00	-2.63
Construction	84,200	81,800	79,300	2.93	6.18
Manufacturing	224,200	221,900	220,300	1.04	1.77
Service Providing	1,595,000	1,590,100	1,569,600	0.31	1.62
Trade, Transportation, and Utilities	362,700	361,200	356,400	0.42	1.77
Information	25,400	25,100	25,600	1.20	-0.78
Finance	102,900	102,200	100,100	0.68	2.80
Professional and Business Services	239,700	241,000	233,500	-0.54	2.66
Educational and Health Services	214,100	212,300	211,000	0.85	1.47
Leisure and Hospitality	225,000	228,500	220,200	-1.53	2.18
Other Services	68,600	68,700	70,300	-0.15	-2.42
Total Private	1,550,500	1,546,400	1,520,500	0.27	1.97
Government	356,600	351,100	352,500	1.57	1.16
Total Nonfarm	1,907,100	1,897,500	1,873,000	0.51	1.82

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

Weekly Unemployment Claims

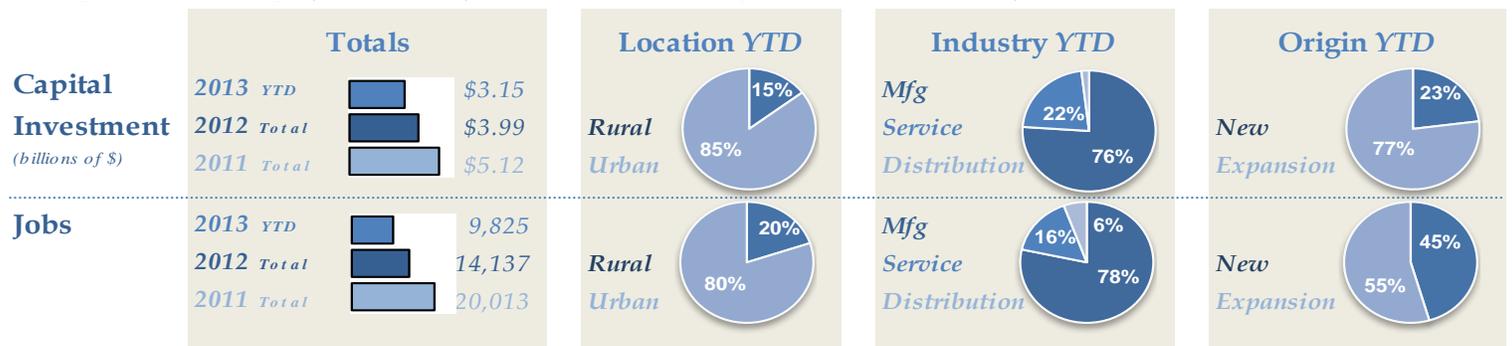
October saw a 10.5 percent increase in the weekly average number of initial claims for Unemployment Insurance (UI), following a 9.3 percent decrease in September. The October 2013 level of initial UI claims was 9.0 percent lower than the same time last year and 21.4 percent lower than two years ago. Job losses in the Myrtle Beach area pushed initial UI claims up 56 percent last month and the Charleston and Columbia metros each experienced increases of more than 25 percent. The Greenville and Spartanburg metro areas saw more modest increases in UI activity last month, following significant declines in September.



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

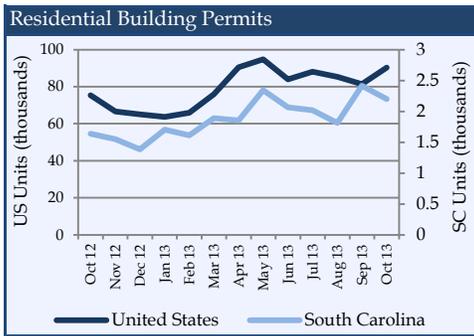
Despite seasonal dips in the median home sales price, sales volumes and building permits last month, the South Carolina housing market continues to show substantial improvement compared to a year ago. Residential real estate closings were up 5.2 percent last month compared to October 2012. The median sales price has shown modest gains, increasing 3.3 percent over the year. More dramatic

improvements are evident in the number of foreclosures, which has fallen 18.0 percent, and building permit activity, up by more than 30 percent based on number and associated valuation.

	Month	Current	Previous Year	% Change Year Ago	2013 YTD	2012 YTD	% Change YTD
Closings	October	5,040	4,792	5.2%	53,716	44,982	19.4%
Median Sales Price*	October	\$154.9	\$149.9	3.3%	\$157.0	\$150.0	4.7%
Foreclosures	October	2,917	3,557	-18.0%	29,193	35,924	-18.7%
Residential Building Permits -Total	October	2,197	1,638	34.1%	19,914	16,151	23.3%
Residential Building Permits -Valuation*	October	\$437,362	\$319,856	36.7%	\$3,816,522	\$2,853,791	33.7%

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

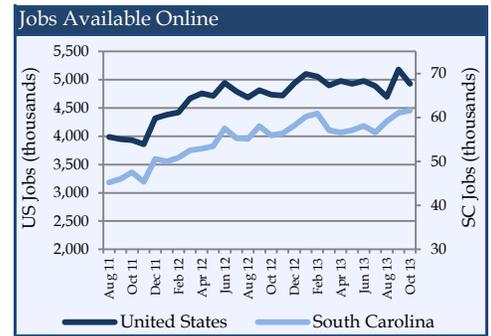
Business Activity



Source: U.S. Census



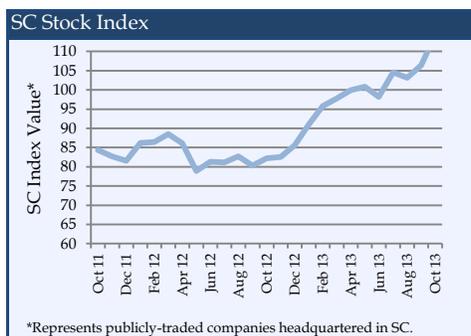
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



Source: Bloomberg

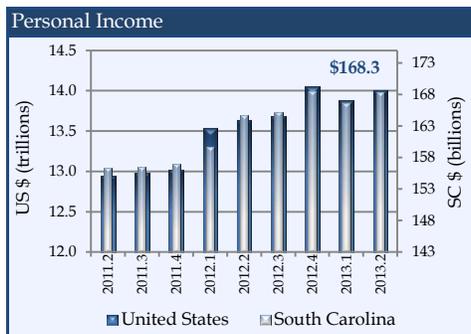


Source: U.S. Department of Labor

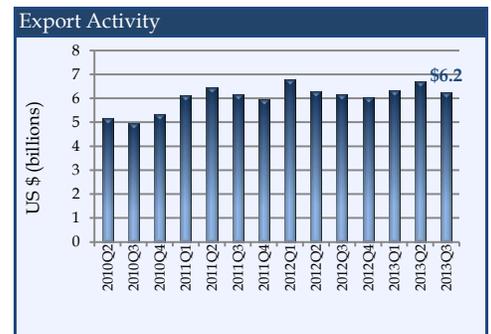
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

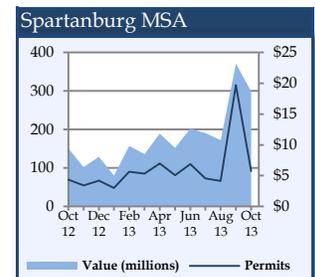
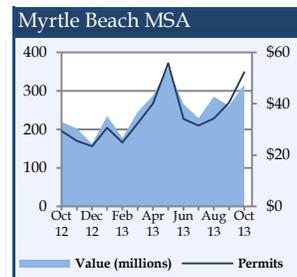
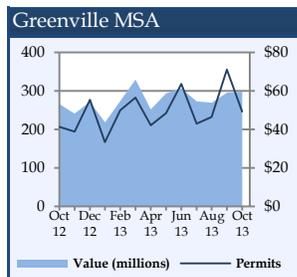
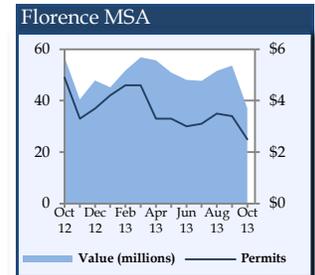
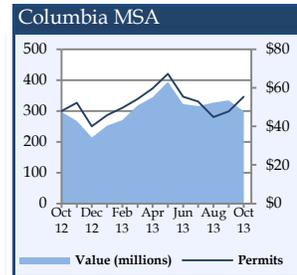
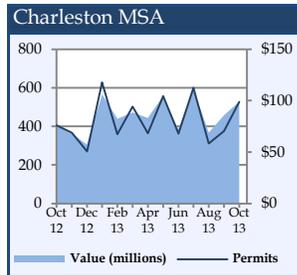
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Oct 12	Oct 13
Charleston	Sales Volume	1,026	1,256
	Median Price (000's)	\$200	\$219
Columbia	Sales Volume	793	947
	Median Price (000's)	\$144	\$143
Florence	Sales Volume	154	161
	Median Price (000's)	\$125	\$123
Greenville	Sales Volume	780	921
	Median Price (000's)	\$156	\$165
Myrtle Beach	Sales Volume	824	877
	Median Price (000's)	\$147	\$159
Spartanburg	Sales Volume	268	309
	Median Price (000's)	\$128	\$129
South Carolina	Sales Volume	4,792	5,040
	Median Price (000's)	\$149.9	\$154.9

Source: S.C. Association of Realtors

Building Permits



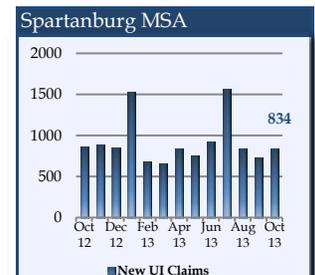
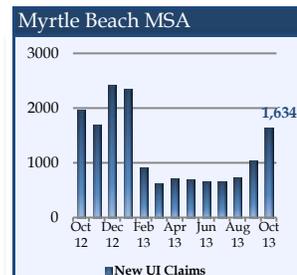
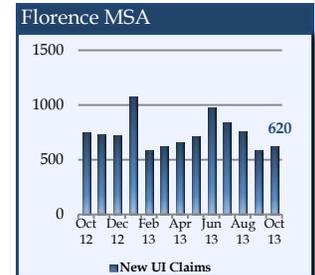
Source: U.S. Census

Employment

MSA	Indicator	Sep 13	Oct 13
Charleston	Employment (000's)	313.5	311.8
	Unemployment Rate	6.3	6.0
Columbia	Employment (000's)	346.4	347.5
	Unemployment Rate	6.8	6.5
Florence	Employment (000's)	83.4	84.0
	Unemployment Rate	8.8	8.4
Greenville	Employment (000's)	294.5	295.5
	Unemployment Rate	6.3	6.0
Myrtle Beach	Employment (000's)	120.7	117.8
	Unemployment Rate	7.6	7.7
Spartanburg	Employment (000's)	124.3	125.0
	Unemployment Rate	7.4	7.1
South Carolina	Employment (000's)	1,990.9	1,994.3
	Unemployment Rate	7.9	7.5

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Change in Average Weekly Earnings of All Private Employees, October 2012 to October 2013



Source: US Bureau of Labor Statistics, November 2013