

**South Carolina  
Board of Economic Advisors  
Regional Advisory Committee  
Economic Update  
Stormy Weather  
Deju Vu All Over Again  
With Increasing Uncertainty  
October 18, 2018  
Frank Hefner**



**FRED**  — Civilian Unemployment Rate

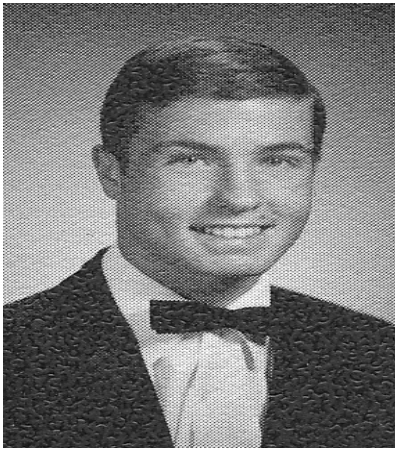


Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

[myf.red/g/#DP](https://myf.red/g/#DP)

**UNEMPLOYMENT AT A  
50 YEAR LOW  
IS 2018 DIFFERENT  
FROM 1968?**



**WHAT ELSE IS DIFFERENT?**

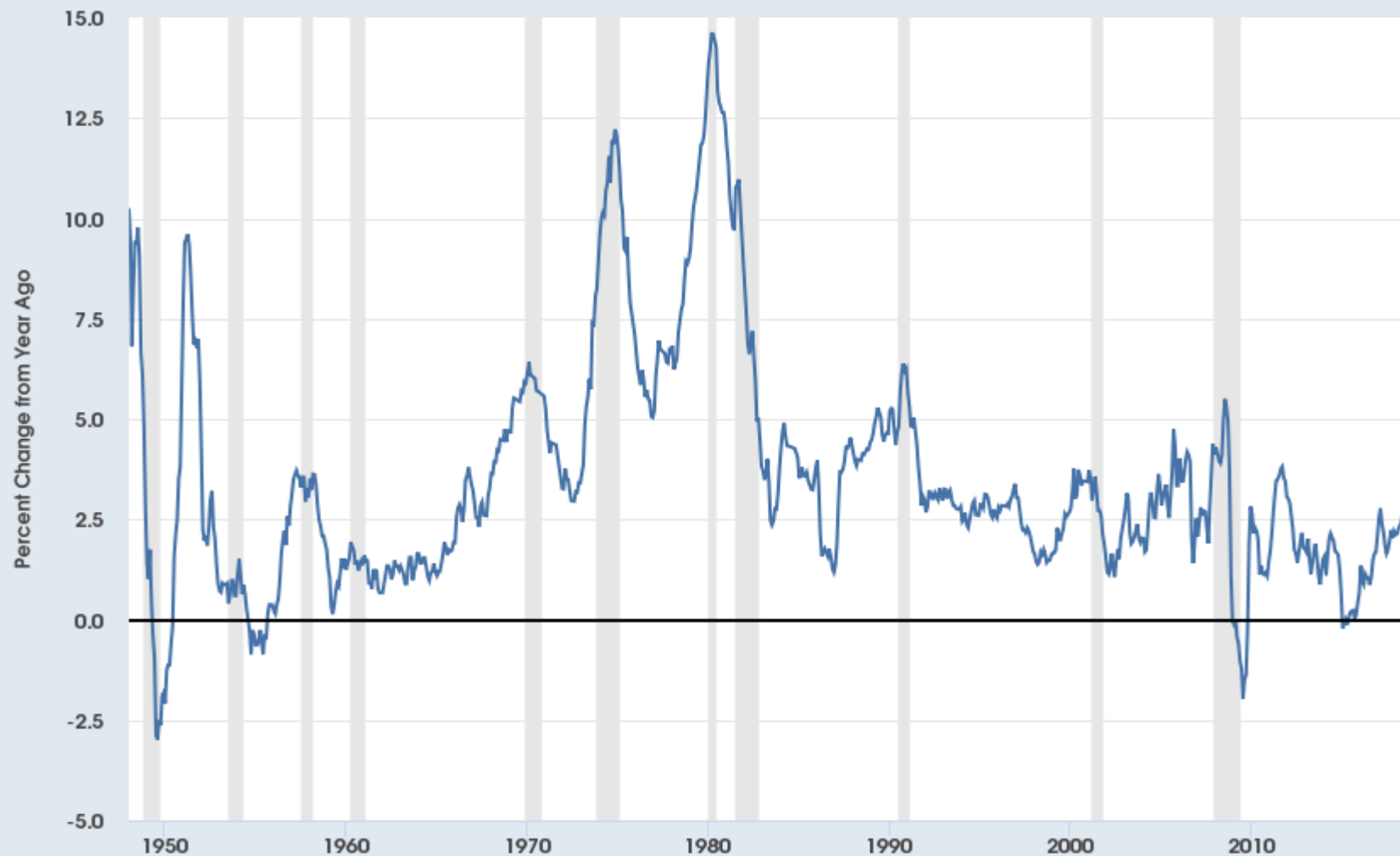




**FRED**



— Consumer Price Index for All Urban Consumers: All Items




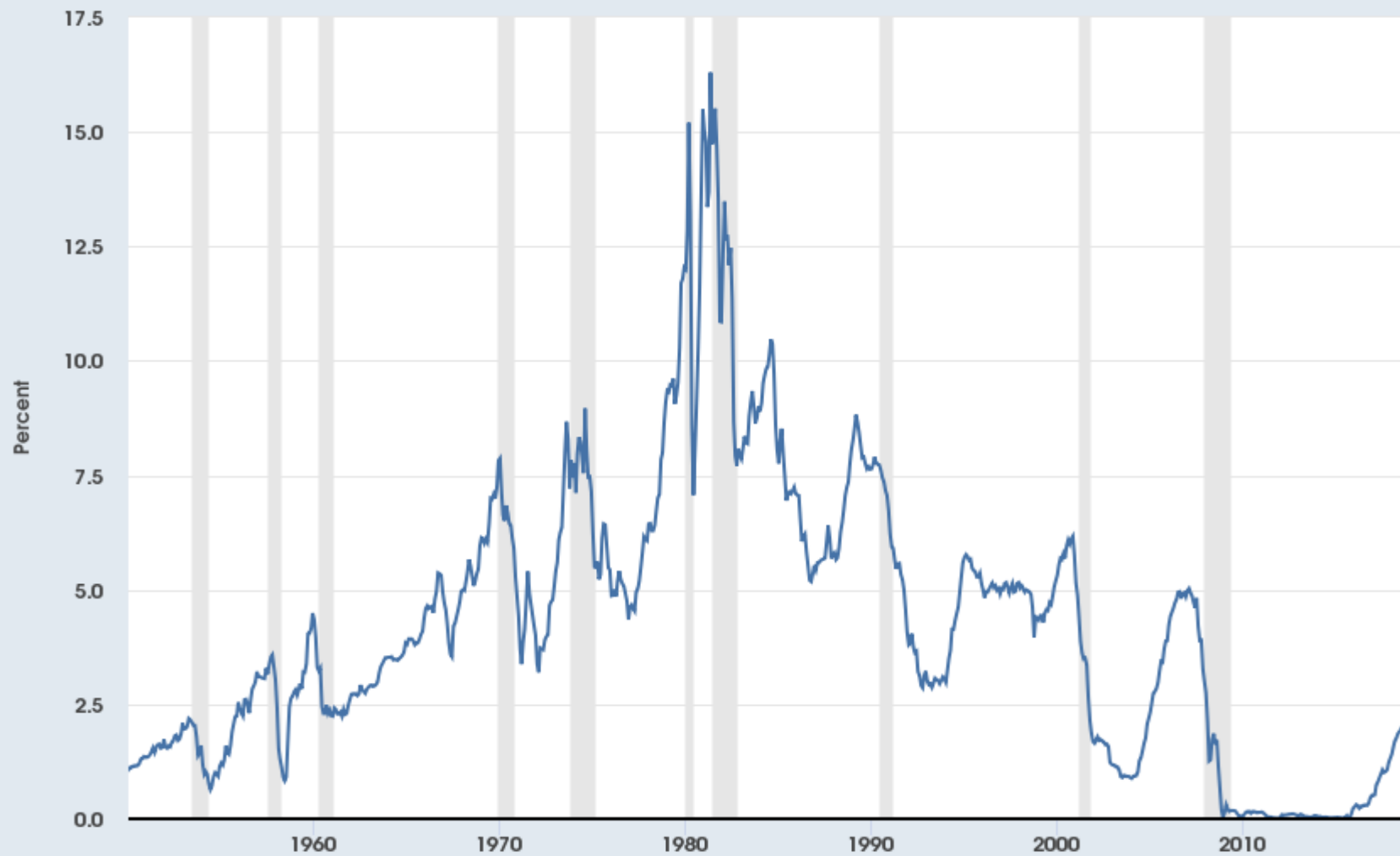
Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

[myf.red/g/lqVz](https://myf.red/g/lqVz)

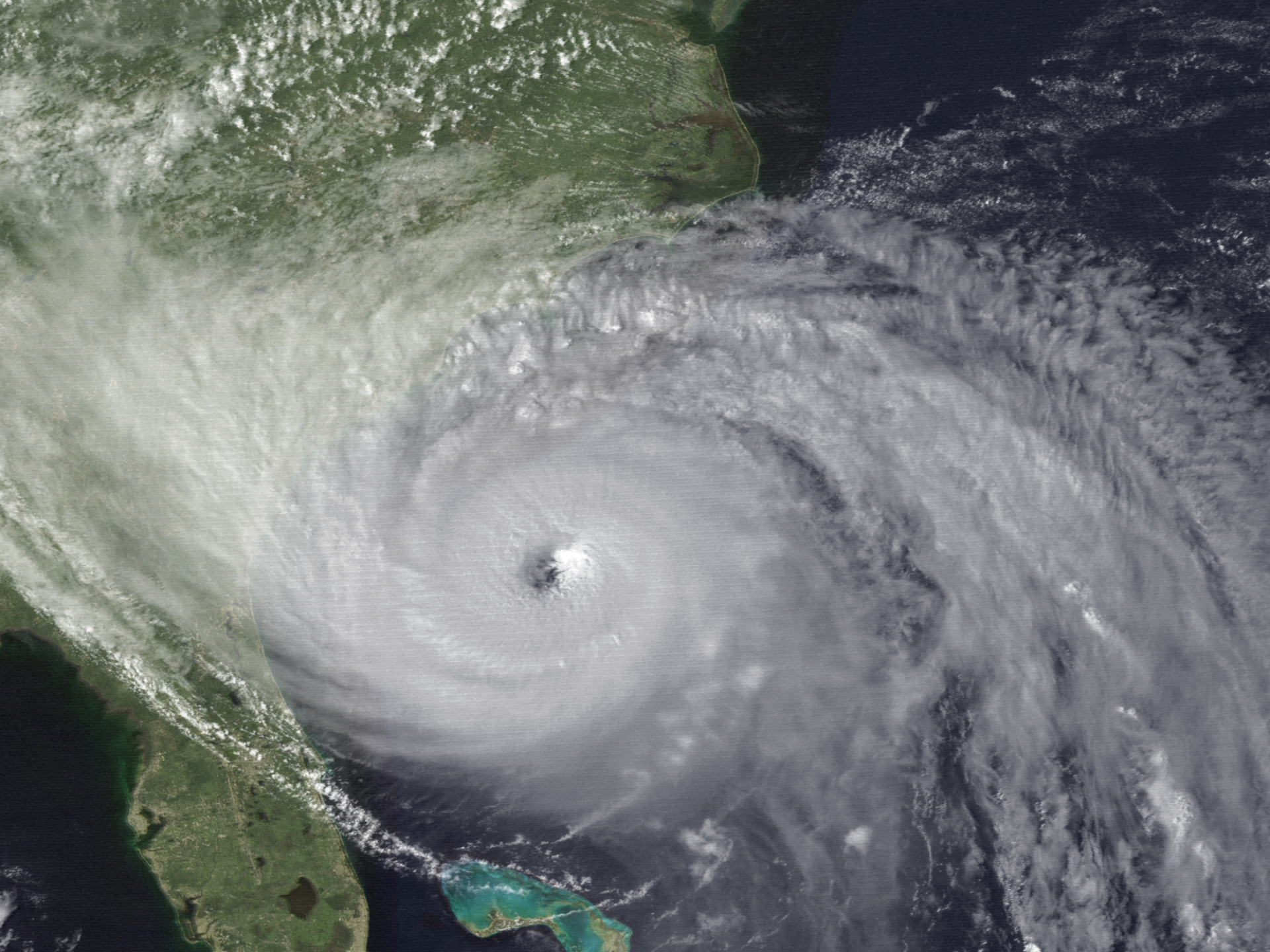


**FRED**  — 3-Month Treasury Bill: Secondary Market Rate



Shaded areas indicate U.S. recessions Source: Board of Governors of the Federal Reserve System (US)

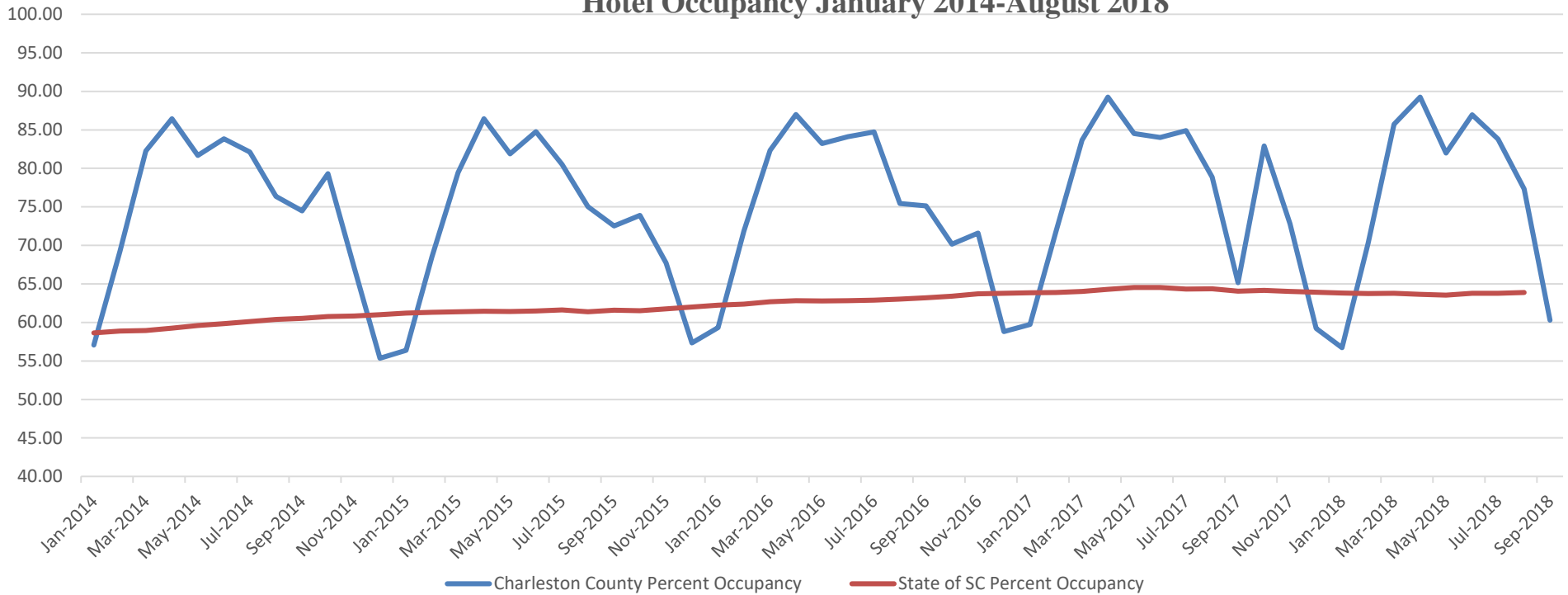
[myf.red/g/lxPy](https://myf.red/g/lxPy)





	<b>Hurricane Andrew</b>	<b>Hurricane Katrina</b>		<b>Hurricane Ike</b>	<b>Superstorm Sandy</b>		<b>Hurricane Matthew</b>	
Month	Unemployment Rate in Florida	Unemployment Rate in Louisiana	Unemployment Rate in Mississippi	Unemployment Rate in Texas	Unemployment Rate in New York	Unemployment Rate in New Jersey	Unemployment Rate in Florida	Unemployment Rate in South Carolina
t-6	8.5	5.9	6.8	4.4	8.7	9.2	4.9	5.2
t-5	8.5	5.8	6.8	4.4	8.7	9.3	4.9	5.1
t-4	8.5	5.7	6.7	4.5	8.7	9.6	4.9	4.9
t-3	8.4	5.7	6.8	4.7	8.6	10.0	4.9	4.8
t-2	8.4	6.0	7.0	4.8	8.4	9.4	4.9	4.6
t-1	8.3	6.6	7.4	5.0	8.3	9.0	4.9	4.5
<b>Hurricane Month (t)</b>	<b>8.2</b>	<b>7.3</b>	<b>8.0</b>	<b>5.1</b>	<b>8.2</b>	<b>8.9</b>	<b>4.9</b>	<b>4.4</b>
t+1	8.1	9.3	7.7	5.3	8.2	9.0	4.9	4.3
t+2	8.0	9.5	8.4	5.6	8.1	8.9	4.9	4.3
t+3	7.8	9.3	8.4	5.8	8.0	9.7	5.0	4.4
t+4	7.6	7.7	8.3	6.1	7.9	9.2	5.0	4.4
t+5	7.5	6.2	7.9	6.3	7.8	8.7	4.8	4.4
t+6	7.4	5.4	7.3	6.5	7.7	8.2	4.5	4.3

### Hotel Occupancy January 2014-August 2018

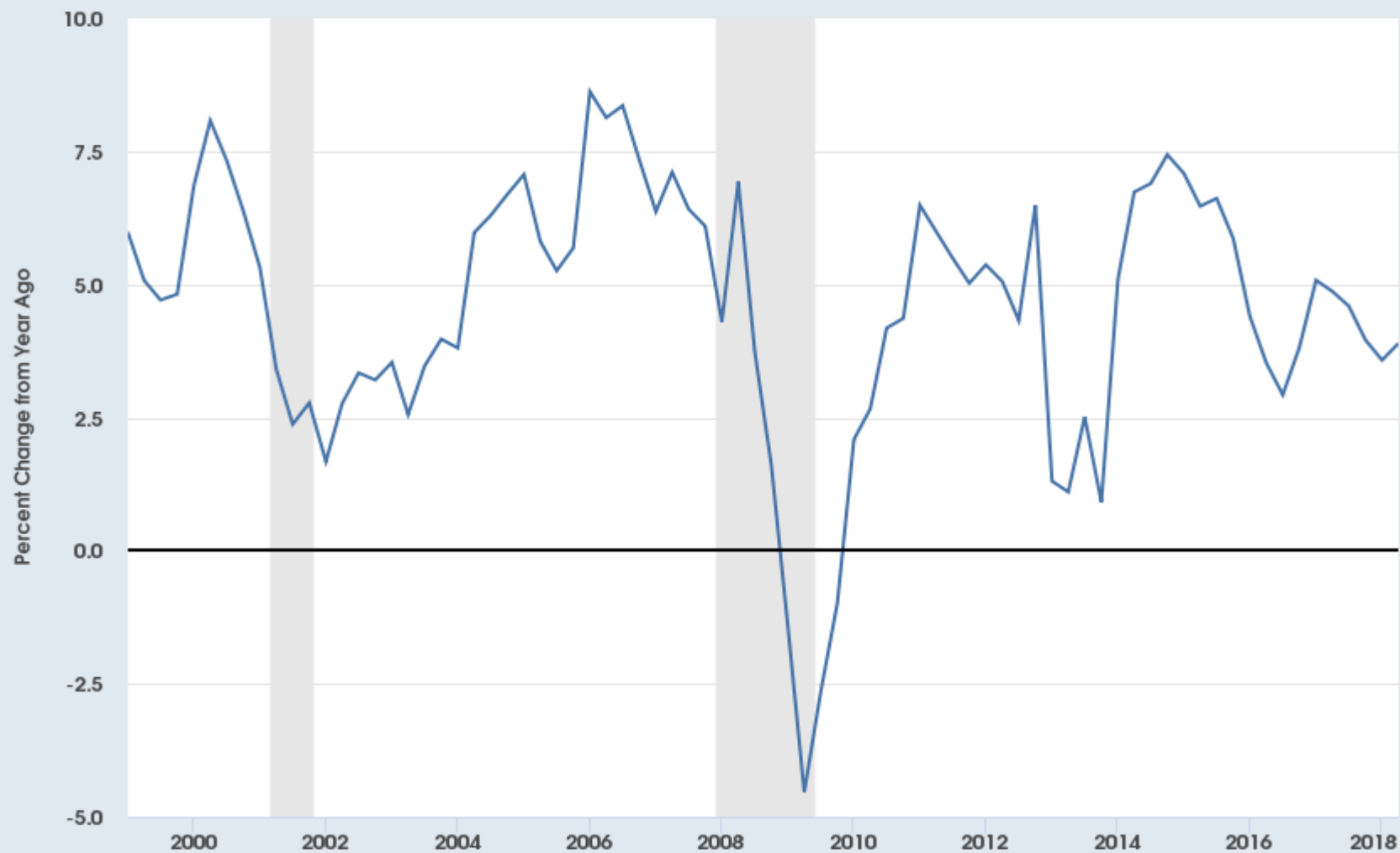


<b>Year</b>	<b>Charleston County Occupancy</b>	<b>State of SC Percent Occupancy</b>
<b>2014</b>	<b>69.24%</b>	<b>61.02%</b>
<b>2015</b>	<b>73.74%</b>	<b>62.00%</b>
<b>2016</b>	<b>75.57%</b>	<b>63.79%</b>
<b>2017</b>	<b>76.68%</b>	<b>63.92%</b>
<b>2018 (to date)</b>	<b>77.29%</b>	<b>66.79%</b>

<b>Inclement Weather</b>	
<b>Month</b>	<b>Event</b>
<b>Oct-2015</b>	<b>Charleston flood</b>
<b>Oct-2016</b>	<b>Hurricane Matthew</b>
<b>Sep-2017</b>	<b>Hurricane Irma</b>
<b>Jan-2018</b>	<b>Ice storm</b>
<b>Sep-2018</b>	<b>Hurricane Florence</b>



**FRED**  — Total Personal Income in South Carolina



Shaded areas indicate U.S. recessions

Source: Federal Reserve Bank of St. Louis

myf.red/g/lz4l



**FRED** 

— Average Hourly Earnings of All Employees: Total Private in South Carolina



Shaded areas indicate U.S. recessions

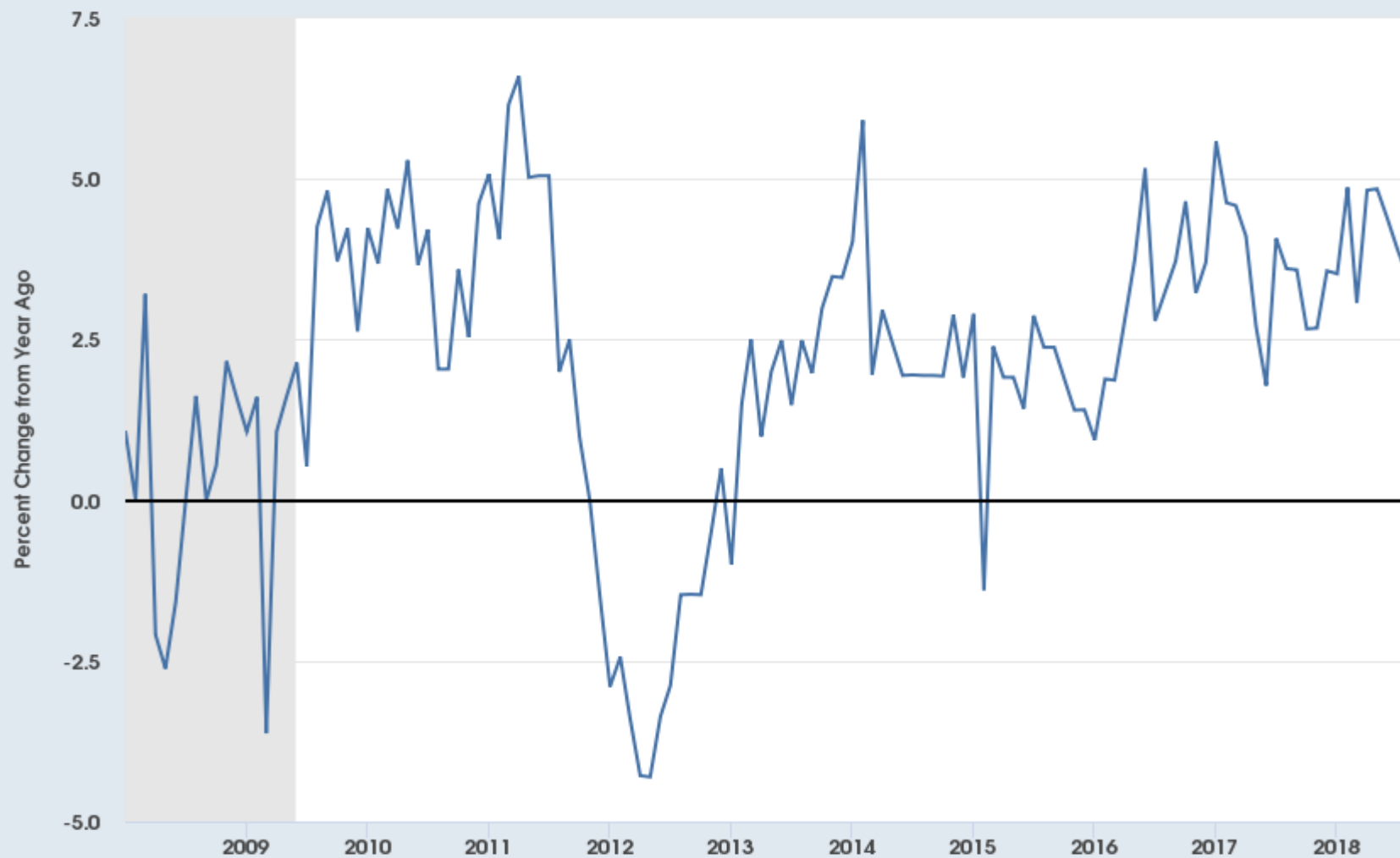
Source: Federal Reserve Bank of St. Louis

[myf.fred/g/lz4R](https://myf.fred/g/lz4R)



**FRED** 

— Average Hourly Earnings of All Employees: Total Private in South Carolina



Shaded areas indicate U.S. recessions

Source: Federal Reserve Bank of St. Louis

[myf.red/g/IAfd](https://myf.red/g/IAfd)



**FRED** 

— Civilian Labor Force in South Carolina



Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

[myf.red/g/lAgw](https://myf.red/g/lAgw)

Frank Hefner - Forecast (in red)

Variable	Actual FY2017-18	Most Recent 2/	Current 1/ Forecast Rates FY2018-19	Forecast FY2018-19	I Forecast FY2019-20
S.C. Personal Income	I 4.00%	3.89%	4.25%	<b>4.25%</b>	<b>4.25%</b>
S.C Employment	1.5%	1.8%	1.8%	<b>1.8%</b>	<b>1.8%</b>
Inflation Rate (CPI-U)	2.3%	2.7%	2.0%	<b>2.5%</b>	<b>2.7%</b>
Sales Tax	4.8%	4.4%	3.5%	<b>4.9%</b>	<b>5%</b>
Individual Income Tax (Y-T-D)	7.1%	8.0%	2.8%	<b>7%</b>	<b>6.5%</b>