



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

FEBRUARY 2010

FEDERAL RESERVE BANK OF RICHMOND

SOUTH CAROLINA

February Summary

Recent reports on the South Carolina economy were still lackluster as labor markets weakened and housing conditions were mixed.

Labor Markets: The South Carolina economy shed 3,300 jobs (0.2 percent) in December after gaining 4,200 jobs in November. Most of the December job losses were in the professional and business services industry, which cut 1,800 jobs, although the leisure and hospitality industry and the government sector each shed approximately 1,000 workers in the month. During 2009, South Carolina firms cut 37,700 jobs (2.0 percent). Metro-level conditions were similar as employment contracted in December and over the year in each of the state's metro areas.

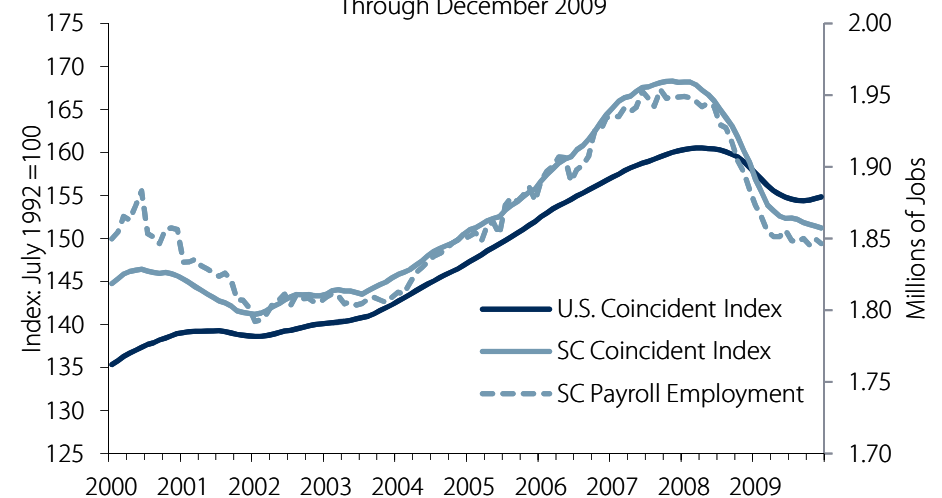
Household Conditions: The unemployment rate in South Carolina edged up a further 0.3 percentage point to 12.6 percent in December – a series high for the state and one of the highest jobless rates in the nation. Unemployment rates also either held steady or moved up in every state metro area. South Carolina's household balance sheets were further challenged by a 0.4 percent real personal income decline in the third quarter and a 0.7 percent decline over the preceding year. Meanwhile, mortgage delinquency rates continued along their two-year ascension as the 90+ day prime and subprime delinquency rates rose to record highs of 2.4 percent and 11.5 percent, respectively, in the third quarter.

Housing Markets: Housing conditions in South Carolina were mixed. Residential permitting activity expanded 4.5 percent in December and 35.8 percent over the year for the largest year-over-year growth in permit levels since August 2005. Although housing starts declined 7.2 percent in December, starts were still up 33.9 percent over the year. In the third quarter, existing home sales rose 10.1 percent, for the second consecutive month of increase, although sales decreased 7.5 percent since the third quarter of 2008. Meanwhile, house prices dropped (2.6 percent) in the third quarter and 2.2 percent over the year. Growth in permit levels in the state's metro areas was mixed in December, but was generally positive over the year. House prices, on the other hand, fell in the third quarter across most of the state's metro areas.

A Closer Look at...Economic Activity

The monthly coincident index of economic activity developed by the Federal Reserve Bank of Philadelphia combines state data on nonfarm payroll employment, average hours worked in manufacturing, unemployment, and wage and salary disbursements for each of the 50 states. According to this indicator, economic activity in South Carolina continued to contract in December, remaining well below year-ago levels. Trends in the South Carolina coincident index generally echo movement in payroll employment. The index peaked in November 2007, just two months after the employment peak. Since then, both series declined considerably, although payroll employment posted slight increases in recent months. For most of the past decade, the South Carolina coincident index tracked the Fifth District index closely and remained above the U.S. index. Recently, however, the South Carolina index fell below both the Fifth District and the national levels.

South Carolina Economic Activity
Through December 2009



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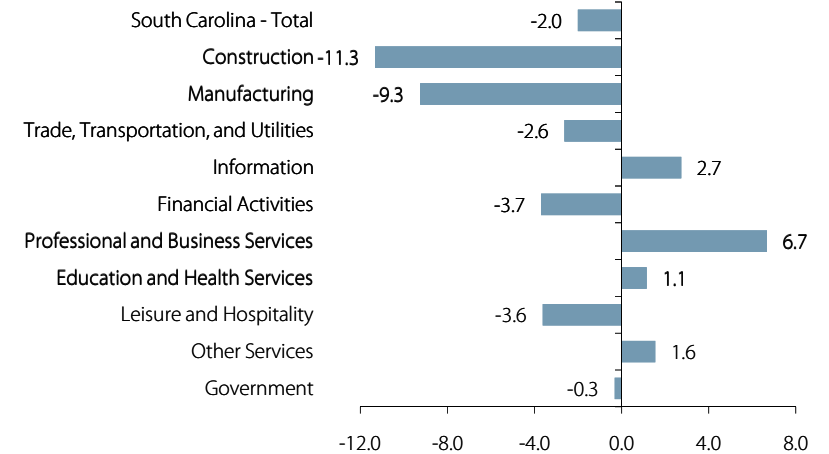
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	130,910.0	-0.06	-3.08
Fifth District - Total	December	13,400.3	-0.05	-2.00
South Carolina - Total	December	1,846.4	-0.18	-2.00
Construction	December	96.3	0.52	-11.33
Manufacturing	December	212.7	-0.14	-9.26
Trade, Transportation, and Utilities	December	353.4	-0.03	-2.62
Information	December	30.0	0.67	2.74
Financial Activities	December	101.7	-0.49	-3.69
Professional and Business Services	December	223.7	-0.80	6.68
Education and Health Services	December	211.1	0.38	1.15
Leisure and Hospitality	December	199.2	-0.50	-3.63
Other Services	December	71.9	-0.14	1.55
Government	December	342.2	-0.32	-0.32
Charleston MSA - Total	December	292.2	-0.65	-1.35
Columbia MSA - Total	December	360.7	-0.44	-0.91
Greenville MSA - Total	December	310.3	-0.42	-1.83
Spartanburg MSA - Total	December	123.7	-0.72	-3.89

Unemployment Rate (SA)	Dec 09	Nov 09	Dec 08
United States	10.0	10.0	7.4
Fifth District	9.4	9.0	6.6
South Carolina	12.6	12.3	8.8
Charleston MSA	10.2	10.0	7.4
Columbia MSA	9.8	9.7	7.5
Greenville MSA	10.7	10.7	7.8
Spartanburg MSA	12.7	12.4	9.2

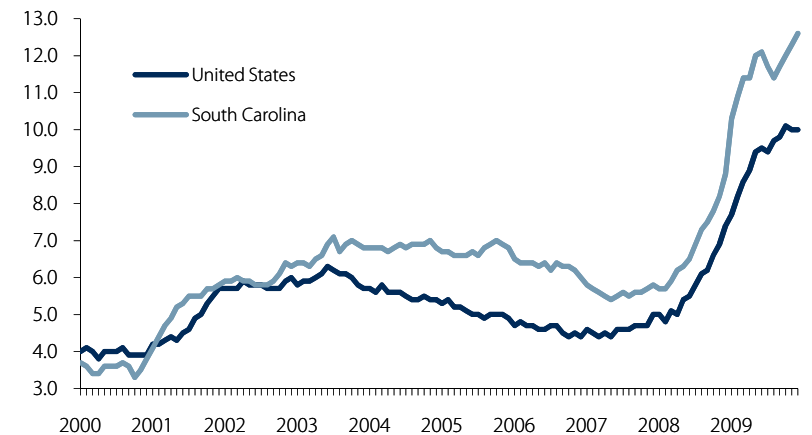
South Carolina Payroll Employment Performance

Year-over-Year Percent Change through December 2009



South Carolina Unemployment Rate

Through December 2009





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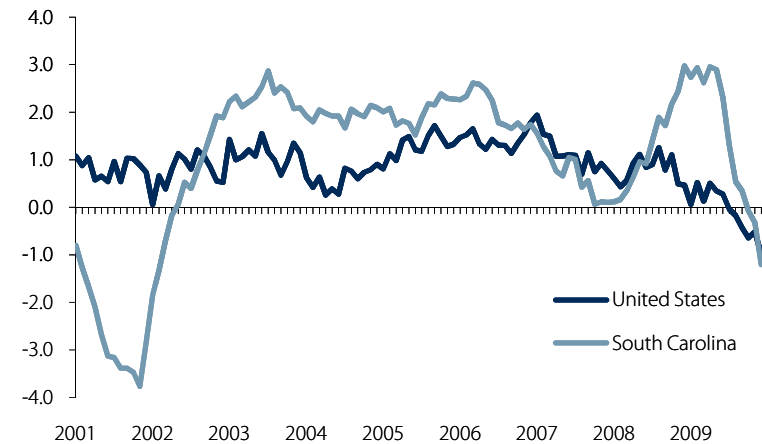
SOUTH CAROLINA

Labor Market Conditions

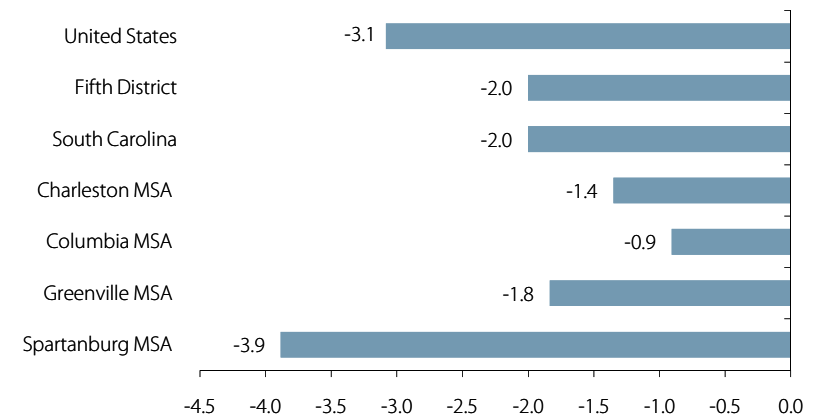
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	153,059	-0.43	-0.99
Fifth District	December	14,875	-0.27	-1.52
South Carolina	December	2,167	-0.31	-1.21
Charleston MSA	December	319	-1.03	-0.44
Columbia MSA	December	373	-0.83	-0.64
Greenville MSA	December	317	-0.78	-0.94
Spartanburg MSA	December	139	-0.36	-1.21

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	2,775,917	26.38	-17.18
Fifth District	December	262,498	34.90	-22.22
South Carolina	December	42,234	53.83	-28.00

South Carolina Labor Force
Year-over-Year Percent Change through December 2009



South Carolina Total Employment Performance
Year-over-Year Percent Change through December 2009



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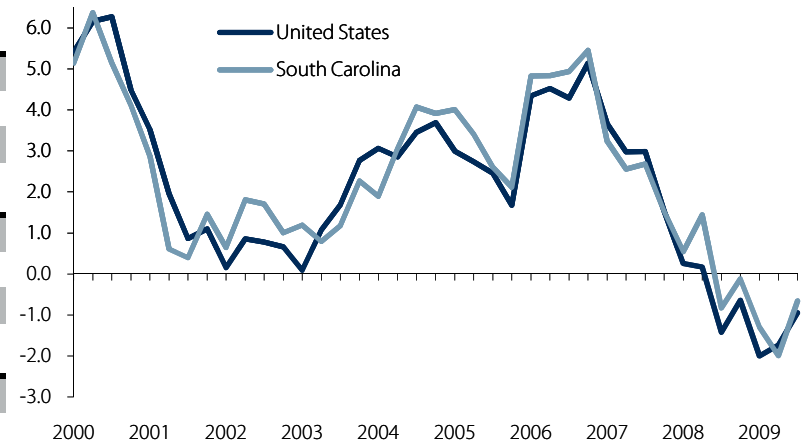
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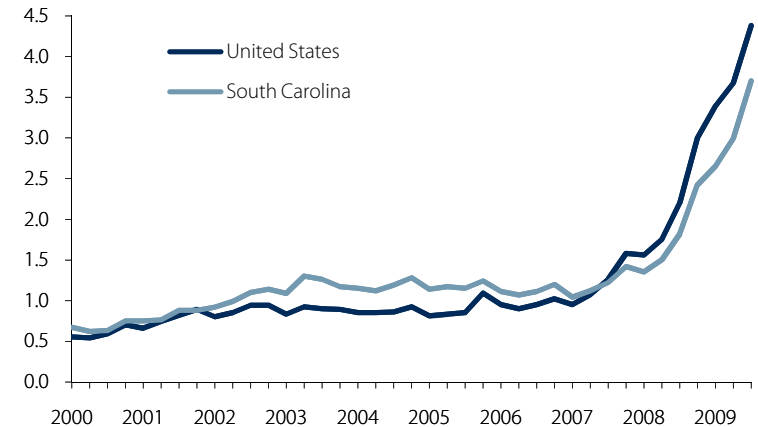
Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	3Q:09	11,024,972	-0.35	-0.95
Fifth District	3Q:09	1,069,311	-0.36	-0.85
South Carolina	3Q:09	132,301	-0.39	-0.66
Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	2009	60.3	---	3.25
Columbia MSA	2009	62.1	---	4.90
Greenville MSA	2009	57.2	---	3.81
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:09	373,308	2.26	32.95
Fifth District	3Q:09	26,978	3.02	32.57
South Carolina	3Q:09	2,395	5.14	10.47
Mortgage Delinquencies (% 90+ Days Delinquent)	3Q:09	2Q:09	3Q:08	
United States				
All Mortgages	4.38	3.67	2.20	
Conventional	3.06	2.44	1.29	
Subprime	13.33	11.47	7.01	
South Carolina				
All Mortgages	3.70	2.99	1.82	
Conventional	2.43	1.85	0.96	
Subprime	11.46	9.75	6.45	

South Carolina Real Personal Income
Year-over-Year Percent Change through 3Q:09



South Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through 3Q:09



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SOUTH CAROLINA Real Estate Conditions

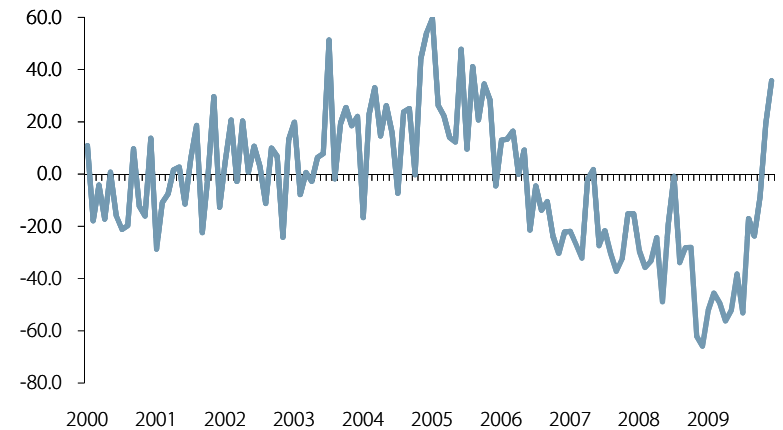
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	47,379	16.28	18.95
Fifth District	December	6,945	15.40	21.99
South Carolina	December	1,198	4.54	35.83
Charleston MSA	December	246	7.89	38.98
Columbia MSA	December	253	32.46	36.02
Greenville MSA	December	108	-12.90	25.58
Spartanburg MSA	December	33	-37.74	17.86

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	557.0	-3.97	0.18
Fifth District	December	90.5	2.37	20.19
South Carolina	December	15.6	-7.24	33.85

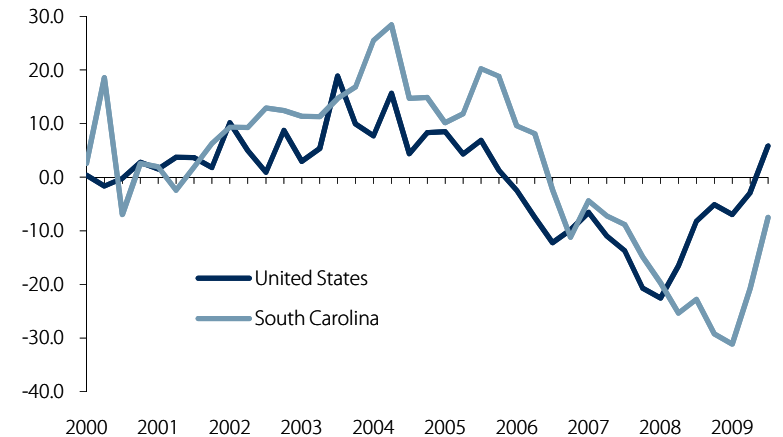
Total Existing Home Sales (SAAR)	Period	Level (000s)	QoQ % Change	YoY % Change
United States	3Q:09	5,300.0	11.41	5.85
Fifth District	3Q:09	454.4	13.49	0.00
South Carolina	3Q:09	74.0	10.12	-7.50

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	3Q:09	195	-1.56	-7.49
Columbia MSA	3Q:09	144	4.42	-2.37
Greenville MSA	3Q:09	146	4.21	-6.89
Spartanburg MSA	3Q:09	127.2	3.67	-0.39

South Carolina Building Permits
Year-over-Year Percent Change through December 2009



South Carolina Existing Home Sales
Year-over-Year Percent Change through 3Q:09



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Real Estate Conditions

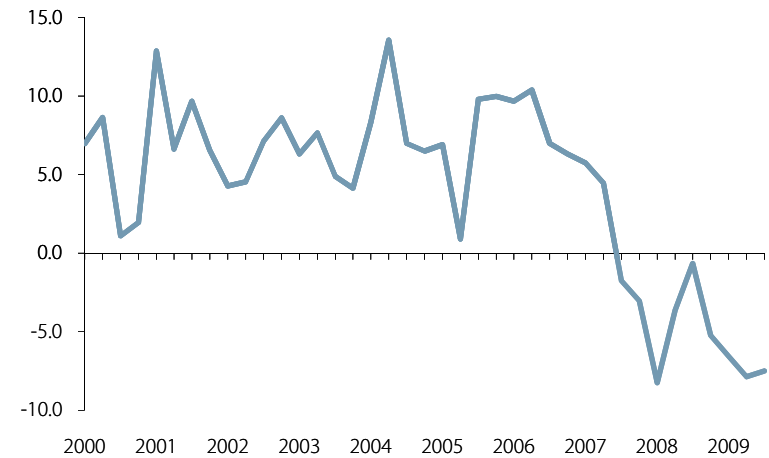
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	3Q:09	180	-7.69	-8.16
Columbia MSA	3Q:09	148	9.63	-3.90
Greenville MSA	3Q:09	145	6.62	-3.33

House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	3Q:09	350	-2.39	-4.08
Fifth District	3Q:09	387	-1.96	-4.29
South Carolina	3Q:09	315	-2.61	-2.22
Charleston MSA (1995=100)	3Q:09	249	-3.43	-5.79
Columbia MSA (1995=100)	3Q:09	173	-2.62	-1.10
Greenville MSA (1995=100)	3Q:09	170	-1.54	0.27
Spartanburg MSA (1995=100)	3Q:09	158	-2.42	-1.62

Housing Opportunity Index (%)	3Q:09	2Q:09	3Q:08
Charleston MSA	68.0	65.8	56.5
Columbia MSA	80.5	87.0	69.9
Greenville MSA	79.5	82.0	69.2

Commercial Vacancy Rates (%)	3Q:09	2Q:09	3Q:08
Office Vacancies			
Charleston	21.2	21.5	17.7
Columbia	0.0	---	15.5
Greenville	18.2	16.4	13.3
Industrial Vacancies			
Charleston	14.5	12.4	13.2
Greenville	10.1	11.3	8.9

Charleston MSA Median Home Sales Price (NAR)
Year-over-Year Percent Change through 3Q:09



Greenville MSA Office Vacancy Rate
Through 3Q:09

