



SC Leading Index Dips Slightly in October

The South Carolina Leading Index (SCLI) dropped 0.41 points last month, ending with a value of 101.85. Economic indicators were flat or negative, including an increase in initial claims for unemployment insurance (up 30.2 percent from last month), an unsteady stock market (the Dow Jones Composite Average fell 0.4 percent), and a decrease in the number (-19.4 percent) and value (-18.4 percent) of housing units in October. Despite this, the Conference Board's national Leading Economic Index increased 0.1 percent, forecasting economic expansion as 2017 approaches.

- Brandon Wilkerson

South Carolina Leading Index



Source: South Carolina Department of Commerce

South Carolina Real Estate Market Softens

The median sales price for a single-family home in South Carolina fell 1.9 percent in October to \$181,500. Closings were also down for the month, declining 16.6 percent to 5,882, but remained higher year-to-date compared to 2015. Foreclosure activity increased 31.4 percent month-over-month, but was down 5.3 percent compared to October 2015. For the six largest MSAs, closings were uniformly down, with Florence (-38.2 percent) the most affected, followed by Charleston and Myrtle Beach (each -20.4 percent). Five of the MSAs reported decreased median sales prices, leaving Greenville stalwart and unchanged from September at \$188,000. Noteworthy for the month, however, was the net addition of 1,700 Construction jobs within the state, a signal that the market could quickly rebound from October's results.

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, examination, and dissemination of information to support that mission. The Research Division publishes reports and analyses for stakeholders statewide, and furnishes information for companies considering an investment in South Carolina. If you would like to receive Commerce's monthly Economic Outlook, e-mail bwilkerson@SCcommerce.com.

KEY S.C. INDICATORS

Income

+0.9%

State Personal Income

increased to \$194.2 billion in the second quarter of 2016.

U.S. Bureau of Economic Analysis

-2.6%

South Carolina Stock Index

fell 3.04 points in October, closing at 114.62 on the last trading day of the month.

Bloomberg

Employment

+0.4%

Nonfarm Employment

increased by 400 net non-seasonally adjusted jobs from the prior month.

U.S. Bureau of Labor Statistics

+0.2%

Labor Force

increased by 3,452 to 2,301,525, seasonally-adjusted, in October.

U.S. Bureau of Labor Statistics

-0.2%

Unemployment Rate

decreased to 4.7 percent, seasonally-adjusted, for October.

U.S. Bureau of Labor Statistics

-1.4%

Manufacturing Weekly Hours

decreased by 0.6 hours to 41.9 hours in October from the prior month.

U.S. Bureau of Labor Statistics

+1.7%

Available Online Job Postings

increased by 1,000 positions in October to a seasonally-adjusted 59,100 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-1.9%

Single-Family Home Sales Price

decreased by \$3,500 to \$181,500 in October.

South Carolina Association of Realtors

-8.9%

Residential Building Permits

decreased by 536 permits from the previous month to 2,223 issued in October.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

South Carolina's total non-seasonally adjusted, nonfarm employment rose by 400 net jobs to 2,069,700 in October, a 0.02 percent increase from September, and 2.1 percent higher than one year ago. The Government sector added a net 2,600 jobs, leading all other sectors. The Professional and Business Services sector added

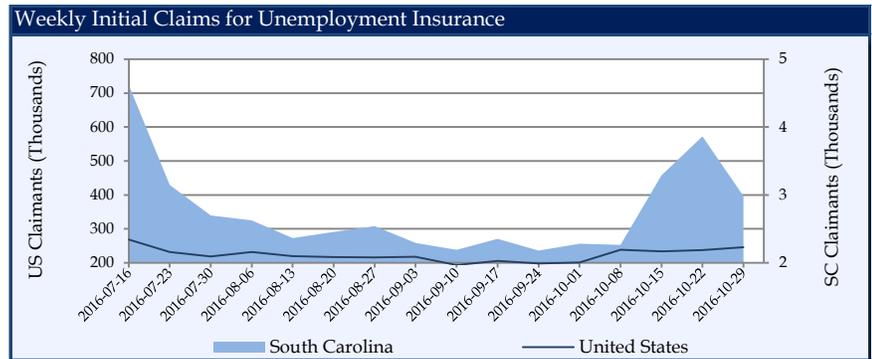
2,500 net jobs and Construction netted 1,700 jobs for the month. Other sectors with gains included Educational and Health Services (+1,600); Trade, Transportation, and Utilities (+300); and Natural Resources and Mining (+100). The Leisure and Hospitality sector, winding down from peak tourism months, reported the biggest loss (-5,200). Compared to one year ago, the state economy added 42,700 net nonfarm jobs.

Industry Sector	October 2016	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	335,700	335,200	328,900	0.15	2.07
Natural Resources and Mining	4,400	4,300	4,000	2.33	10.00
Construction	91,400	89,700	88,300	1.90	3.51
Manufacturing	239,900	241,200	236,600	-0.54	1.39
Service Providing	1,734,000	1,734,100	1,698,100	-0.01	2.11
Trade, Transportation, and Utilities	391,900	391,600	386,600	0.08	1.37
Information	26,100	26,100	27,000	0.00	-3.33
Finance	99,500	100,200	96,700	-0.70	2.90
Professional and Business Services	285,000	282,500	270,100	0.88	5.52
Educational and Health Services	249,900	248,300	240,200	0.64	4.04
Leisure and Hospitality	240,100	245,300	238,100	-2.12	0.84
Other Services	73,600	74,800	73,300	-1.60	0.41
Total Private	1,701,800	1,704,000	1,660,900	-0.13	2.46
Government	367,900	365,300	366,100	0.71	0.49
Total Nonfarm	2,069,700	2,069,300	2,027,000	0.02	2.11

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

Weekly Unemployment Claims

The number of initial claims for unemployment insurance in the state rose in October. The average for the month was 2,935 weekly initial claims, up 30.2 percent versus September, but down 27.4 percent compared to one year ago. Most of the top six MSAs reported increased claims, with those for Myrtle Beach the most changed at 60.1 percent higher. Only the Greenville MSA, which reported a 6.8 percent drop, had fewer claims than in September.



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

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

In October, the number of building permits issued in South Carolina for new residential construction fell 19.4 percent to 2,223. This figure was 1.8 percent lower than that of October 2015. Valuation for the permits fell 18.4 percent compared to the prior month. Total closings for October dropped 16.6 percent and median sales price was down 1.9 percent. Both metrics, however, had improved versus October 2015. Foreclosure activity rose month-over-month, but dropped 5.3 percent from one year ago.

	Month	Current	Previous Year	% Change Year Ago	2016 YTD	2015 YTD	% Change YTD
Closings	October	5,882	5,857	0.4%	67,452	63,148	6.8%
Median Sales Price*	October	\$181.5	\$173.0	4.9%	\$180.0	\$171.8	4.7%
Foreclosures	October	2,697	2,848	-5.3%	21,990	23,054	-4.6%
Residential Building Permits -Total	October	2,223	2,264	-1.8%	26,487	26,414	0.3%
Residential Building Permits -Valuation*	October	\$453,602	\$471,695	-3.8%	\$5,302,643	\$5,195,370	2.1%

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

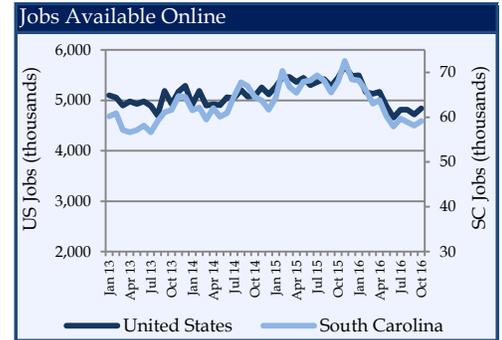
Business Activity



Source: U.S. Census



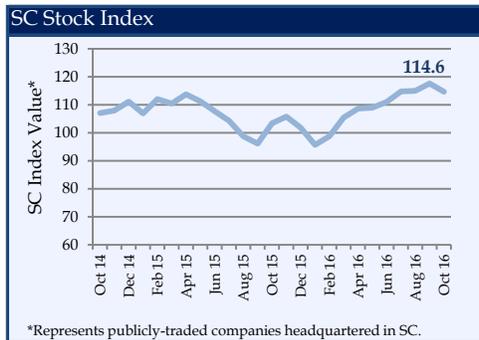
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



*Represents publicly-traded companies headquartered in SC.

Source: Bloomberg

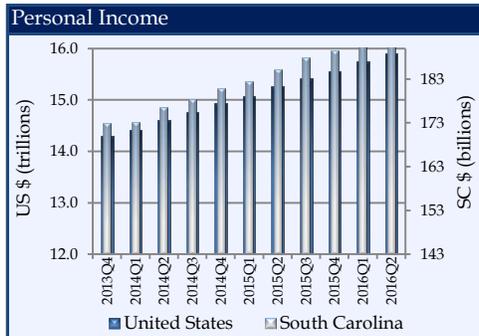


Source: U.S. Department of Labor

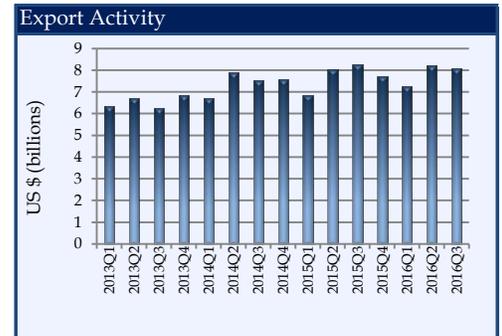
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

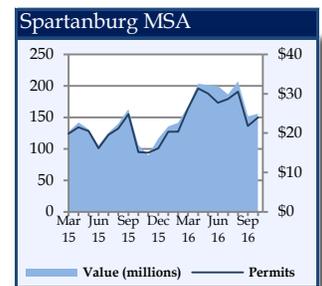
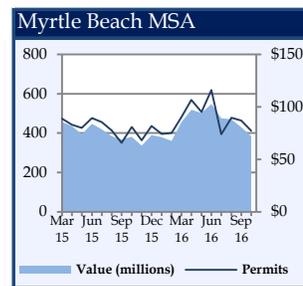
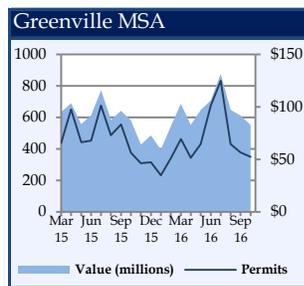
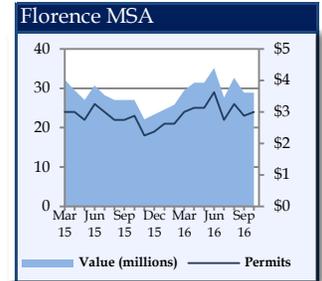
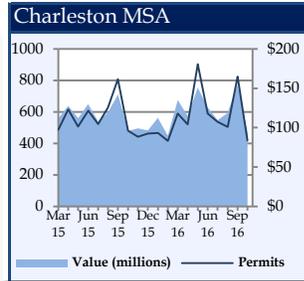
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Oct 15	Oct 16
Charleston	Sales Volume	1,270	1,273
	Median Price (000's)	\$225	\$240
Columbia	Sales Volume	829	951
	Median Price (000's)	\$157	\$157
Florence	Sales Volume	154	126
	Median Price (000's)	\$135	\$130
Greenville	Sales Volume	932	998
	Median Price (000's)	\$168	\$188
Myrtle Beach	Sales Volume	1,036	829
	Median Price (000's)	\$168	\$164
Spartanburg	Sales Volume	336	362
	Median Price (000's)	\$133	\$144
South Carolina	Sales Volume	5,857	5,882
	Median Price (000's)	\$173.0	\$181.5

Source: S.C. Association of Realtors.

Building Permits



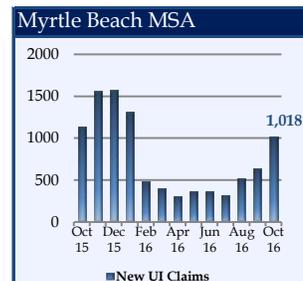
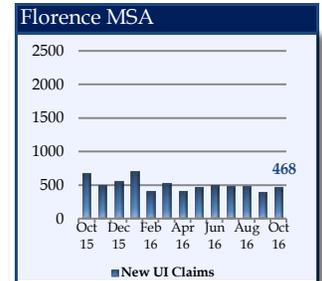
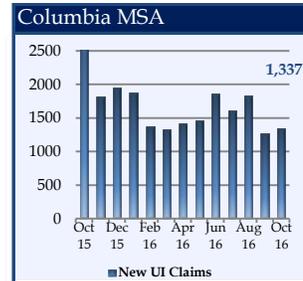
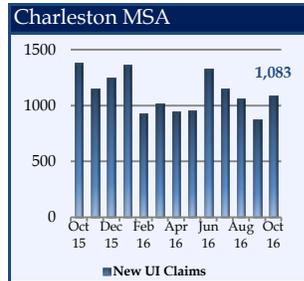
Source: U.S. Census

Employment

MSA	Indicator	Sep 16	Oct 16
Charleston	Employment (000's)	356.5	357.7
	Unemployment Rate	4.2	3.9
Columbia	Employment (000's)	387.0	387.3
	Unemployment Rate	4.6	4.3
Florence	Employment (000's)	89.9	90.0
	Unemployment Rate	5.5	5.2
Greenville	Employment (000's)	402.8	407.2
	Unemployment Rate	4.4	4.1
Myrtle Beach	Employment (000's)	179.2	173.6
	Unemployment Rate	5.3	5.4
Spartanburg	Employment (000's)	145.8	147.5
	Unemployment Rate	4.7	4.4
South Carolina	Employment (000's)	2,186.1	2,193.0
	Unemployment Rate	4.9	4.7

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Policom Corporation 2016 Economic Strength Rankings of 381 Metropolitan Areas



Source: Policom Corporation, November 2016