

South Carolina Economic Outlook



South Carolina
Department of Commerce
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Division of Research

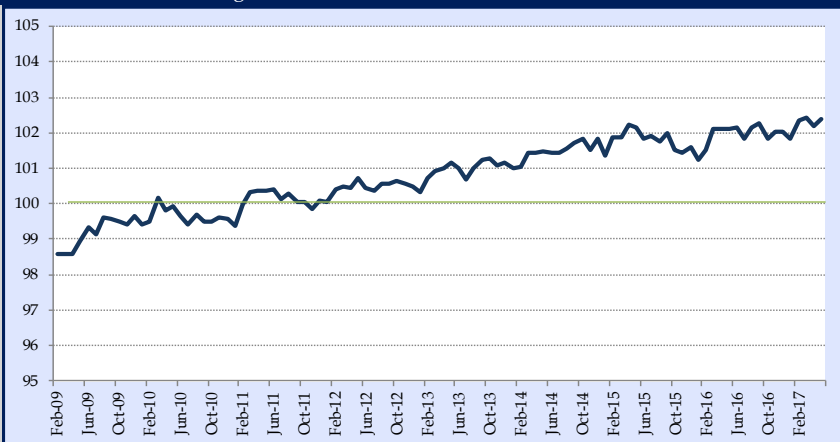
Volume 10 | Issue 6 | June 2017

May Uptick for SC Leading Index

The South Carolina Leading Index (SCLI) rose 0.18 points last month, ending with a value (following revisions) of 102.37. Although there was a small increase in the average number of initial claims for unemployment insurance in May, all other key metrics improved month-over-month. The number of housing permits issued in South Carolina rose an impressive 24.6 percent, and valuation of the permits rose 13.2 percent. Additionally, average manufacturing hours were up 0.5 percent, and the Dow Jones Composite Average was up 0.9 percent. The Conference Board's national Leading Economic Index rose 0.3 percent in May to 127.0, forecasting growth.

- Brandon Wilkerson

South Carolina Leading Index



Source: South Carolina Department of Commerce

Abundant Closings for SC Real Estate in May

The median sales price for a single-family home in South Carolina rose in April to \$190,000, a 2.7 percent gain. Closings were also up, climbing 18.5 percent month-over-month to reach 7,951. Foreclosure activity increased slightly (1.3 percent) but remained down 19.5 percent compared to one year ago. For the six largest MSAs, total closings were uniformly up month-over-month, with Greenville (+21.3 percent), Columbia (+19.1 percent) and Charleston (+18.9 percent) leading the way. Median sales price also rose for four out of six of the MSAs, with Greenville (-1.1 percent) and Spartanburg (-1.3 percent) only falling slightly.

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, examination, and dissemination of information to support that mission. The Research Division publishes reports and analyses for stakeholders statewide, and furnishes information for companies considering an investment in South Carolina. If you would like to receive Commerce's monthly Economic Outlook, e-mail bwilkerson@SCcommerce.com.

KEY S.C. INDICATORS

Income

+1.1%

State Personal Income

increased to \$201.0 billion in the first quarter of 2017.

U.S. Bureau of Economic Analysis

+8.3%

South Carolina Stock Index

rose 12.24 points in May, closing at 159.69 on the last trading day of the month.

Bloomberg

Employment

+0.9%

Nonfarm Employment

increased by 18,000 net non-seasonally adjusted jobs from the prior month.

U.S. Bureau of Labor Statistics

-0.2%

Labor Force

decreased by 5,445 to 2,328,694, seasonally-adjusted, in May.

U.S. Bureau of Labor Statistics

-0.2%

Unemployment Rate

fell to 4.1 percent, seasonally-adjusted, for May.

U.S. Bureau of Labor Statistics

0.5%

Manufacturing Weekly Hours

increased by 0.2 hours to 42.2 hours in May from the prior month (revised).

U.S. Bureau of Labor Statistics

+9.2%

Available Online Job Postings

increased by 5,600 positions in May to a seasonally-adjusted 66,200 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+2.7%

Single-Family Home Sales Price

increased by \$5,000 to \$190,000 in May.

South Carolina Association of Realtors

+24.6%

Residential Building Permits

increased by 609 permits from the previous month to 3,086 issued in May.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

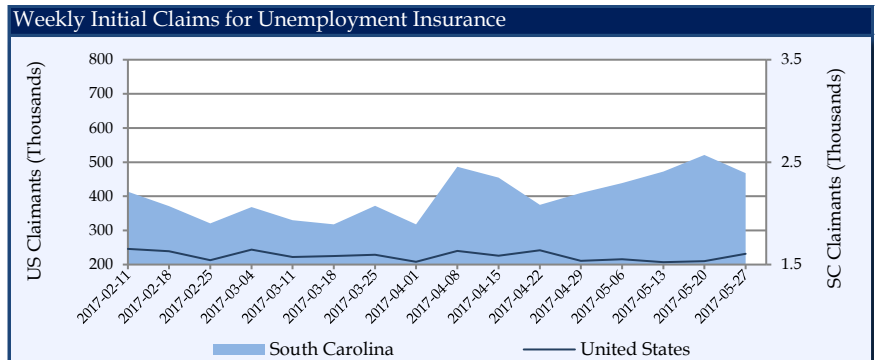
South Carolina's total non-seasonally adjusted, nonfarm employment rose by 18,000 net jobs to 2,098,000 in May, a 0.9 percent increase from April and 2.3 percent higher than one year ago. The Leisure and Hospitality sector and Professional and Business Services sector each added 6,400 net jobs, leading all other sectors. The Trade, Transportation, and Utilities sector added 3,700 net jobs, and Construction netted 1,900 jobs for the month. The Natural Resources and Mining sector made net gains in May (+100) as well. The Government sector and Finance sector each shed 400 net jobs, while the Manufacturing sector and Information sector each had 100 fewer net jobs in May. Compared to one year ago, the state economy added 47,900 net nonfarm jobs.

Industry Sector	May 2017	Previous Month	Previous Year	% Change Month Ago	% Change Year Ago
Goods Producing	348,500	346,600	334,800	0.55%	4.09%
Natural Resources and Mining	4,400	4,300	4,100	2.33%	7.32%
Construction	98,900	97,000	91,900	1.96%	7.62%
Manufacturing	245,200	245,300	238,800	-0.04%	2.68%
Service Providing	1,749,500	1,733,400	1,715,300	0.93%	1.99%
Trade, Transportation, and Utilities	402,200	398,500	387,600	0.93%	3.77%
Information	26,100	26,200	26,500	-0.38%	-1.51%
Finance	100,000	100,400	98,400	-0.40%	1.63%
Professional and Business Services	273,500	267,100	271,900	2.40%	0.59%
Educational and Health Services	246,700	246,700	242,900	0.00%	1.56%
Leisure and Hospitality	257,400	251,000	245,000	2.55%	5.06%
Other Services	74,200	73,700	74,400	0.68%	-0.27%
Total Private	1,728,600	1,710,200	1,681,500	1.08%	2.80%
Government	369,400	369,800	368,600	-0.11%	0.22%
Total Nonfarm	2,098,000	2,080,000	2,050,100	0.87%	2.34%

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

Weekly Unemployment Claims

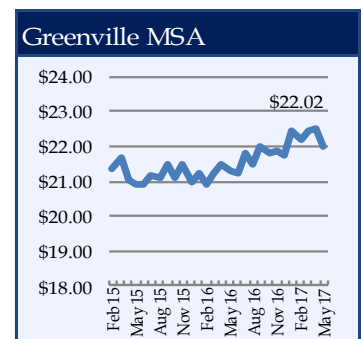
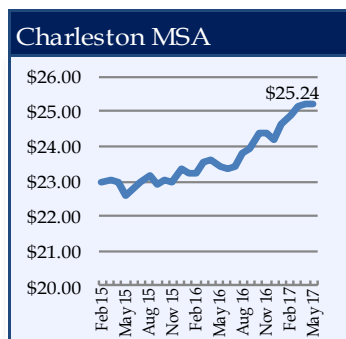
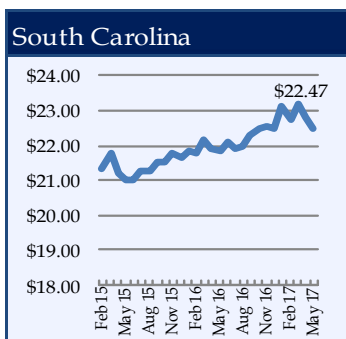
The average number of initial claims for unemployment insurance in the state rose somewhat in May. The average for the month was 2,417 weekly initial claims, up 10.1 percent versus April but down 17.4 percent compared to one year ago. The top six MSAs all reported increases in initial claims, with Myrtle Beach seeing the steepest rise at 36.1 percent.



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

Average Hourly Earnings

These charts present the average hourly earnings of all employees in private industry, based on a monthly national survey of businesses. The data are not seasonally adjusted.



Source: US Department of Labor, Bureau of Labor Statistics. Recent results for Charleston and Columbia are being reviewed by the Bureau and are unavailable.



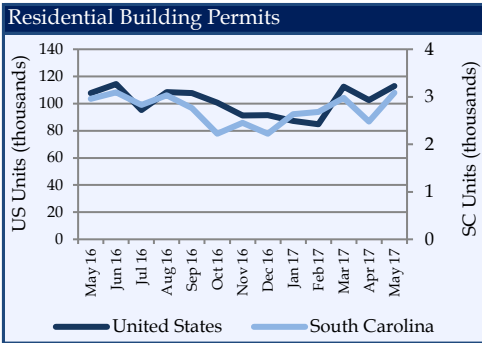
South Carolina Real Estate

In May, the number of building permits issued in South Carolina for new residential construction rocketed upward 24.6 percent to 3,086. This figure was 4.4 percent higher than one year ago. Valuation for the permits rose 13.2 percent month-over-month and was 20.9 percent higher than one year ago. Total closings for the month rose 18.5 percent, and the median sales price was up 2.7 percent. Median sales price was up 4.7 percent from May 2016. Foreclosure activity rose 1.3 percent from April but was down 19.5 percent from one year ago.

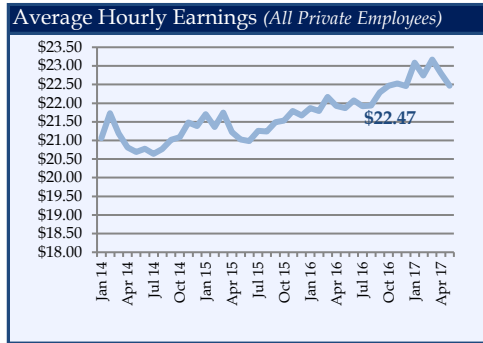
	Month	Current	Previous Year	% Change Year Ago	2017 YTD	2016 YTD	% Change YTD
Closings	May	7,951	7,881	0.9%	32,415	30,849	5.1%
Median Sales Price*	May	\$190.0	\$181.4	4.7%	\$184.0	\$175.0	5.1%
Foreclosures	May	1,838	2,282	-19.5%	9,854	11,375	-13.4%
Residential Building Permits -Total	May	3,086	2,957	4.4%	13,853	12,554	10.3%
Residential Building Permits -Valuation*	May	\$697,122	\$576,624	20.9%	\$3,179,030	\$2,598,062	22.4%

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

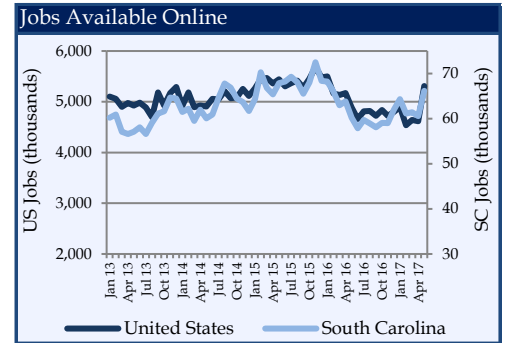
Business Activity



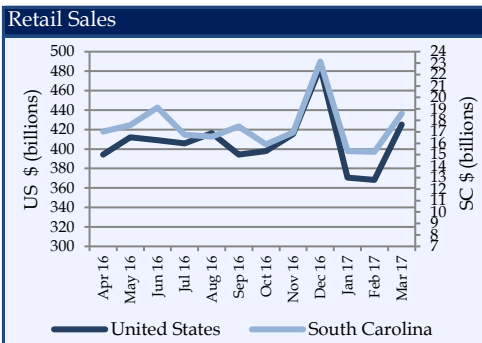
Source: U.S. Census



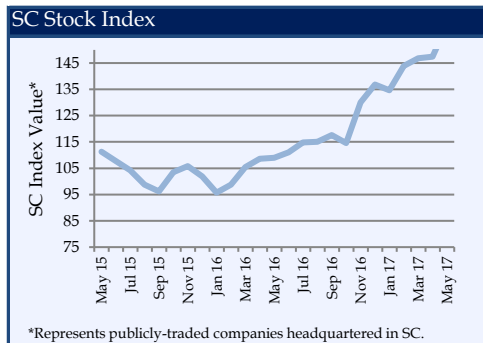
Source: U.S. Department of Labor



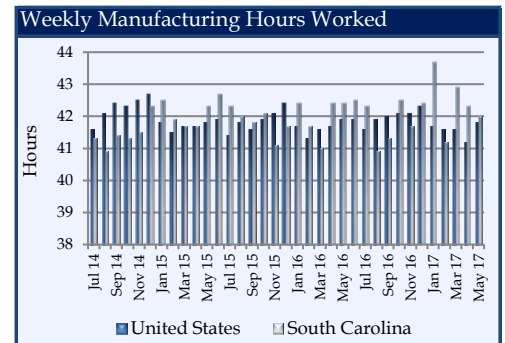
Source: The Conference Board Help Wanted Online Index



Source: South Carolina Department of Revenue

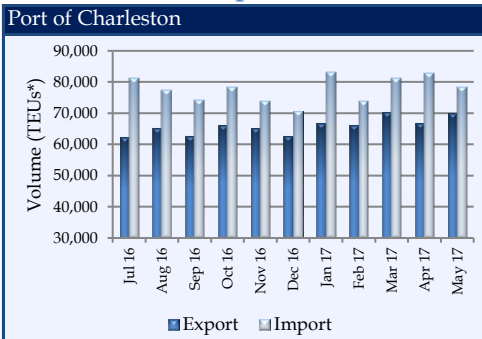


*Represents publicly-traded companies headquartered in SC.
Source: Bloomberg

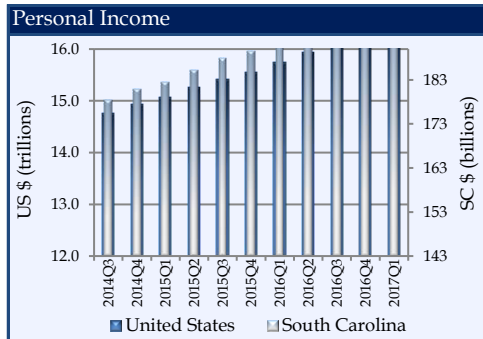


Source: U.S. Department of Labor

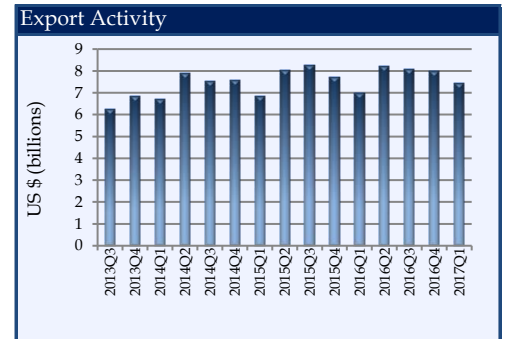
Income and Output



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



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

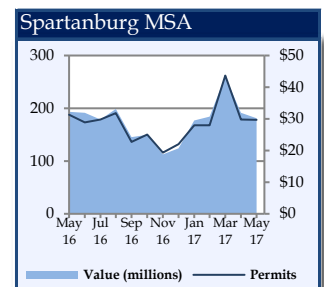
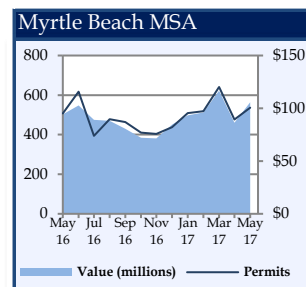
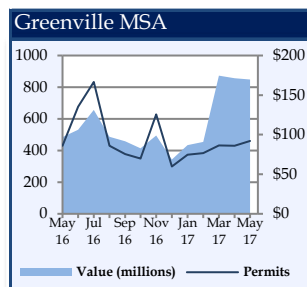
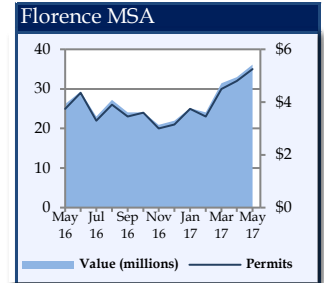
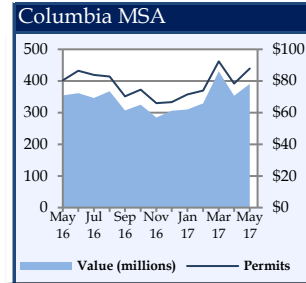
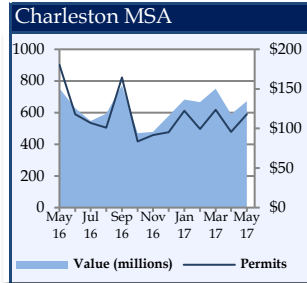
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

MSA	Indicator	May 16	May 17
Charleston	Sales Volume	1,715	1,806
	Median Price (000's)	\$243	\$260
Columbia	Sales Volume	1,220	1,228
	Median Price (000's)	\$164	\$164
Florence	Sales Volume	206	182
	Median Price (000's)	\$133	\$132
Greenville	Sales Volume	1,232	1,237
	Median Price (000's)	\$187	\$188
Myrtle Beach	Sales Volume	1,253	1,317
	Median Price (000's)	\$163	\$174
Spartanburg	Sales Volume	454	454
	Median Price (000's)	\$140	\$152
South Carolina	Sales Volume	7,881	7,951
	Median Price (000's)	\$181.4	\$190.0

Source: S.C. Association of Realtors.

Building Permits



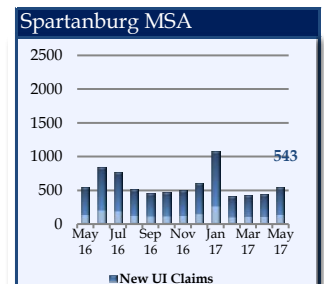
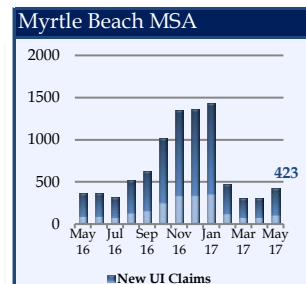
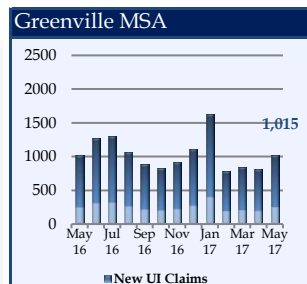
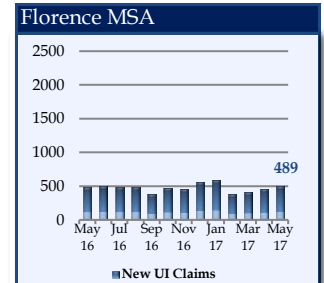
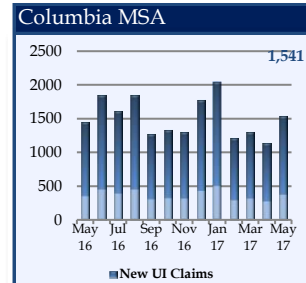
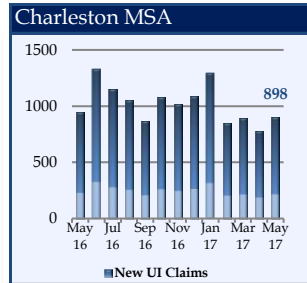
Source: U.S. Census

Employment

MSA	Indicator	Apr 17	May 17
Charleston	Employment (000's)	367.1	367.7
	Unemployment Rate	3.1	3.1
Columbia	Employment (000's)	391.0	389.8
	Unemployment Rate	3.4	3.5
Florence	Employment (000's)	93.1	93.4
	Unemployment Rate	4.1	4.1
Greenville	Employment (000's)	408.8	409.2
	Unemployment Rate	3.3	3.3
Myrtle Beach	Employment (000's)	187.3	190.7
	Unemployment Rate	4.3	4.2
Spartanburg	Employment (000's)	151.0	150.7
	Unemployment Rate	3.4	3.5
South Carolina	Employment (000's)	2,232.7	2,232.2
	Unemployment Rate	4.3	4.1

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

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

South Carolina Bankruptcy Statistics, May 2017

2720	-5.0%	+1.0%	1.43	40
Cumulative Filings	Change from Prior Month	Change from Prior Year	Filings Per Capita	Number of States with More Per Capita Bankruptcies

Source: American Bankruptcy Institute June 2017