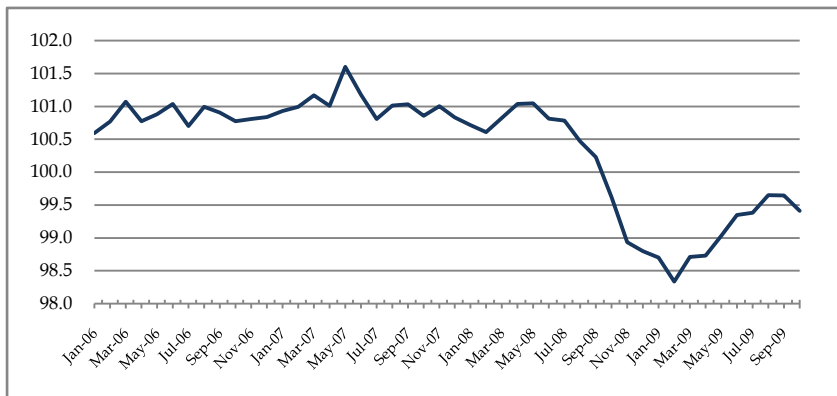


S.C. Leading Index Dips in October

The South Carolina Leading Index (SCLI) experienced its first decline of note since February, falling 0.23 points to a value of 99.41. The index, which provides a forward look at the state's economy for the upcoming three-to-six months, declined 2.3 percent. Of the factors composing the SCLI, all but one experienced declines in October. The average weekly number of people applying for Unemployment Insurance increased, and weekly manufacturing hours declined 2.2 percent. Jobs available online fell by 400 positions, or 0.9 percent, and the South Carolina stock index dropped 8.8 percent during October. Although the value declined, the total number of residential building permits issued increased 5.6 percent in October over the previous month. Nationwide, permits issued fell 9.4 percent and valuation likewise fell 7.9 percent.

-Rebecca M. Gunnlaugsson, Ph.D.



Source: South Carolina Department of Commerce

Real Estate and Retail Sales Move Higher

Monthly economic figures for the state were mixed in October as home and retail sales rose while the labor market continued to show signs of weakness. According to the South Carolina Department of Revenue, retail sales experienced a sharp monthly increase of 17.9 percent, outpacing the US increase of 1.4 percent. State exports increased 5.6 percent in the 3rd quarter of 2009, compared to 5.2 percent nationally. Both import and export volume through the Port of Charleston increased in October. At the same time, two USDOL-issued non-seasonally adjusted labor reports provided varying employment data for the state. The Current Employment Statistics (CES) estimated a gain of 1,100 jobs in October, while the Local Area Unemployment Statistics (LAUS) estimated a loss of 2,752. The LAUS series does, however, include self-employed and sole proprietors whereas the CES does not.

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

+17.9%

Retail Sales

rose \$1.85 billion in October over September, but were down \$1.35 billion when compared to October 2008.

South Carolina Department of Revenue

-8.8%

South Carolina Stock Index

decreased 7.23 index points to close at 74.71 the last day in October.

Bloomberg

Employment

+0.1%

Nonfarm Employment

grew by 1,100 jobs in October, augmented by increased hiring by temporary staffing firms.

Bureau of Labor Statistics

+0.1%

Labor Force

increased by a seasonally-adjusted 1,880 people in October.

Bureau of Labor Statistics

+0.4%

Unemployment Rate

rose 0.4 points in October, from an upwardly revised September figure, to a seasonally adjusted rate of 12.1 percent.

Bureau of Labor Statistics

-2.2%

Manufacturing Weekly Hours

declined 0.9 hours to 40.8 hours in the month of October.

Bureau of Labor Statistics

-0.9%

Available Online Job Postings

decreased statewide in October by 400 jobs to 44,100 online job postings.

The Conference Board Help Wanted Online Index

Real Estate

+10%

Single-Family Home Sales Price

rose in October to \$152,400, while closings increased 18.3 percent to 4,104 for the month.

South Carolina Association of Realtors

+5.6%

Building Permits

increased 5.6 percent in October, or 78 permits, over the previous month.

U.S. Census

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Non-seasonally adjusted employment rose for the month of October by a total of approximately 1,100 workers. 4,000 new positions were created by service producing industries, while goods producing sectors lost 2,900 positions. Sectors with the most job gains included Retail Trade (2,300), Professional, Scientific, & Technical (2,100), and Administrative Support (2,800), which includes temporary staffing firms. Leisure and

Hospitality continued to shed seasonal positions in October, releasing an additional 5,600 workers. Additionally, a decline of 1,300 positions occurred in the Construction industry along with a decline of 1,600 in the Manufacturing industry.

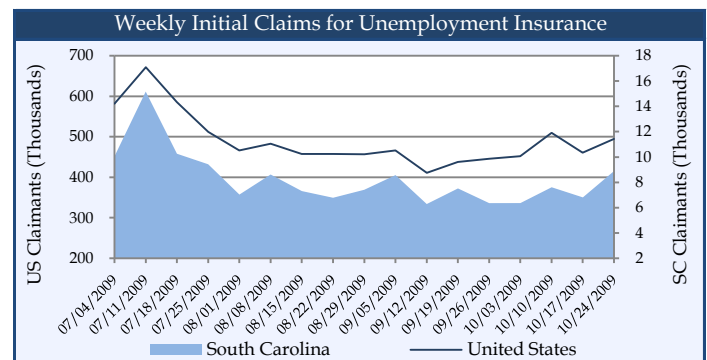
Industry Sector	October 2009	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	311,600	314,500	355,200	-0.92	-12.27
Natural Resources and Mining	4,100	4,100	4,200	0.00	-2.38
Construction	96,600	97,900	113,500	-1.33	-14.89
Construction of Buildings	24,400	24,500	28,100	-0.41	-13.17
Heavy and Civil Engineering Construction	13,300	13,500	14,800	-1.48	-10.14
Specialty Trade Contractors	58,900	59,900	70,600	-1.67	-16.57
Manufacturing	210,900	212,500	237,500	-0.75	-11.20
Durable Goods	115,400	116,300	133,300	-0.77	-13.43
Nondurable Goods	95,500	96,200	104,200	-0.73	-8.35
Service Providing	1,542,000	1,538,000	1,558,900	0.26	-1.08
Trade, Transportation, and Utilities	356,900	355,600	368,200	0.37	-3.07
Wholesale Trade	68,400	68,200	70,800	0.29	-3.39
Retail Trade	226,900	224,600	233,600	1.02	-2.87
Transportation, Warehousing, and Utilities	61,600	62,800	63,800	-1.91	-3.45
Information	29,600	29,600	29,100	0.00	1.72
Finance	102,000	102,500	105,200	-0.49	-3.04
Finance and Insurance	73,800	73,800	75,900	0.00	-2.77
Real Estate and Rental and Leasing	28,200	28,700	29,300	-1.74	-3.75
Professional and Business Services	223,400	218,800	219,000	2.10	2.01
Professional, Scientific, and Technical	80,000	77,900	74,700	2.70	7.10
Management of Companies and Enterprises	15,500	15,800	15,500	-1.90	0.00
Administrative Support and Waste Management	127,900	125,100	128,800	2.24	-0.70
Educational and Health Services	209,200	209,200	210,200	0.00	-0.48
Leisure and Hospitality	200,800	206,400	208,800	-2.71	-3.83
Arts, Entertainment, and Recreation	27,800	27,900	28,400	-0.36	-2.11
Accommodation and Food Services	173,000	178,500	180,400	-3.08	-4.10
Other Services	70,900	70,200	70,300	1.00	0.85
Total Private	1,504,400	1,506,800	1,566,000	-0.16	-3.93
Government	349,200	345,700	348,100	1.01	0.32
Federal Government	32,400	32,500	30,700	-0.31	5.54
State Government	99,800	99,100	101,900	0.71	-2.06
Local Government	217,000	214,100	215,500	1.35	0.70
Total Nonfarm	1,853,600	1,852,500	1,914,100	0.06	-3.16

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

Initial UI Claims Move Up in October

After two months of declines, initial claims for Unemployment Insurance (UI) rose during the month of October, although they remained 11.6 percent below average weekly levels for October of 2008. Continued claims have maintained their declining movement, reaching levels of 84,027 for the week ending October 24th.

Initial claims typically follow seasonal patterns. November, December, and January historically have witnessed the largest levels of initial UI claims each year. This trend is driven by a combination of the concluding tourism season, regular factory and facility closures, and temporary seasonal workers during the holidays.



Source: U.S. Department of Labor



South Carolina Real Estate

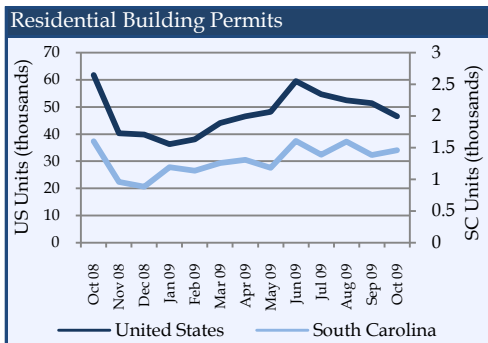
Sales of residential homes in October increased 18.3 percent over the previous year and 5.9 percent over September. The median sales price rose to \$152,400, representing a 10.0 percent month-over-month increase and a 2.7 percent year-over-year increase. The number of homes in various stages of foreclosure in October declined 10.6 percent (342 units) over September but increased 42.2 percent (858 units) over the period one year ago.

Statewide residential building permits increased by 78 units in October, a 5.6 percent increase over September. This figure represents an 8.8 percent decline over October 2008. Although permit volume increased, valuation of permits declined, falling \$13.7 million from September, to \$224.5 million, a level that is 2.0 percent below the same period last year.

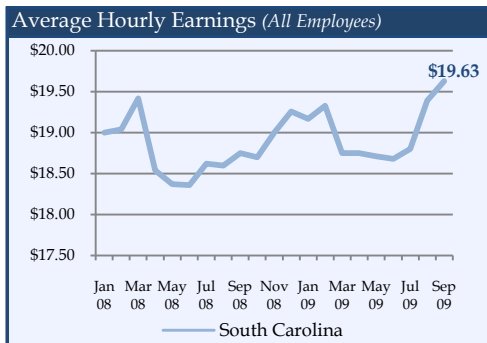
	Month	Current	Previous Year	% Change Year Ago	2009 YTD	2008 YTD	% Change Year Ago
Closings	October	4,104	3,470	18.3%	35,181	41,166	-14.5%
Median Sales Price*	October	152.4	148.4	2.7%	142.0	155.0	-8.4%
Foreclosures	October	2,889	2,031	42.2%	25,425	12,302	106.7%
Residential Building Permits-Total	October	1,460	1,600	-8.8%	13,499	23,432	-42.4%
Residential Building Permits-Valuation*	October	224,475	229,108	-2.0%	2,210,700	3,773,176	-41.4%

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

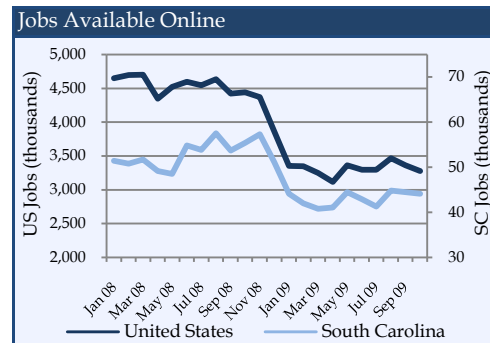
Business Activity



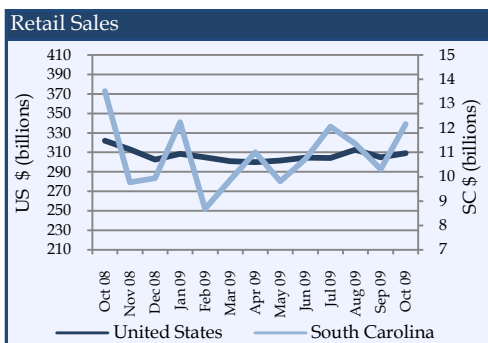
Source: U.S. Census



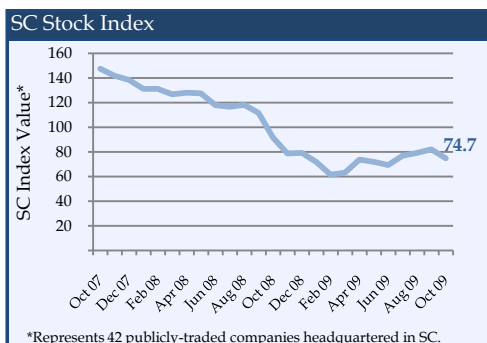
Source: U.S. Department of Labor



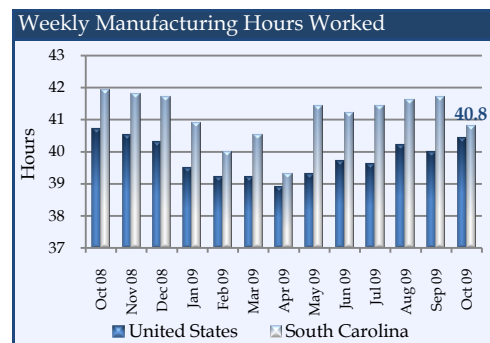
Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue

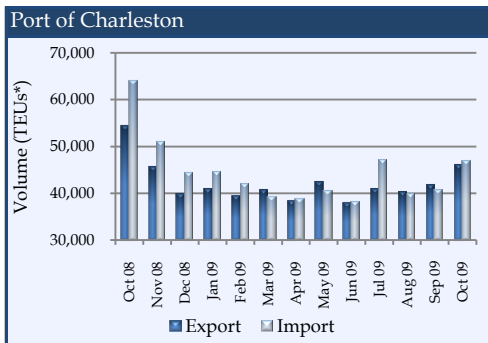


Source: Bloomberg

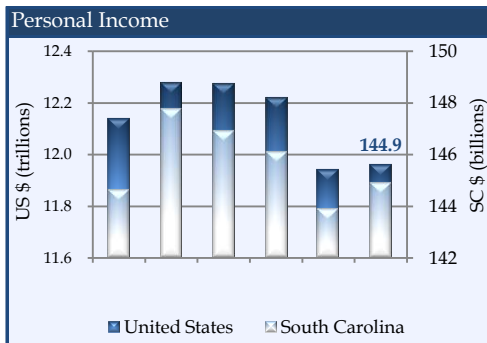


Source: U.S. Department of Labor

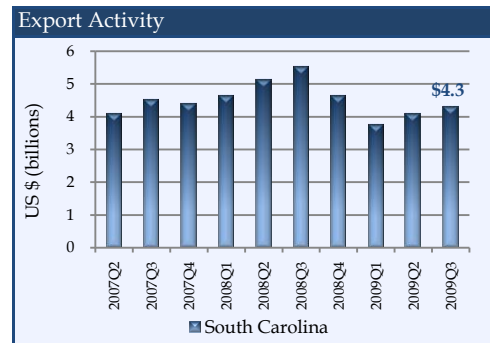
Trade and Exports



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census

South Carolina Regional Update

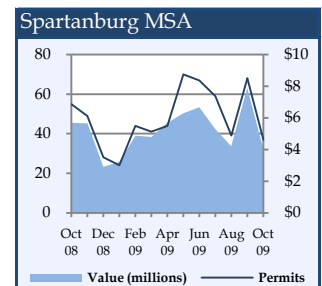
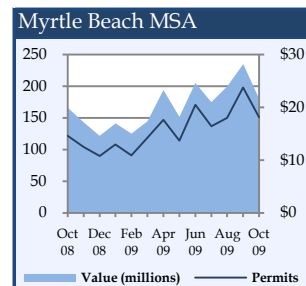
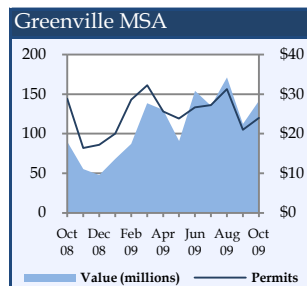
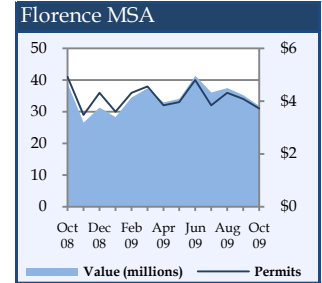
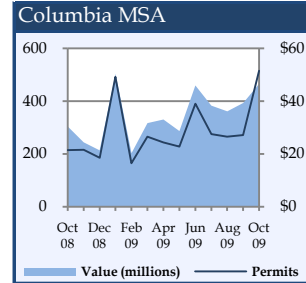
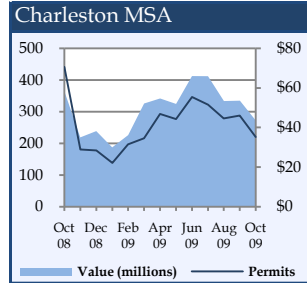
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSA) in the state. Columbia was recently ranked by MSN Real Estate as the eighth most livable bargain market in the United States.

Home Sales

MSA	Indicator	Oct 08	Oct 09
Charleston	Sales Volume	549	721
	Median Price (000's)	\$195	\$170
Columbia	Sales Volume	615	743
	Median Price (000's)	\$141	\$144
Florence	Sales Volume	142	173
	Median Price (000's)	\$110	\$117
Greenville	Sales Volume	507	596
	Median Price (000's)	\$145	\$137
Myrtle Beach	Sales Volume	462	583
	Median Price (000's)	\$168	\$150
Spartanburg	Sales Volume	264	208
	Median Price (000's)	\$119	\$121
South Carolina	Sales Volume	3,470	4,104
	Median Price (000's)	\$148.4	\$152.4

Source: S.C. Association of Realtors

Building Permits



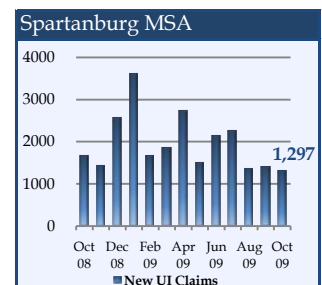
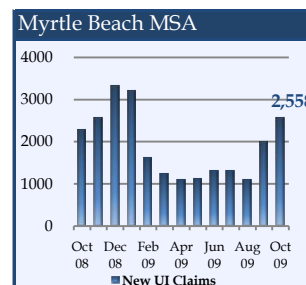
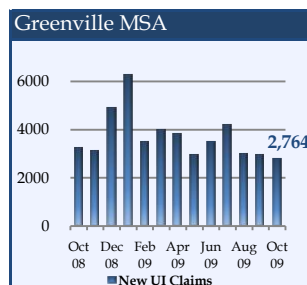
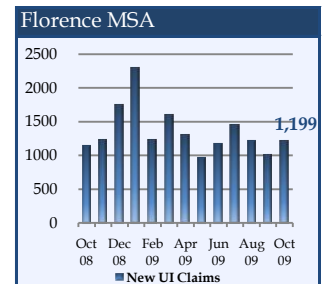
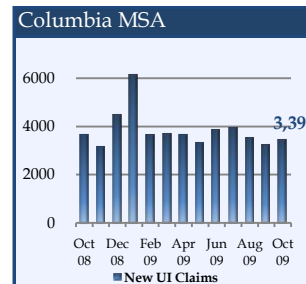
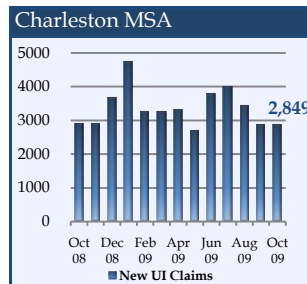
Source: U.S. Census

Employment

MSA	Indicator	Sep 09	Oct 09
Charleston	Employment (000's)	289.3	290.2
	Unemployment Rate	9.6	10.0
Columbia	Employment (000's)	340.7	342.2
	Unemployment Rate	9.3	9.6
Florence	Employment (000's)	86.0	85.4
	Unemployment Rate	11.9	11.9
Greenville	Employment (000's)	287.0	285.8
	Unemployment Rate	10.4	10.8
Myrtle Beach	Employment (000's)	116.6	113.1
	Unemployment Rate	10.9	12.2
Spartanburg	Employment (000's)	122.7	122.4
	Unemployment Rate	12.1	12.5
South Carolina	Employment (000's)	1,910.1	1,907.4
	Unemployment Rate	11.7	12.1

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCESC data

October Retail Sales

\$1.46 +11.9%	\$1.95 +17.5%	\$0.48 +6.8%	\$1.45 +20.1%	\$0.68 -16.2%	\$0.77 +26.9%
Charleston	Columbia	Florence	Greenville	Myrtle Beach	Spartanburg

Retail Sales figures in billions of US dollars. Percent change over September shown. Source: South Carolina Department of Revenue