

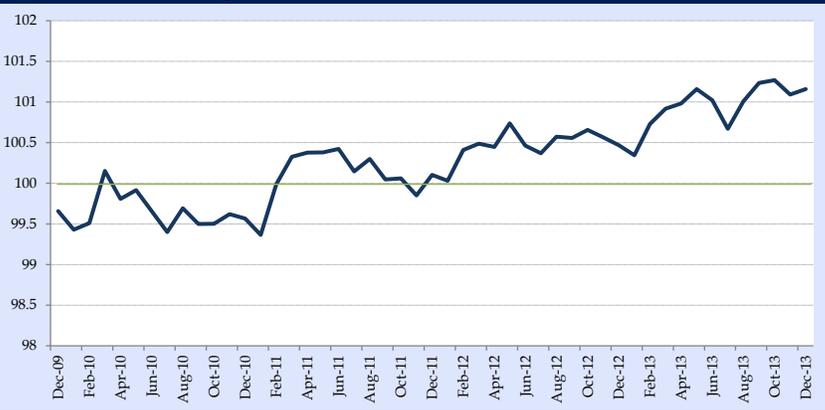


## SC Leading Index Improves in December

The South Carolina Leading Index (SCLI) gained 0.07 points in December, closing the month with a value of 101.16. A SCLI value greater than 100 predicts economic growth over the next three to six months in South Carolina. December marked the 25th consecutive month that the SCLI has been above 100. Downward pressure on the SCLI by a seasonal increase in initial claims for Unemployment Insurance were offset by a 2.7 percent increase in the average manufacturing workweek and strong gains in the stock market. In December, the Conference Board's Leading Economic Index for the US increased 0.1 percent to 99.4. December also marked a milestone in the labor market as the South Carolina seasonally-adjusted unemployment rate fell below the national level for the first time since 2001, now at 6.6 percent compared to the US rate of 6.7 percent.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

## SC Real Estate Market Rebounds in 2013

During 2013 the South Carolina real estate market improved on all fronts. The number of residential real estate closings increased 7.2 percent last month to 4,768, a value that was also 11.0 percent higher than a year ago. The median single-family home sales price gained 3.2 percent last month and is up 3.5 percent compared to December 2012. The number of residential building permits for new construction were up 22.5 percent year-to-date over 2012 and the number of residential foreclosure filings were down 19.6 percent during the year. Employment in the construction industry has also recovered somewhat, gaining 4,300 jobs over the course of the year.

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](mailto:dclayton@SCcommerce.com).

## KEY S.C. INDICATORS

### Income

+1.2%

#### State Personal Income

increased to \$170.2 billion in the third quarter of 2013.

*U.S. Bureau of Economic Analysis*

+2.1%

#### South Carolina Stock Index

gained 2.46 points in December, closing at 119.21 on the last trading day of the month.

*Bloomberg*

### Employment

-0.1%

#### Nonfarm Employment

decreased 2,600 non-seasonally adjusted jobs in December from the prior month.

*U.S. Bureau of Labor Statistics*

+0%

#### Labor Force

essentially unchanged at 2,153,569, seasonally-adjusted, in December.

*U.S. Bureau of Labor Statistics*

-0.5%

#### Unemployment Rate

fell by 0.5 percent to 6.6 percent for the month of December.

*U.S. Bureau of Labor Statistics*

+2.7%

#### Manufacturing Weekly Hours

increased by 1.1 hours to 42.6 hours in December from 41.5 hours in November.

*U.S. Bureau of Labor Statistics*

-1.4%

#### Available Online Job Postings

decreased by 900 positions in December to a seasonally-adjusted 63,800 job postings.

*The Conference Board Help Wanted Online Index*

### Real Estate

+3.2%

#### Single-Family Home Sales Price

increased by \$5,100 to \$163,000 in December.

*South Carolina Association of Realtors*

-4.7%

#### Residential Building Permits

decreased by 84 permits from the previous month to 1,686 permits issued in December.

*U.S. Census Bureau*



# South Carolina Employment

*Non-Seasonally Adjusted Wage and Salary Employment*

December is always subject to large seasonal variations in the workforce. The Leisure and Hospitality sector experienced the largest decrease during a slow month for tourism (-4,300 jobs), but was offset during the busy holiday shopping season by the same increase in the Trade, Transportation, and Utilities sector

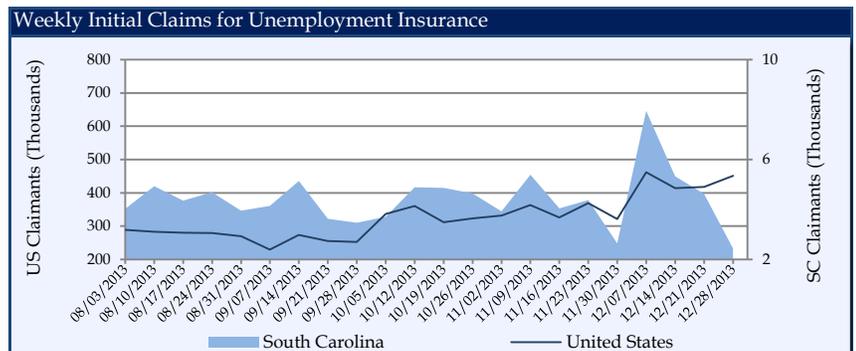
(+4,300 jobs). Overall, total nonfarm employment decreased by 2,600 positions on a non-seasonally adjusted basis. Manufacturing added 100 jobs last month and is up 4,000 positions compared to a year ago. Government (-1,800 jobs), Construction (-400), Financial Services (-300), and Information (-200) all saw modest decreases in employment last month.

Industry Sector	December 2013	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
<b>Goods Producing</b>	<b>311,900</b>	<b>312,200</b>	<b>303,700</b>	<b>-0.10</b>	<b>2.70</b>
Natural Resources and Mining	3,700	3,700	3,800	0.00	-2.63
Construction	83,200	83,600	78,900	-0.48	5.45
Manufacturing	225,000	224,900	221,000	0.04	1.81
<b>Service Providing</b>	<b>1,598,000</b>	<b>1,600,300</b>	<b>1,569,600</b>	<b>-0.14</b>	<b>1.81</b>
Trade, Transportation, and Utilities	372,300	368,000	364,000	1.17	2.28
Information	25,100	25,300	25,400	-0.79	-1.18
Finance	101,800	102,100	100,400	-0.29	1.39
Professional and Business Services	238,100	238,400	230,700	-0.13	3.21
Educational and Health Services	214,800	215,200	211,800	-0.19	1.42
Leisure and Hospitality	218,700	223,000	212,000	-1.93	3.16
Other Services	69,000	68,300	69,600	1.02	-0.86
<b>Total Private</b>	<b>1,551,700</b>	<b>1,552,500</b>	<b>1,517,600</b>	<b>-0.05</b>	<b>2.25</b>
Government	358,200	360,000	355,700	-0.50	0.70
<b>Total Nonfarm</b>	<b>1,909,900</b>	<b>1,912,500</b>	<b>1,873,300</b>	<b>-0.14</b>	<b>1.95</b>

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

## Weekly Unemployment Claims

Following normal seasonal trends, the weekly average number of initial claims for Unemployment Insurance (UI) spiked in December to 5,085 claims per week. This level was nearly 25 percent higher than the preceding month, but 15.2 percent lower than December a year ago. Increases in UI claims were greatest in the Greenville and Spartanburg areas as annual shutdowns for plant maintenance affected these manufacturing-centric economies more. The coastal areas of the state saw much smaller increases, between 11.6 percent in Charleston and 4.6 percent in Myrtle Beach.



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

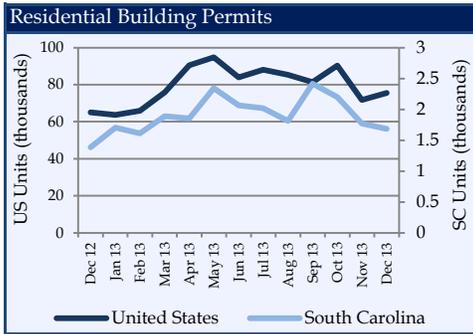
Last month, the median single-family home sales price gained 3.2 percent while the number of residential real estate closings was up 7.2 percent compared to November. The number of building permits issued for new residential construction decreased slightly, by 84 permits statewide, to 1,686. Year-over-year, building permit volume is up 21.7 percent, home sales are up 11.0 percent

and the median home price is up 3.5 percent. Compared to 2012, the valuation associated with all residential building permits issued in South Carolina was up 33.3 percent in 2013.

	Month	Current	Previous Year	% Change Year Ago	2013 YTD	2012 YTD	% Change YTD
Closings	December	4,768	4,294	11.0%	63,297	53,703	17.9%
Median Sales Price*	December	\$163.0	\$157.5	3.5%	\$157.5	\$150.0	5.0%
Foreclosures	December	2,770	3,130	-11.5%	35,165	43,754	-19.6%
Residential Building Permits -Total	December	1,686	1,385	21.7%	23,370	19,084	22.5%
Residential Building Permits -Valuation*	December	\$336,478	\$246,419	36.5%	\$4,513,623	\$3,385,237	33.3%

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

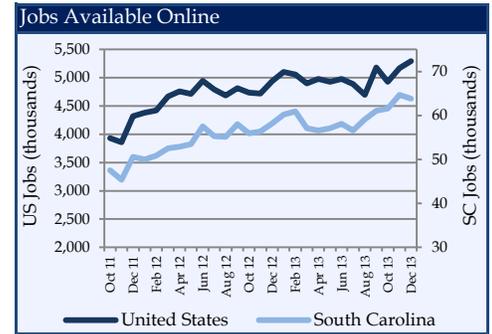
## Business Activity



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

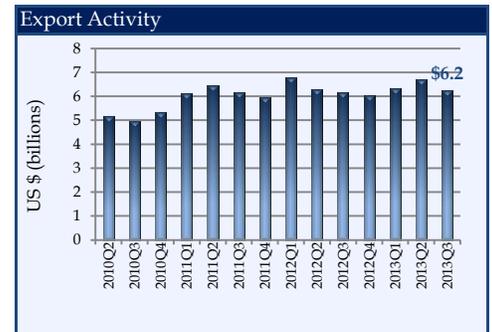
## Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



# South Carolina Regional Update

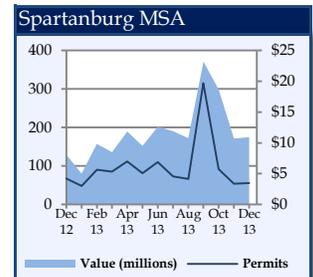
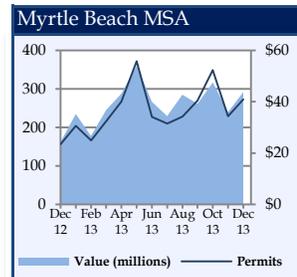
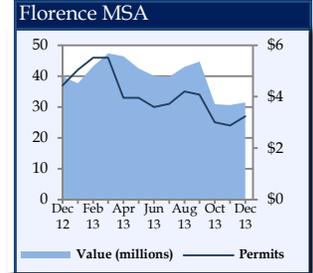
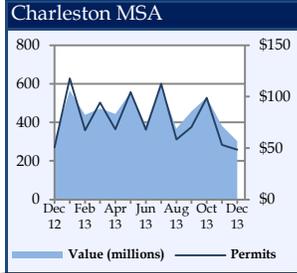
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

## Home Sales

MSA	Indicator	Dec 12	Dec 13
Charleston	Sales Volume	914	1,017
	Median Price (000's)	\$185	\$190
Columbia	Sales Volume	687	730
	Median Price (000's)	\$139	\$144
Florence	Sales Volume	149	156
	Median Price (000's)	\$135	\$128
Greenville	Sales Volume	683	749
	Median Price (000's)	\$147	\$153
Myrtle Beach	Sales Volume	799	815
	Median Price (000's)	\$138	\$144
Spartanburg	Sales Volume	268	293
	Median Price (000's)	\$124	\$122
South Carolina	Sales Volume	4,294	4,768
	Median Price (000's)	\$157.5	\$163.0

Source: S.C. Association of Realtors

## Building Permits



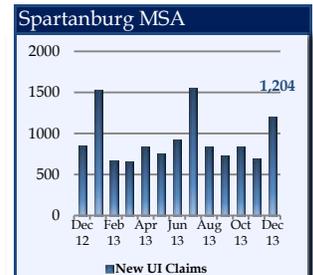
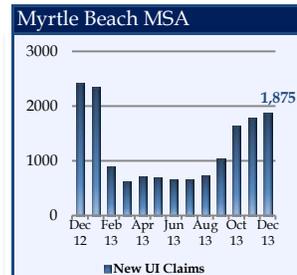
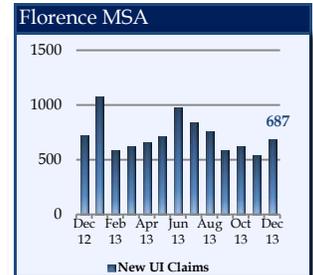
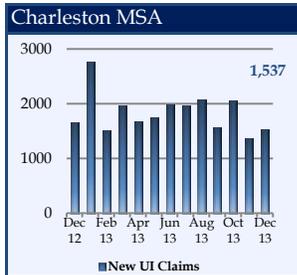
Source: U.S. Census

## Employment

MSA	Indicator	Nov 13	Dec 13
Charleston	Employment (000's)	311.7	311.7
	Unemployment Rate	5.5	5.2
Columbia	Employment (000's)	348.4	349.9
	Unemployment Rate	5.9	5.5
Florence	Employment (000's)	84.3	85.1
	Unemployment Rate	7.7	7.3
Greenville	Employment (000's)	295.6	297.9
	Unemployment Rate	5.4	5.0
Myrtle Beach	Employment (000's)	115.7	114.1
	Unemployment Rate	7.7	7.8
Spartanburg	Employment (000's)	125.9	126.8
	Unemployment Rate	6.3	5.9
South Carolina	Employment (000's)	2,000.6	2,011.2
	Unemployment Rate	7.1	6.6

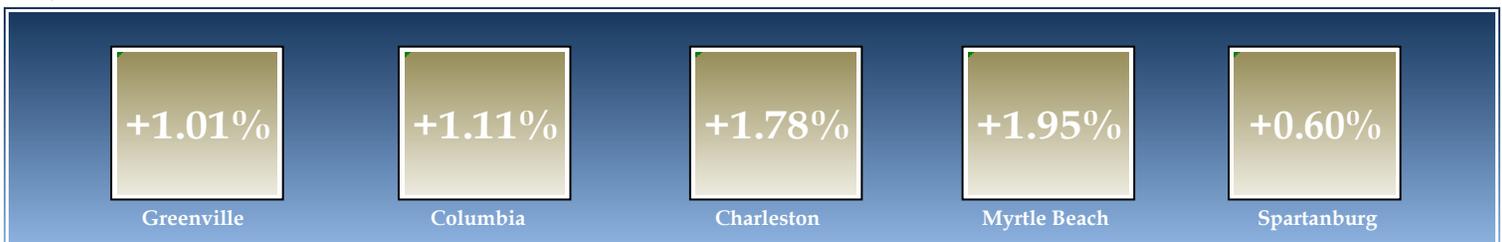
Source: U.S. Bureau of Labor Statistics (MSA figures not seasonally adjusted)

## Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

## Projected Annual Population Growth Rate (2013 - 2018)



Source: ESRI Business Analyst Online, 2014