

South Carolina Economic Outlook



South Carolina
Department of Commerce
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Division of Research

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SC Leading Index Increased Again in March

Following a 0.49 point gain in February, the South Carolina Leading Index (SCLI) posted a 0.03 point increase in March rising to a value of 101.89. With a value greater than 100, the SCLI has indicated a positive economic outlook for the state for 40 consecutive months. Last month, a 0.1 hour increase in the average manufacturing workweek and a 9.1 percent decline in initial claims for Unemployment Insurance helped push the SCLI in the positive direction. Offsetting some of the gain were a 6.2 percent decline in residential building permits and a slight drop in the stock market. Last month, the Conference Board's national Leading Economic Index gained 0.2 percent.

- David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

SC Real Estate Market Continues to Improve

Improvements in the labor market and household incomes are driving the residential real estate market in 2015. The median single-family home sales price gained \$5,000 last month as buyer demand has increased sales activity. Closed residential real estate transactions increased 37.5 percent last month to 6,071 homes sold. While the number of residential building permits declined 6.2 percent last month, the valuation associated with residential construction actually increased 10.1 percent. This discrepancy was likely due to a larger share of single-family homes versus apartment units permitted in March compared to February.

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 \$181.6 billion in the fourth quarter of 2014.

U.S. Bureau of Economic Analysis

-1.5%

South Carolina Stock Index

lost 1.64 points in March, closing at 110.41 on the last trading day of the month.

Bloomberg

Employment

+0.8%

Nonfarm Employment

increased by 15,500 non-seasonally adjusted jobs in March from the prior month.

U.S. Bureau of Labor Statistics

+0.3%

Labor Force

increased by 7,536 to 2,245,987, seasonally-adjusted, in March.

U.S. Bureau of Labor Statistics

+0.1%

Unemployment Rate

increased by 0.1 percent to 6.7 percent, seasonally-adjusted, for March.

U.S. Bureau of Labor Statistics

+0.2%

Manufacturing Weekly Hours

increased by 0.1 hours to 41.8 hours in March from 41.7 hours in February.

U.S. Bureau of Labor Statistics

-5.0%

Available Online Job Postings

decreased by 3,500 positions in March to a seasonally-adjusted 66,800 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+3.1%

Single-Family Home Sales Price

increased by \$5,000 to \$165,000 in March.

South Carolina Association of Realtors

-6.2%

Residential Building Permits

decreased by 157 permits from the previous month to 2,379 permits issued in March.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Total non-seasonally adjusted, nonfarm employment increased by 15,500 from the previous month, a 0.79 percent gain for the month and 2.65 percent for the year. Last month, the Leisure and Hospitality (+6,900 jobs) and Professional and Business Services (+1,900 jobs) sectors saw the greatest employment increases.

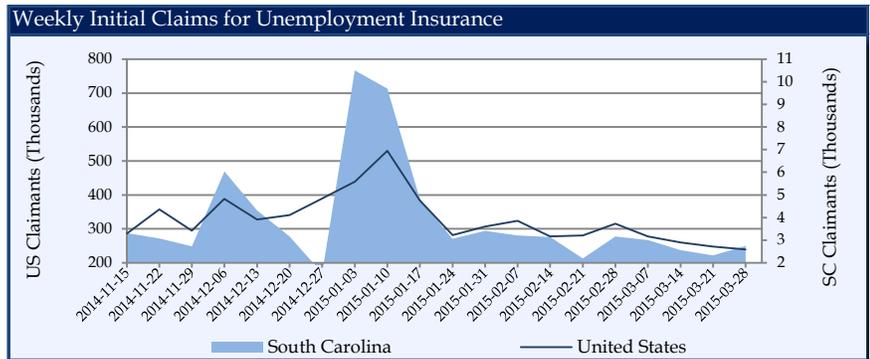
Year-over-year, the Trade, Transportation and Utilities sector has added the most jobs (+10,700), followed by Leisure and Hospitality (+8,200 year-over-year) and Professional and Business Services (+8,100 year-over-year). In percentage terms, Construction has grown the most year-over-year, gaining 6.16 percent or 5,000 jobs.

Industry Sector	March 2015	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	322,000	320,300	313,000	0.53	2.88
Natural Resources and Mining	3,900	3,700	3,800	5.41	2.63
Construction	86,200	84,900	81,200	1.53	6.16
Manufacturing	231,900	231,700	228,000	0.09	1.71
Service Providing	1,657,900	1,644,100	1,615,800	0.84	2.61
Trade, Transportation, and Utilities	376,800	375,200	366,100	0.43	2.92
Information	26,500	26,400	26,100	0.38	1.53
Finance	95,900	96,000	95,200	-0.10	0.74
Professional and Business Services	258,900	257,000	250,800	0.74	3.23
Educational and Health Services	232,000	230,600	224,900	0.61	3.16
Leisure and Hospitality	230,300	223,400	222,100	3.09	3.69
Other Services	72,600	72,100	71,900	0.69	0.97
Total Private	1,615,000	1,601,000	1,570,100	0.87	2.86
Government	364,900	363,400	358,700	0.41	1.73
Total Nonfarm	1,979,900	1,964,400	1,928,800	0.79	2.65

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

Weekly Unemployment Claims

The number of initial claims for Unemployment Insurance (UI) fell 9.1 percent in March to 2,660 average weekly claims. The average number of claims last month was the lowest monthly average in South Carolina in more than five years. Last month's level was 19.5 percent lower than February 2014 weekly claims activity and 30.0 percent lower than two years ago. Myrtle Beach and Columbia metro areas saw significant declines in UI claimant activity last month while Florence and Charleston experienced slight increases in activity.



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

After an unseasonal high number of building permits were issued in February, permitting activity abated some in March to 2,379 permits issued. Despite last month's decline, building permit activity was up 6.2 percent last month compared to a year ago. Residential real estate closings have also rebounded significantly, up 19.3 percent compared to the previous month and 17.4 percent year-to-date. The median home sales price in South Carolina has also shown strong improvement, gaining 6.2 percent compared to last year to a value of \$165,000.

	Month	Current	Previous Year	% Change Year Ago	2014 YTD	2013 YTD	% Change YTD
Closings	March	6,071	5,089	19.3%	14,819	12,620	17.4%
Median Sales Price*	March	\$165.0	\$156.0	5.8%	\$161.6	\$154.0	4.9%
Foreclosures	March	2,504	2,681	-6.6%	6,240	7,390	-15.6%
Residential Building Permits -Total	March	2,379	2,241	6.2%	6,814	6,937	-1.8%
Residential Building Permits -Valuation*	March	\$514,669	\$435,224	18.3%	\$1,398,646	\$1,207,204	15.9%

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

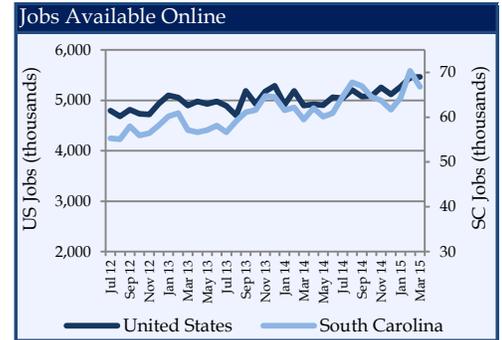
Business Activity



Source: U.S. Census



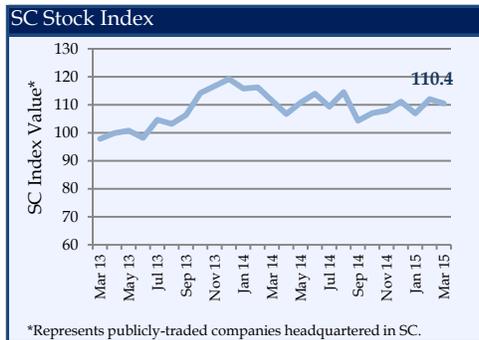
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue



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

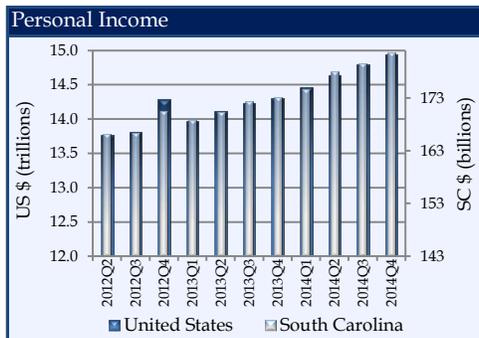


Source: U.S. Department of Labor

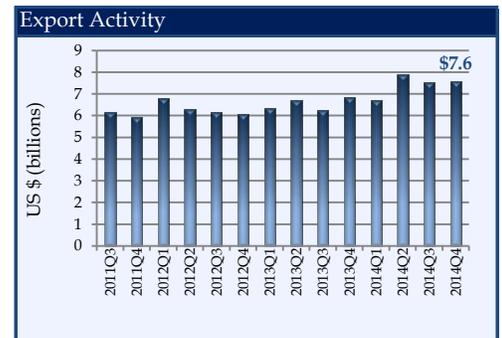
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

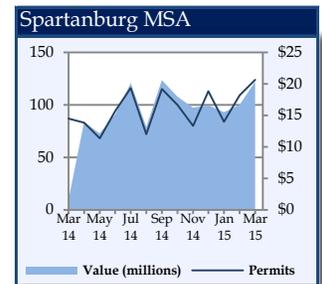
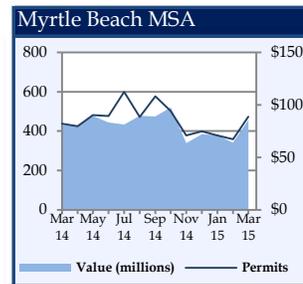
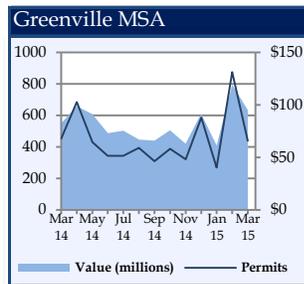
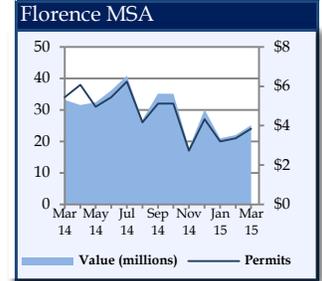
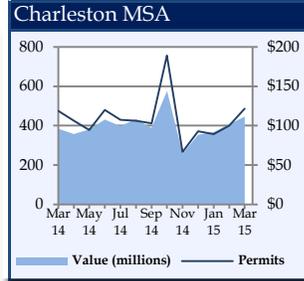
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Mar 14	Mar 15
Charleston	Sales Volume	1,134	1,417
	Median Price (000's)	\$219	\$221
Columbia	Sales Volume	751	850
	Median Price (000's)	\$143	\$148
Florence	Sales Volume	138	177
	Median Price (000's)	\$106	\$125
Greenville	Sales Volume	734	1,013
	Median Price (000's)	\$153	\$162
Myrtle Beach	Sales Volume	874	929
	Median Price (000's)	\$148	\$152
Spartanburg	Sales Volume	303	354
	Median Price (000's)	\$115	\$128
South Carolina	Sales Volume	5,089	6,071
	Median Price (000's)	\$156.0	\$165.0

Source: S.C. Association of Realtors

Building Permits



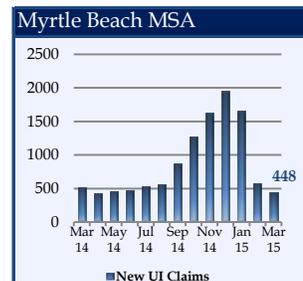
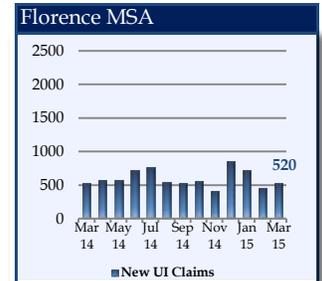
Source: U.S. Census

Employment

MSA	Indicator	Feb 15	Mar 15
Charleston	Employment (000's)	333.0	334.7
	Unemployment Rate	5.8	5.4
Columbia	Employment (000's)	365.3	366.5
	Unemployment Rate	6.0	5.7
Florence	Employment (000's)	87.7	87.6
	Unemployment Rate	7.7	7.2
Greenville	Employment (000's)	384.4	386.2
	Unemployment Rate	5.9	5.5
Myrtle Beach	Employment (000's)	161.5	166.3
	Unemployment Rate	8.7	7.5
Spartanburg	Employment (000's)	139.4	139.8
	Unemployment Rate	6.7	6.2
South Carolina	Employment (000's)	2,090.3	2,096.1
	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

Number of Patents for Invention Issued, 2013



Source: United States Patent and Trademark Office, December 2014