

South Carolina in 2017

A Market Outlook



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Recapping Last Year's Forecast

- (1) South Carolina's expansion is broad-based and structurally sound
- (2) The flood's effect will be significant, but won't move us off of our long-run growth trends
- (3) Increasing national and international headwinds, however, could slow growth in 2016

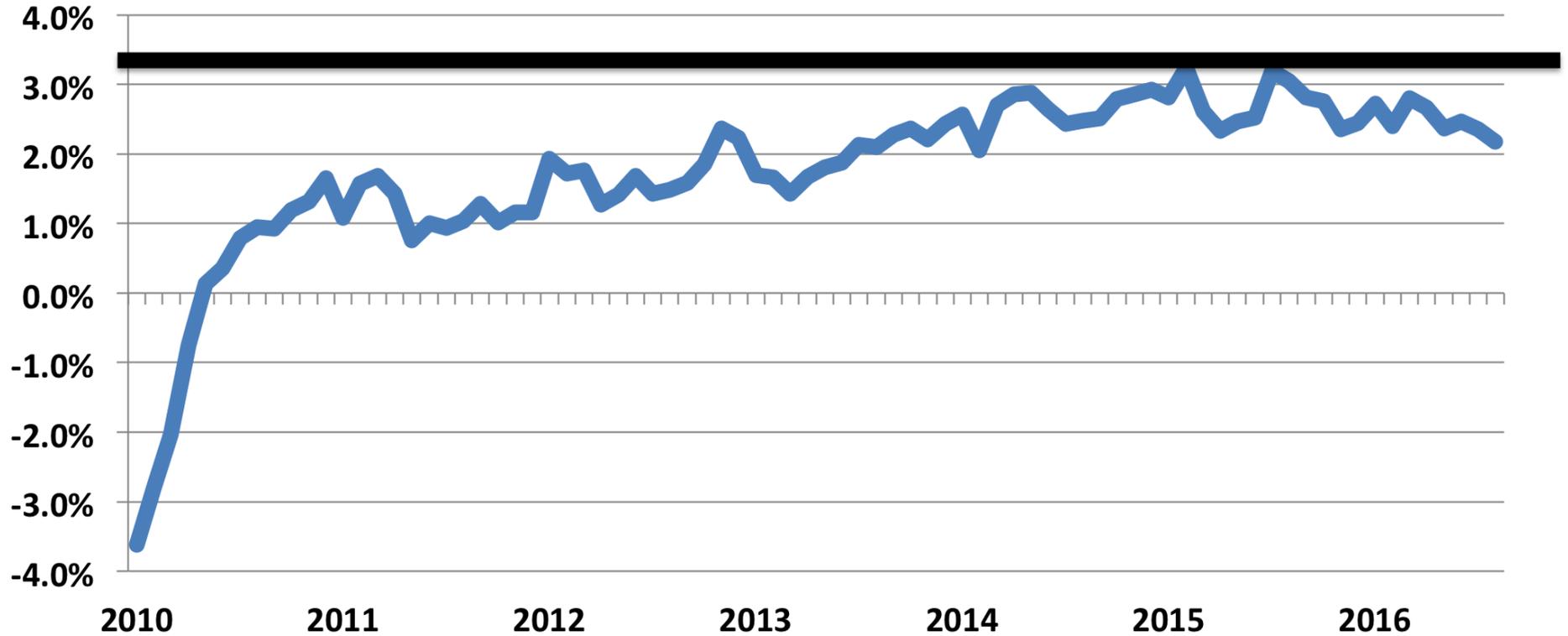


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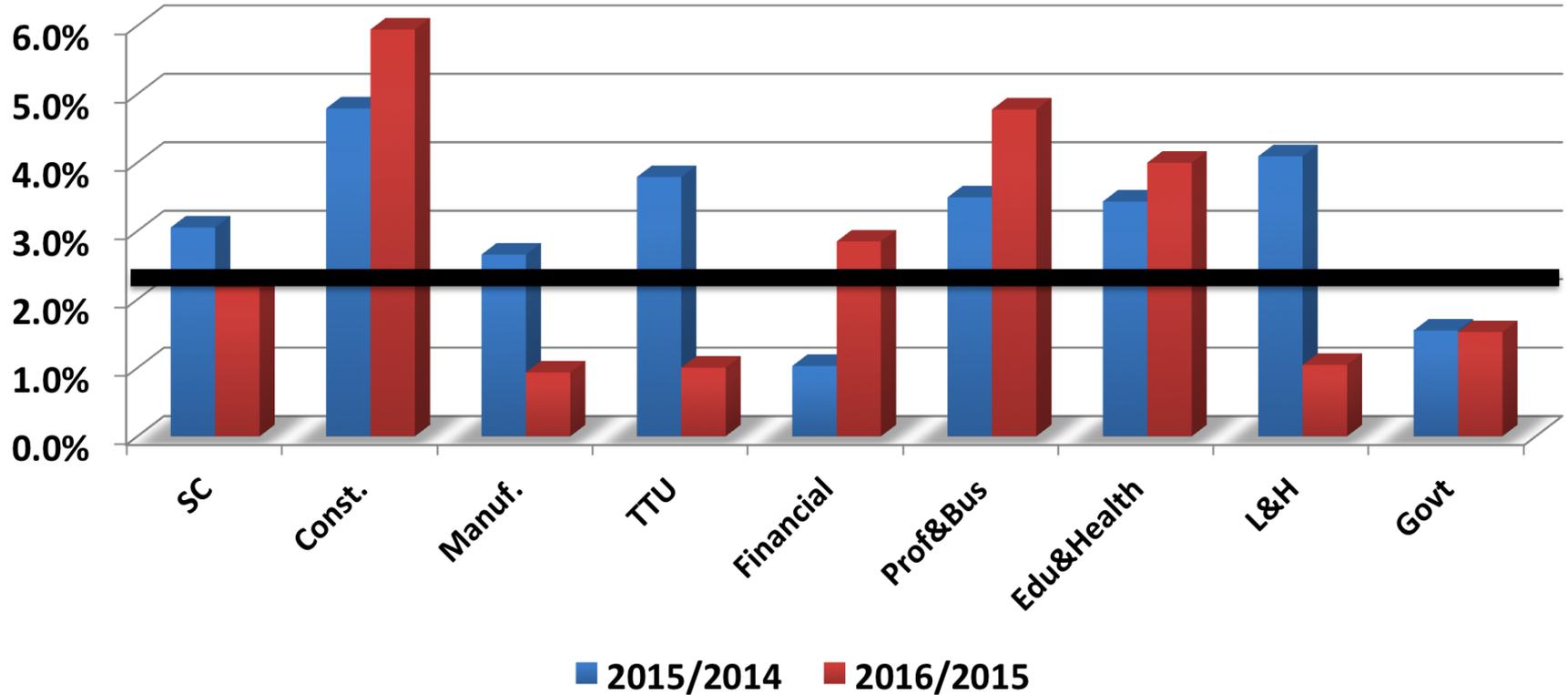
S.C. Employment Growth



Source: U.S. Bureau of Labor Statistics, CES NSA



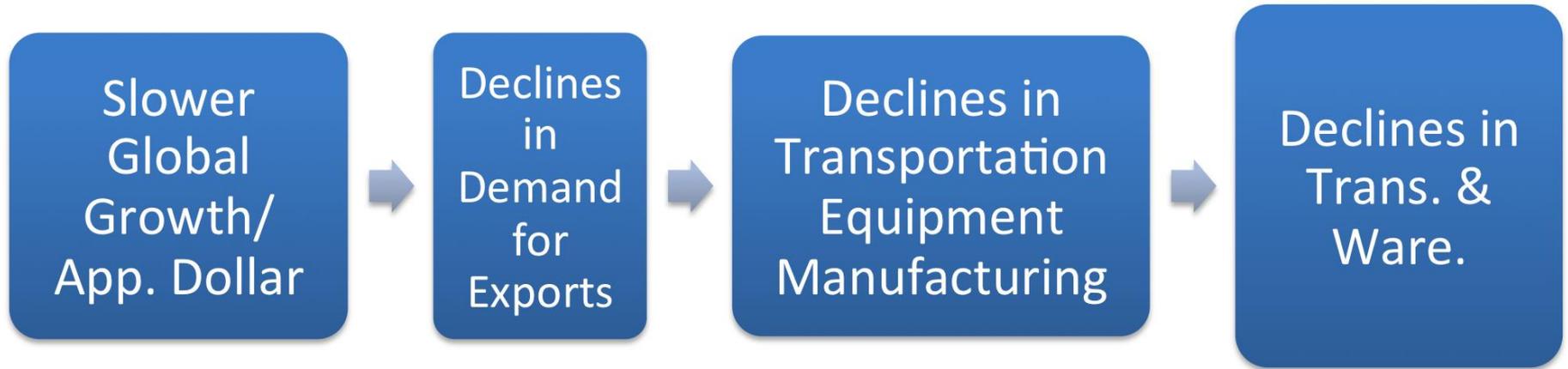
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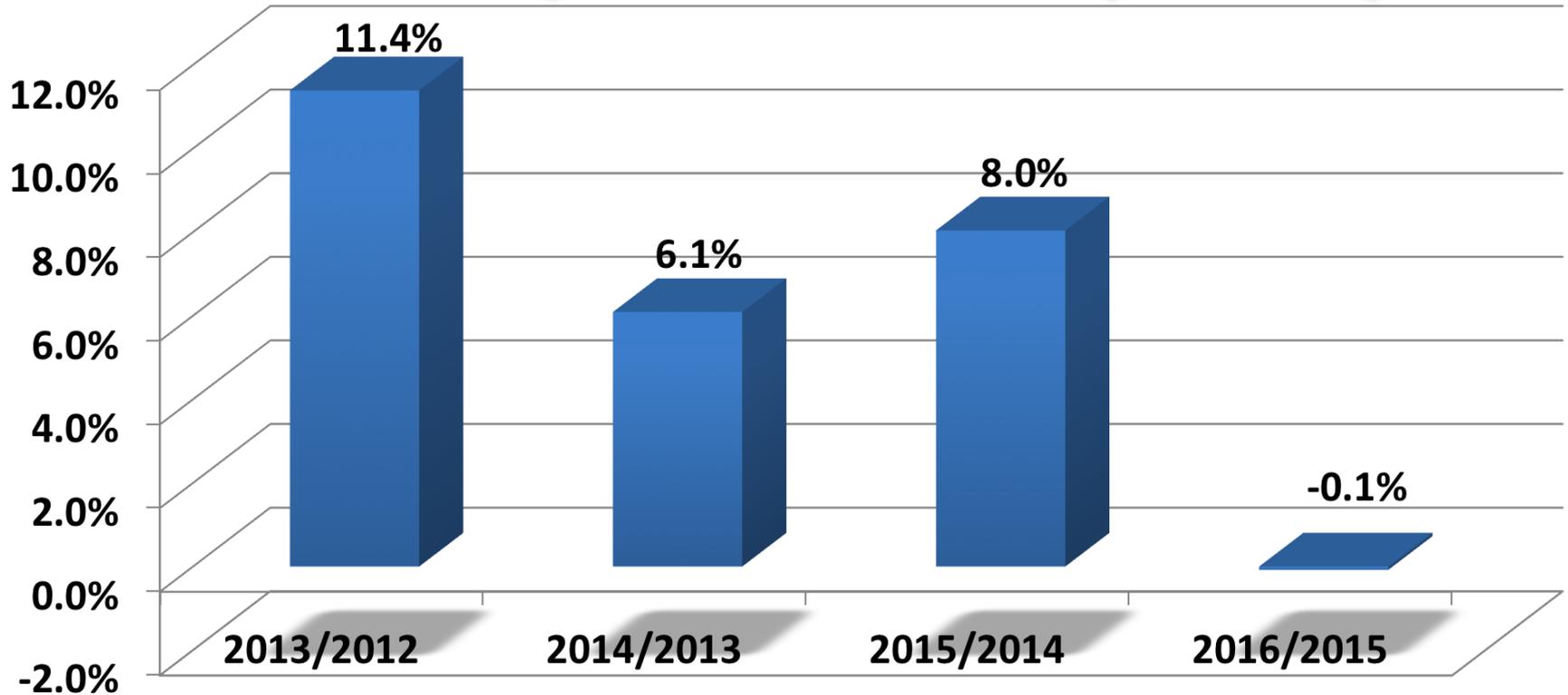
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Ripple Effects



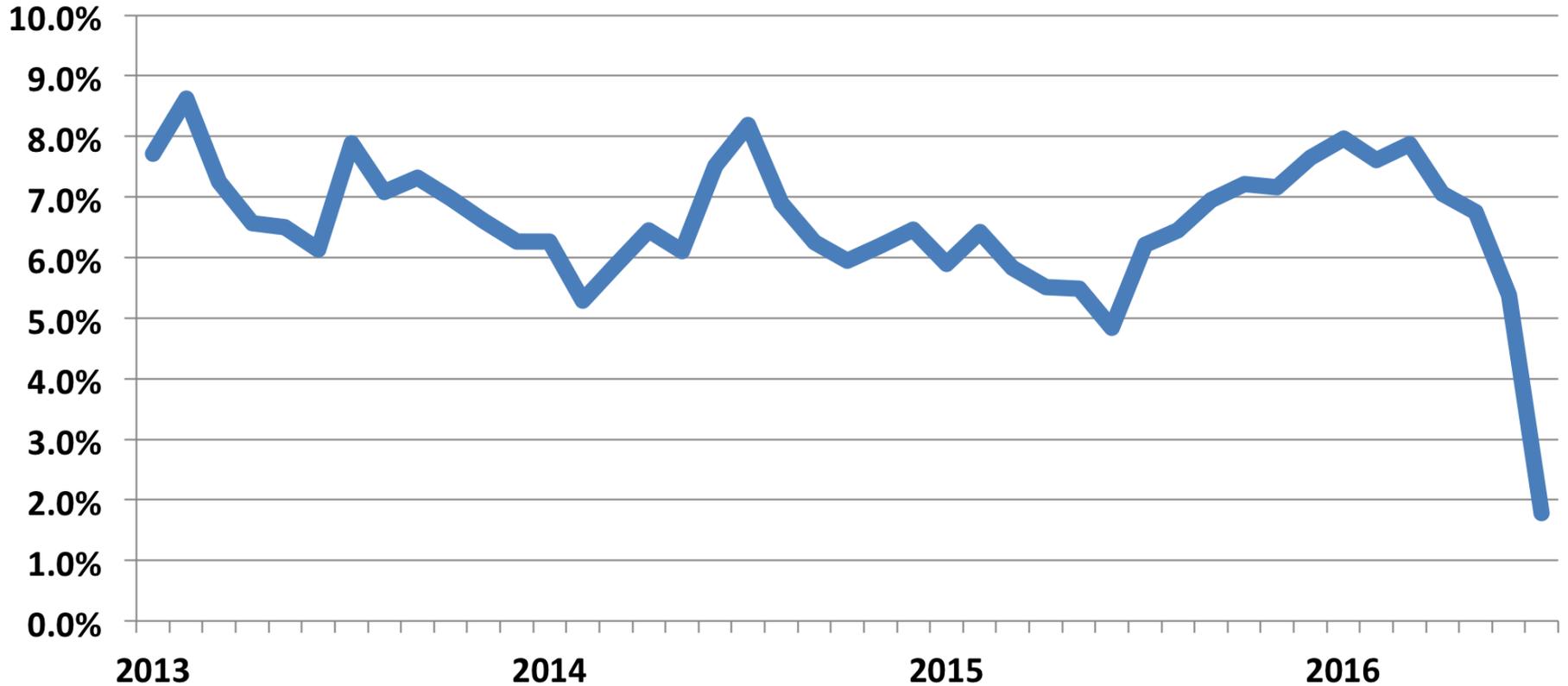
S.C. Export Volume (TEUs)



Source: South Carolina Ports Authority; August 2016



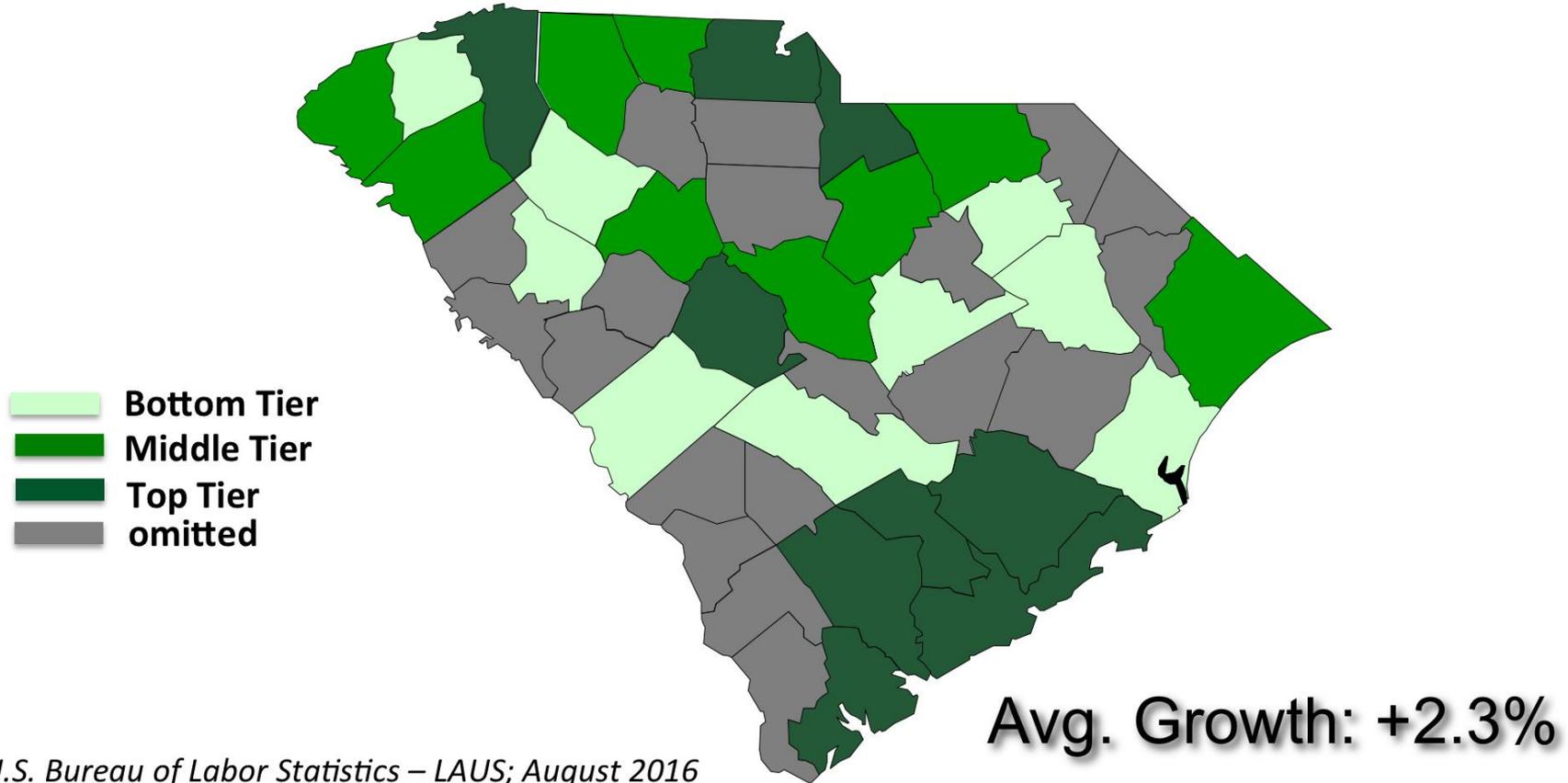
S.C. Employment Growth: Trans. Equip. Manuf.



Source: U.S. Bureau of Labor Statistics, CES NSA



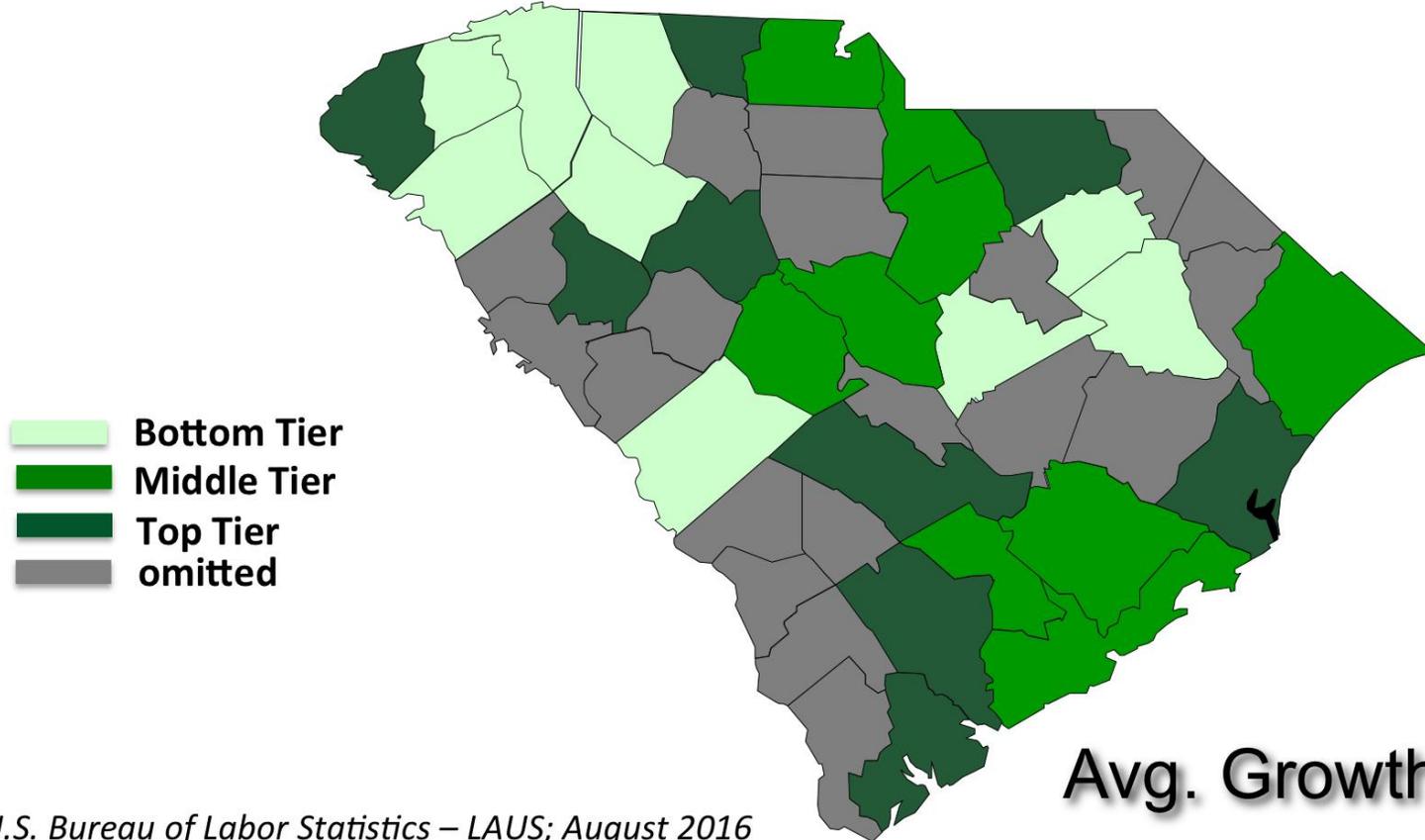
S.C. Employment Growth: 2011-2016



Source: U.S. Bureau of Labor Statistics – LAUS; August 2016



S.C. Employment Growth: 2015-2016

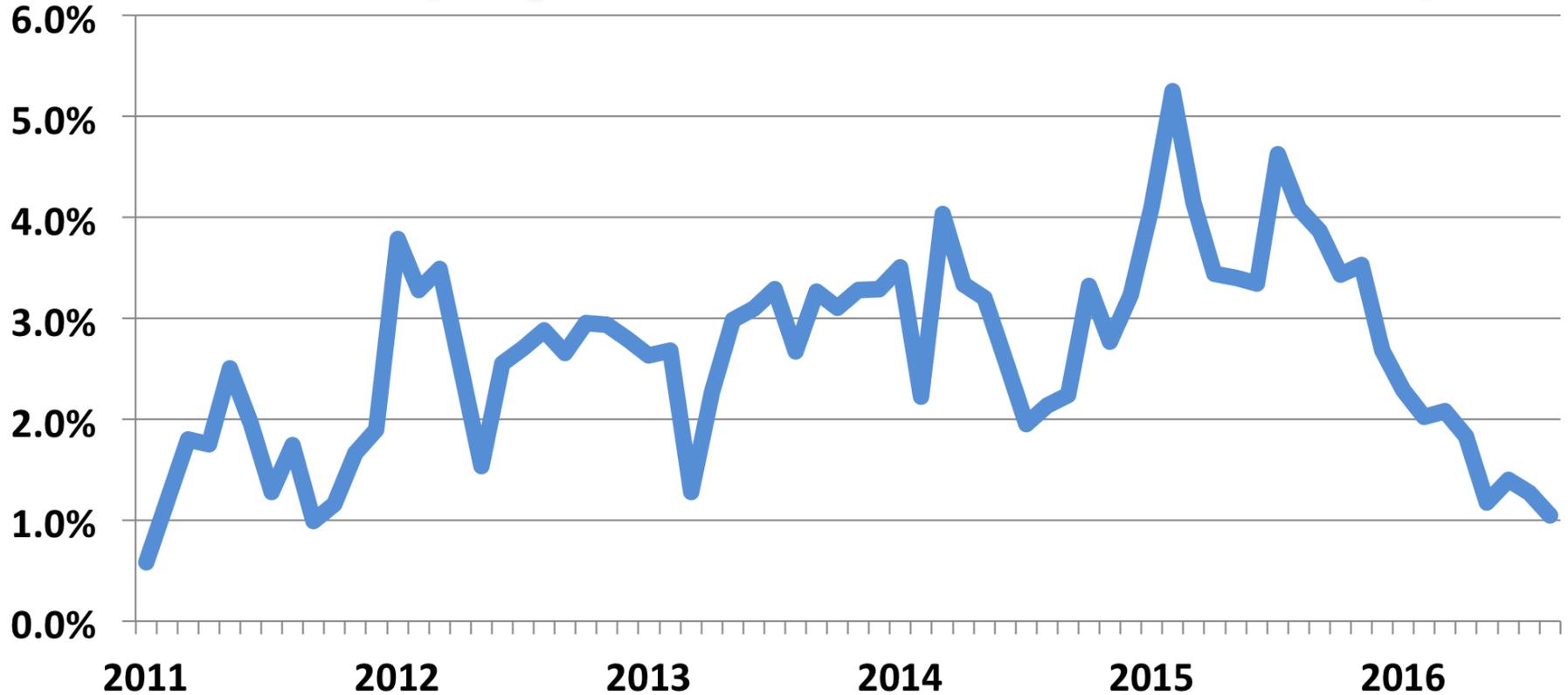


Avg. Growth: +2.2%

Source: U.S. Bureau of Labor Statistics – LAUS; August 2016



S.C. Employment Growth: Leis. & Hosp.



Source: U.S. Bureau of Labor Statistics, CES NSA



Why? Some Possible Causes...

- Slowdown in Consumer Spending
- The Contract Economy (Airbnb)



U.S. Personal Consumption Expenditures

	2014Q2 vs 2015Q2	2015Q2 vs 2016Q2
Personal Consumption	3.4%	2.7%
Goods	4.1%	3.6%
Durable Goods	7.2%	4.8%
Non-Durable Goods	2.6%	3.0%
Services	3.1%	2.3%

Source: U.S. Bureau of Economic Analysis

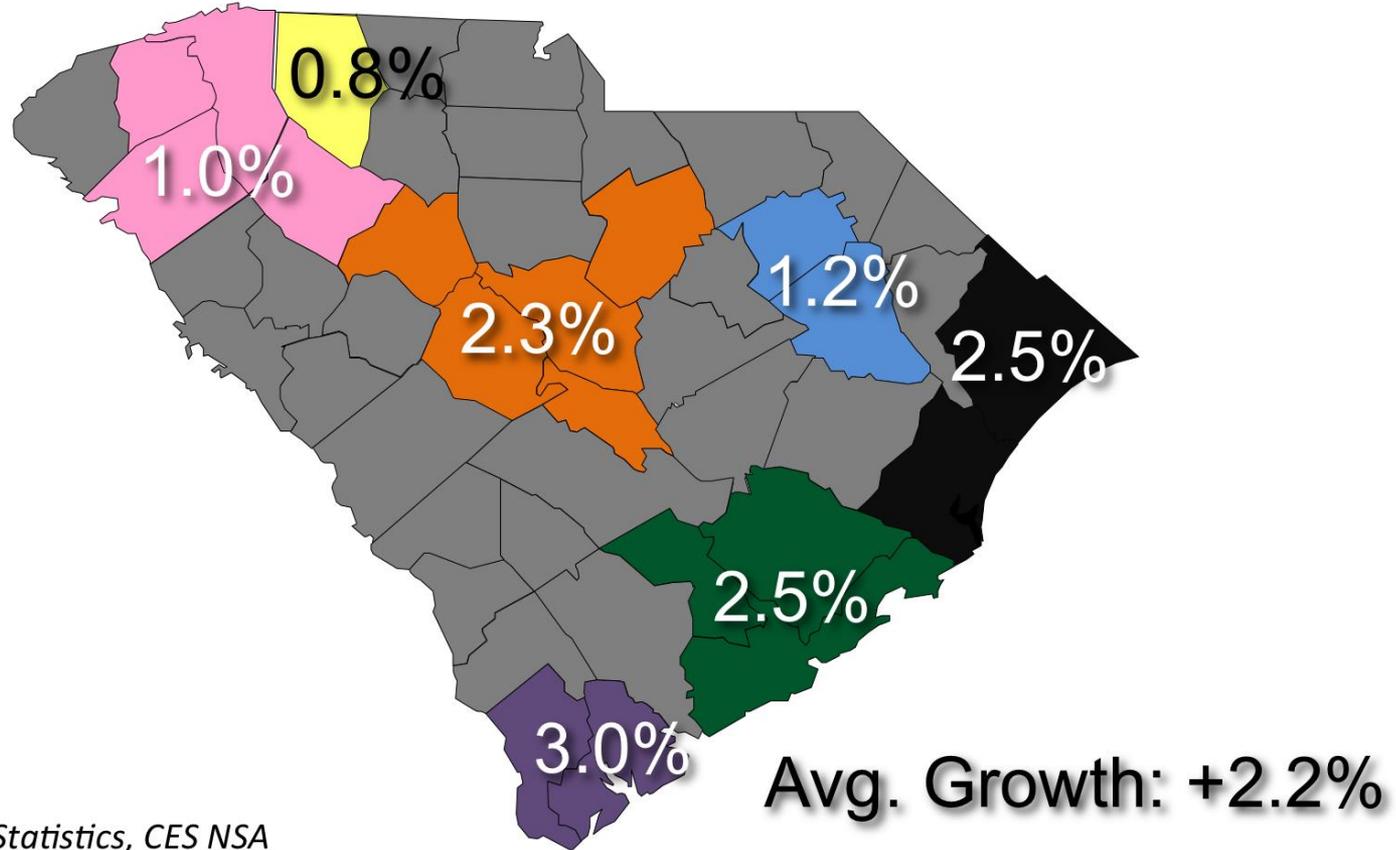




Construction Stands Out!



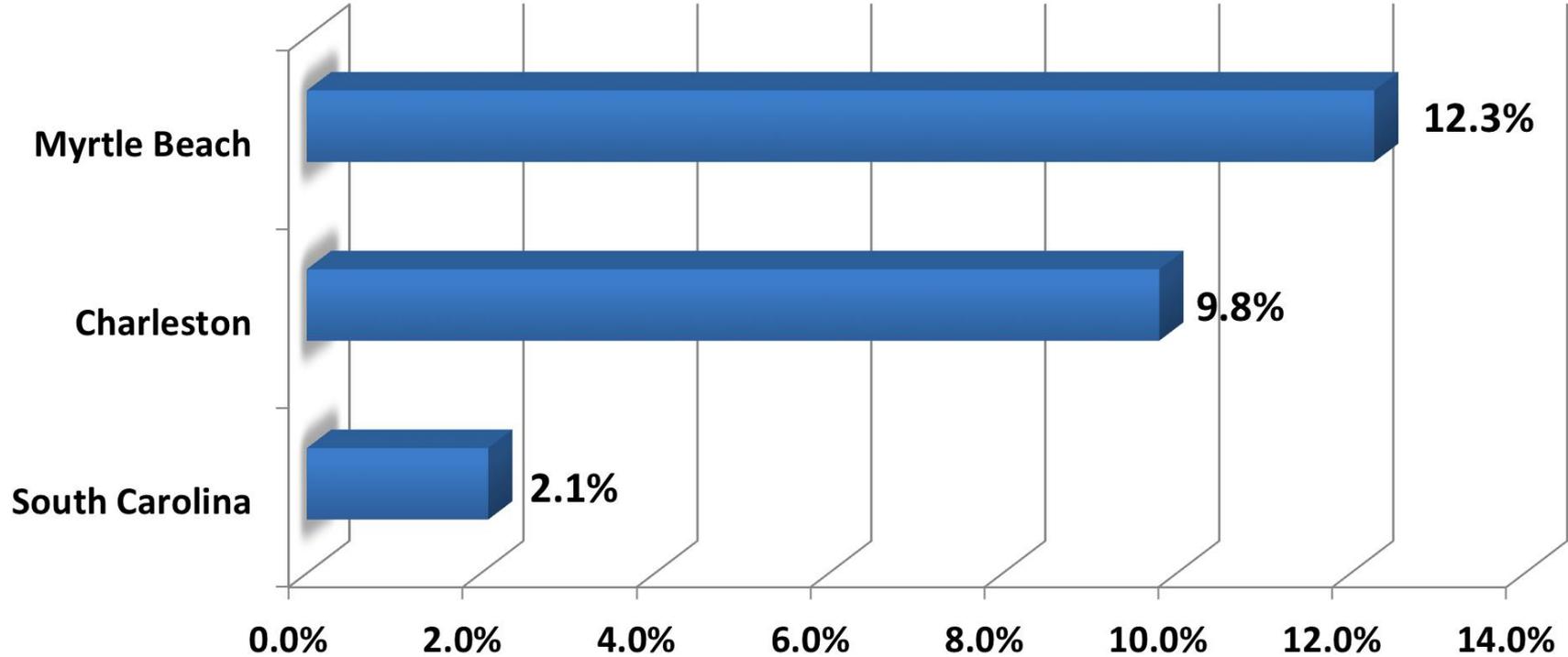
S.C. Employment Growth: 2015-2016



Source: U.S. Bureau of Labor Statistics, CES NSA



Construction is a Standout



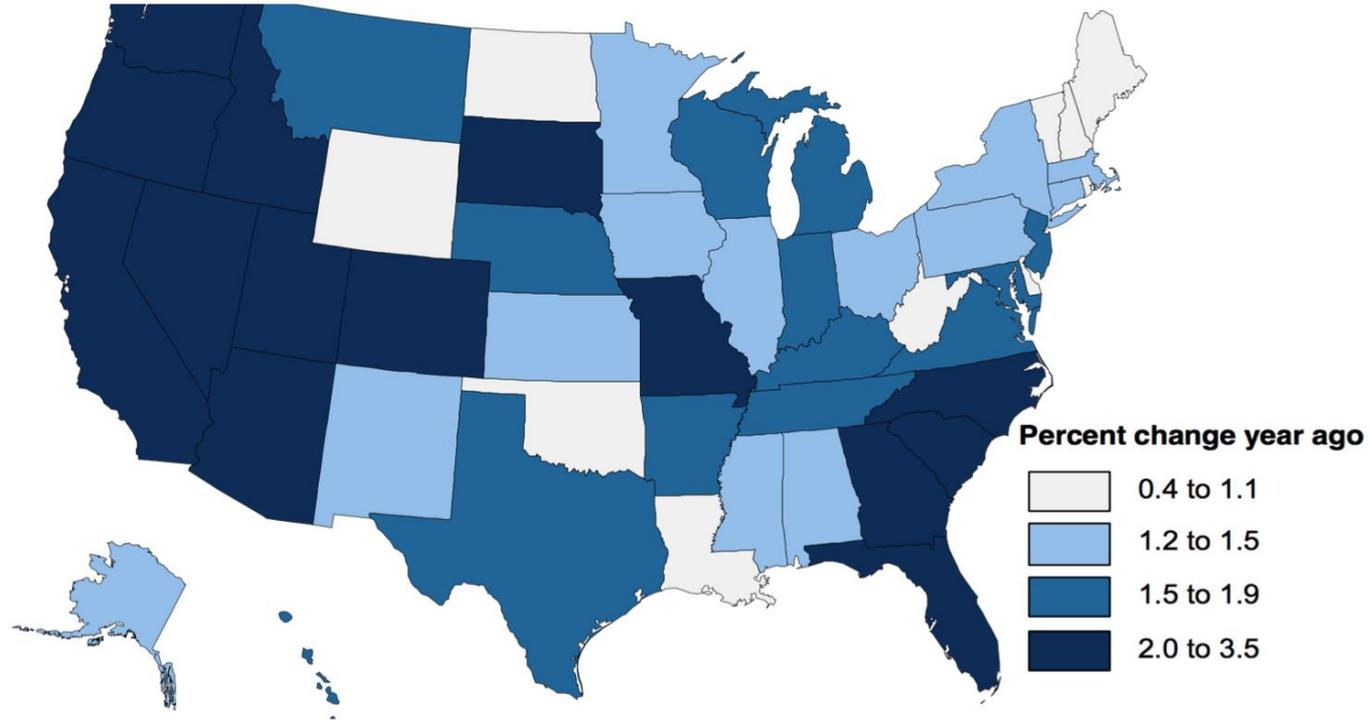
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The S.C. Outlook for 2017



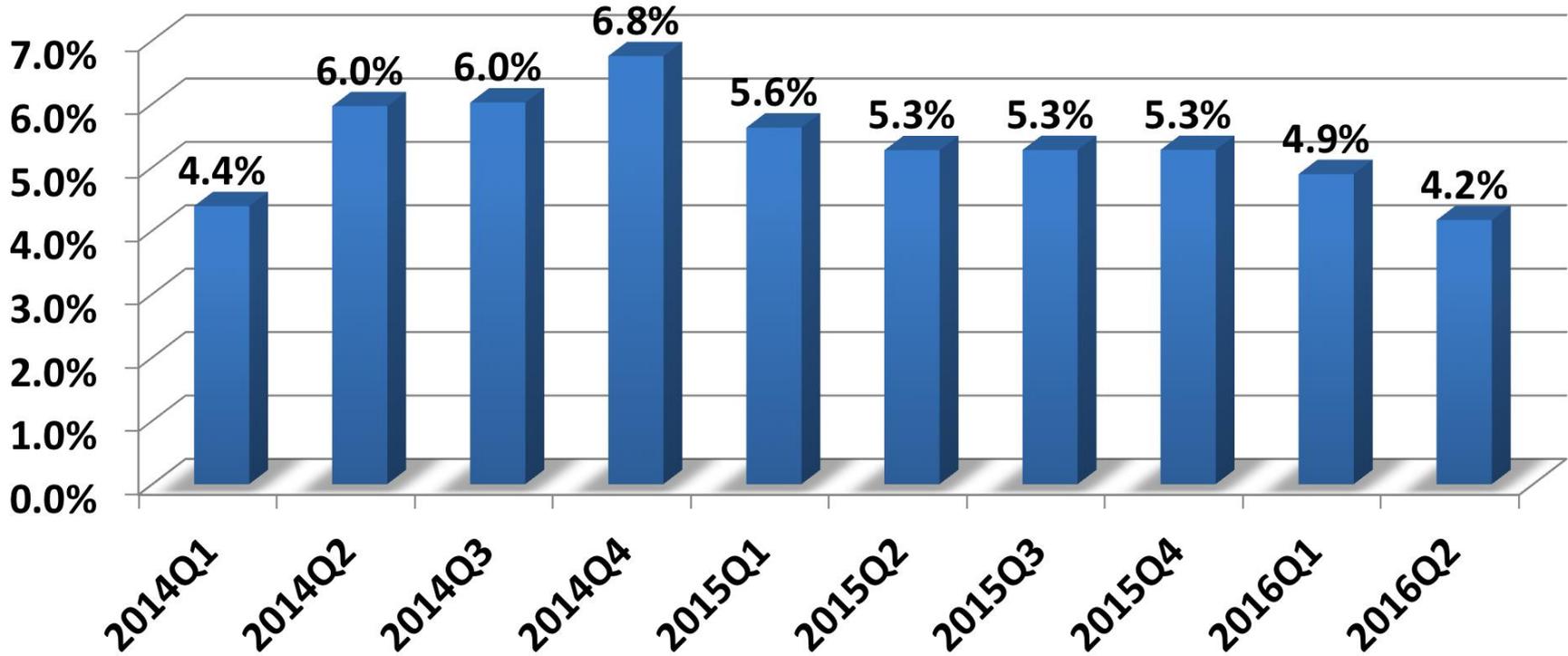
Employment Growth by State: 2016/2015



Source: U.S. Bureau of Labor Statistics, CES NSA



S.C. Per Capita Personal Income Growth



Source: U.S. Bureau of Economic Analysis



(1) Slowing Global Markets

(2) Oil Prices

(3) Strengthening U.S. Dollar

(4) An Election Year...Over Soon!





Baseline Economic Forecast

	FY14	FY15	FY16	<i>FY17</i>
Employment Growth	2.6%	2.5%	2.5%	<i>2.4%</i>
Personal Income Growth	6.0%	5.3%	4.2%	<i>4.0%</i>
Unemployment Rate	6.3%	5.9%	5.4%	<i>5.2%</i>
Inflation Rate: To Remain Under 2.0% through FY17				



Thank You!



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