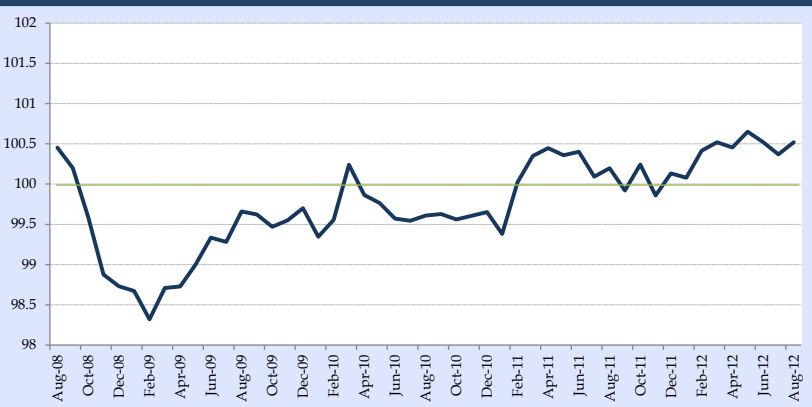


SC Leading Index Rebounds in August

The South Carolina Leading Index (SCLI) rose 0.15 points in August after two consecutive months of decline. A 12 percent decrease in the number of initial claims for Unemployment Insurance, coupled with increasing building permit activity for new residential construction and a modest increase in the average manufacturing workweek pushed the SCLI back to its June level. At 41.9 hours, the average manufacturing workweek has returned to a level last seen in April. The SCLI has held slightly above the 100 mark for the last nine months, consistently indicating a moderate positive economic outlook for the near future. In August, the Conference Board's national Leading Economic Index posted a third consecutive month of decline, giving up 0.1 percent last month.

-David Clayton

South Carolina Leading Index



Source: South Carolina Department of Commerce

South Carolina Housing Recovery Slows

Despite a slight downtick in the median single-family home price of 0.6 percent last month, the South Carolina real estate market continues a slow, but steady path to recovery. Compared to one year ago, the volume of residential closings are up 11.5 percent, the number of residential foreclosures are down 5.5 percent and the number of permits issued for new residential construction are up 17.3 percent. The number of distressed sales on the market continues to suppress home prices, as the median home sales price in South Carolina for August was 4 percent less than a year ago. Construction employment gained 800 jobs, or 1 percent last month, but still remains at approximately the same level as this time last year.

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 EconomicOutlook@SCcommerce.com.

KEY S.C. INDICATORS

Income

+0.8%

State Personal Income

grew to \$161.3 billion in the second quarter of 2012.

U.S. Bureau of Economic Analysis

+1.9%

South Carolina Stock Index

gained 1.58 points in August, closing at 82.73 on the last trading day of the month.

Bloomberg

Employment

+0.1%

Nonfarm Employment

increased 2,400 non-seasonally adjusted jobs in August from the prior month.

U.S. Bureau of Labor Statistics

-0.6%

Labor Force

decreased by 12,368 to 2,131,536, seasonally-adjusted, in August.

U.S. Bureau of Labor Statistics

-0.1%

Unemployment Rate

decreased to 9.6 percent for the month of August, from a revised 9.7 percent in July.

U.S. Bureau of Labor Statistics

+0.5%

Manufacturing Weekly Hours

rose by 0.2 hours to 41.9 hours in August from the previous month.

U.S. Bureau of Labor Statistics

-0.4%

Available Online Job Postings

decreased by 300 positions in August to a seasonally-adjusted 55,100 job postings.

The Conference Board Help Wanted Online Index

Real Estate

-0.6%

Single-Family Home Sales Price

decreased to \$155,000 in August.

South Carolina Association of Realtors

+6.3%

Residential Building Permits

increased by 93 permits from the previous month.

U.S. Census Bureau

South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

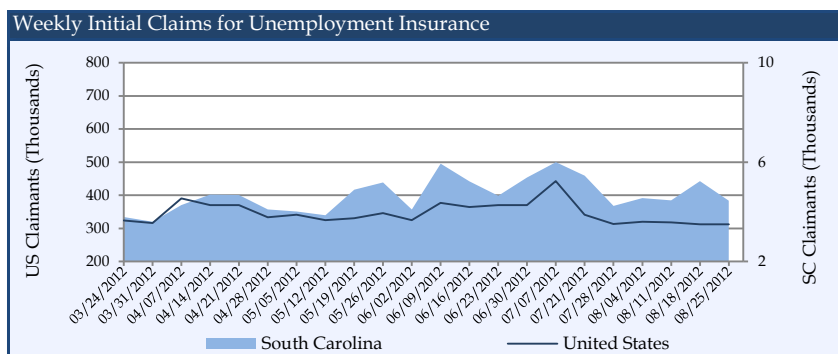
Following a 1.2 percent decline in July, the total non-seasonally adjusted, nonfarm employment count in South Carolina increased 0.13 percent, or 2,400 jobs, last month. Compared to August one year ago, South Carolina has added 15,000 jobs to payrolls. Most of the gains last month, 2,200 of the 2,400 additional jobs, were in the Government sector as schools added staff for the new academic year. Last month Professional and Business Services lost 2,000 jobs and Leisure and Hospitality lost 1,600, while the Finance sector added 1,100 and Educational and Health Services grew by 1,400 jobs.

Industry Sector	August 2012	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	302,500	302,100	299,800	0.13	0.90
Natural Resources and Mining	3,600	3,600	3,900	0.00	-7.69
Construction	76,700	75,900	77,000	1.05	-0.39
Manufacturing	222,200	222,600	218,900	-0.18	1.51
Service Providing	1,552,100	1,550,100	1,539,800	0.13	0.80
Trade, Transportation, and Utilities	356,600	356,300	352,000	0.08	1.31
Information	27,400	26,600	25,800	3.01	6.20
Finance	96,900	95,800	96,300	1.15	0.62
Professional and Business Services	232,700	234,700	229,100	-0.85	1.57
Educational and Health Services	220,600	219,200	216,500	0.64	1.89
Leisure and Hospitality	221,000	222,600	221,300	-0.72	-0.14
Other Services	69,400	69,600	69,300	-0.29	0.14
Total Private	1,527,100	1,526,900	1,510,100	0.01	1.13
Government	327,500	325,300	329,500	0.68	-0.61
Total Nonfarm	1,854,600	1,852,200	1,839,600	0.13	0.82

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

Weekly Unemployment Claims

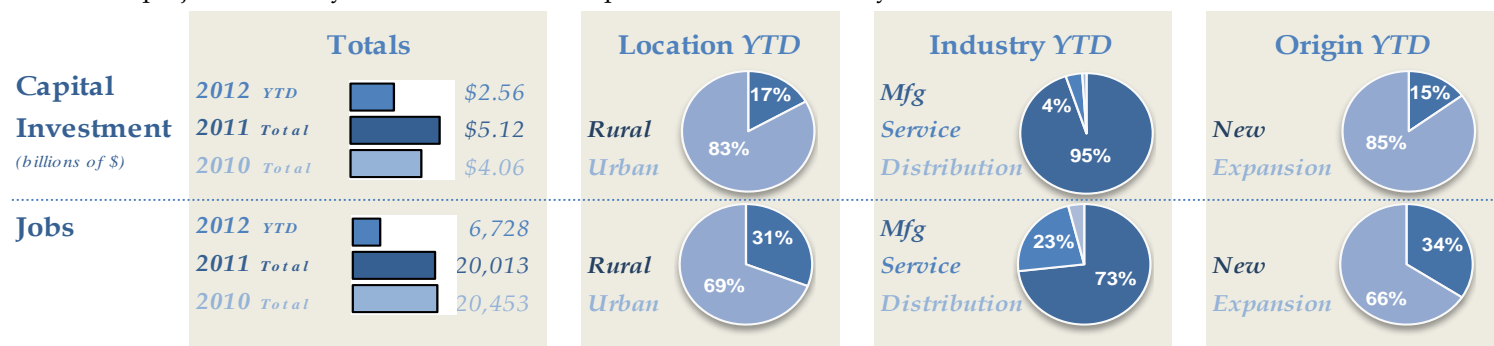
The weekly average number of initial claimants for Unemployment Insurance (UI) in South Carolina decreased 11.2 percent in August, after four consecutive months of increasing claimant activity. Rural counties in South Carolina saw a significant decrease in initial UI claims last month. Among the state's metro areas, the upstate saw the largest decrease in claimant activity. Myrtle Beach was the only South Carolina MSA to experience an increase in August. Statewide, initial claimant activity last month was down 4 percent compared to a year ago.



Source: U.S. Department of Labor

Capital Investment and Job Recruitment

Capital Investment and Job Recruitment provide statistics on industry recruitment efforts, detailing upcoming jobs and capital investment projects closed by the South Carolina Department of Commerce year-to-date.



Source: S.C. Department of Commerce Note: Not all closed projects have yet undergone announcement.

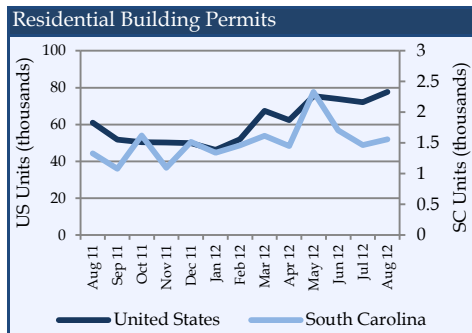
South Carolina Real Estate

The median South Carolina home sales price in August was \$155,000, 0.6 percent lower than in July, but 4 percent higher than the median price one year ago. The year-over-year comparison of the number of homes sold is also up, with 11.5 percent more homes sold in August 2012 compared to August 2011. Foreclosure activity in South Carolina fell more than 20 percent last month, but activity levels still remain 8.2 percent above August of last year. Permits for residential construction continue to rebound, with 17.3 percent more permits issued in August 2012 compared to a year ago.

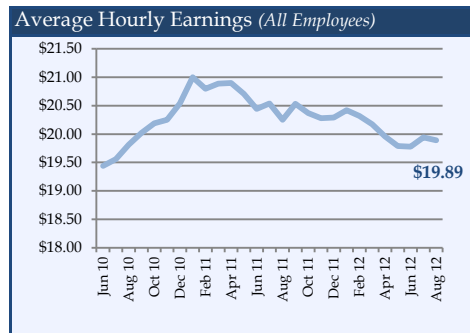
	Month	Current	Previous Year	% Change Year Ago	2012 YTD	2011 YTD	% Change YTD
Closings	August	5,099	4,575	11.5%	35,463	32,376	9.5%
Median Sales Price*	August	\$155.0	\$149.0	4.0%	\$150.0	\$147.0	2.0%
Foreclosures	August	3,156	3,339	-5.5%	28,819	23,754	21.3%
Residential Building Permits -Total	August	1,561	1,331	17.3%	12,931	10,261	26.0%
Residential Building Permits -Valuation*	August	\$310,811	\$254,129	22.3%	\$2,261,459	\$1,796,480	25.9%

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

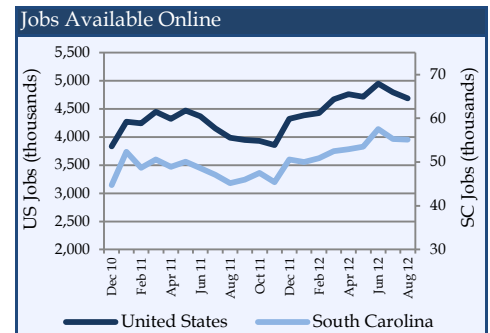
Business Activity



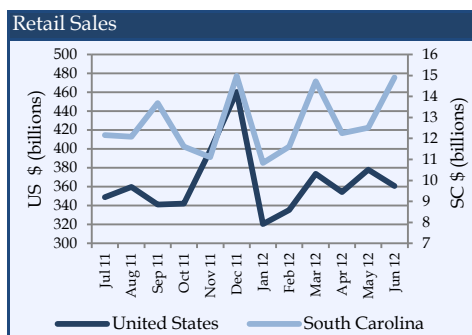
Source: U.S. Census



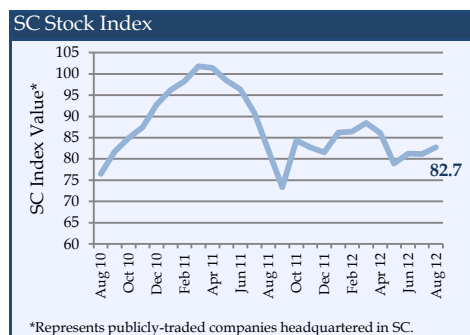
Source: U.S. Department of Labor



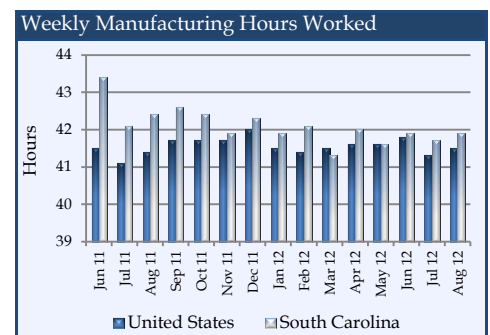
Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue

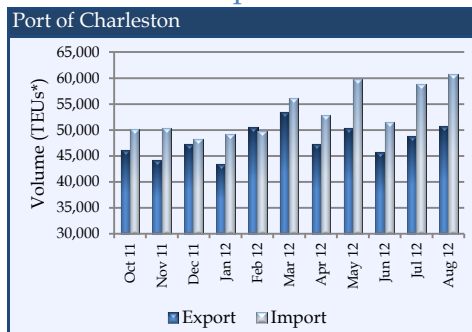


Source: Bloomberg

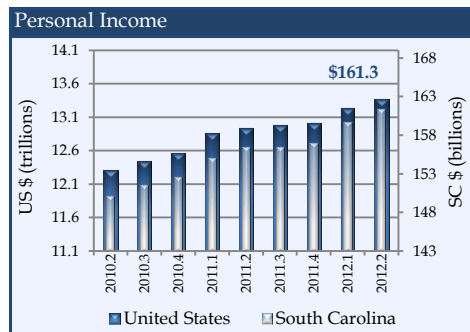


Source: U.S. Department of Labor

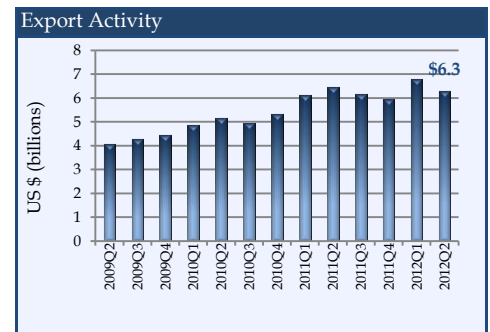
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

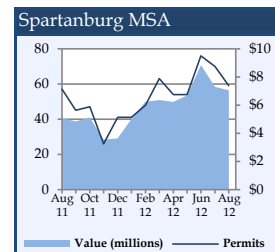
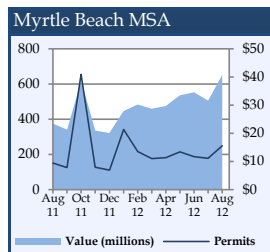
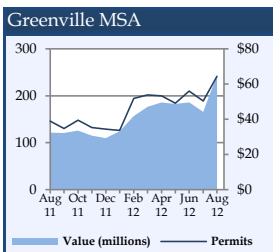
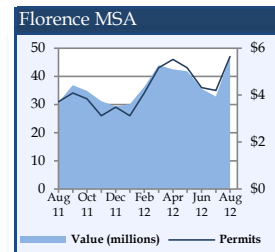
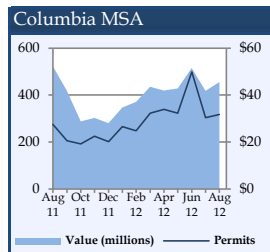
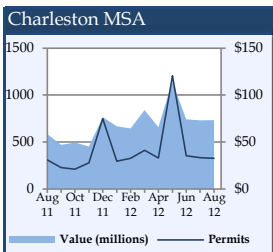
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	Aug 11	Aug 12
Charleston	Sales Volume	937	1,008
	Median Price (000's)	\$185	\$199
Columbia	Sales Volume	629	770
	Median Price (000's)	\$138	\$142
Florence	Sales Volume	130	154
	Median Price (000's)	\$113	\$125
Greenville	Sales Volume	710	758
	Median Price (000's)	\$140	\$157
Myrtle Beach	Sales Volume	679	761
	Median Price (000's)	\$136	\$147
Spartanburg	Sales Volume	224	248
	Median Price (000's)	\$125	\$128
South Carolina	Sales Volume	4,575	5,099
	Median Price (000's)	\$149.0	\$155.0

Source: S.C. Association of Realtors

Building Permits



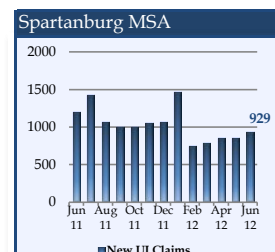
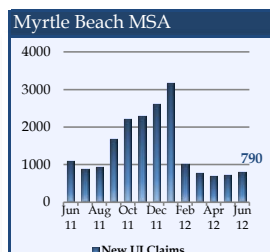
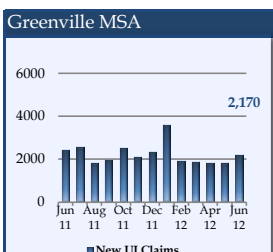
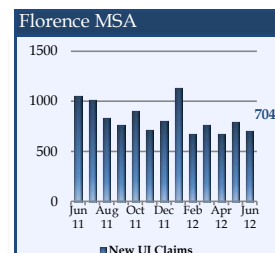
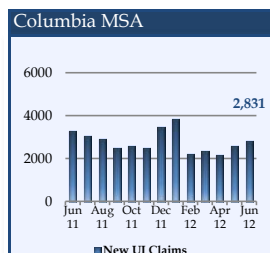
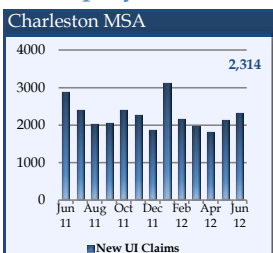
Source: U.S. Census

Employment

MSA	Indicator	Aug 12	Aug 12
Charleston	Employment (000's)	309.2	305.0
	Unemployment Rate	8.1	7.9
Columbia	Employment (000's)	343.7	339.1
	Unemployment Rate	8.6	8.4
Florence	Employment (000's)	85.1	84.4
	Unemployment Rate	10.4	10.2
Greenville	Employment (000's)	285.3	285.3
	Unemployment Rate	8.3	7.9
Myrtle Beach	Employment (000's)	121.6	118.1
	Unemployment Rate	9.4	9.4
Spartanburg	Employment (000's)	121.0	121.6
	Unemployment Rate	10.1	9.5
South Carolina	Employment (000's)	1,936.9	1,926.6
	Unemployment Rate	9.7	9.6

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Average Weekly Earnings of All Employees in Private Industry, August 2012



Source: US Bureau of Labor Statistics, September 2012