



SCLI Rises for Fourth Consecutive Month

Buoyed by a strong rebound in the stock market and continued improvement in residential building activity, the South Carolina Leading Index (SCLI) gained 0.09 points last month with an October reading of 101.80. October marks four straight months of improvement in the SCLI and 44 consecutive months of an index reading above 100, indicating improving economic conditions for the state over the coming 3 to 6 months. A 5.5 percent increase in initial claims for Unemployment Insurance was the only one of the five SCLI indicators offering a negative contribution last month. The average manufacturing workweek remained flat at a healthy level of 41.3 hours. In October, the Conference Board's national Leading Economic Index also increased, gaining 0.9 percent to 105.2.

- David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Real Estate Shows Year-Over-Year Improvement

Similar to September, multi-family residential construction permits boosted the state's total permit figure last month. The 3.2 percent rise in October was largely due to permits for four new apartment developments in Charleston totaling 363 new residential units, causing Charleston's building permit activity to spike 84 percent last month. Greenville also saw an increase of 26 percent, while the other major metros saw decreased or flat building permit activity. Statewide, residential building permit activity is up 18.6 percent compared to last year, while foreclosures have declined 10.5 percent year-over-year. Construction employment remains relatively flat year-over-year, gaining just 100 jobs since October 2013.

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

+1.5%

State Personal Income

increased to \$177.3 billion in the second quarter of 2014.

U.S. Bureau of Economic Analysis

+2.7%

South Carolina Stock Index

gained 2.79 points in October, closing at 107.07 on the last trading day of the month.

Bloomberg

Employment

+0.7%

Nonfarm Employment

increased by 12,700 non-seasonally adjusted jobs in October from the prior month.

U.S. Bureau of Labor Statistics

+0.4%

Labor Force

increased by 9,487 to 2,192,212, seasonally-adjusted, in October.

U.S. Bureau of Labor Statistics

+0.1%

Unemployment Rate

increased from 6.6 percent to 6.7 percent, seasonally-adjusted, for October.

U.S. Bureau of Labor Statistics

+0%

Manufacturing Weekly Hours

remained unchanged at 41.3 hours in October.

U.S. Bureau of Labor Statistics

-3.6%

Available Online Job Postings

decreased by 2,400 positions in October to a seasonally-adjusted 64,500 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-2.9%

Single-Family Home Sales Price

decreased by \$4,669 to \$160,000 in October.

South Carolina Association of Realtors

+3.2%

Residential Building Permits

increased by 82 permits from the previous month to 2,606 permits issued in October.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Total non-seasonally adjusted, nonfarm employment increased by 12,700 jobs in October over the previous month. The Government sector had the largest gain last month adding 4,100 jobs. Education and Health Services (+2,600); Professional and Business Services (+2,800); Trade, Transportation, and Utilities (+2,700);

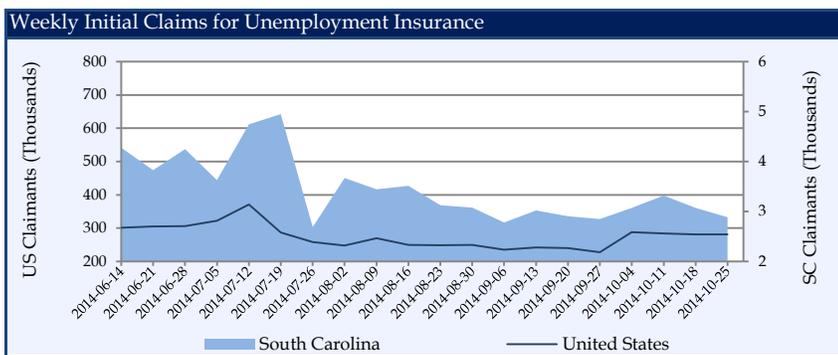
Manufacturing (+1,800); and Construction (+1,100) all saw increased levels of employment last month. Year-over-year, the higher paying sectors of Manufacturing and Professional and Business Services have seen significant increases, adding 7,000 and 15,500 jobs, respectively.

Industry Sector	October 2014	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	321,800	318,900	314,700	0.91	2.26
Natural Resources and Mining	3,700	3,700	3,700	0.00	0.00
Construction	83,200	82,100	83,100	1.34	0.12
Manufacturing	234,900	233,100	227,900	0.77	3.07
Service Providing	1,638,400	1,628,600	1,604,500	0.60	2.11
Trade, Transportation, and Utilities	370,100	367,400	364,400	0.73	1.56
Information	25,500	25,600	26,300	-0.39	-3.04
Finance	94,900	94,900	96,800	0.00	-1.96
Professional and Business Services	255,600	252,800	240,100	1.11	6.46
Educational and Health Services	227,600	225,000	222,100	1.16	2.48
Leisure and Hospitality	233,900	236,100	225,000	-0.93	3.96
Other Services	70,400	70,500	71,900	-0.14	-2.09
Total Private	1,599,800	1,591,200	1,561,300	0.54	2.47
Government	360,400	356,300	357,900	1.15	0.70
Total Nonfarm	1,960,200	1,947,500	1,919,200	0.65	2.14

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

Weekly Unemployment Claims

The number of initial claims for Unemployment Insurance (UI) rose 5.5 percent in October to 3,086 average weekly claims. This level is 31.8 percent lower than the October 2013 weekly claims activity and 37.9 percent lower than two years ago. With an end to the main tourism season, the Myrtle Beach metro area saw the greatest increase in UI activity with a 48.0 percent rise in initial claimants. The other major South Carolina metros saw more moderate increases. Charleston, Columbia and Florence experienced increased activity ranging from 4.5 percent to 6.4 percent while Greenville saw an 8.1 percent increase.



Source: U.S. Department of Labor

Average Hourly Earnings

These charts present the average hourly earnings of all employees in private industry, based on a monthly national survey of businesses. The data are not seasonally adjusted.



Source: US Department of Labor, Bureau of Labor Statistics



South Carolina Real Estate

According to normal seasonal trends, the number of residential real estate closings declined last month, by approximately 13.5 percent compared to September. The median home sales price also fell by about 2.9 percent last month, but remains up 3.3 percent compared to a year ago. Residential building permits issued in South Carolina increased 3.2 percent last month to 2,606 permits and the valuation associated with those permits increased 6.2 percent compared to September. Year-over-year, building permit activity is up 18.6 percent and residential construction valuation has increased 15.7 percent.

	Month	Current	Previous Year	% Change Year Ago	2014 YTD	2013 YTD	% Change YTD
Closings	October	4,825	5,040	-4.3%	44,083	53,716	-17.9%
Median Sales Price*	October	\$160.0	\$154.9	3.3%	\$159.9	\$157.0	1.8%
Foreclosures	October	2,610	2,917	-10.5%	23,500	29,193	-19.5%
Residential Building Permits -Total	October	2,606	2,197	18.6%	23,263	19,914	16.8%
Residential Building Permits -Valuation*	October	\$505,879	\$437,362	15.7%	\$4,496,813	\$3,816,522	17.8%

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

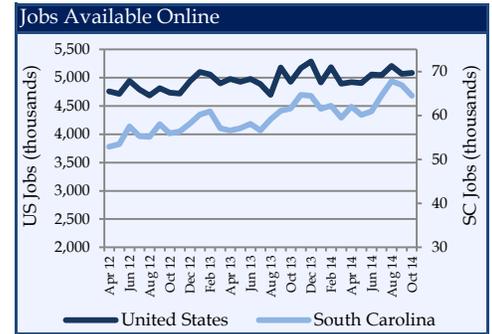
Business Activity



Source: U.S. Census



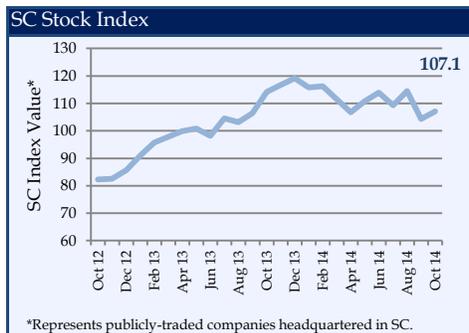
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



*Represents publicly-traded companies headquartered in SC.
Source: Bloomberg

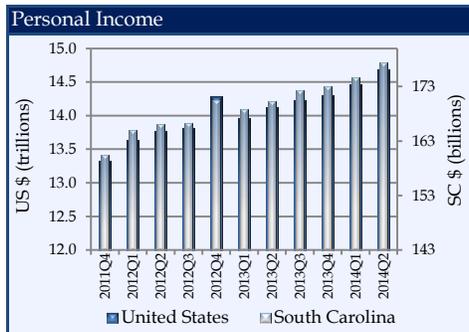


Source: U.S. Department of Labor

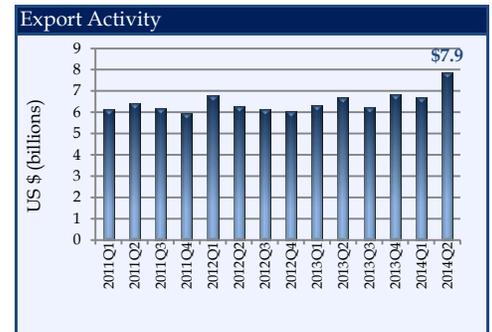
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

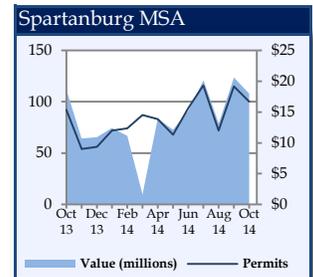
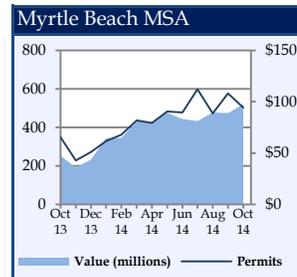
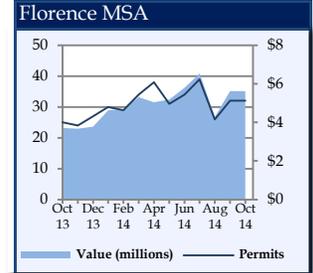
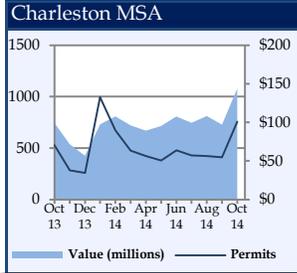
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Oct 13	Oct 14
Charleston	Sales Volume	1,048	1,260
	Median Price (000's)	\$190	\$215
Columbia	Sales Volume	N/A	N/A
	Median Price (000's)	\$153	\$160
Florence	Sales Volume	147	155
	Median Price (000's)	\$122	\$123
Greenville	Sales Volume	757	977
	Median Price (000's)	\$153	\$162
Myrtle Beach	Sales Volume	876	931
	Median Price (000's)	\$145	\$156
Spartanburg	Sales Volume	299	370
	Median Price (000's)	\$120	\$120
South Carolina	Sales Volume	5,040	4,825
	Median Price (000's)	\$154.9	\$160.0

Source: S.C. Association of Realtors

Building Permits



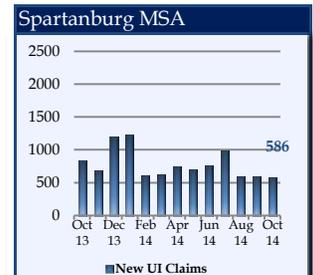
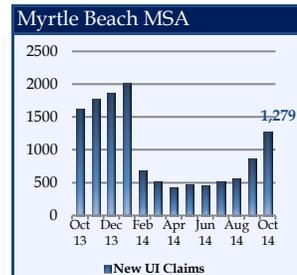
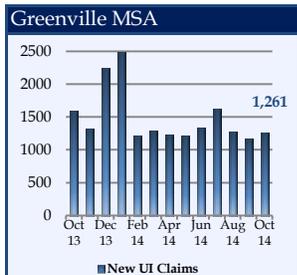
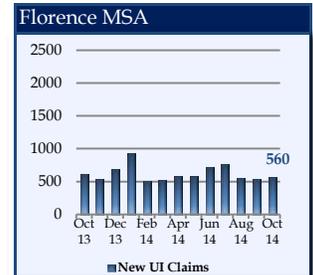
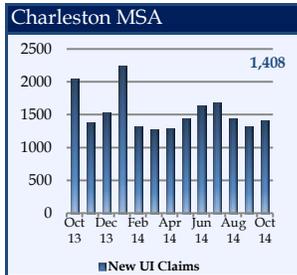
Source: U.S. Census

Employment

MSA	Indicator	Sep 14	Oct 14
Charleston	Employment (000's)	316.8	319.2
	Unemployment Rate	5.9	5.6
Columbia	Employment (000's)	351.5	353.2
	Unemployment Rate	6.3	5.9
Florence	Employment (000's)	86.3	86.6
	Unemployment Rate	7.6	7.4
Greenville	Employment (000's)	301.6	304.3
	Unemployment Rate	5.7	5.5
Myrtle Beach	Employment (000's)	124.4	121.6
	Unemployment Rate	6.6	6.8
Spartanburg	Employment (000's)	130.3	131.6
	Unemployment Rate	6.2	5.9
South Carolina	Employment (000's)	2,038.3	2,045.5
	Unemployment Rate	6.6	6.7

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Change in Average Hourly Earnings of All Private Employees, October 2013 to October 2014



Source: US Bureau of Labor Statistics, November 2014