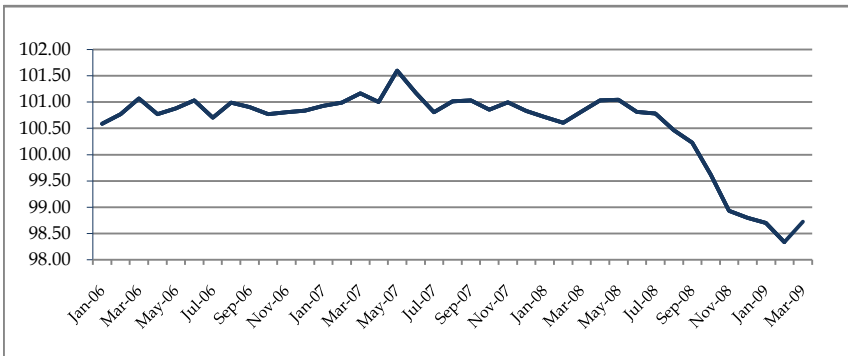


S.C. Leading Index Improves

The South Carolina economy began showing overall positive signs in March, as the South Carolina Leading Index (SCLI) improved for the first time in ten months.

The SCLI - a measurement used to forecast the state's economic status for the next three-to-six months - improved 0.4 points to 98.7, ending the slide that began last June. The SCLI increase, which now stands at its highest level in 2009, was fueled by modest to significant improvements in all of the factors used to calculate the index. These improvements included a drop in the number of average weekly initial Unemployment Insurance claimants, which is now at its lowest level since last October, as well as an increase in the average number of Manufacturing Weekly Hours, which climbed for the first time in six months. Despite the increase, the SCLI still remains well behind the same level it experienced in March 2008, when the index sat at 100.8.

-Rebecca M. Gunlaugsson, Ph.D.



Source: South Carolina Department of Commerce

Home Construction Starts and Prices Up

The South Carolina housing market exhibited strengths in March that had not been seen in recent months, as both housing prices and new construction permits increased.

According to the South Carolina Association of Realtors, the median home sales price in March climbed to \$141,000, an increase of more than \$11,000, or 8.5%, in the past two months. The climbing price is also at its highest level since November, when it was in the midst of a slide from a previous high of \$165,000 in June 2008. At this point a year ago, the median homes sales price in the Palmetto State sat at \$155,000. Meanwhile, building permits increased 11.1%, or about 125 permits, to the state's highest level since October 2008.

March marked the first time since June 2008 that both of these factors increased in the same month.

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

13.8%

Retail Sales

increased \$1.2 billion in March over February, but were down \$1.03 billion when compared to March '08.

South Carolina Department of Revenue

-0.2%

State Personal Income

fell \$257 million in the 4th quarter 2008, a 0.2% decrease over the 3rd quarter, and a 2.7% increase over 4th quarter 2007.

Bureau of Economic Analysis

Employment

0.4%

Nonfarm Employment

increased by 6,900 jobs, or 0.4%, in March.

Bureau of Labor Statistics

-0.2%

Labor Force Participation

decreased by a seasonally-adjusted 3,871 people in March.

Bureau of Labor Statistics

0.5%

Unemployment Rate

rose a seasonally-adjusted 0.5 points in March to a rate of 11.4%.

Bureau of Labor Statistics

1.5%

Manufacturing Weekly Hours

increased 0.6 hours, or 1.5%, to 40.6 hours in March.

Bureau of Labor Statistics

-2.9%

Available Online Job Postings

decreased statewide in March by 1,100 jobs to 40,800 online job postings.

The Conference Board Help Wanted Online Index

Real Estate

4.4%

Median Home Sales Price

increased in March to \$141,000 statewide, a \$6,000 increase over February.

South Carolina Association of Realtors

11.1%

Building Permits

increased by 11.1% in March, or about 125 permits, over the previous month.

U.S. Census



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

Employment numbers climbed in March for the first time since August 2008, increasing by approximately 6,900 jobs. The increase in non-seasonally adjusted total non-farm employment was driven by the Service Providing sector, which increased by 11,400. Job creation in this sector was concentrated in largely seasonal-related industries, including Retail Trade, Leisure and Hospitality, and Administrative Support. Losses continued in the Goods Producing sector, which includes manufacturing and construction.

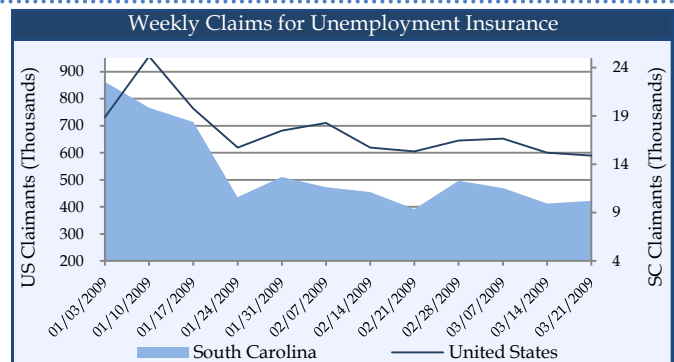
Industry Sector	March 2009	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	326,900	331,400	367,000	-1.36	-10.93
Natural Resources and Mining	4,200	4,200	4,500	0.00	-6.67
Construction	103,500	105,100	116,000	-1.52	-10.78
Construction of Buildings	26,500	26,600	30,000	-0.38	-11.67
Heavy and Civil Engineering Construction	13,500	13,300	16,100	1.50	-16.15
Specialty Trade Contractors	63,500	65,200	69,900	-2.61	-9.16
Manufacturing	219,200	222,100	246,500	-1.31	-11.08
Durable Goods	120,900	123,100	138,100	-1.79	-12.45
Nondurable Goods	98,300	99,000	108,400	-0.71	-9.32
Service Providing	1,523,300	1,511,900	1,577,500	0.75	-3.44
Trade, Transportation, and Utilities	358,100	355,000	376,100	0.87	-4.79
Wholesale Trade	67,500	67,700	71,700	-0.30	-5.86
Retail Trade	226,600	223,300	239,500	1.48	-5.39
Transportation Warehousing and Utilities	64,000	64,000	64,900	0.00	-1.39
Information	29,500	29,500	28,200	0.00	4.61
Finance	102,900	103,700	106,300	-0.77	-3.20
Finance and Insurance	74,400	75,400	76,400	-1.33	-2.62
Real Estate and Rental and Leasing	28,500	28,300	29,900	0.71	-4.68
Professional and Business Services	207,500	206,000	223,600	0.73	-7.20
Professional, Scientific, and Technical	76,100	77,000	77,100	-1.17	-1.30
Management of Companies and Enterprises	15,500	15,500	15,400	0.00	0.65
Admin and Support and Waste Management	115,900	113,500	131,100	2.11	-11.59
Educational and Health Services	209,000	207,600	207,200	0.67	0.87
Leisure and Hospitality	198,700	193,100	214,700	2.90	-7.45
Arts, Entertainment, and Recreation	27,400	26,000	27,000	5.38	1.48
Accommodation and Food Services	171,300	167,100	187,700	2.51	-8.74
Other Services	70,900	71,200	71,300	-0.42	-0.56
Total Private	1,503,500	1,497,500	1,594,400	0.40	-5.70
Government	346,700	345,800	350,100	0.26	-0.97
Federal Government	30,500	30,500	29,900	0.00	2.01
State Government	100,500	99,700	101,000	0.80	-0.50
Local Government	215,700	215,600	219,200	0.05	-1.60
Total Nonfarm	1,850,200	1,843,300	1,944,500	0.37	-4.85

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

Initial Unemployment Claims

South Carolina saw initial claims for Unemployment Insurance continue to gradually fall in March from the high levels at the beginning of the year. With the weekly average dropping to 10,424 initial claims a week., the number of claimants dropped, on average, by more than 600 fewer claims than in February.

Nationally, initial claims fell to around 595,000 in the last week of March, down from around 646,000 in the last week of February. For the same week, the United States saw 6.45 million continued claims for unemployment insurance, while in South Carolina there were just below 100,000 continued claims.



Source: U.S. Department of Labor



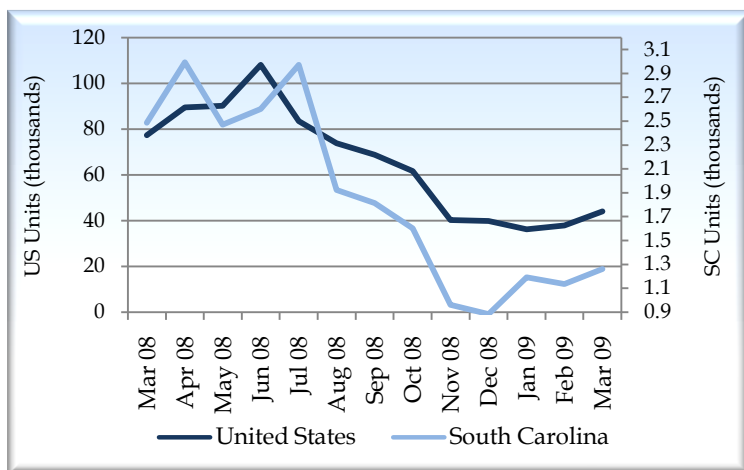
South Carolina Real Estate

The median sales price for a home in South Carolina increased by \$6,000 in March over February, marking the second-straight month Palmetto State prices have increased. The median price is still approximately \$14,000 lower than a year ago. For the year to date, the median price of a home is down 8.2 percent. Meanwhile, residential building permits once again began to climb in March, although this level also remains well behind the same time last year. So far in 2009, builders have requested slightly more than half the number of permits as they did in 2008. Recent figures are an improvement over 4th Quarter 2008, when in December only about one-third of the permits were issued compared to the previous year.

	Month	Current	Previous Year	% Change Year Ago	2009 YTD	2008 YTD	% Change Year Ago
Closings	March	3,275	4,266	-23.2%	7,872	11,240	-30.0%
Median Sales Price*	March	\$141.0	\$155.0	-9.0%	\$135.0	\$147.0	-8.2%
Foreclosures	March	2,366	932	153.9%	7,302	2,068	253.1%
Residential Building Permits-Total	March	1,259	2,487	-49.4%	3,582	7,060	-49.3%
Residential Building Permits-Valuation*	March	207,348	376,501	-44.9%	550,766	1,092,265	-49.6%

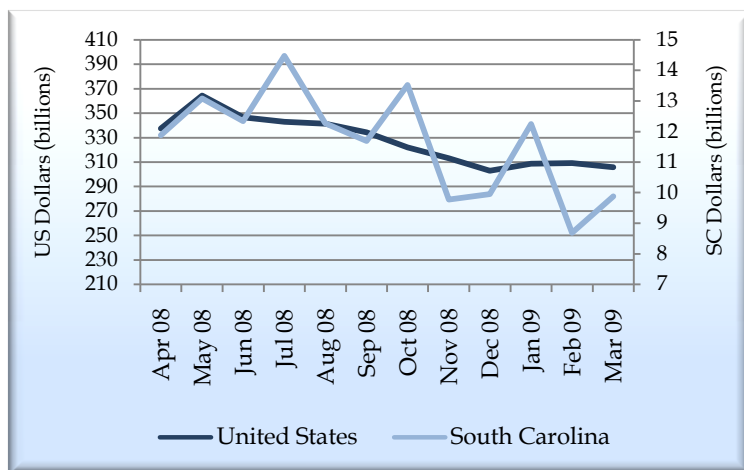
* Thousands of US dollars. Source: S.C. Realtors Association, RealtyTrac, U.S. Census

Residential Building Permits



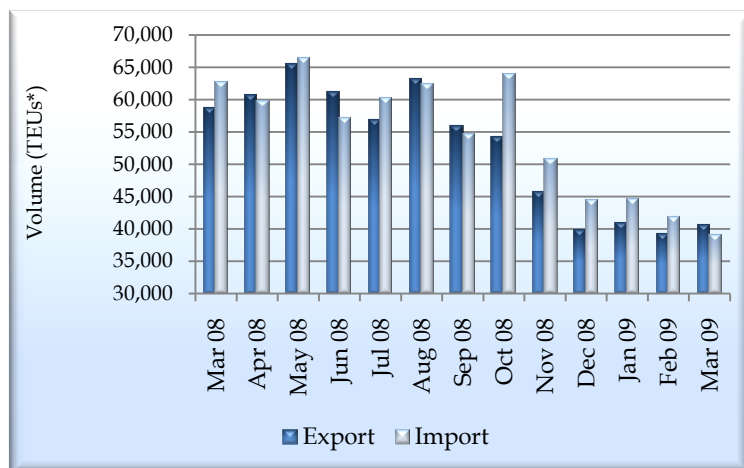
Source: U.S. Census

Retail Sales



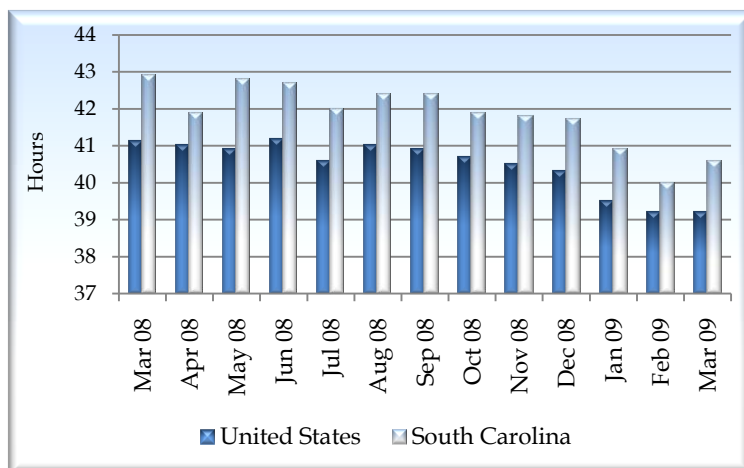
Source: S.C. Department of Revenue

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