

Annual Unemployment Rates Released

Due to the Bureau of Labor Statistics end of year revision process, this edition of the Economic Outlook is abbreviated as January employment numbers will not be released until March 11th.

Average annual state and national unemployment rates released today estimate the US rate at 5.8% for 2008, an increase of 1.2 points over 2007. South Carolina's 2008 annual rate was 6.9%, up 1.3 points from 2007. Michigan posted the highest rate at 8.4%, while South Dakota had the lowest at 3.0%. In 2008, 46 states witnessed increases in their unemployment rates, 3 states were unchanged, and 1 state saw a decrease. The majority of declines

were attributed to deteriorating labor market conditions that occurred in the last portion of 2008. Revisions to December's state unemployment rates reduced South Carolina's rate to 8.8% from a preliminary 9.5%.

Revised figures show national GDP fell 6.25% in the 4th quarter, a larger contraction than previously estimated and its largest drop since 1982.

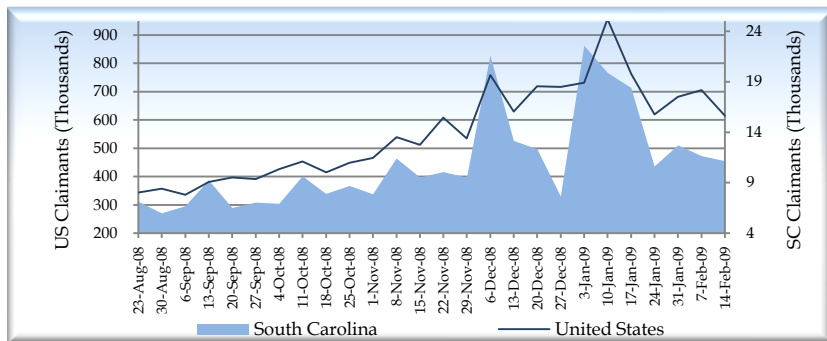
Finally, both the Conference Board and Michigan Survey of Consumer Sentiment reported declines in February. Although a portion of this drop may be attributable to seasonal factors (February sentiment has declined each of the last 10 years), it was led by worsening expectations.

-Rebecca M. Gunnlaugsson, Ph.D.

Initial Claims for Unemployment Insurance

Mirroring national trends, initial claims for unemployment insurance in South Carolina largely receded during the month of January from peaks during the last week of 2008. Claims continued to fall into the first two weeks in February, with South Carolina experiencing 11,136 initial claims the week ending February

14th compared to 615,232 nationally. Continued claims for unemployment insurance in South Carolina have also dropped from their early January levels, leveling off at just under 98,000 for the past three weeks. Nationally, continued claims have also plateaued, hovering around 6,000,000.



Source: US Department of Labor

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

-9.0%

SC Stock Index

fell to 71.96 in January, a 7.16 point drop over its closing value in December '08.

Bloomberg

23.2%

Retail Sales

rose \$2.3 billion in January over December '08, and were down \$1.6 billion over Jan. '08.

South Carolina Department of Revenue

Employment

-13.9%

Initial Unemployment Claims

for the week including the 12th, fell 1,710 to 10,611 from December '08 to January '09.

Bureau of Labor Statistics

-0.7%

December '08 Unemployment Rate

was revised downward, from 9.5% to 8.8%.

Bureau of Labor Statistics

1.3%

Annual SC Unemployment Rate

was estimated at 6.9% for the 2008 calendar year, an increase of 1.3 points over the 2007 annualized figure.

Bureau of Labor Statistics

1.5%

Port of Charleston Volume

increased in January over December. Exports rose to 40,885 TEUs. Imports rose to 44,577 TEUs. Total volume is down 20% over Jan. '08.

Bureau of Labor Statistics

-13.7%

Available Online Job Postings

decreased statewide in January by 7,000 jobs to 44,100 online job postings.

The Conference Board Help Wanted Online Index

Real Estate

-6.8%

Median Home Sales Price

declined in January to \$130,000 statewide, a \$9,500 decline over December.

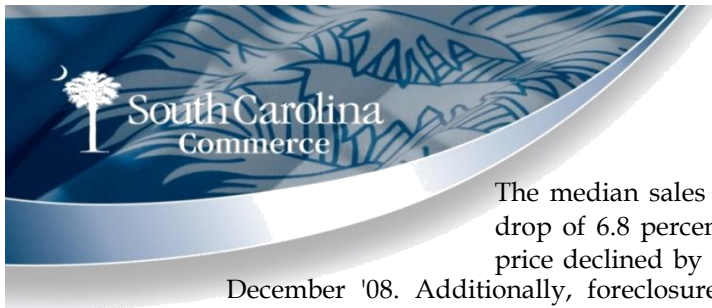
South Carolina Association of Realtors

34.9%

Building Permits

increased by 308 units in January over the previous month.

U.S. Census



South Carolina Real Estate

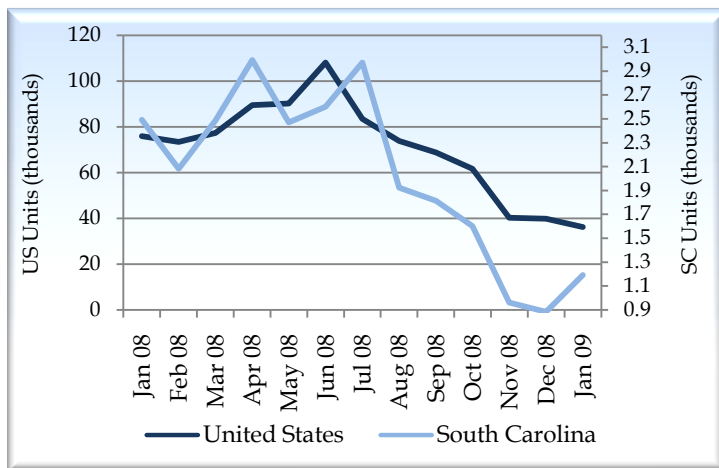
The median sales price for a home in South Carolina fell by \$9,500 in January, a drop of 6.8 percent for the month. Over the same period a year ago, the median price declined by 10.3%. Closings also declined, falling by 880 in January '09 over December '08. Additionally, foreclosure activity continued to increase in January, up 650 over the previous month and up just over 2,000 over the previous year.

Residential building permits for January rose 308 units yet were down year-over-year. The 1,190 permits issued in January reflected less than half the permits issued in January '08. Locally, a number of real estate markets throughout the state witnessed increases in median home prices, with Aiken, Beaufort, Cherokee County, Myrtle Beach (including North Myrtle, Conway, and Georgetown), and Greenwood all reporting gains over January 2008.

	Month	Current	Previous Year	% Change Year Ago	2009 YTD	2008 YTD	% Change Year Ago
Closings	January	2,130	3,207	-33.6%	2,130	3,207	-33.6%
Median Sales Price*	January	130.0	145.0	-10.3%	130	145	-10.3%
Foreclosures	January	2,463	438	462.3%	2,463	438	462.3%
Residential Building Permits-Total	January	1,190	2,492	-52.2%	1,190	2,492	-52.2%
Residential Building Permits-Valuation*	January	174,339	383,906	-54.6%	174,339	383,906	-54.6%

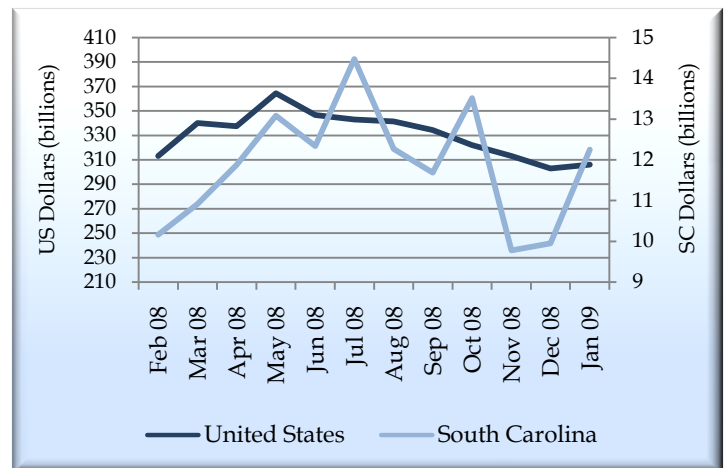
*Thousands of US dollars. Source: S.C. Realtors Association, RealtyTrac, U.S. Census

Residential Building Permits



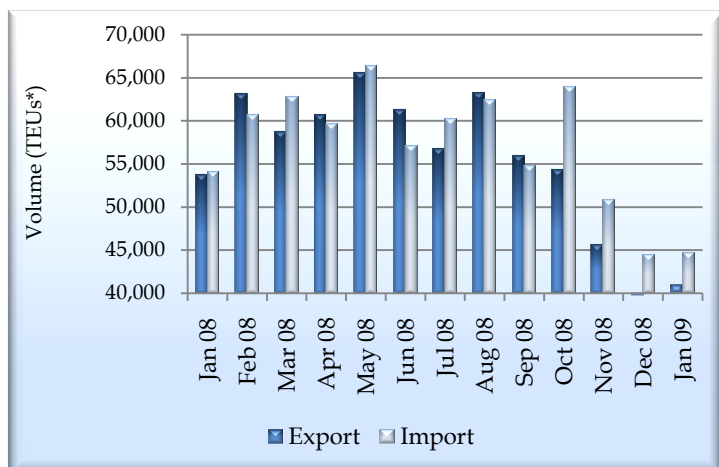
Source: U.S. Census

Retail Sales



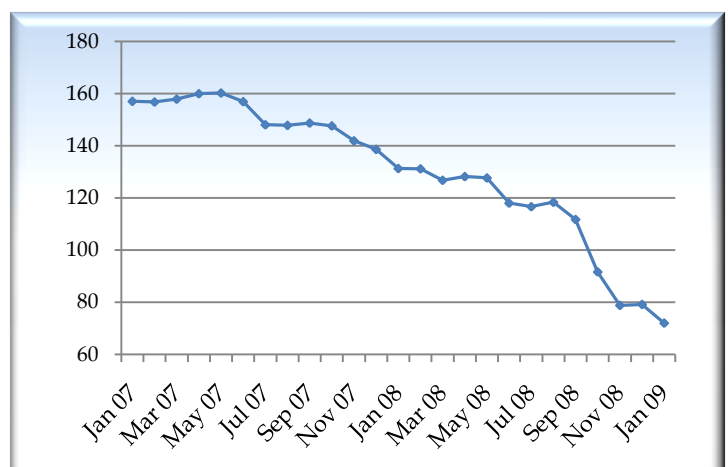
Source: S.C. Department of Revenue

Port of Charleston



*Twenty-Foot Equivalent Units. Source: S.C. Ports Authority

South Carolina Stock Index*



*Includes South Carolina's 43 largest publicly traded companies. Source: Bloomberg