

S.C. Leading Index Declines Slightly in September

For the first time since the beginning of the year, the South Carolina Index of Leading Economic Indicators (SCLI) fell below the 100 mark in September, reaching a value of 99.91. With a base value of 100, the index forecasts economic conditions in the state over the next three to six months. In September, reduced building permit activities and building permit valuations pushed the index lower than the August value of 100.19. The decline of the stock index in September was also a major contributor to the falling SCLI. Improvements in the labor market, with a reduction in unemployment insurance claims and an increase in the average manufacturing hours worked, buoyed the index value.

-David Clayton



Real Estate Sales Gained while Construction Slowed

Improving slightly on weak 2011 home sales, closings in September climbed 12.5 percent over the previous month and 7.2 percent over this month last year. Median home sales prices also showed signs of improvement, gaining 2.0 percent following declines of 3.2 and 2.0 percent in July and August. Following typical seasonal trends after a strong August, new building permits in South Carolina fell dramatically by 19.0 percent in September. Over the last twelve years, the August to September change in the number of permits issued has fallen nine times, with an average decrease of 8.0 percent. Employment in the construction industry also fell over 2.0 percent, or 1,600 jobs statewide, in September.

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. Consisting of seven professionals with advanced degrees and expertise in economics, business, statistics and information sciences, 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

+1.2%

State Personal Income

increased to \$157 billion in the second quarter of 2011, a 1.2 percent increase over the previous quarter.

U.S. Bureau of Economic Analysis

-10.7%

South Carolina Stock Index

fell 8.76 points in September, closing at 73.35 on the last trading day of the month.

Bloomberg

Employment

-0.6%

Nonfarm Employment

fell by 10,600 non-seasonally adjusted jobs in September over the previous month.

U.S. Bureau of Labor Statistics

+0.3%

Labor Force

increased by a seasonally-adjusted 5,465 people in September.

U.S. Bureau of Labor Statistics

-0.1%

Unemployment Rate

fell 0.1 percentage points to 11.0 percent in September.

U.S. Bureau of Labor Statistics

+0.2%

Manufacturing Weekly Hours

increased 0.2 hours to 42.5 hours in September over the previous month.

U.S. Bureau of Labor Statistics

+1.8%

Available Online Job Postings

increased 800 positions in September to a seasonally-adjusted 46,000 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+2%

Single-Family Home Sales Price

increased to \$150,000 in September, up 2.0 percent over August and last year, as well.

South Carolina Association of Realtors

-19.0%

Residential Building Permits

decreased by 202 permits over the previous month.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

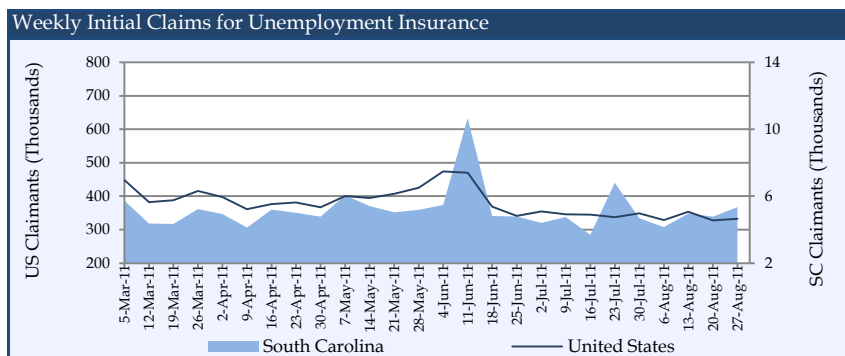
Non-seasonally adjusted employment declined for the third consecutive month, with a total of 10,600 nonfarm jobs lost in September. Job declines were observed in both the Goods Producing (-3,600) and Service Providing (-7,000) sectors. The Government sector added 9,700 jobs. The Professional and Business Services subsector was the only one which had job gains were experienced (+2,400). Subsectors with the most significant job losses were Leisure and Hospitality (-12,200), Trade, Transportation, and Utilities (-4,400), Manufacturing (-2,000), Educational and Health Services (-1,900), and Construction (-1,600).

Industry Sector	September 2011	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	296,900	300,500	290,100	-1.20	2.34
Natural Resources and Mining	4,200	4,200	4,000	0.00	5.00
Construction	75,600	77,200	78,500	-2.07	-3.69
Manufacturing	217,100	219,100	207,600	-0.91	4.58
Service Providing	1,522,200	1,529,200	1,517,100	-0.46	0.34
Trade, Transportation, and Utilities	347,300	351,700	343,700	-1.25	1.05
Information	25,200	25,500	25,100	-1.18	0.40
Finance	96,100	97,000	97,000	-0.93	-0.93
Professional and Business Services	224,700	222,300	218,400	1.08	2.88
Educational and Health Services	214,600	216,500	212,900	-0.88	0.80
Leisure and Hospitality	212,800	225,000	211,200	-5.42	0.76
Other Services	69,000	68,400	68,800	0.88	0.29
Total Private	1,486,600	1,506,900	1,467,200	-1.35	1.32
Government	332,500	322,800	340,000	3.00	-2.21
Total Nonfarm	1,819,100	1,829,700	1,807,200	-0.58	0.66

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

Weekly Unemployment Claims

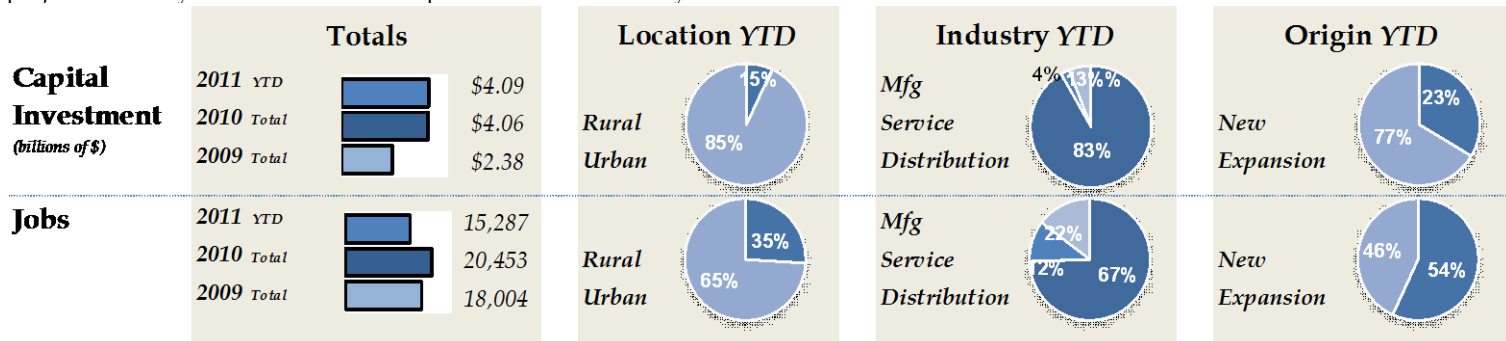
Initial weekly Unemployment Insurance claims fell in September over the previous month to an average of just over 4,600 claims per week, 5.0 percent lower than initial UI claims in August. The initial Unemployment Insurance claims decrease coupled with the increase in unemployment is best explained by seasonal job losses, particularly in industries where many workers who lost jobs were not eligible for Unemployment Insurance.



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.



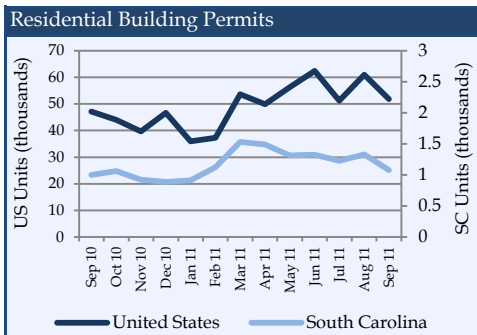
South Carolina Real Estate

Both the median home price, up 1.4 percent to \$150,000, and sales volumes, up 7.2 percent, rose over the previous year. However, year-to-date numbers for the median sales price (-1.3 percent) and sales volumes (-8.5 percent) are down. Foreclosures have continued falling, down 27.7 percent in September over the previous year and 14.6 percent year-to-date. Building permits for new residential construction are up 8.0 percent from one year ago, while the valuation of those permits is up 27.7 percent, significantly higher than one year ago, as well.

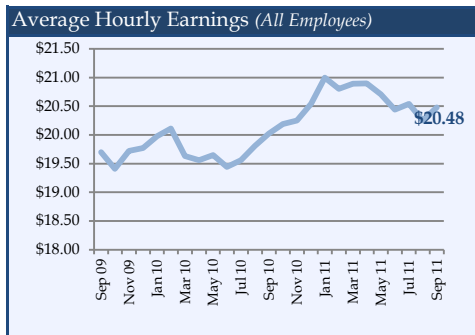
	Month	Current	Previous Year	% Change Year Ago	2011 YTD	2010 YTD	% Change YTD
Closings	September	3,801	3,547	7.2%	35,300	38,600	-8.5%
Median Sales Price*	September	\$150.0	\$148.0	1.4%	\$147.9	\$149.9	-1.3%
Foreclosures	September	2,923	4,043	-27.7%	26,677	31,222	-14.6%
Residential Building Permits -Total	September	1,078	998	8.0%	11,339	11,744	-3.4%
Residential Building Permits -Valuation*	September	\$219,394	\$171,780	27.7%	\$2,015,874	\$2,002,728	0.7%

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

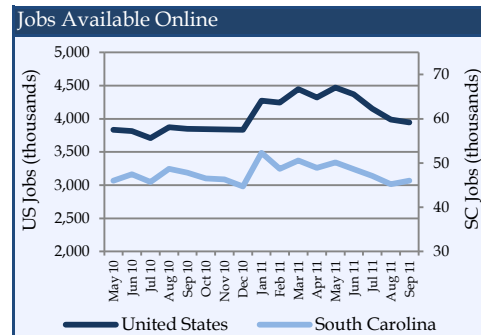
Business Activity



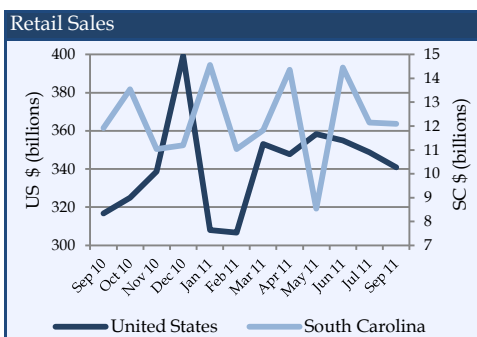
Source: U.S. Census



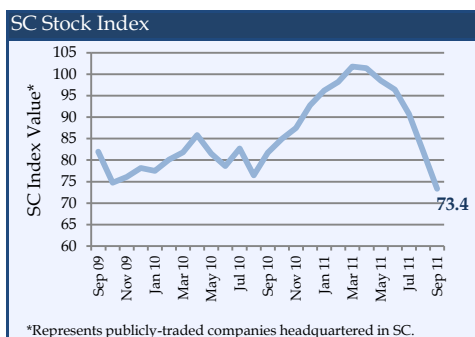
Source: U.S. Department of Labor



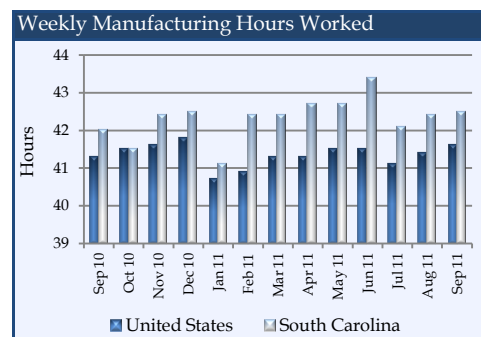
Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue

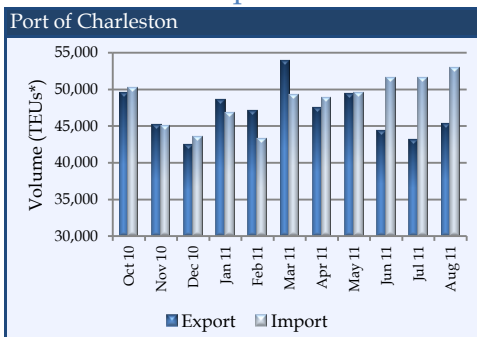


Source: Bloomberg

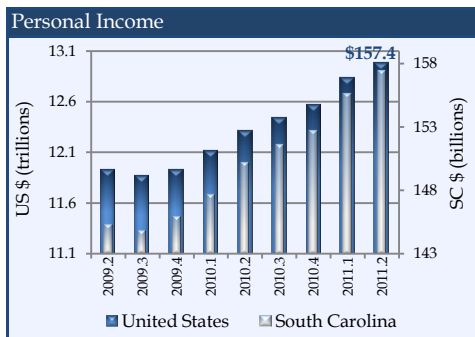


Source: U.S. Department of Labor

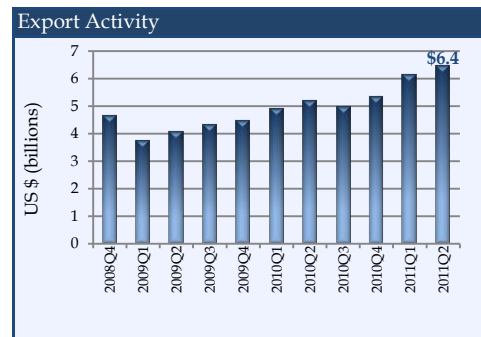
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

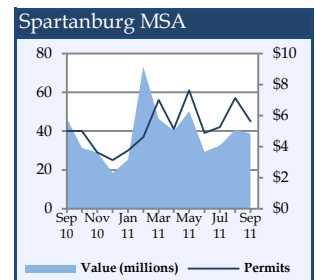
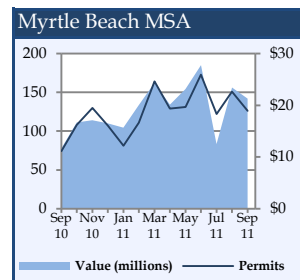
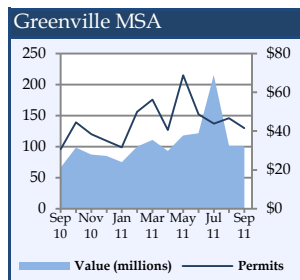
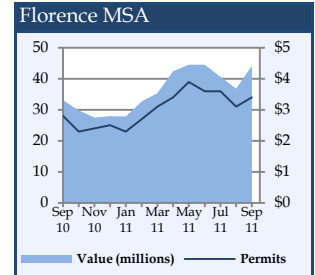
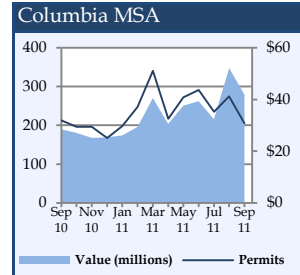
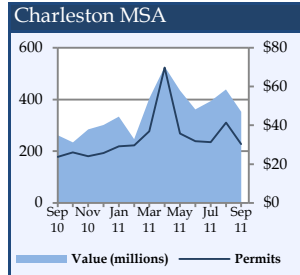
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state. The metropolitan areas highlighted below all experienced GDP growth greater than the nationwide metropolitan average in 2010.

Home Sales

MSA	Indicator	Sep 10	Sep 11
Charleston	Sales Volume	704	771
	Median Price (000's)	\$187	\$184
Columbia	Sales Volume	538	522
	Median Price (000's)	\$134	\$140
Florence	Sales Volume	113	120
	Median Price (000's)	\$106	\$113
Greenville	Sales Volume	500	571
	Median Price (000's)	\$140	\$145
Myrtle Beach	Sales Volume	625	613
	Median Price (000's)	\$145	\$135
Spartanburg	Sales Volume	195	193
	Median Price (000's)	\$110	\$110
South Carolina	Sales Volume	3,547	3,801
	Median Price (000's)	\$148.0	\$150.0

Source: S.C. Association of Realtors

Building Permits



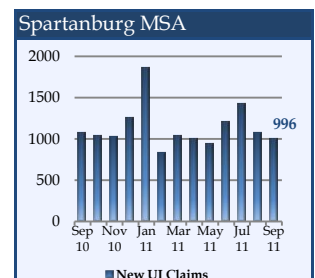
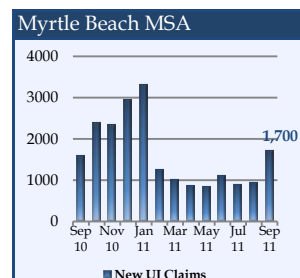
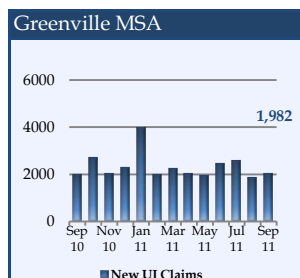
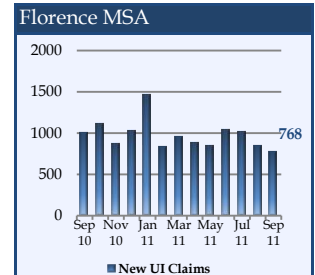
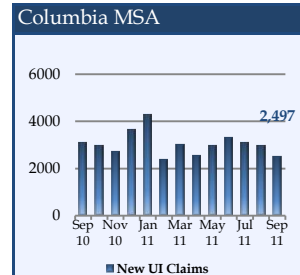
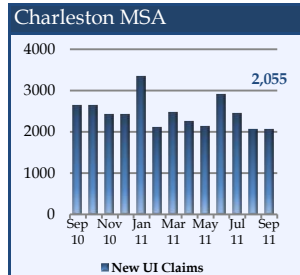
Source: U.S. Census

Employment

MSA	Indicator	Aug 11	Sep 11
Charleston	Employment (000's)	297.2	294.8
	Unemployment Rate	9.5	9.0
Columbia	Employment (000's)	336.6	337.2
	Unemployment Rate	9.7	9.2
Florence	Employment (000's)	84.8	84.1
	Unemployment Rate	11.9	11.5
Greenville	Employment (000's)	286.4	288.9
	Unemployment Rate	9.3	8.7
Myrtle Beach	Employment (000's)	129.4	121.4
	Unemployment Rate	9.9	10.5
Spartanburg	Employment (000's)	119.1	120.8
	Unemployment Rate	11.3	10.6
South Carolina	Employment (000's)	1,924.6	1,931.7
	Unemployment Rate	11.1	11.0

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

Weekly Earnings, October 2011

\$ 745	\$ 683	\$ 600	\$ 755	\$ 703
Charleston	Columbia	Florence	Greenville	Spartanburg

Reflects Average Weekly Earnings of all covered private employers. Statewide figure for the same period was \$711. Source: Bureau of Labor Statistics