

S.C. Leading Index Remains Stable

The South Carolina Leading Index (SCLI) continued its recent pattern of stability in October, standing at 99.58, as none of the variables influencing the index saw a significant change. Over the past five months, the SCLI has remained within a range of less than one-tenth of a point and is now at the midpoint of that range. The very slight decline of 0.04 points in the non-seasonally adjusted index could be attributed to the expected increase in initial Unemployment Insurance claimants during October. The number of weekly manufacturing hours worked in South Carolina also declined slightly, while stock market and construction start increases helped to buffer the decrease in the SCLI. The SCLI generally provides a forward indication of economic conditions for the coming three to six months. *-Rebecca M. Gunnlaugsson, Ph.D.*



Source: South Carolina Department of Commerce

BEA Releases 2009 Gross State Product Figures

Advance statistics reported by the US Department of Commerce, Bureau of Economic Analysis earlier this month indicate that South Carolina's real Gross State Product (GSP) fell by 2.5 percent in 2009, slightly more than the national average of 2.1 percent. Despite the decline, South Carolina's GSP outperformed those of neighbors North Carolina (-3.2 percent) and Georgia (-3.1 percent), as well as nearby states Tennessee (-3.1 percent) and Florida (-3.4 percent). Unsurprisingly, the industries most impacted by the economic decline in 2009 were Construction (-0.77 percent) and Manufacturing of nondurable goods (-0.61 percent). The few non-government sectors to see increases in 2009 included Finance and Insurance (+0.26 percent) and Agriculture (+0.06 percent). South Carolina's per capita GSP fell to \$31,618 in 2009, representing 75 percent of the national average of \$42,031.

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

-2.5%

Gross State Product

declined 2.5 percent to \$144.2 billion in 2009.

US Department of Commerce, Bureau of Economic Analysis

+3.9%

South Carolina Stock Index

climbed 3.21 points in October, closing at 84.93 on the last trading day of the month.

Bloomberg

Employment

+0.6%

Nonfarm Employment

grew by 10,700 jobs in October when compared to the previous month.

U.S. Bureau of Labor Statistics

+0%

Labor Force

held relatively stable, increasing by a seasonally-adjusted 609 people in October.

U.S. Bureau of Labor Statistics

-0.3%

Unemployment Rate

fell 0.3 percentage points to 10.7 percent in October.

U.S. Bureau of Labor Statistics

-0.7%

Manufacturing Weekly Hours

fell to 41.7 hours in October.

U.S. Bureau of Labor Statistics

+0.5%

Available Online Job Postings

increased by 300 positions in October to a seasonally-adjusted 57,100 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+1.4%

Single-Family Home Sales Price

rose \$2,000 to \$150,000 in October when compared to the previous month.

South Carolina Association of Realtors

+6.2%

Building Permits

increased in October by 62 units to a level of 1,060 permits issued for the month.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

South Carolina added a total of 10,700 nonfarm jobs during the month of October, according to the Bureau of Labor Statistics. The majority of those gains were concentrated in private industry, while Government added 3,400 jobs, or 32 percent of the increase. The Leisure and Hospitality sector shed 2,600 jobs as the industry moves further out of the tourism season.

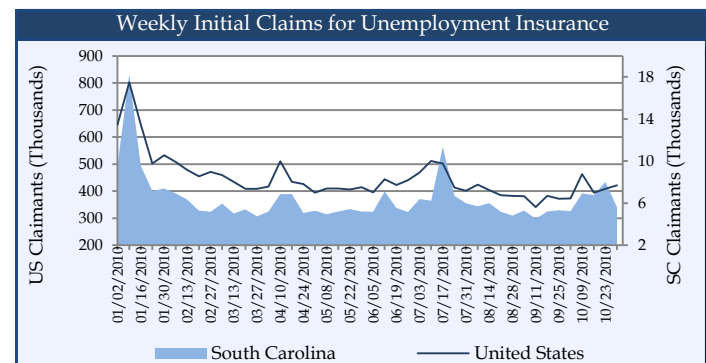
Manufacturing increased 1,100 positions, driven by the Durable Goods subsector, and Construction added 2,700 positions. 1,900 of the statewide jobs were attributed to increases in the Retail Trade industry, and another 1,900 were due to positions added in the Administrative Support sector, which includes both temporary and contract workers.

Industry Sector	October 2010	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	297,900	294,100	293,700	1.29	1.43
Natural Resources and Mining	4,400	4,400	4,100	0.00	7.32
Construction	81,800	79,100	83,100	3.41	-1.56
Construction of Buildings	21,300	20,200	19,500	5.45	9.23
Heavy and Civil Engineering Construction	10,100	9,900	11,600	2.02	-12.93
Specialty Trade Contractors	50,400	49,000	52,000	2.86	-3.08
Manufacturing	211,700	210,600	206,500	0.52	2.52
Durable Goods	116,900	115,700	112,700	1.04	3.73
Nondurable Goods	94,800	94,900	93,800	-0.11	1.07
Service Providing	1,536,200	1,529,300	1,524,900	0.45	0.74
Trade, Transportation, and Utilities	346,300	343,300	347,600	0.87	-0.37
Wholesale Trade	66,400	65,300	65,500	1.68	1.37
Retail Trade	222,100	220,200	223,300	0.86	-0.54
Transportation, Warehousing, and Utilities	57,800	57,800	58,800	0.00	-1.70
Information	27,700	27,600	27,600	0.36	0.36
Finance	102,600	103,100	100,900	-0.48	1.68
Finance and Insurance	74,500	74,400	74,000	0.13	0.68
Real Estate and Rental and Leasing	28,100	28,700	26,900	-2.09	4.46
Professional and Business Services	210,300	208,300	205,100	0.96	2.54
Professional, Scientific, and Technical	73,600	73,600	73,300	0.00	0.41
Management of Companies and Enterprises	14,100	14,000	14,400	0.71	-2.08
Administrative Support and Waste Management	122,600	120,700	117,400	1.57	4.43
Educational and Health Services	212,000	210,700	208,200	0.62	1.83
Leisure and Hospitality	205,200	207,800	208,400	-1.25	-1.54
Arts, Entertainment, and Recreation	26,700	27,200	27,700	-1.84	-3.61
Accommodation and Food Services	178,500	180,600	180,700	-1.16	-1.22
Other Services	70,300	70,100	68,900	0.29	2.03
Total Private	1,472,300	1,465,000	1,460,400	0.50	0.81
Government	361,800	358,400	358,200	0.95	1.01
Federal Government	33,500	33,500	31,500	0.00	6.35
State Government	98,700	98,200	99,100	0.51	-0.40
Local Government	229,600	226,700	227,600	1.28	0.88
Total Nonfarm	1,834,100	1,823,400	1,818,600	0.59	0.85

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

Initial UI Claims at Lowest Levels in Three Years

Initial claims for Unemployment Insurance rose in October to just over 6,800 average weekly claims. This increase each week in people applying for unemployment insurance benefits over September is representative of the seasonal patterns experienced annually as claims along the coastal region of the state spike due to the end of tourism season and the letting go of seasonal workers. This trend largely mimics national patterns yet is more pronounced in South Carolina, as the Leisure and Hospitality industry is a more concentrated portion of the state workforce. Compared to the same time last year, average weekly claim volumes are down just over 11 percent statewide.



Source: U.S. Department of Labor



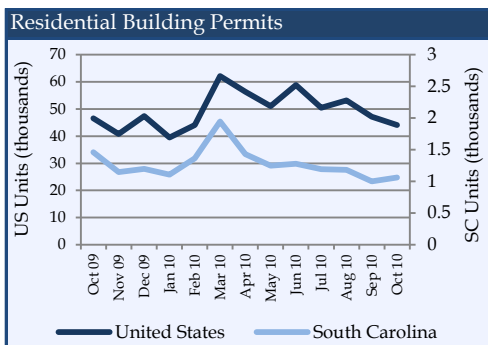
South Carolina Real Estate

South Carolina home sales were down 25.8 percent over the previous year during the month of October, although, year-to-date total home sales for 2010 were up 3.5 percent over the same time last year. Lower sales are due, in part, to the shifting of sales to earlier in the year to take advantage of the now-expired federal new home buyers credit. Foreclosures nudged higher, rising 6.2 percent over the previous year with 3,068 homes in some stage of foreclosure for October. After declining for the prior four consecutive months, residential building permits increased slightly over September yet were still down 27.4 percent over the previous October.

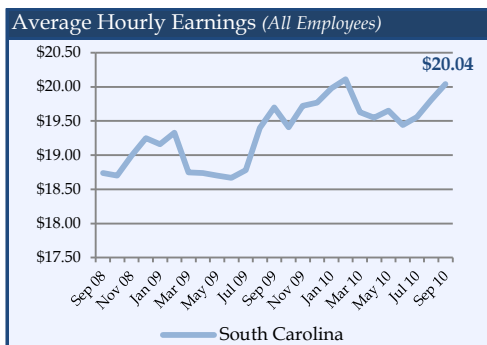
	Month	Current	Previous Year	% Change Year Ago	2010 YTD	2009 YTD	% Change YTD
Closings	October	3,350	4,516	-25.8%	40,176	38,819	3.5%
Median Sales Price*	October	150.0	147.2	1.9%	149.9	149.0	0.6%
Foreclosures	October	3,068	2,889	6.2%	34,290	25,425	34.9%
Residential Building Permits-Total	October	1,060	1,460	-27.4%	12,804	13,499	-5.1%
Residential Building Permits-Valuation*	October	173,043	224,475	-22.9%	2,175,771	2,210,700	-1.6%

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

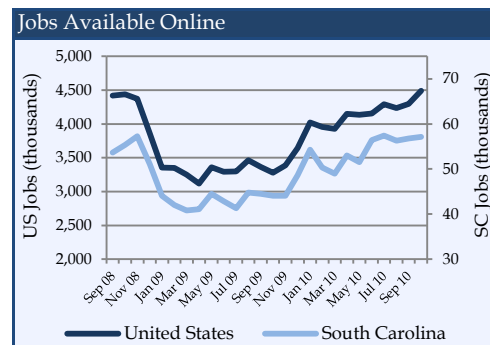
Business Activity



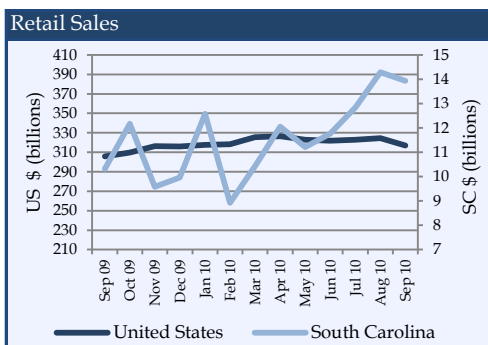
Source: U.S. Census



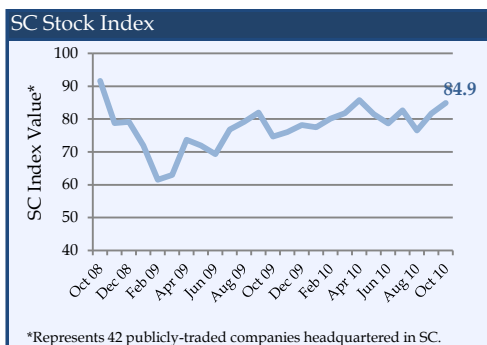
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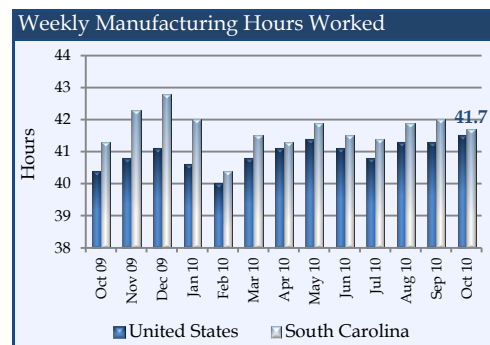
Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue

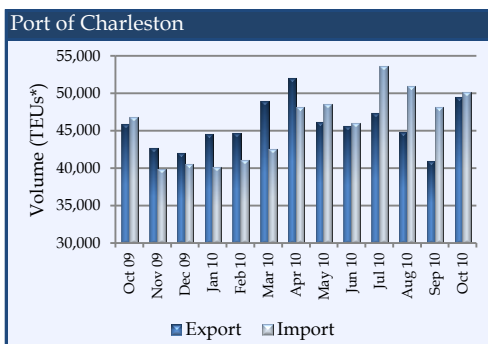


Source: Bloomberg

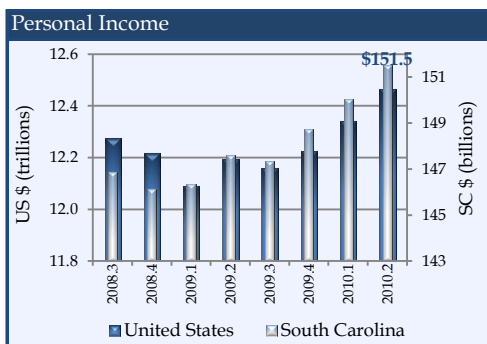


Source: U.S. Department of Labor

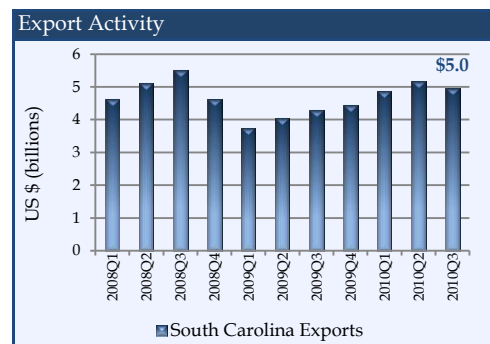
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census

South Carolina Regional Update

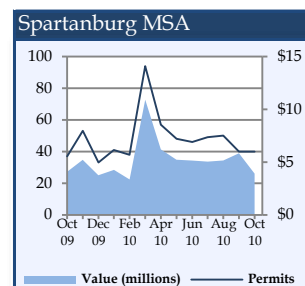
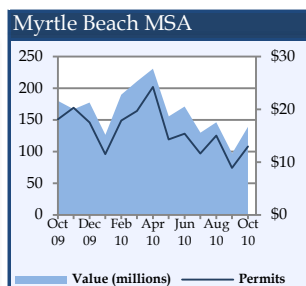
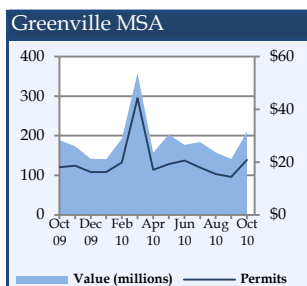
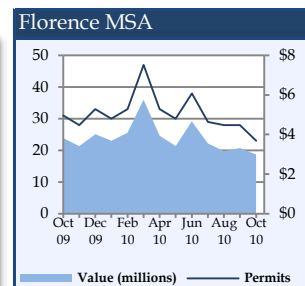
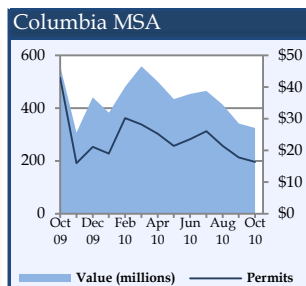
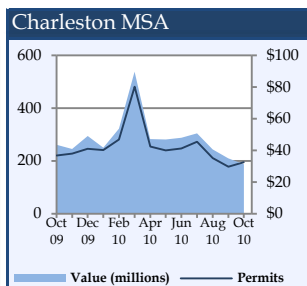
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSA) in the state. Statewide, average weekly earnings have increased 5.3 percent since October 2009. This increase was largest in the Charleston MSA, where weekly earnings increased 13.5 percent on average.

Home Sales

MSA	Indicator	Oct 09	Oct 10
Charleston	Sales Volume	801	634
	Median Price (000')	\$170	\$192
Columbia	Sales Volume	792	465
	Median Price (000')	\$143	\$146
Florence	Sales Volume	169	92
	Median Price (000')	\$110	\$120
Greenville	Sales Volume	654	529
	Median Price (000')	\$134	\$142
Myrtle Beach	Sales Volume	634	528
	Median Price (000')	\$150	\$142
Spartanburg	Sales Volume	220	195
	Median Price (000')	\$122	\$118
South Carolina	Sales Volume	4,516	3,350
	Median Price (000')	\$147.2	\$150.0

Source: S.C. Association of Realtors

Building Permits



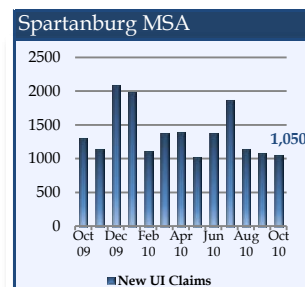
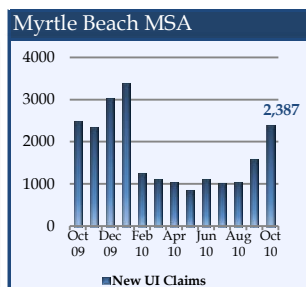
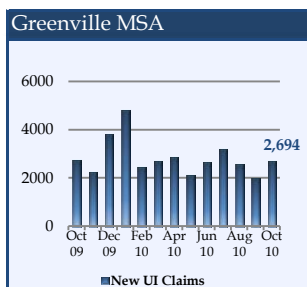
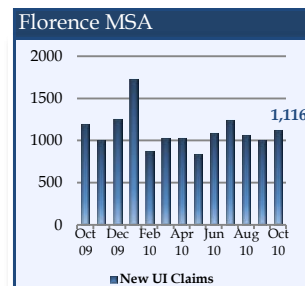
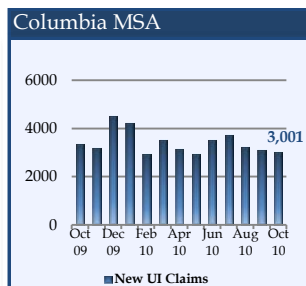
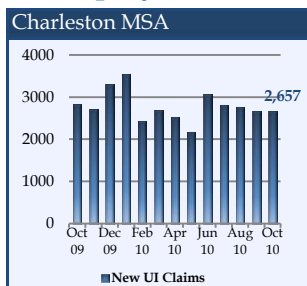
Source: U.S. Census

Employment

MSA	Indicator	Sep 10	Oct 10
Charleston	Employment (000's)	293.4	292.7
	Unemployment Rate	8.9	8.8
Columbia	Employment (000's)	337.2	337.4
	Unemployment Rate	8.9	8.7
Florence	Employment (000's)	84.9	85.4
	Unemployment Rate	11.1	10.8
Greenville	Employment (000's)	279.4	280.2
	Unemployment Rate	9.2	9.0
Myrtle Beach	Employment (000's)	119.5	117.3
	Unemployment Rate	10.3	10.6
Spartanburg	Employment (000's)	118.0	118.7
	Unemployment Rate	10.8	10.4
South Carolina	Employment (000's)	1,917.0	1,922.8
	Unemployment Rate	11.0	10.7

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Weekly Earnings, October 2010

\$726	\$674	\$678	\$769	\$474	\$643
Charleston	Columbia	Florence	Greenville	Myrtle Beach	Spartanburg

Reflects Average Weekly Earnings of all covered private employers. Statewide figure for the same period was \$703. Source: Bureau of Labor Statistics