



SC Leading Index Improves in August

The South Carolina Leading Index (SCLI) rebounded some in August, gaining 0.29 points, after three months of declining values. An SCLI value above 100 indicates improving economic conditions for South Carolina over the next three to six months. The August SCLI reading was 100.96. A 12.8 percent decline in the weekly average number of initial claims for Unemployment Insurance, a 7.6 percent increase in the total valuation associated with issued residential building permits, and a 3.0 percent increase in the duration of the average manufacturing workweek all helped push the SCLI higher last month. A 10.1 percent decrease in the number of residential building permits issued dampened the improvement last month. The Conference Board's national Leading Economic Index increased 0.7 percent in August to 96.6.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Personal Incomes Grew in 2nd Quarter, 2013

Total personal income in South Carolina grew 1.1 percent in the second quarter of 2013 after declining 1.2 percent in the first quarter of the year. These are seasonally-adjusted, annualized rates. The 1.1 percent gain outpaced the national average personal income growth of 1.0 percent, and the decline last quarter was 0.1 percent less than the national average decline of 1.3 percent. Total personal income growth in South Carolina last quarter ranked 15th nationwide. According to the US Department of Commerce, Bureau of Economic Analysis, net earnings in South Carolina gained 0.7 percent; and dividends, interest and rent gained 3.1 percent. These gains outpaced national growth of 0.6 percent and 3.0 percent, respectively. Total personal income in South Carolina was \$168.3 billion for the second quarter of 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

+1.1%

State Personal Income

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

U.S. Bureau of Economic Analysis

-1.3%

South Carolina Stock Index

lost 1.41 points in August, closing at 103.20 on the last trading day of the month.

Bloomberg

Employment

-0.1%

Nonfarm Employment

decreased 1,500 non-seasonally adjusted jobs in August from the prior month.

U.S. Bureau of Labor Statistics

+0%

Labor Force

remained essentially unchanged at 2,161,811, seasonally-adjusted, in August.

U.S. Bureau of Labor Statistics

+0%

Unemployment Rate

remained unchanged at 8.1 percent for the month of August.

U.S. Bureau of Labor Statistics

+3%

Manufacturing Weekly Hours

increased by 1.2 hours to 40.9 hours in August from 39.7 hours in July.

U.S. Bureau of Labor Statistics

+4.4%

Available Online Job Postings

increased by 2,500 positions in August to a seasonally-adjusted 59,100 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+1.2%

Single-Family Home Sales Price

increased by \$1,800 to \$164,950 in August.

South Carolina Association of Realtors

-10.1%

Residential Building Permits

decreased by 204 permits from the previous month to 1,814 permits issued in August.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

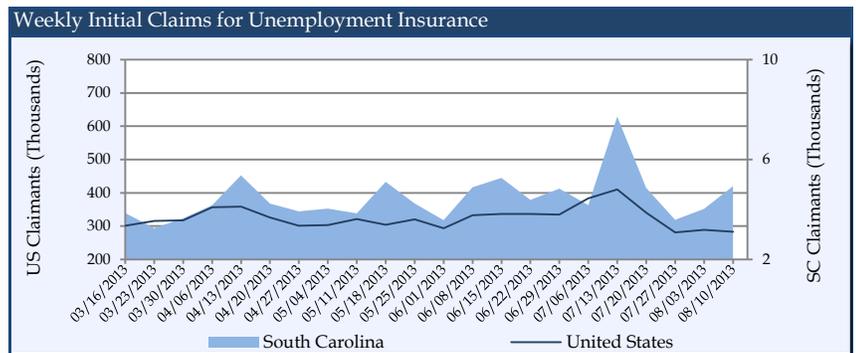
As the tourism season came to an end, the 3,400 jobs lost in the Leisure and Hospitality sector overshadowed significant gains in other industries. Last month, total non-seasonally adjusted, nonfarm employment shed 1,500 jobs to 1,892,200. The Government sector gained 1,700 jobs, as schools added staff. Other gaining industries included Manufacturing (+900 jobs or 0.4 percent), Professional and Business Services (+700 jobs or 0.3 percent). Since the official end of the 2007-2009 recession, the Manufacturing and Professional and Business Services sectors have added 9,700 and 43,500 jobs, respectively.

Industry Sector	August 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	307,800	307,000	302,000	0.26	1.92
Natural Resources and Mining	3,700	3,700	3,800	0.00	-2.63
Construction	82,600	82,700	78,400	-0.12	5.36
Manufacturing	221,500	220,600	219,800	0.41	0.77
Service Providing	1,584,400	1,586,700	1,557,800	-0.14	1.71
Trade, Transportation, and Utilities	364,200	364,400	355,800	-0.05	2.36
Information	25,700	25,700	25,500	0.00	0.78
Finance	102,400	103,100	99,700	-0.68	2.71
Professional and Business Services	241,700	241,000	238,000	0.29	1.55
Educational and Health Services	208,400	208,600	208,900	-0.10	-0.24
Leisure and Hospitality	238,400	241,800	228,400	-1.41	4.38
Other Services	68,800	69,000	69,300	-0.29	-0.72
Total Private	1,557,400	1,560,600	1,527,600	-0.21	1.95
Government	334,800	333,100	332,200	0.51	0.78
Total Nonfarm	1,892,200	1,893,700	1,859,800	-0.08	1.74

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

Weekly Unemployment Claims

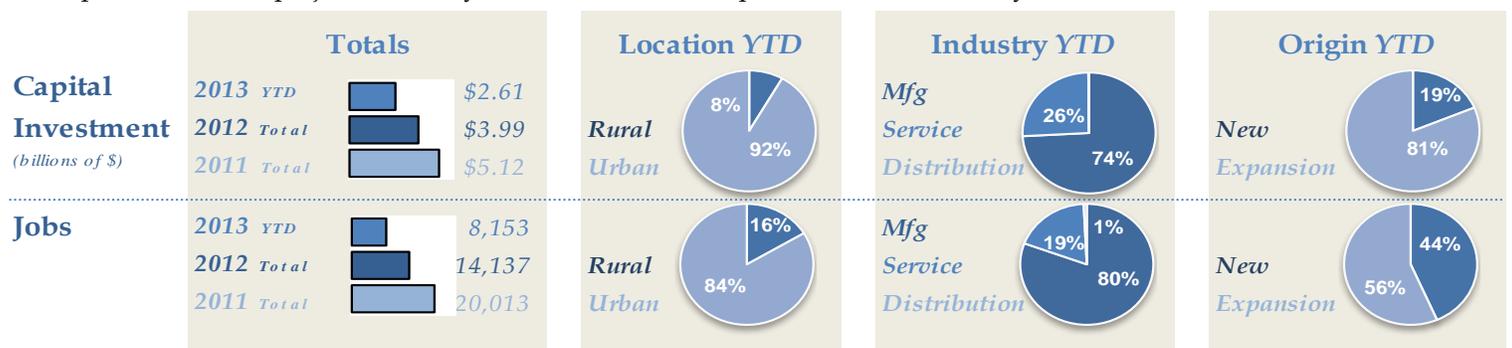
After the seasonal spike in summer lay-offs, the weekly average of initial claims for Unemployment Insurance (UI) decreased from the July level by 12.8 percent in August to an average of 4,390 initial UI claims per week in South Carolina. The August 2013 level was 6.1 percent lower than the August 2012 level and 9.8 percent lower than August 2011. The manufacturing economies of the Upstate saw the greatest decrease in initial UI claims last month, with a 46.2 percent decrease in Spartanburg and a 23.4 percent decrease in Greenville. The Myrtle Beach area saw a 12.2 percent increase in initial claims last month.



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 South Carolina real estate market continues to improve. More than 6,000 homes were sold in South Carolina in August, 14.7 percent more than a year ago. The median single-family home sales price in August was \$165,000, up 6.5 percent compared to last year. Foreclosure activity continues to slow in South Carolina, where 17.0 percent fewer foreclosure filings were issued last month compared to

August 2012. Meanwhile, building permit activity is up 16.2 percent and the value associated with those permits has increased 29.3 percent compared to last year. However, in August building permit activity was down 10.1 percent compared to the previous month.

	Month	Current	Previous Year	% Change Year Ago	2013 YTD	2012 YTD	% Change YTD
Closings	August	6,093	5,314	14.7%	42,956	35,870	19.8%
Median Sales Price*	August	\$165.0	\$154.9	6.5%	\$157.0	\$150.0	4.7%
Foreclosures	August	2,621	3,156	-17.0%	23,738	28,819	-17.6%
Residential Building Permits -Total	August	1,814	1,561	16.2%	15,299	12,931	18.3%
Residential Building Permits -Valuation*	August	\$401,948	\$310,811	29.3%	\$2,945,159	\$2,261,459	30.2%

* 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

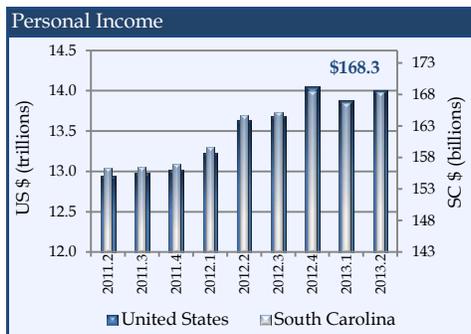


Source: U.S. Department of Labor

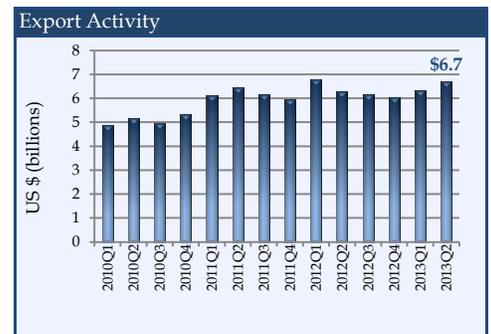
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

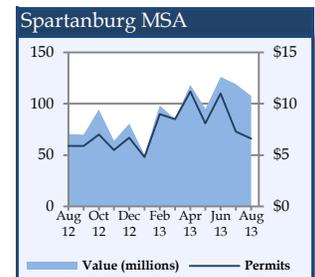
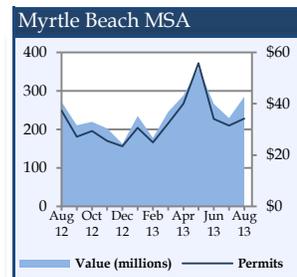
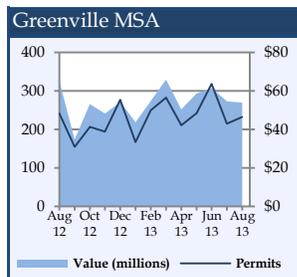
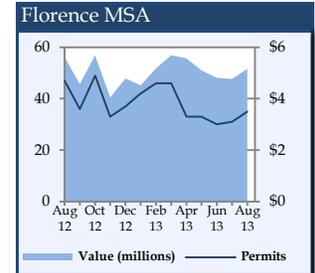
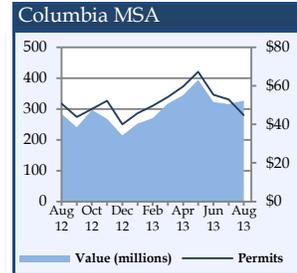
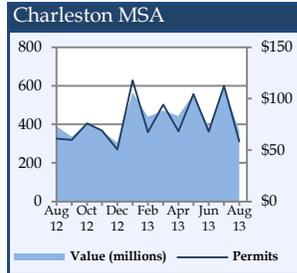
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Aug 12	Aug 13
Charleston	Sales Volume	1,030	1,302
	Median Price (000's)	\$200	\$220
Columbia	Sales Volume	725	912
	Median Price (000's)	\$147	\$150
Florence	Sales Volume	161	155
	Median Price (000's)	\$142	\$125
Greenville	Sales Volume	759	936
	Median Price (000's)	\$160	\$160
Myrtle Beach	Sales Volume	850	828
	Median Price (000's)	\$140	\$149
Spartanburg	Sales Volume	276	316
	Median Price (000's)	\$129	\$125
South Carolina	Sales Volume	5,314	6,093
	Median Price (000's)	\$154.9	\$165.0

Source: S.C. Association of Realtors

Building Permits



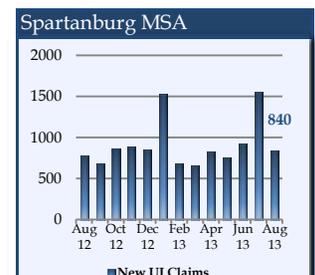
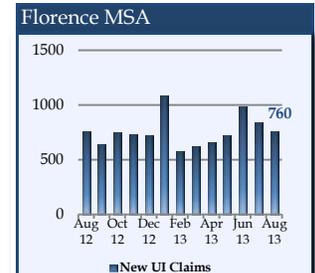
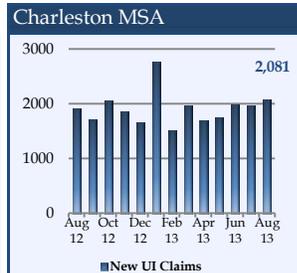
Source: U.S. Census

Employment

MSA	Indicator	Jul 13	Aug 13
Charleston	Employment (000's)	319.4	317.4
	Unemployment Rate	6.7	6.9
Columbia	Employment (000's)	350.5	347.7
	Unemployment Rate	7.3	7.5
Florence	Employment (000's)	83.8	83.8
	Unemployment Rate	9.5	9.6
Greenville	Employment (000's)	294.9	294.5
	Unemployment Rate	6.9	7.1
Myrtle Beach	Employment (000's)	128.9	125.2
	Unemployment Rate	7.6	8.0
Spartanburg	Employment (000's)	124.6	124.5
	Unemployment Rate	8.3	8.2
South Carolina	Employment (000's)	1,987.7	1,986.2
	Unemployment Rate	8.1	8.1

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Growth in Real Gross Domestic Product (GDP) by Metro Area, 2011 to 2012



Source: US Bureau of Economic Analysis, September 2013