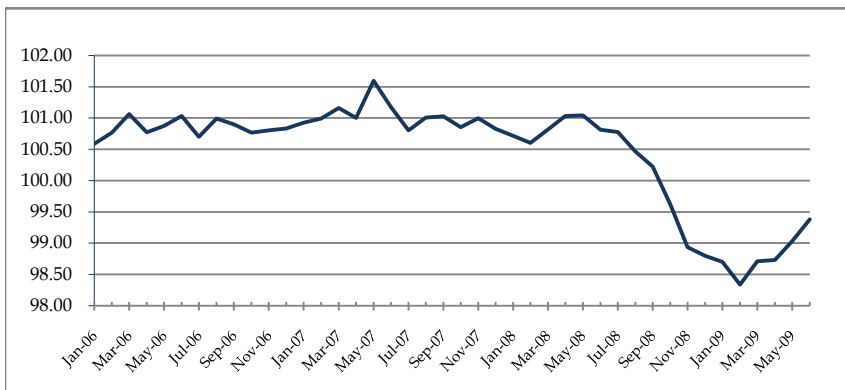


Building Permits Lead Index Growth

The South Carolina Leading Index (SCLI) rose another 0.35 points in June, as a rapid increase in building permits displayed potential signs of recovery in the state's construction sector. In addition to this 36.2 percent monthly increase in building starts, the SCLI's increase to a value of 99.38 also witnessed positive performance in every contributing factor for only the third time in the past two years, including decreases in the number of initial claims for Unemployment Insurance as well as increases in the Dow Jones Composite Average.

June's figure marks the fourth straight month the Leading Index has improved since reaching a nadir of 98.34 in February. The SCLI - a measurement used to forecast the state's economic status for the next three-to-six months - was first introduced in October 2008 and has been calculated relative to a base value of 100 in January 2000.

-Rebecca M. Gunnlaugsson, Ph.D.



Source: South Carolina Department of Commerce

Online Job Postings Decline; Unemployment Rate Remains Stable

The rate of advance of South Carolina's unemployment rate slowed in June, increasing nominally to 12.1 percent. This increase represented a 0.1 percentage point increase over a May figure that was revised downward to 12.0 percent.

During the same time period, job opportunities reported online by the Conference Board's Help Wanted Online Index (HWOL) fell 3.6 percent to 42,900 positions, as older job listings began to be removed from the Internet. The number of new job opportunities listed in South Carolina in June - 23,600 - was 100 less than the number of new listings during May. New listings are down approximately 9,900 positions and total listings are down 11,300 positions over the same time last year.

The South Carolina Department of Commerce's Research Division is a highly-skilled, multidisciplinary group of professionals dedicated to the collection, analysis and dissemination of precise, timely data. The team of 13 individuals—including two Ph.D.s and seven Master's degrees—has experience ranging from economics and business to statistics, information technology and more. The group integrates workforce and economic development research through the incorporation of federally-funded Labor Market Information directives and state-funded workforce and economic development initiatives. If you would like to receive Commerce's monthly Economic Outlook, e-mail EconomicOutlook@SCcommerce.com.

KEY S.C. INDICATORS

Income

9.5%

Retail Sales

rose \$0.93 billion in June over May, yet were down \$1.6 billion when compared to June 2008.

South Carolina Department of Revenue

-2.7%

South Carolina Stock Index

decreased 1.94 index points to close at 69.35 the last day in June, a 2.7% decrease over May.

Bloomberg

Employment

-0.4%

Nonfarm Employment

decreased by 7,100 jobs, or 0.4%, in June.

Bureau of Labor Statistics

-0.4%

Labor Force Participation

fell by a seasonally-adjusted 9,400 people in June.

Bureau of Labor Statistics

0.1%

Unemployment Rate

rose a seasonally-adjusted 0.1 points (from a revised May figure) in June to a rate of 12.1%.

Bureau of Labor Statistics

0.0%

Manufacturing Weekly Hours

remained unchanged at 41.4 hours.

Bureau of Labor Statistics

-3.6%

Available Online Job Postings

decreased statewide in June by 1,600 jobs to 42,900 online job postings.

The Conference Board Help Wanted Online Index

Real Estate

0.4%

Single-Family Home Sales Price

increased in June to \$147,000, a \$5,000 increase over May.

South Carolina Association of Realtors

36.2%

Building Permits

grew 36.2% in June, or 427 permits statewide, over the previous month.

U.S. Census

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

After three consecutive months of increases, nonfarm employment declined in June by 7,100 jobs. This decrease was led by a contraction in state government of 4,900 positions, associated with the seasonal reduction of public school workforce during the summer months. While Manufacturing and Construction underwent moderate job loss, Retail Trade lost 3,600 jobs.

Sectors that added positions include the tourism-driven Leisure and Hospitality sector along with the Administrative Support sector, which includes temporary staffing agencies. Versus a year ago, total nonfarm employment in South Carolina is down 92,700 jobs.

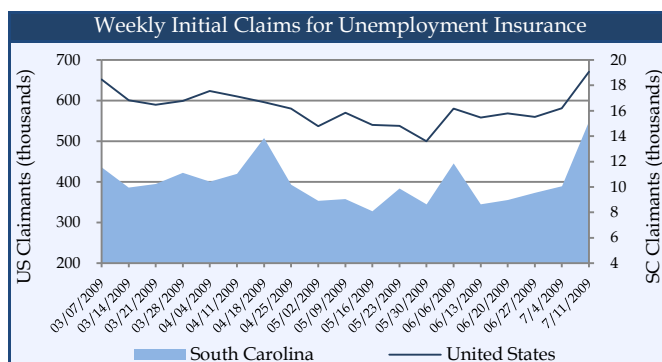
Industry Sector	May 2009	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	322,300	325,300	363,100	-0.92	-11.24
Natural Resources and Mining	4,200	4,200	4,300	0.00	-2.33
Construction	103,300	104,700	114,200	-1.34	-9.54
Construction of Buildings	26,100	26,800	29,300	-2.61	-10.92
Heavy and Civil Engineering Construction	14,000	13,900	15,900	0.72	-11.95
Specialty Trade Contractors	63,200	64,000	69,000	-1.25	-8.41
Manufacturing	214,800	216,400	244,600	-0.74	-12.18
Durable Goods	118,100	118,700	136,700	-0.51	-13.61
Nondurable Goods	96,700	97,700	107,900	-1.02	-10.38
Service Providing	1,543,100	1,547,200	1,595,000	-0.26	-3.25
Trade, Transportation and Utilities	357,000	360,100	375,200	-0.86	-4.85
Wholesale Trade	67,600	66,900	71,500	1.05	-5.45
Retail Trade	226,700	230,300	238,800	-1.56	-5.07
Transportation, Warehousing and Utilities	62,700	62,900	64,900	-0.32	-3.39
Information	29,900	29,800	29,100	0.34	2.75
Finance	103,700	103,800	107,500	-0.10	-3.53
Finance and Insurance	73,800	74,500	76,100	-0.94	-3.02
Real Estate and Rental and Leasing	29,900	29,300	31,400	2.05	-4.78
Professional and Business Services	213,700	212,800	224,700	0.42	-4.90
Professional, Scientific and Technical	75,500	75,900	75,900	-0.53	-0.53
Management of Companies and Enterprises	15,300	15,500	15,900	-1.29	-3.77
Administrative Support and Waste Management	122,900	121,400	132,900	1.24	-7.52
Educational and Health Services	208,700	208,700	206,300	0.00	1.16
Leisure and Hospitality	214,900	212,800	231,400	0.99	-7.13
Arts, Entertainment and Recreation	30,800	31,000	32,400	-0.65	-4.94
Accommodation and Food Services	184,100	181,800	199,000	1.27	-7.49
Other Services	73,300	71,700	72,500	2.23	1.10
Total Private	1,523,500	1,525,000	1,609,800	-0.10	-5.36
Government	341,900	347,500	348,300	-1.61	-1.84
Federal Government	32,100	32,300	30,500	-0.62	5.25
State Government	94,100	99,000	97,700	-4.95	-3.68
Local Government	215,700	216,200	220,100	-0.23	-2.00
Total Nonfarm	1,865,400	1,872,500	1,958,100	-0.38	-4.73

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

Initial UI Claims Continue to Fall

Initial claims for Unemployment Insurance in South Carolina mirrored the nation with an initial spike the first week of June followed by a leveling to between 8,600 and 9,500 claims for the remainder of the month.

As anticipated, initial claims for the first two weeks of July spiked both statewide and nationally as the standard summer shutdown of automotive and other manufacturing subsectors placed workers on UI rolls temporarily. In South Carolina, this spike represented a 51 percent increase as initial claims rose to 15,165 the week ending July 11th. Nationally, the US witnessed a 15 percent increase over the previous week as claims spiked to 671,242 for the week ending July 11th.



Source: U.S. Department of Labor



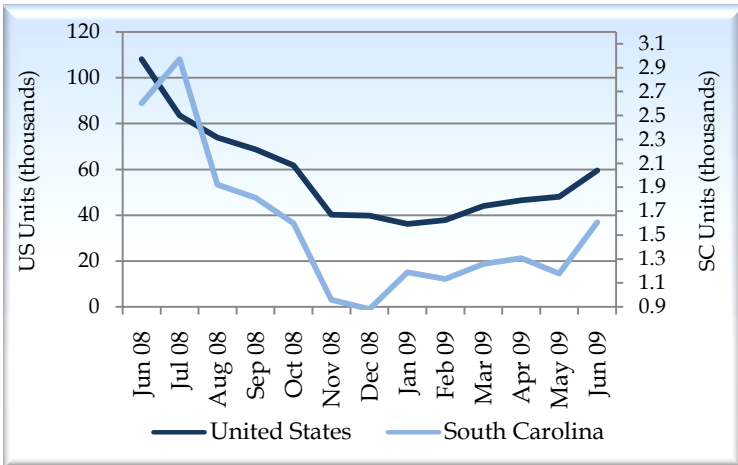
South Carolina Real Estate

Closings on residential property increased 13.3 percent in June over the previous month, from 3,704 to 4,195, although down 11.2 percent over June 2008. The median home sales price increased \$5,000, or 3.5 percent, over May. Although still up over the previous year, foreclosures in South Carolina decreased sharply in June to 1,699 from 3,092 in May. Year-over-year, foreclosures are still up 169.1 percent. Reversing last month's decline, residential building permits in South Carolina rose in June. The 1,606 permits reported in June represent a 36.2 percent increase over May and a 38.3 percent decrease over the same month last year. Valuation of permits also increased 40 percent over May while declining 57.2 percent over the prior year.

	Month	Current	Previous Year	% Change Year Ago	2009 YTD	2008 YTD	% Change Year Ago
Closings	June	4,195	4,730	-11.3%	19,029	24,938	-23.7%
Median Sales Price*	June	147.0	165.0	-10.9%	135.0	147.0	-8.2%
Foreclosures	June	1,699	1,063	59.8%	14,402	5,352	169.1%
Residential Building Permits-Total	June	1,606	2,602	-38.3%	7,674	15,126	-49.3%
Residential Building Permits-Valuation*	June	267,729	392,274	-31.7%	1,239,651	2,440,602	-49.2%

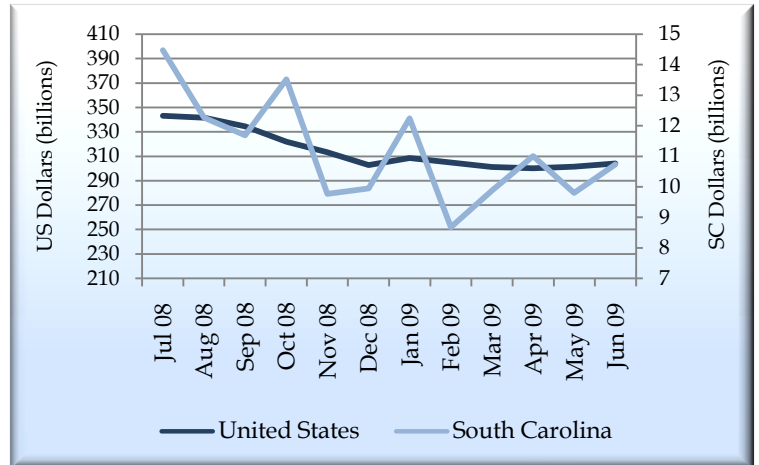
* Thousands of US dollars. Source: S.C. Realtors Association, RealtyTrac, U.S. Census

Residential Building Permits



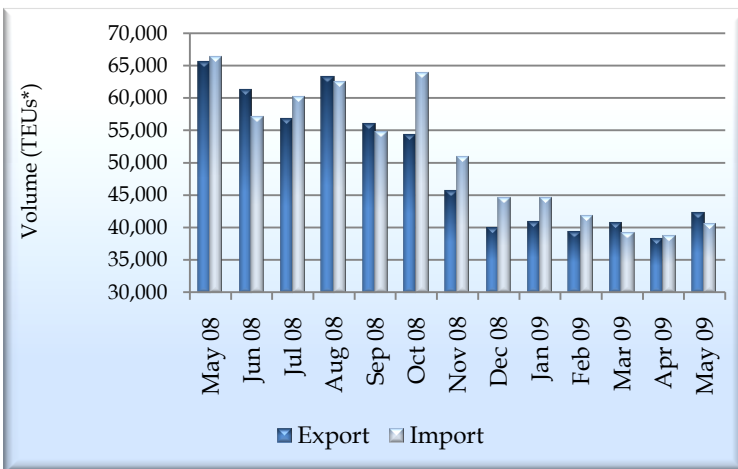
Source: U.S. Census

Retail Sales



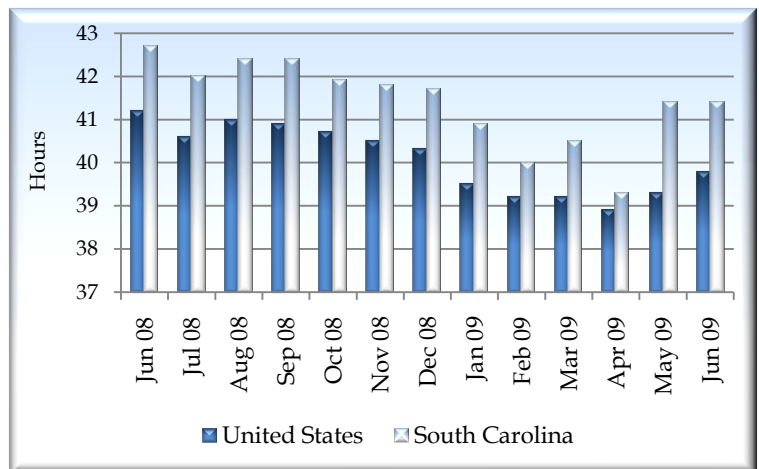
Source: South Carolina Department of Revenue

Port of Charleston



*Twenty-Foot Equivalent Units. Source: S.C. Ports Authority

Average Weekly Hours Worked*



*For manufacturing sector. Source: U.S. Department of Labor