



SCLI Posts Another Strong Gain

The South Carolina Leading Index (SCLI) showed a gain of 0.13 points in September after improving 0.12 points in August. With last month's reading of 101.70, the SCLI is at its highest position for 2014 and indicates positive economic growth over the next three to six months. A 14.9 percent decline in initial claims for Unemployment Insurance with a 17.3 percent rise in new residential building permits were the primary contributors in September. A dip in the average manufacturing workweek, which was down 0.1 hours, and declines in the stock market tempered further positive movement in the Index. In September, the Conference Board's national Leading Economic Index also increased, gaining 0.8 percent to 104.4.

- David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

Multi-Family Construction Spurs Building Permits

New permits for multi-family or apartment construction in Columbia (341 units) and Myrtle Beach (166 units) helped drive the 17.3 percent gain in residential building permits last month. Permit activity is up 4.4 percent compared to a year ago and nearly 60 percent compared to two years ago; however, the 2,300 average monthly permits so far this year is still significantly below the 4,000 monthly average seen in the mid-2000s. At 82,400 jobs, construction employment has seen a similarly slow recovery, adding 1,600 positions year-over-year, but still far from peak construction employment in South Carolina at 125,000 jobs. Diminishing foreclosure activity (down 22.0 percent from a year ago) should help the housing market recovery in the future.

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

-8.9%

South Carolina Stock Index

gave up 10.21 points in September, closing at 104.28 on the last trading day of the month.

Bloomberg

Employment

+1%

Nonfarm Employment

increased by 18,600 non-seasonally adjusted jobs in September from the prior month.

U.S. Bureau of Labor Statistics

+0.4%

Labor Force

increased by 8,964 to 2,182,781, seasonally-adjusted, in September.

U.S. Bureau of Labor Statistics

+0.3%

Unemployment Rate

increased from 6.3 percent to 6.6 percent, seasonally-adjusted, for September.

U.S. Bureau of Labor Statistics

-0.2%

Manufacturing Weekly Hours

decreased by 0.1 hours to 41.3 hours in September from 41.4 hours in August.

U.S. Bureau of Labor Statistics

-1.3%

Available Online Job Postings

decreased by 900 positions in September to a seasonally-adjusted 66,900 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-0.6%

Single-Family Home Sales Price

decreased by \$1,001 to \$164,699 in September.

South Carolina Association of Realtors

+17.3%

Residential Building Permits

increased by 373 permits from the previous month to 2,524 permits issued in September.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Total non-seasonally adjusted, nonfarm employment increased by 18,600 over the previous month. With schools in full gear, the Government sector had the largest gain during the month of September adding 21,200 jobs; Education and Health Services (+3,000) and Professional and Business Services (+2,000) also increased

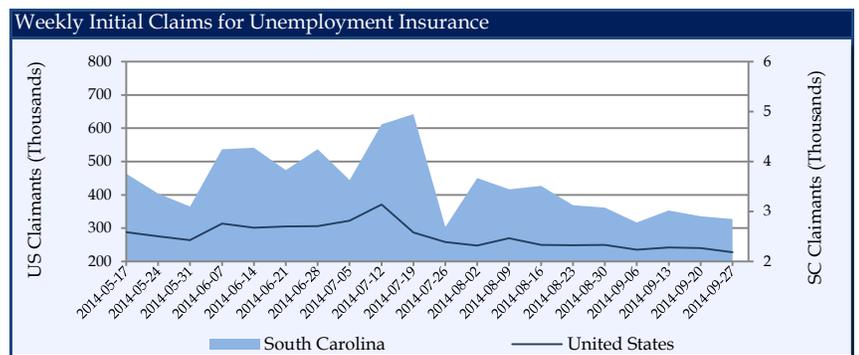
over the month. Since the main tourism season has ended, the Leisure and Hospitality shed 5,900 positions in September. Other industries that saw a decrease in employment were Trade, Transportation, and Utilities (-2,100), Other Services (-500), Information (-400), and Financial Activities (-100). Year-over-year, the South Carolina economy has added 37,800 jobs.

Industry Sector	September 2014	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	319,200	317,800	310,100	0.44	2.93
Natural Resources and Mining	3,700	3,700	3,800	0.00	-2.63
Construction	82,400	82,200	80,800	0.24	1.98
Manufacturing	233,100	231,900	225,500	0.52	3.37
Service Providing	1,629,800	1,612,600	1,601,100	1.07	1.79
Trade, Transportation, and Utilities	367,100	369,200	362,900	-0.57	1.16
Information	25,500	25,900	26,100	-1.54	-2.30
Finance	95,100	95,200	96,000	-0.11	-0.94
Professional and Business Services	253,000	251,000	242,200	0.80	4.46
Educational and Health Services	226,000	223,000	219,800	1.35	2.82
Leisure and Hospitality	236,400	242,300	228,100	-2.43	3.64
Other Services	70,400	70,900	71,900	-0.71	-2.09
Total Private	1,592,700	1,595,300	1,557,100	-0.16	2.29
Government	356,300	335,100	354,100	6.33	0.62
Total Nonfarm	1,949,000	1,930,400	1,911,200	0.96	1.98

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

Weekly Unemployment Claims

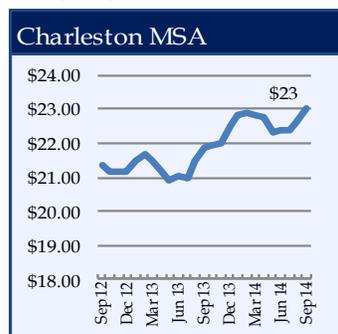
The number of initial claims for Unemployment Insurance (UI) declined for the third consecutive month in September to 2,926 average weekly claims. This level was 14.9 percent lower than the previous month and 28.5 percent lower than a year ago. Similar to August, September saw an increase of UI claimant activity in the Myrtle Beach area, but significant declines in each of the other metros. Columbia saw the largest decline, followed closely by Greenville and Charleston. Claimant activity was relatively flat in Florence (-3.3 percent) and Spartanburg (-2.0 percent).



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

With a steadily decreasing inventory of homes on the market since 2011, the median home sales price in South Carolina continues to show year-over-year improvement. While down 0.6 percent last month compared to the prior month due to demand seasonality, the median price of \$164,699 has appreciated 3.6 percent compared to a year ago and 6.6 percent from two years ago. The number of residential real estate closings is up slightly compared to last year, with a 1.8 percent gain.

	Month	Current	Previous Year	% Change Year Ago	2014 YTD	2013 YTD	% Change YTD
Closings	September	5,581	5,483	1.8%	50,421	48,903	3.1%
Median Sales Price*	September	\$164.7	\$159.0	3.6%	\$162.3	\$157.2	3.2%
Foreclosures	September	1,980	2,538	-22.0%	20,890	26,276	-20.5%
Residential Building Permits -Total	September	2,524	2,418	4.4%	20,657	17,717	16.6%
Residential Building Permits -Valuation*	September	\$476,164	\$434,001	9.7%	\$3,990,934	\$3,379,160	18.1%

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

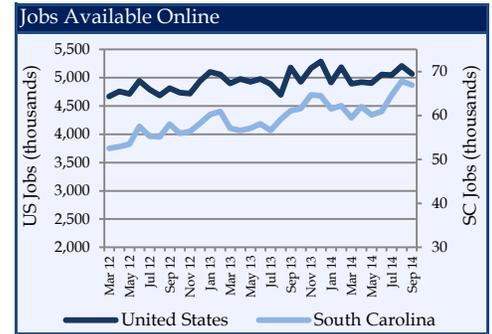
Business Activity



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

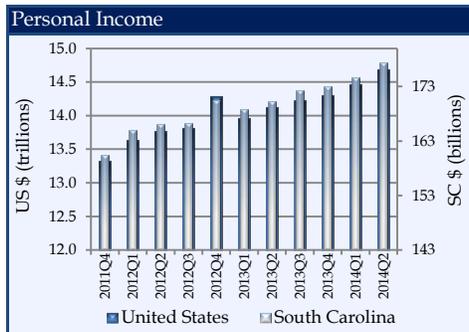


Source: U.S. Department of Labor

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

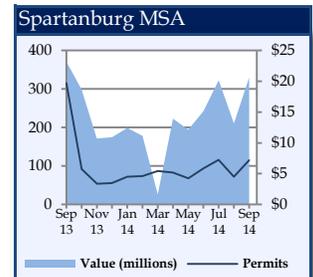
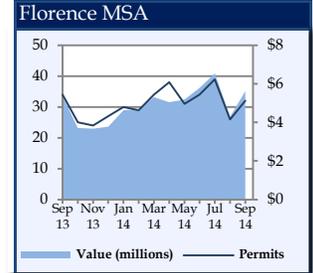
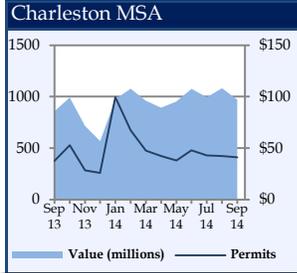
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Sep 13	Sep 14
Charleston	Sales Volume	1,130	1,238
	Median Price (000's)	\$207	\$215
Columbia	Sales Volume	778	894
	Median Price (000's)	\$144	\$149
Florence	Sales Volume	152	158
	Median Price (000's)	\$115	\$114
Greenville	Sales Volume	803	969
	Median Price (000's)	\$156	\$164
Myrtle Beach	Sales Volume	852	874
	Median Price (000's)	\$153	\$157
Spartanburg	Sales Volume	314	316
	Median Price (000's)	\$125	\$123
South Carolina	Sales Volume	5,483	5,581
	Median Price (000's)	\$159.0	\$164.7

Source: S.C. Association of Realtors

Building Permits



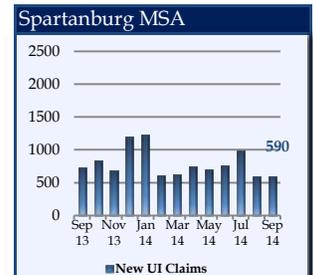
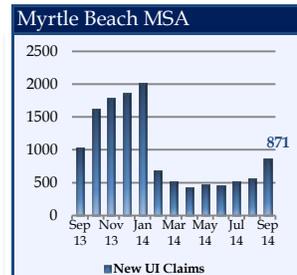
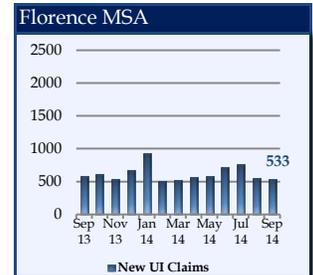
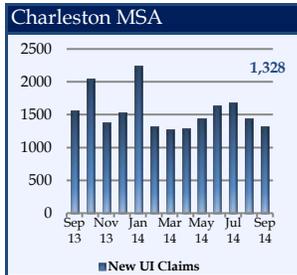
Source: U.S. Census

Employment

MSA	Indicator	Aug 14	Sep 14
Charleston	Employment (000's)	317.9	316.3
	Unemployment Rate	6.2	5.9
Columbia	Employment (000's)	350.3	352.1
	Unemployment Rate	6.6	6.3
Florence	Employment (000's)	86.3	86.2
	Unemployment Rate	8.0	7.7
Greenville	Employment (000's)	301.1	301.5
	Unemployment Rate	6.1	5.8
Myrtle Beach	Employment (000's)	130.1	124.3
	Unemployment Rate	6.6	6.6
Spartanburg	Employment (000's)	129.8	130.2
	Unemployment Rate	6.7	6.2
South Carolina	Employment (000's)	2,035.9	2,038.4
	Unemployment Rate	6.3	6.6

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Brookings Metro Monitor - Recovery Ranking of the 100 Largest U.S. Metro Areas



Source: The Brookings Institute, October 2014