

THE 2026 SOUTH CAROLINA ECONOMIC OUTLOOK

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THE THEME OF 2025 HAS BEEN...



...PERVASIVE UNCERTAINTY!



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UNCERTAINTY COMES IN TWO FORMS...

**BUSINESSES → UNCERTAINTY ABOUT
INTERNATIONAL TRADE POLICY/TARIFFS**

**CONSUMERS → UNCERTAINTY ABOUT
RISING PRICES/AFFORDABILITY**



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WHAT DO CONSUMERS CARE ABOUT?



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WHAT DO CONSUMERS CARE ABOUT?

JOB SECURITY

WAGES

PRICES



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WHAT IS “REAL WAGE GROWTH?”

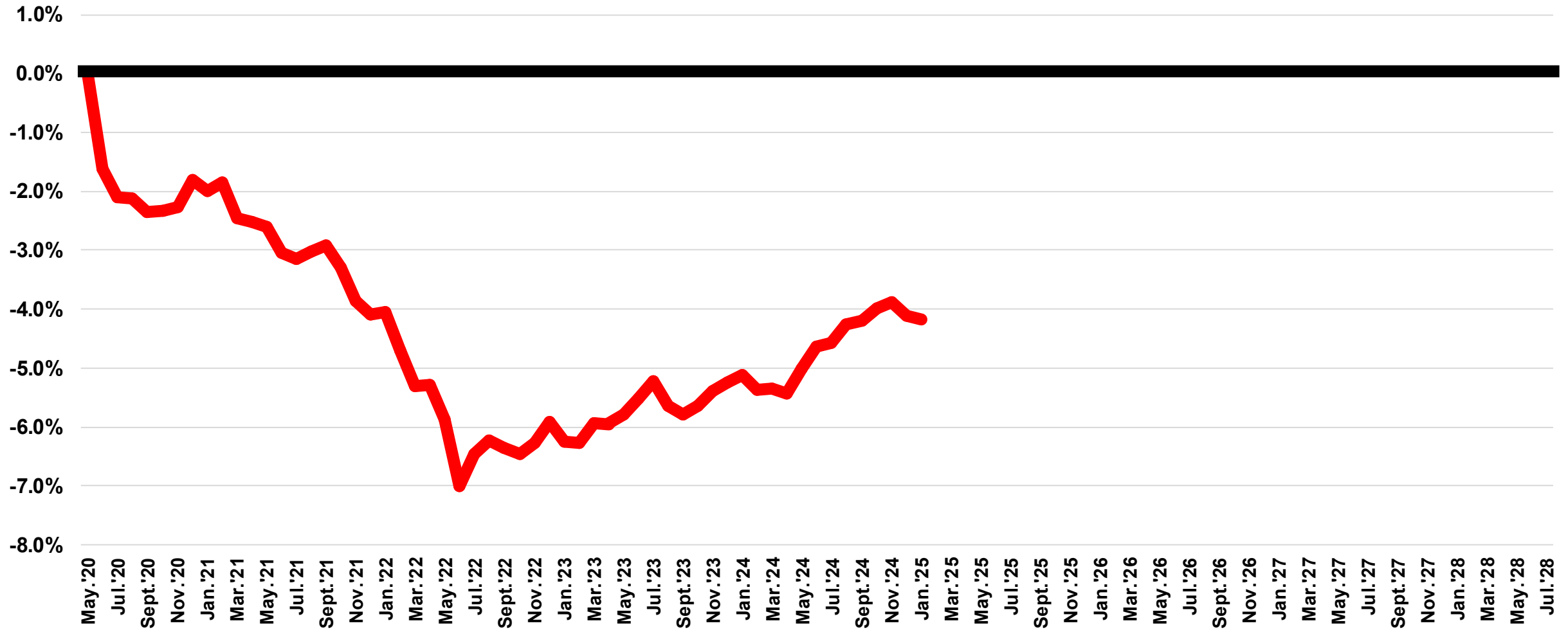
**GROWTH IN WAGES MINUS
GROWTH IN PRICES**

**→ IF YOU GET A 3% RAISE, BUT EVERYTHING IS ALSO 3% MORE
EXPENSIVE, YOUR PURCHASING POWER HASN'T IMPROVED**



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U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020



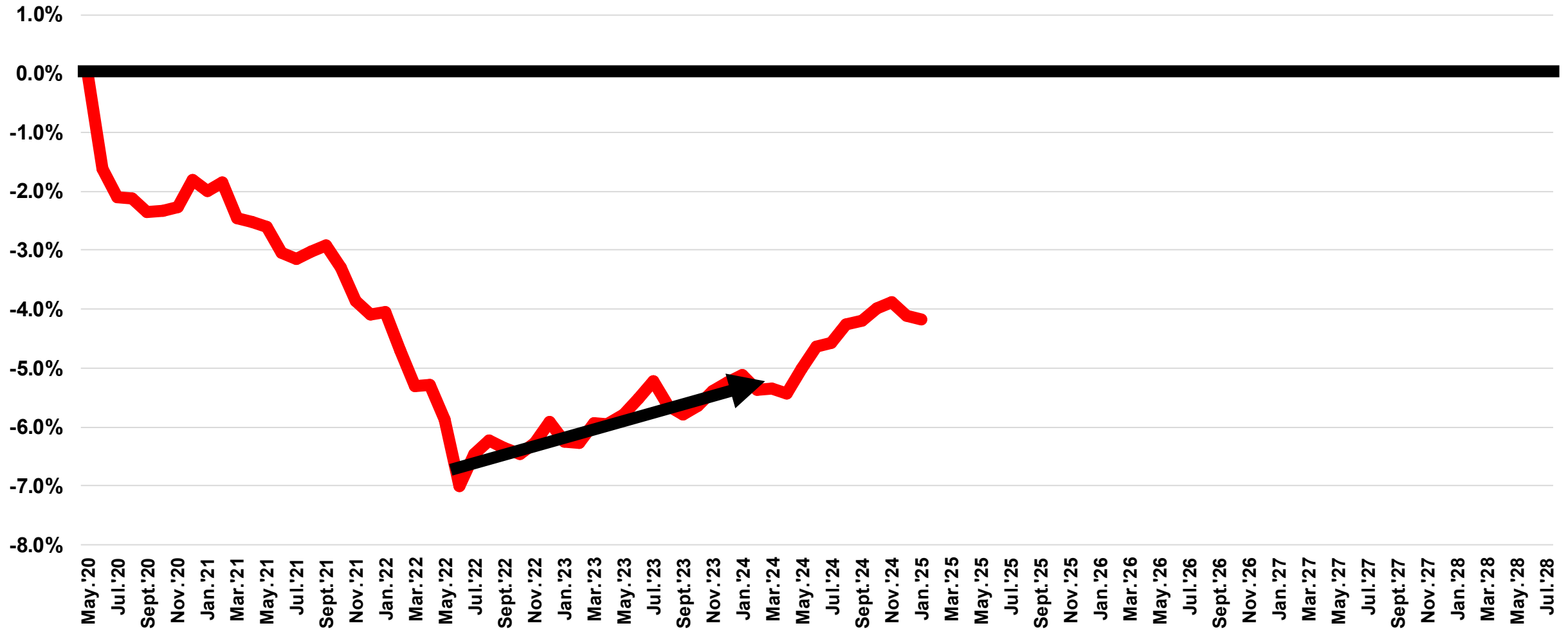
Source: U.S. Bureau of Labor Statistics



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U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

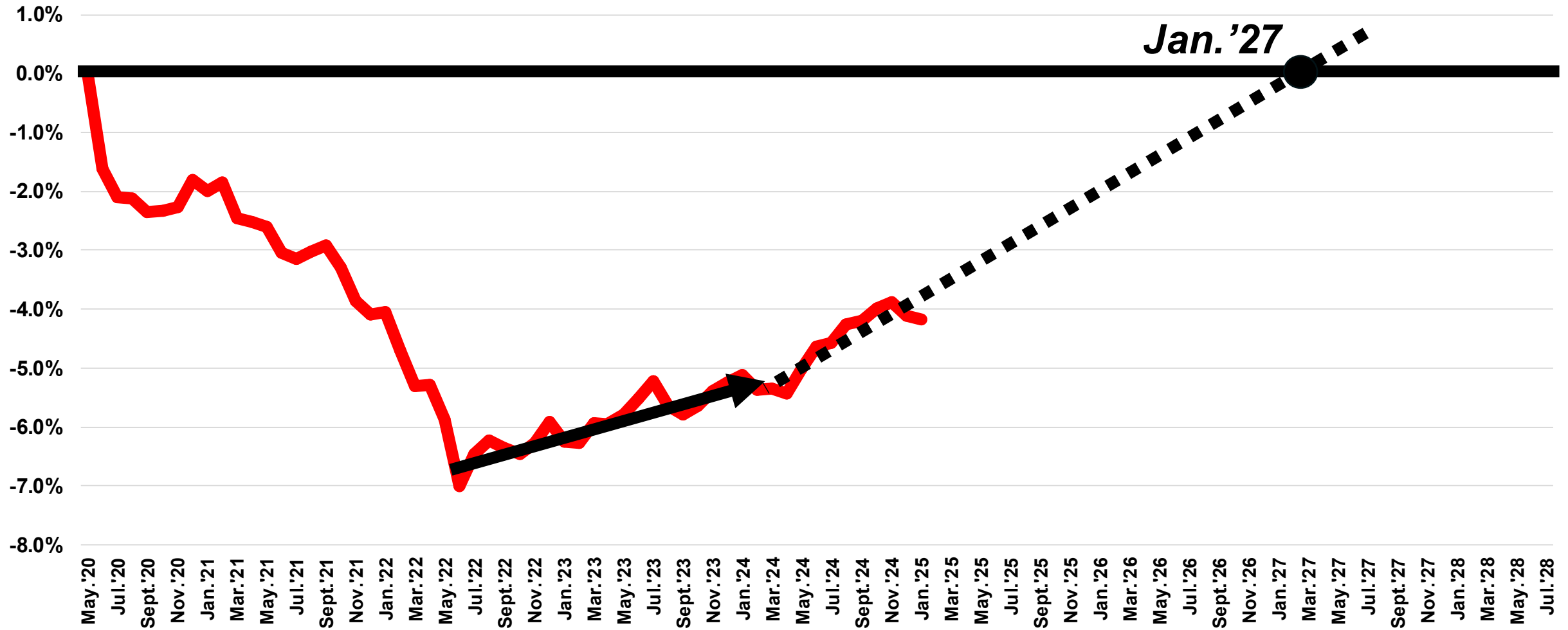


Source: U.S. Bureau of Labor Statistics



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U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

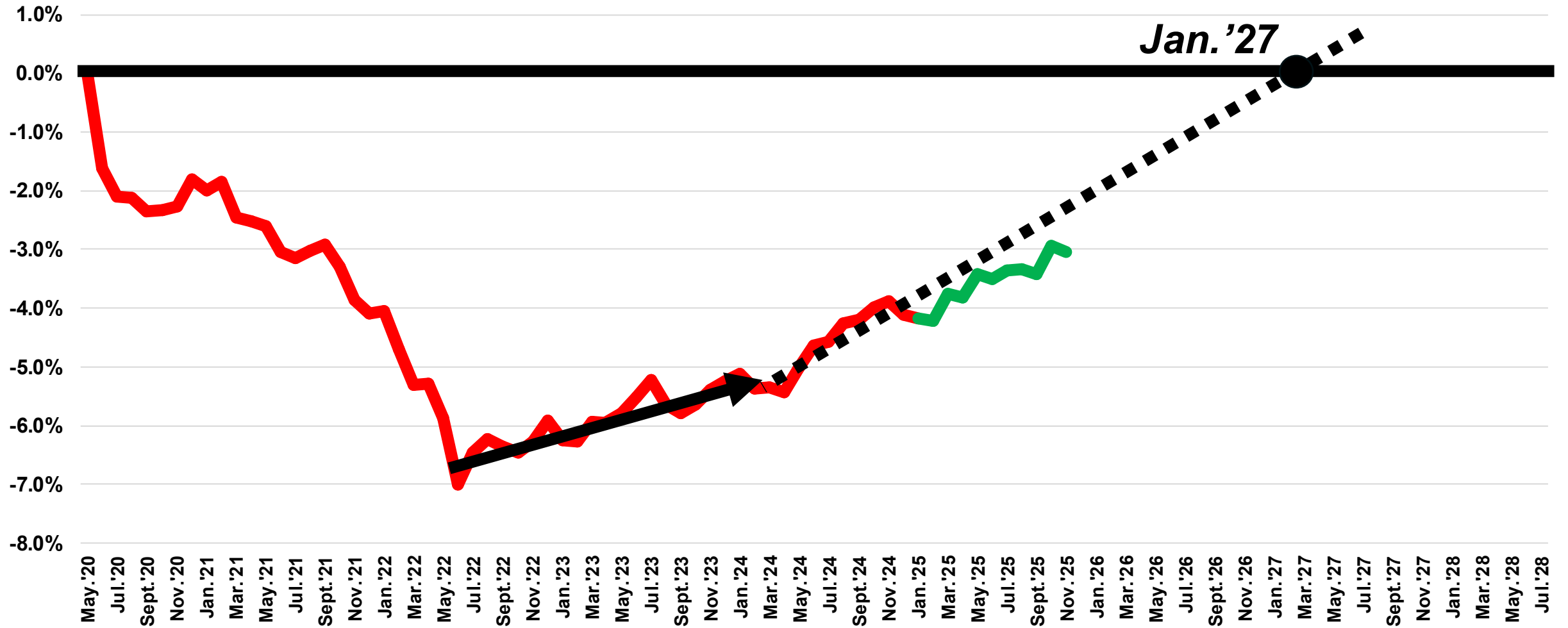


Source: U.S. Bureau of Labor Statistics



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U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

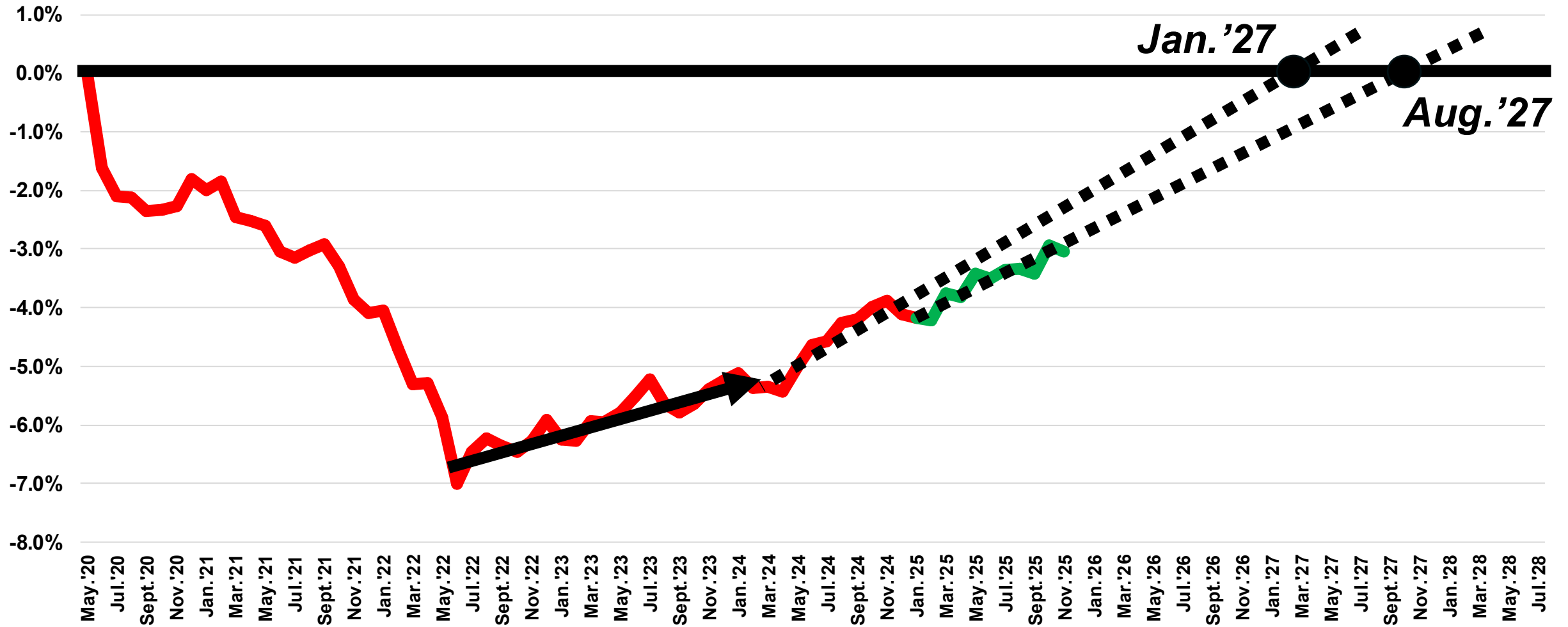


Source: U.S. Bureau of Labor Statistics



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U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

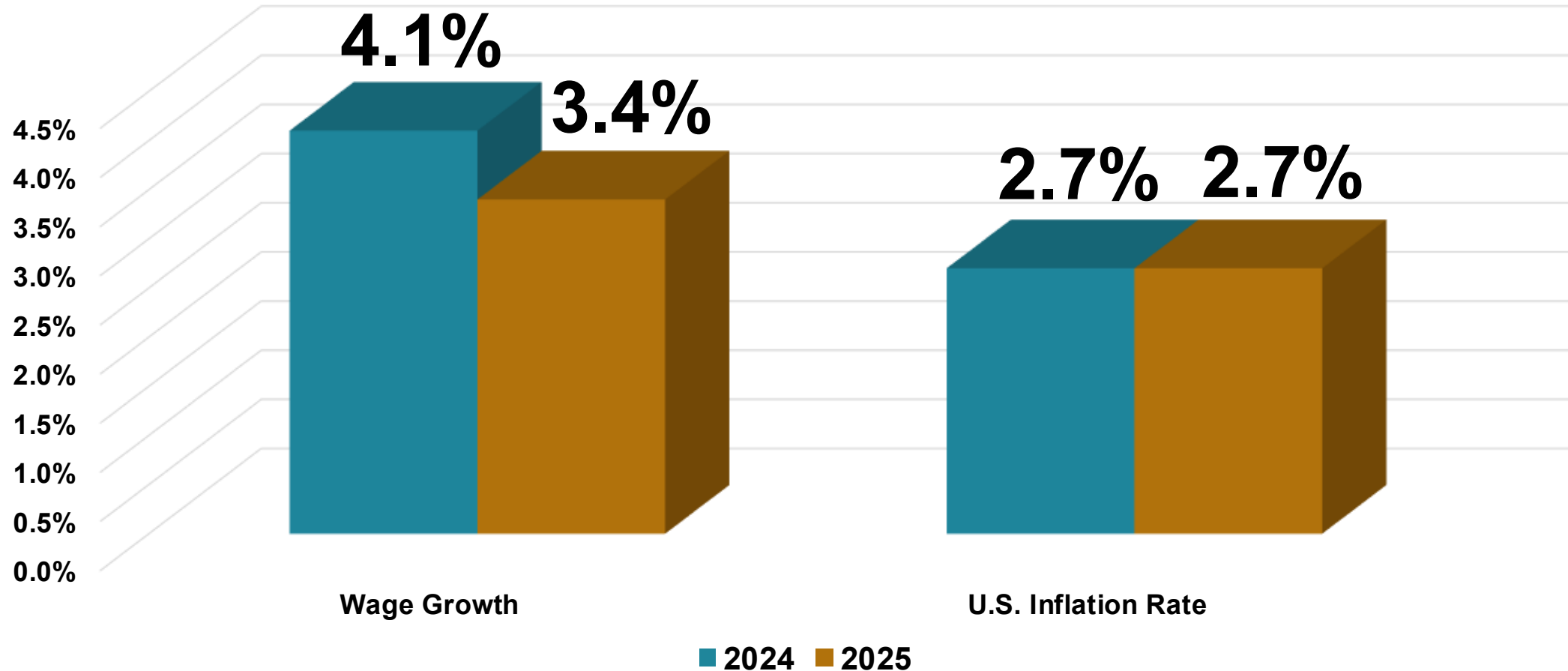


Source: U.S. Bureau of Labor Statistics



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U.S. WAGE GROWTH VS. INFLATION

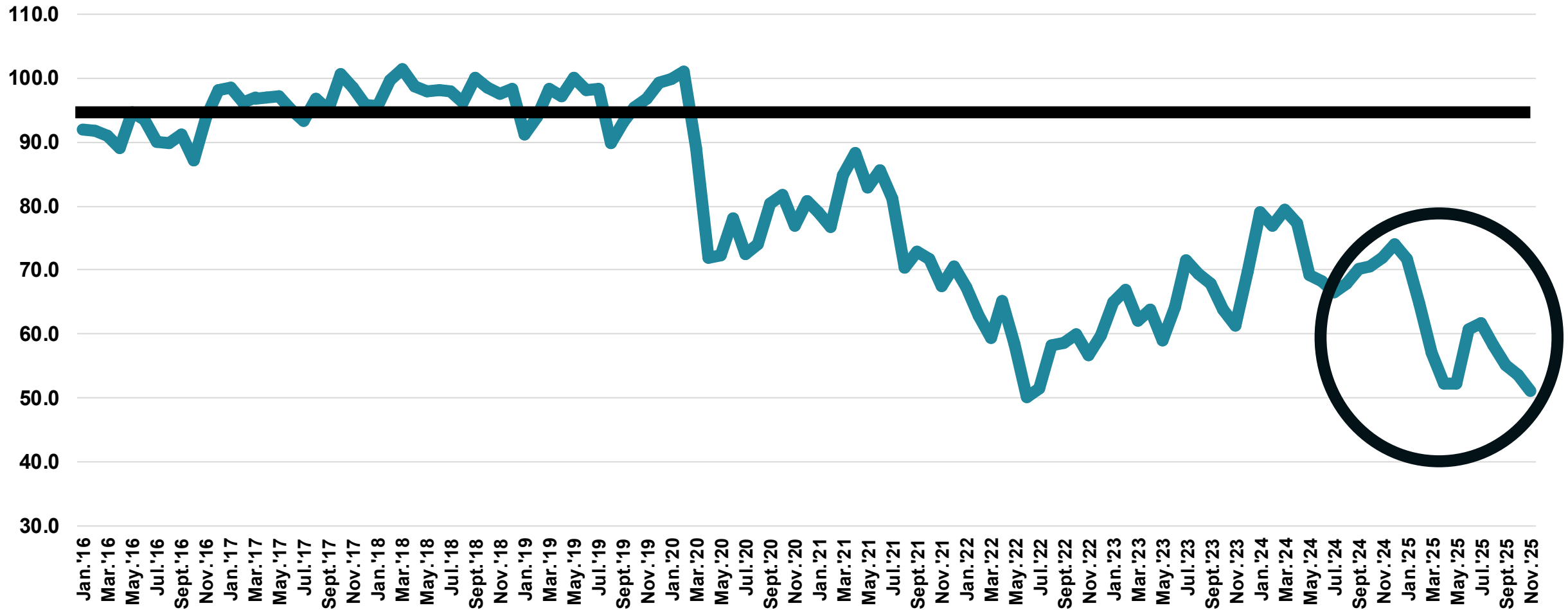


Source: U.S. Bureau of Labor Statistics



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U.S. CONSUMER SENTIMENT



Source: University of Michigan



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HOW HAS UNCERTAINTY AFFECTED ECONOMIC GROWTH?



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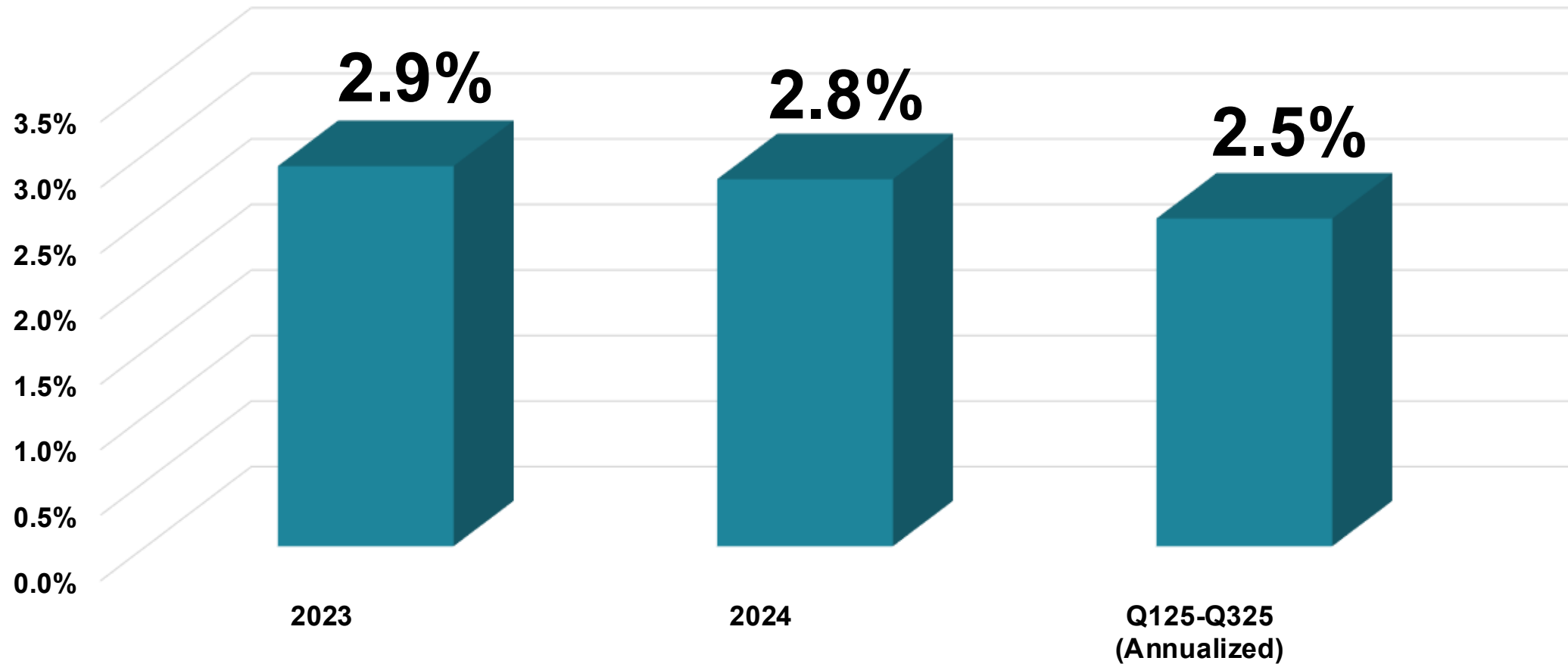
GROWTH HAS DECELERATED...

...BUT ONLY MARGINALLY



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U.S. GDP GROWTH



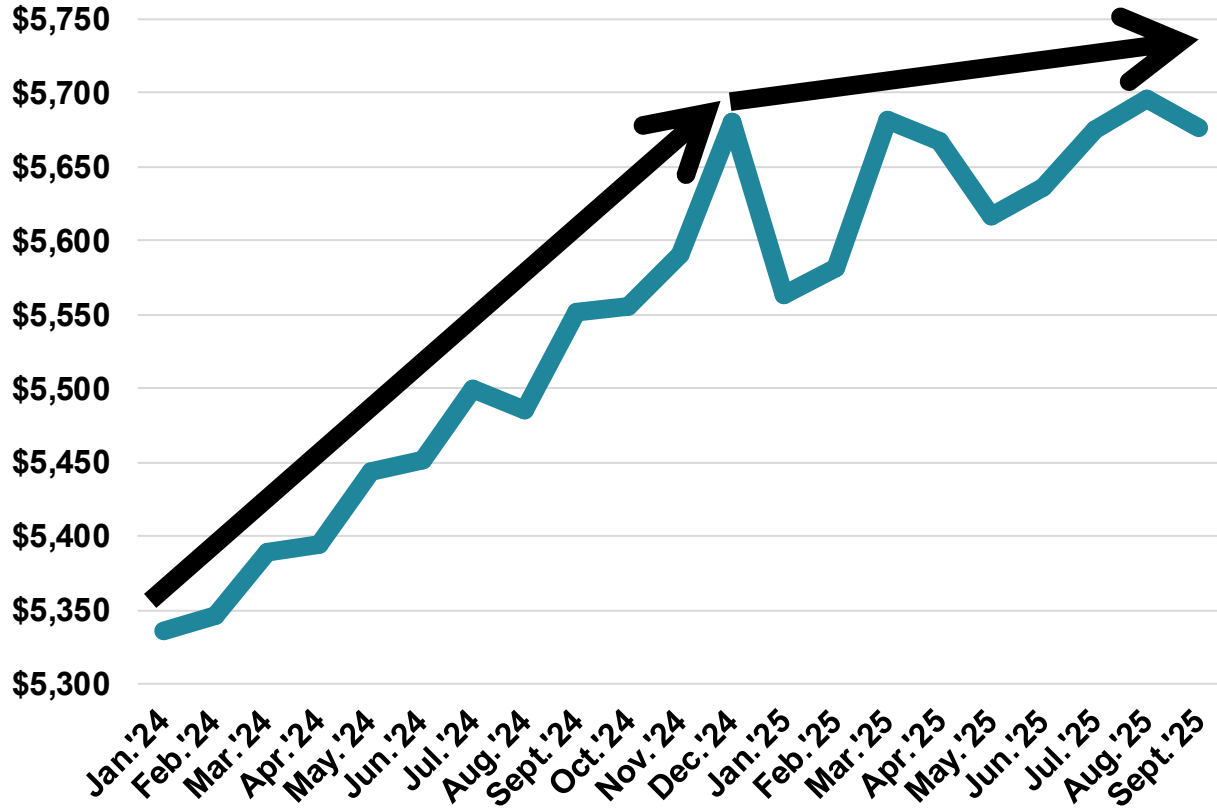
Source: U.S. Bureau of Economic Analysis



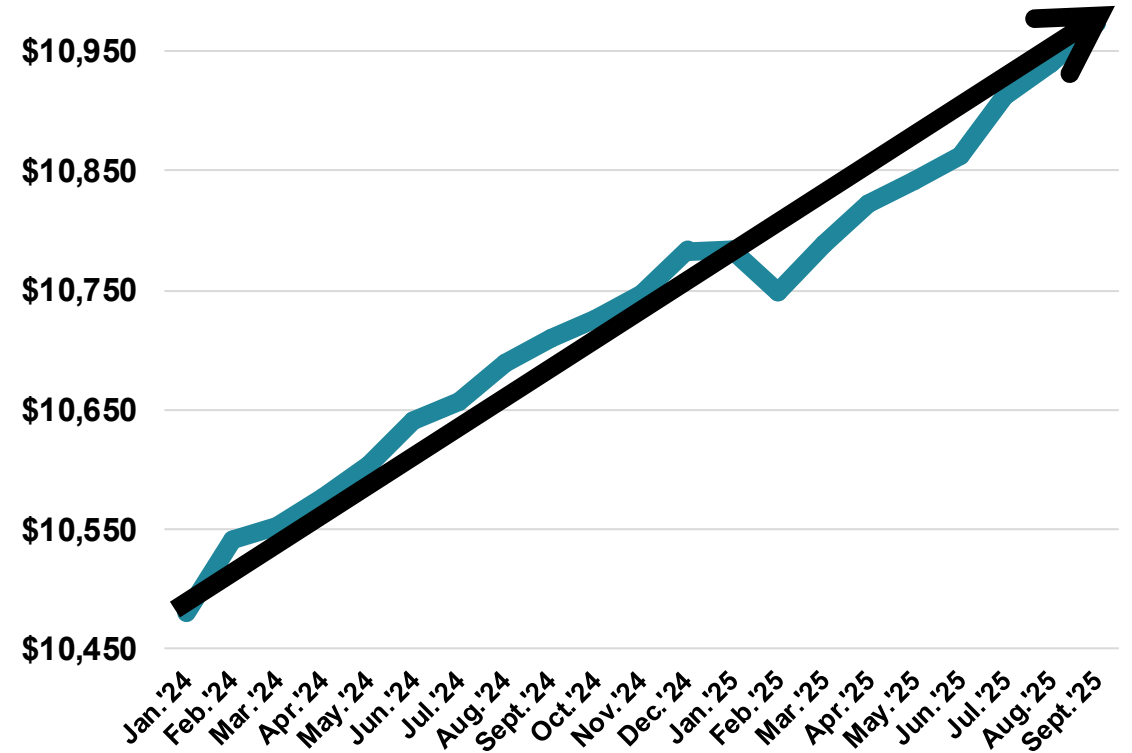
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U.S. REAL CONSUMER SPENDING

Goods



Services

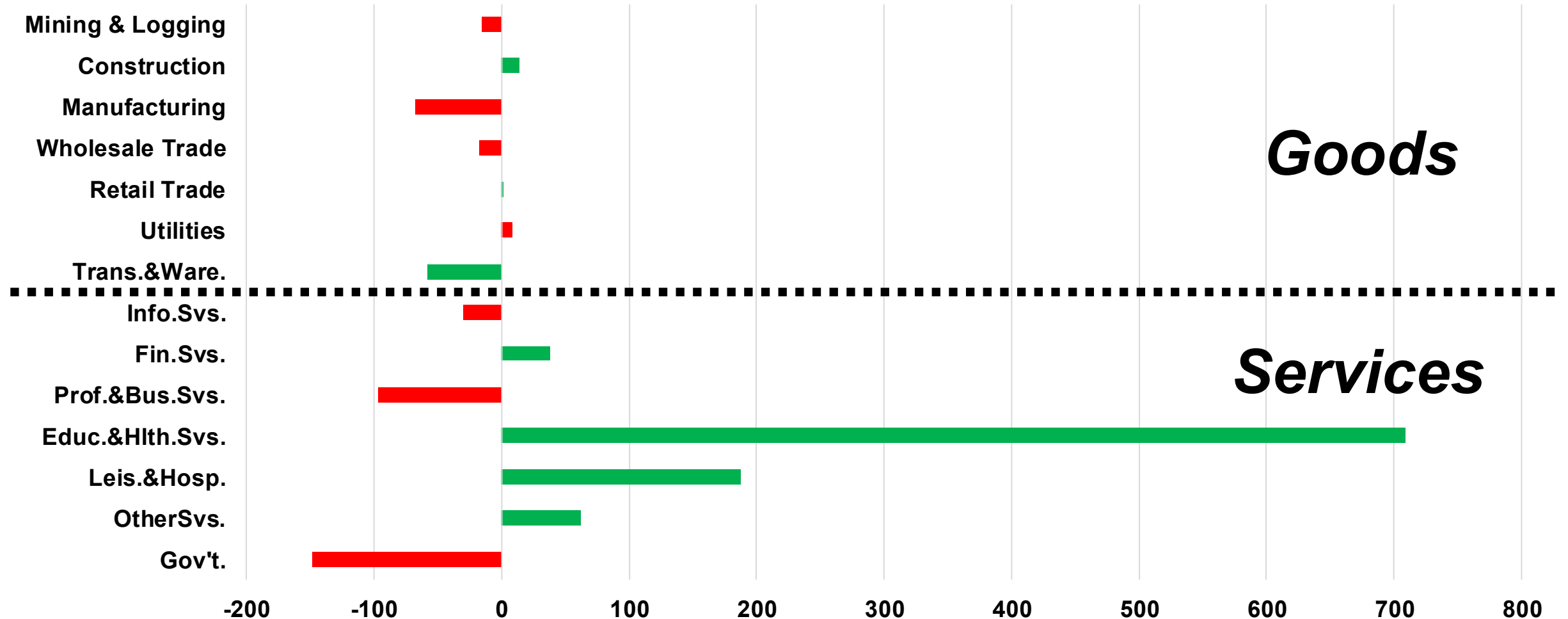


Source: U.S. Bureau of Economic Analysis, in billions, SAAR



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U.S. INDUSTRY EMPLOYMENT GROWTH

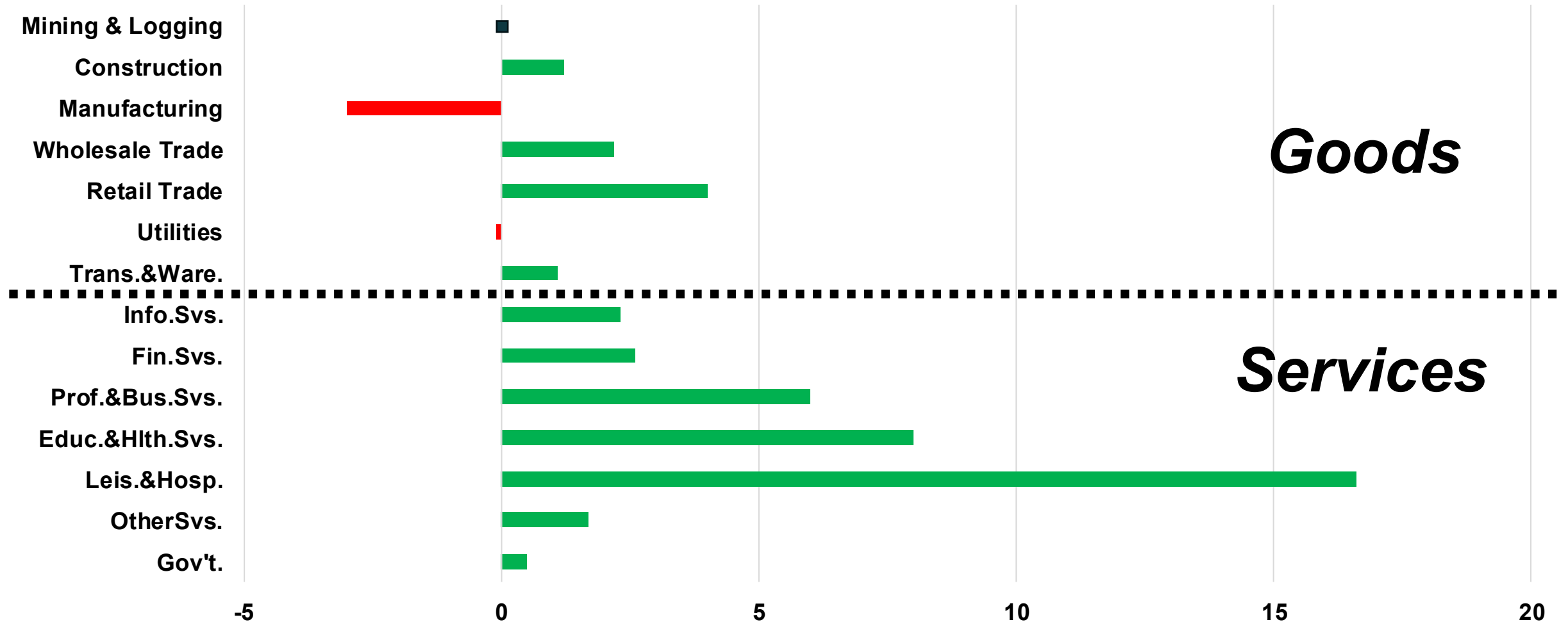


Source: U.S. Bureau of Labor Statistics, Annual Net Emp. Change (in thousands), Dec.'25



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S.C. INDUSTRY EMPLOYMENT GROWTH



Source: U.S. Bureau of Labor Statistics, Annual Net Emp. Change (in thousands), Nov. '25



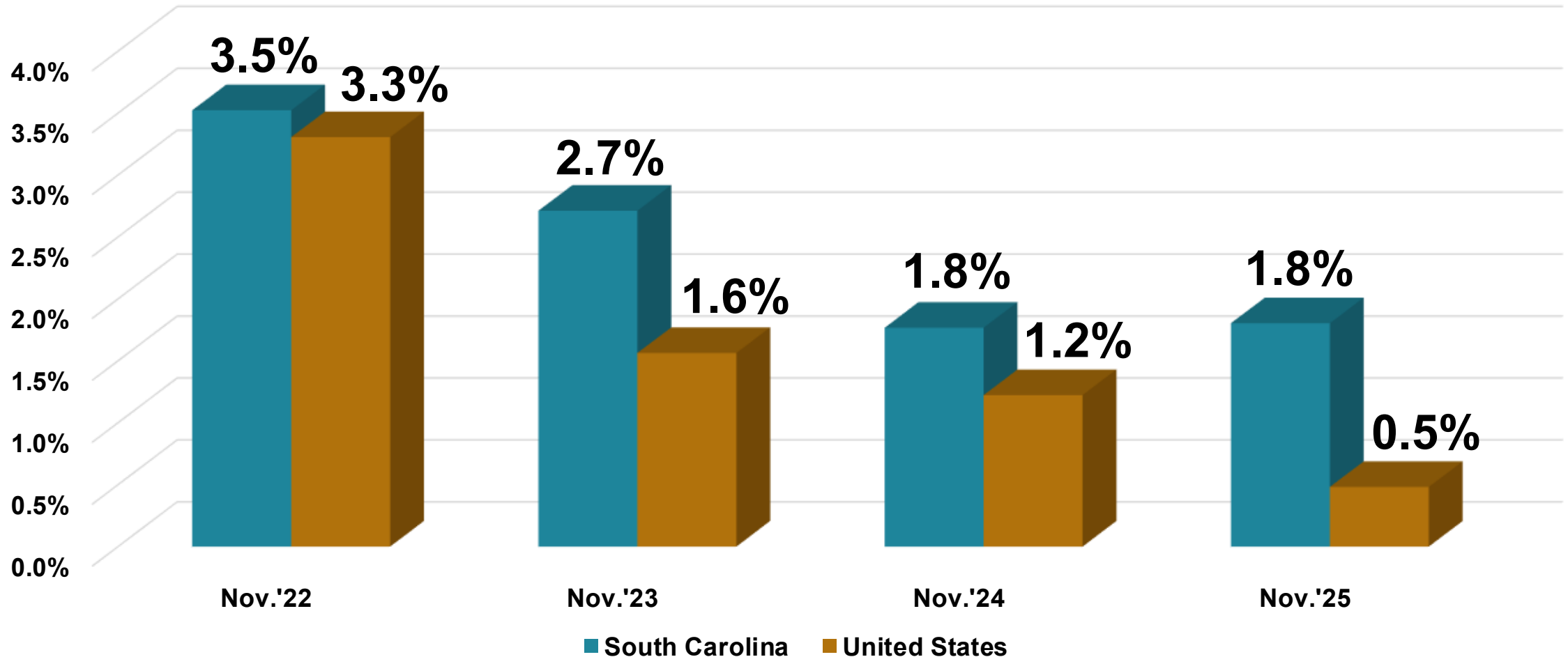
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**WE'RE IN A "LOW HIRE, LOW
FIRE" ECONOMY!**



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S.C. VS. U.S. ANNUAL EMPLOYMENT GROWTH



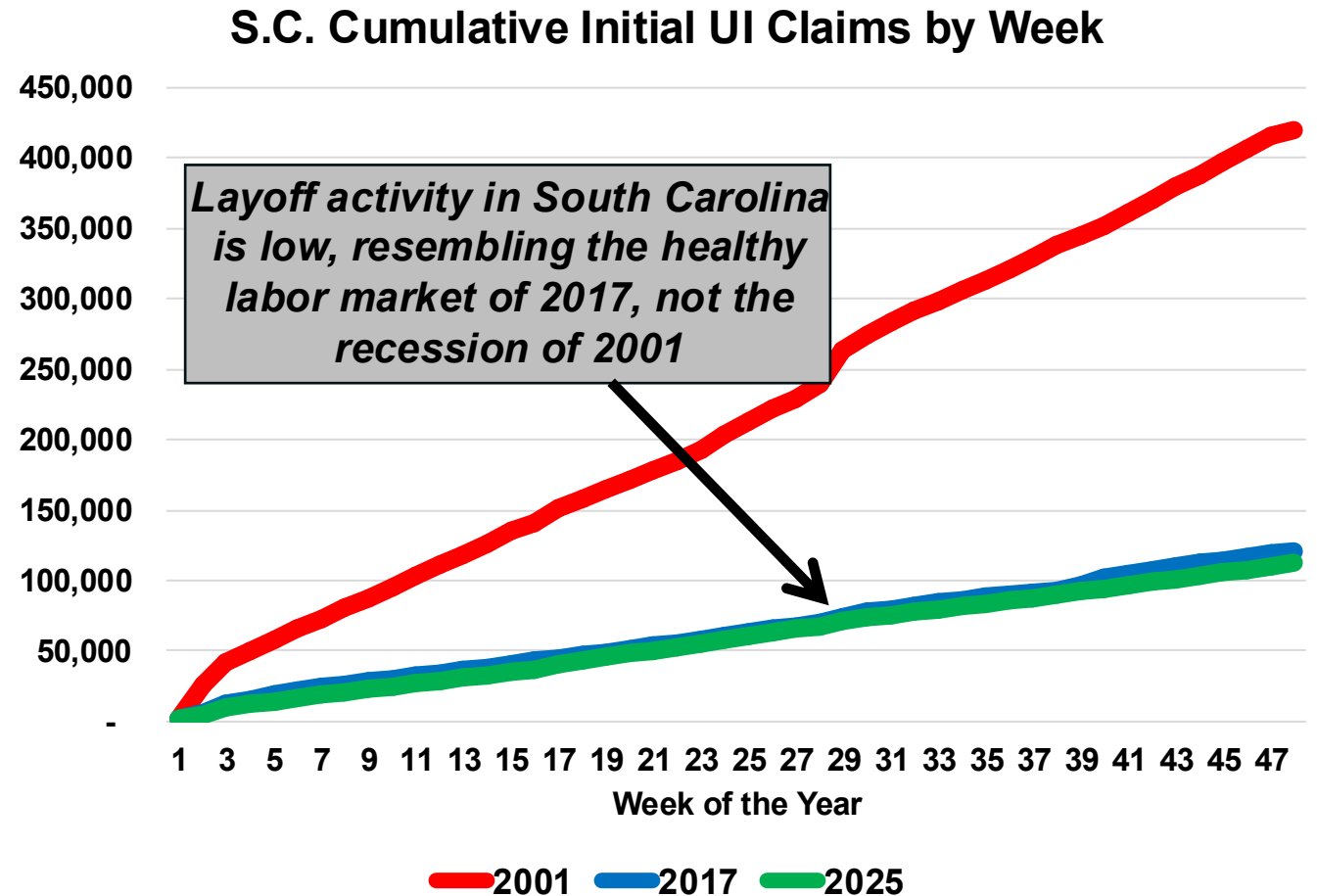
Source: U.S. Bureau of Labor Statistics, CES, NSA



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S.C. UNEMPLOYMENT RATES VS. INITIAL UI CLAIMS

S.C. Unemployment Rates		
	January	December
2001	4.1%	6.0%
2017	4.4%	4.0%
2025	4.3%	4.6% (Nov.'25)



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



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**Q: WHY IS SOUTH CAROLINA'S ECONOMY
GROWING FASTER THAN THAT OF THE U.S.?**

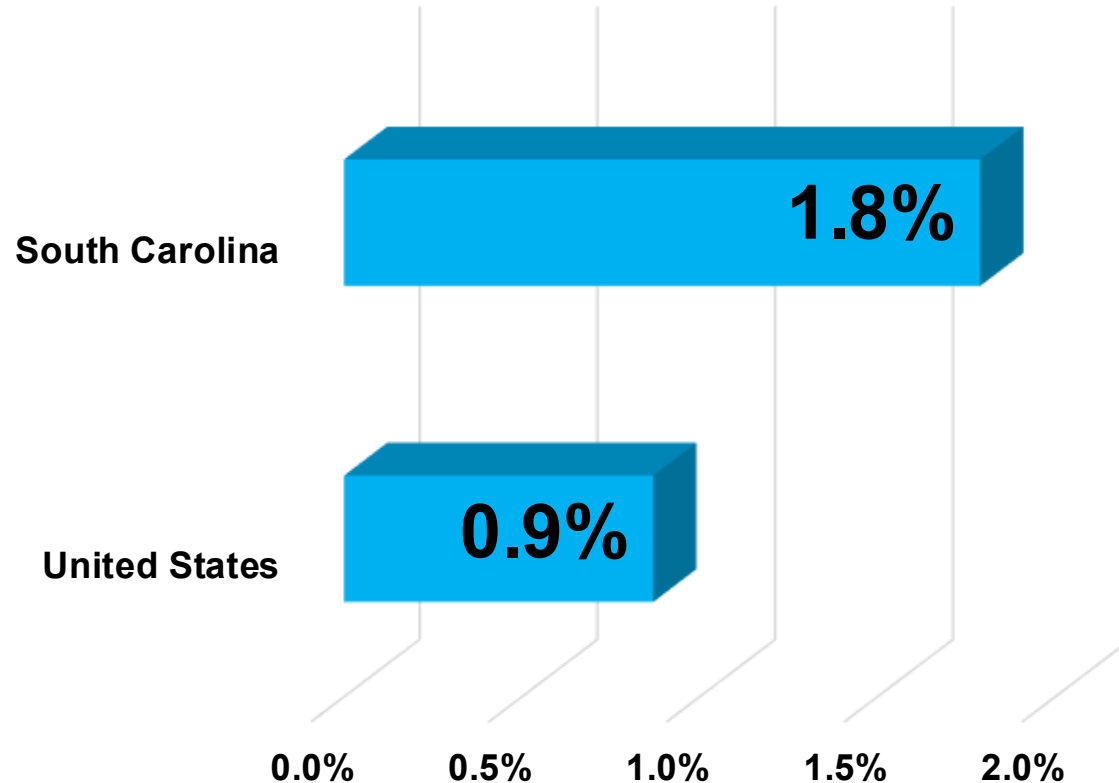
A: POPULATION GROWTH!



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S.C. VS. U.S. POPULATION GROWTH

Annualized Population Growth: 2022-2024



*South Carolina's population has been growing at approximately **twice** the rate of the U.S. since 2020...*

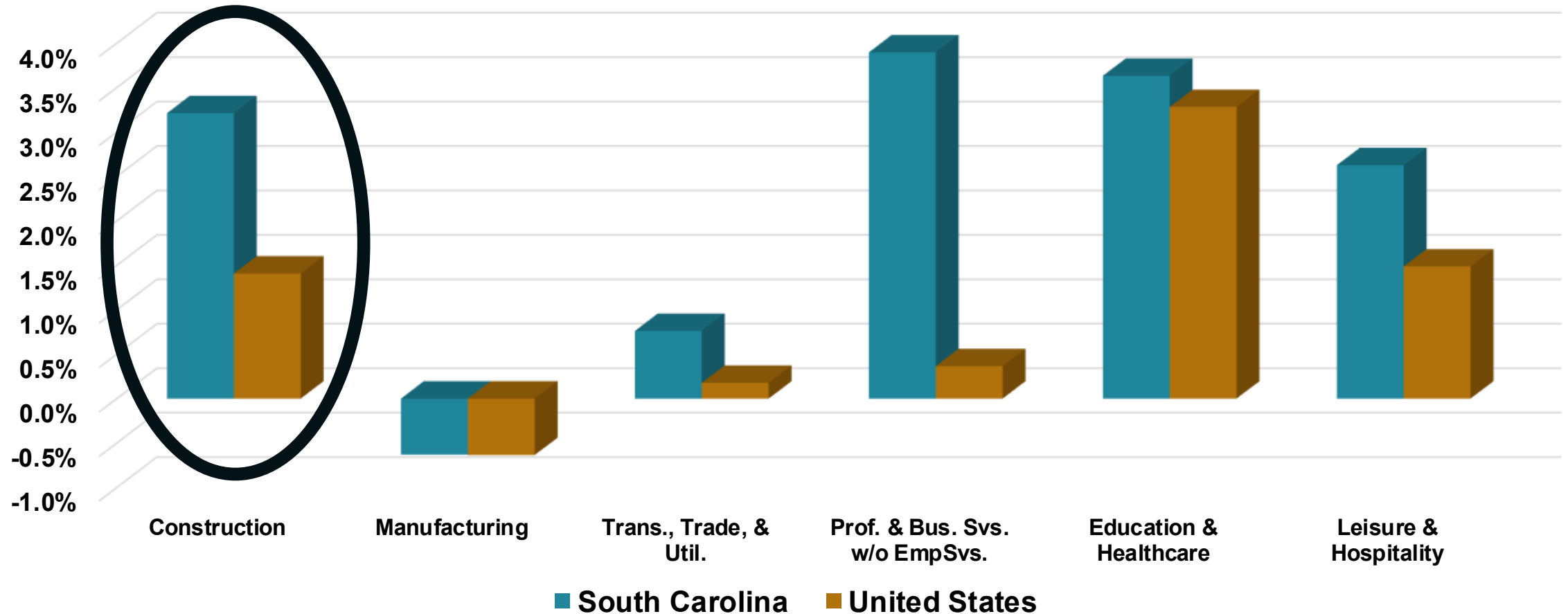
Source: U.S. Census Bureau



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S.C. VS. U.S. INDUSTRY EMPLOYMENT GROWTH

Annualized Growth: November 2023 – November 2025



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



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WHY DOES THIS MATTER?

**EMPLOYMENT GROWTH AND POPULATION
GROWTH ARE THE PRIMARY DRIVERS OF
HOUSING DEMAND...**

**...AND BOTH METRICS ARE
STABLE HEADED INTO 2026!**



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LOOKING AHEAD



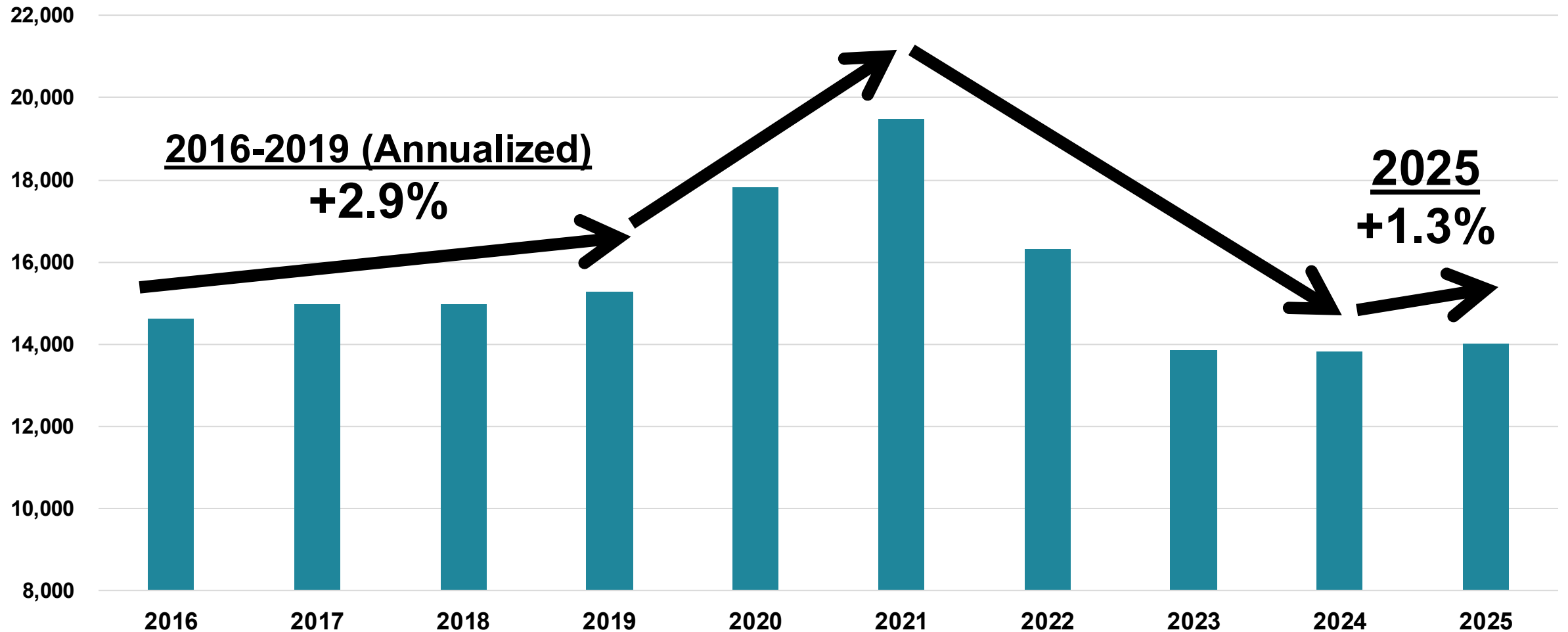
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A RETURN TO “NORMALCY” FOR HOUSING MARKETS



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ANNUAL CHARLESTON HOUSING SALES

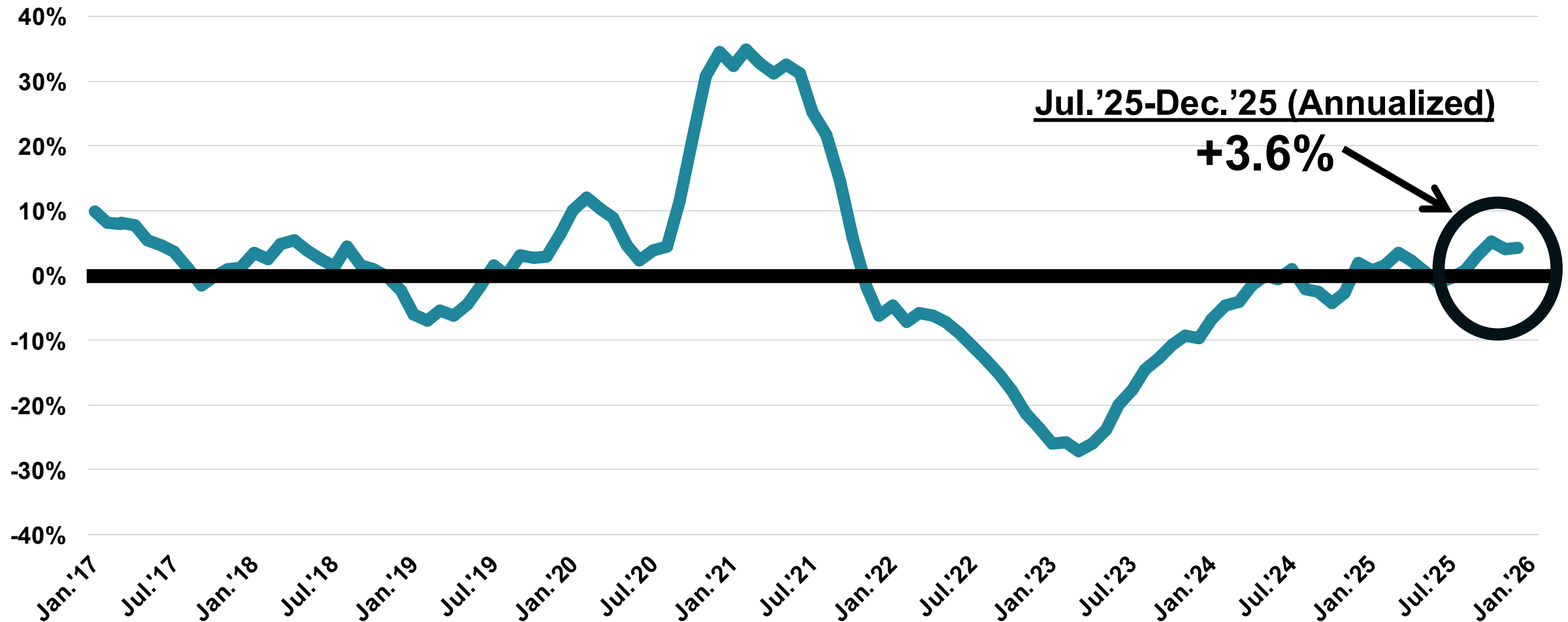


Source: CTAR Multiple Listing Service



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ANNUAL GROWTH IN CHARLESTON HOUSING SALES

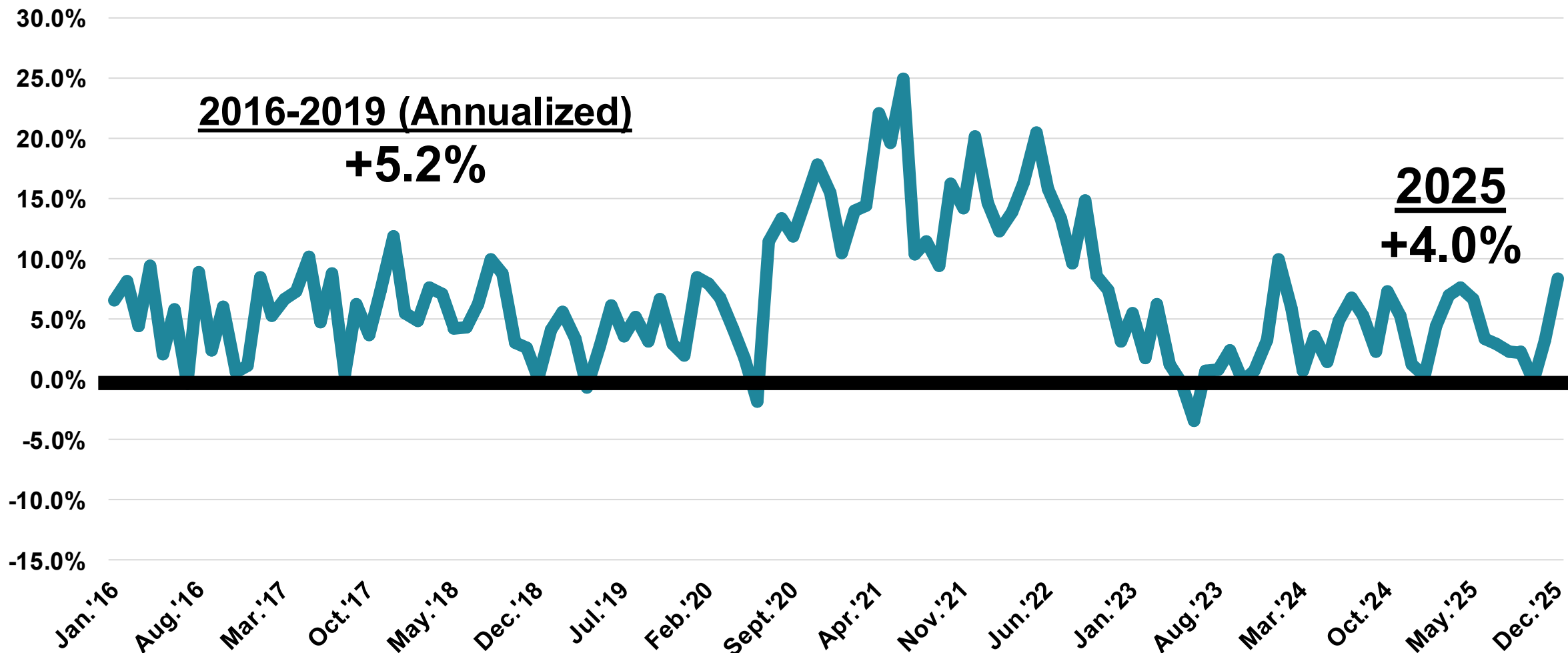


Source: CTAR Multiple Listing Service, rolling 6-month average



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ANNUAL GROWTH IN CHARLESTON MEDIAN SALES PRICE



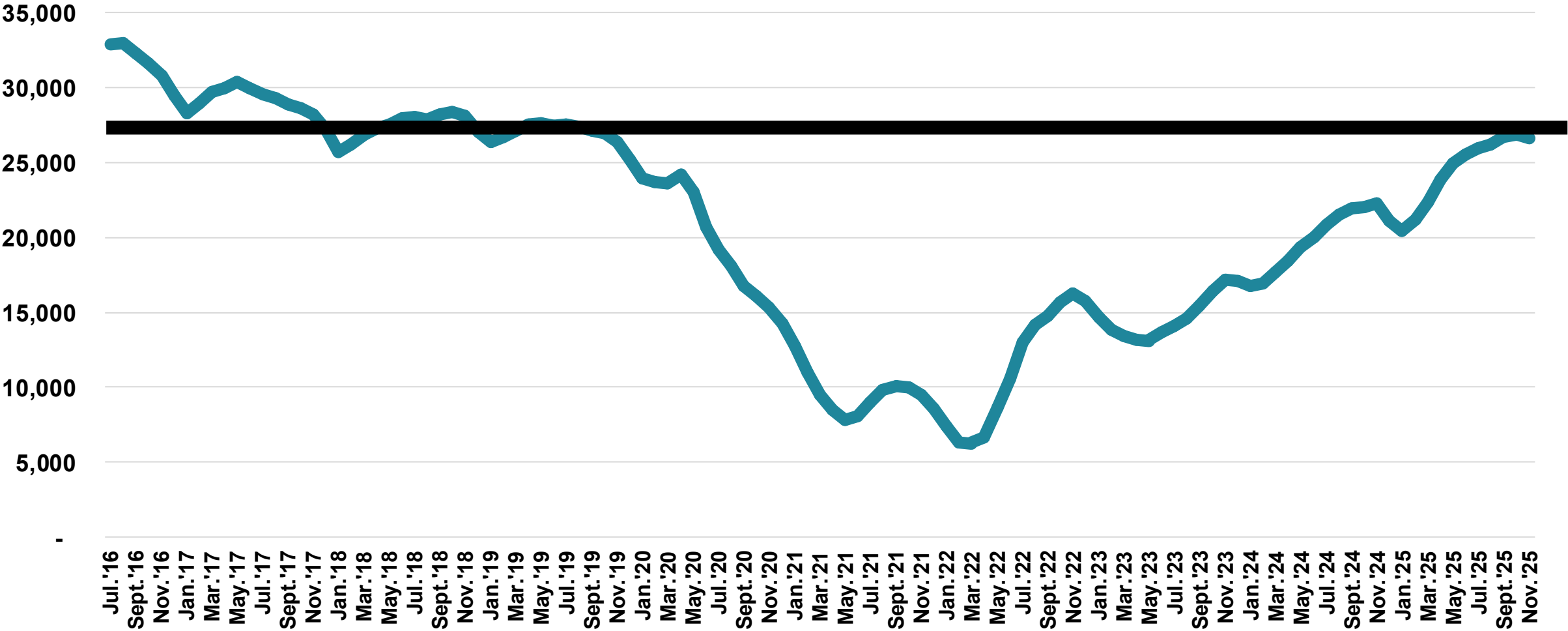
Source: CTAR Multiple Listing Service



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S.C. TOTAL HOUSING INVENTORY: ACTIVE LISTING COUNT



Source: Realtor.Com



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NORMALIZED VS. NORMALIZING

NORMALIZED

→ **SALES GROWTH RATES**

→ **PRICE APPRECIATION**

NORMALIZING

→ **SALES VOLUME**

→ **INVENTORY LEVELS**



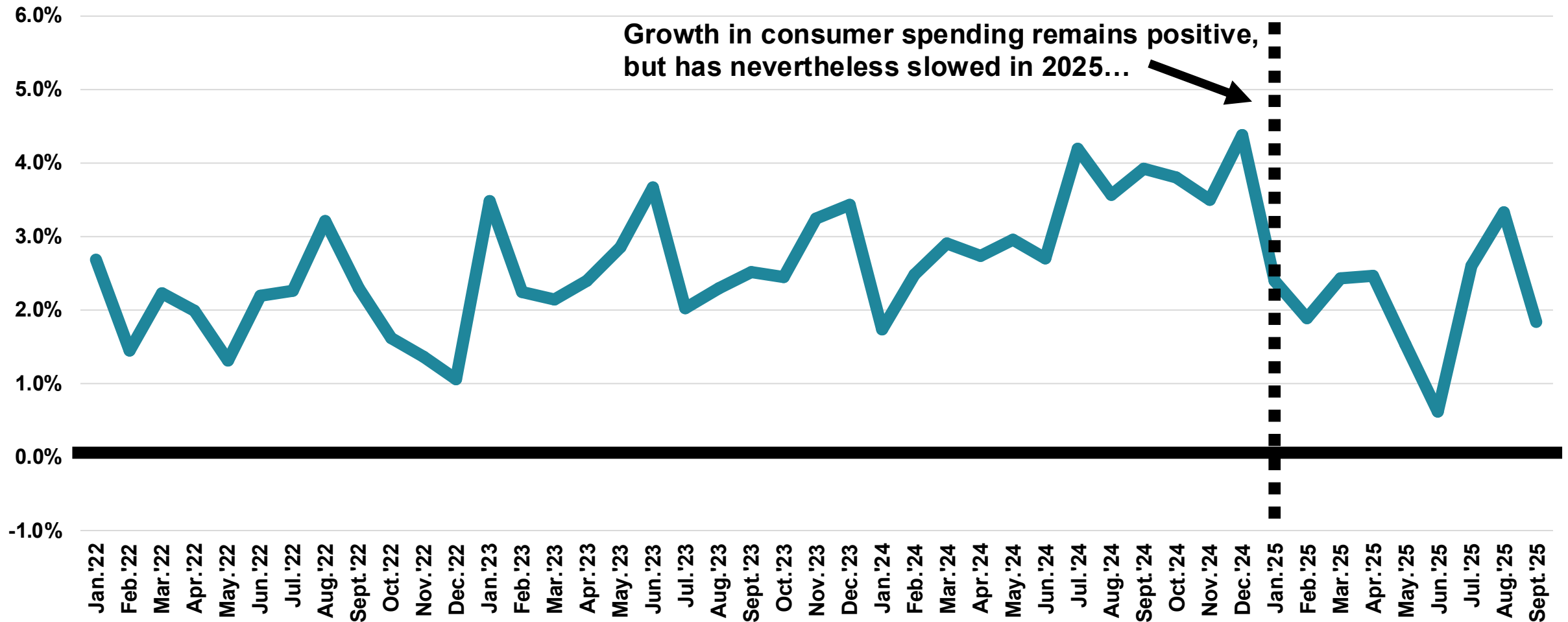
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WHAT ABOUT THE BROADER ECONOMY IN 2026?



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REAL U.S. CONSUMER SPENDING GROWTH

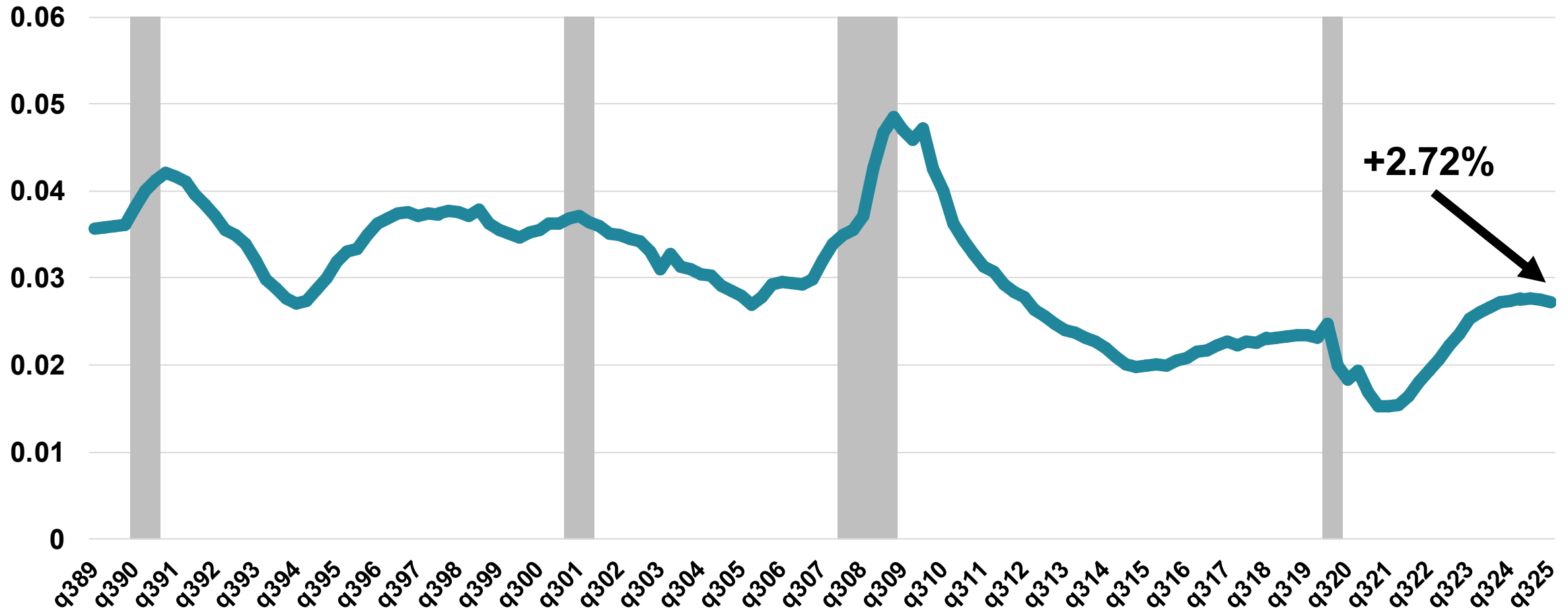


Source: U.S. Bureau of Economic Analysis, annualized quarterly growth rate



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U.S. DELINQUENCY RATE: ALL CONSUMER LOANS

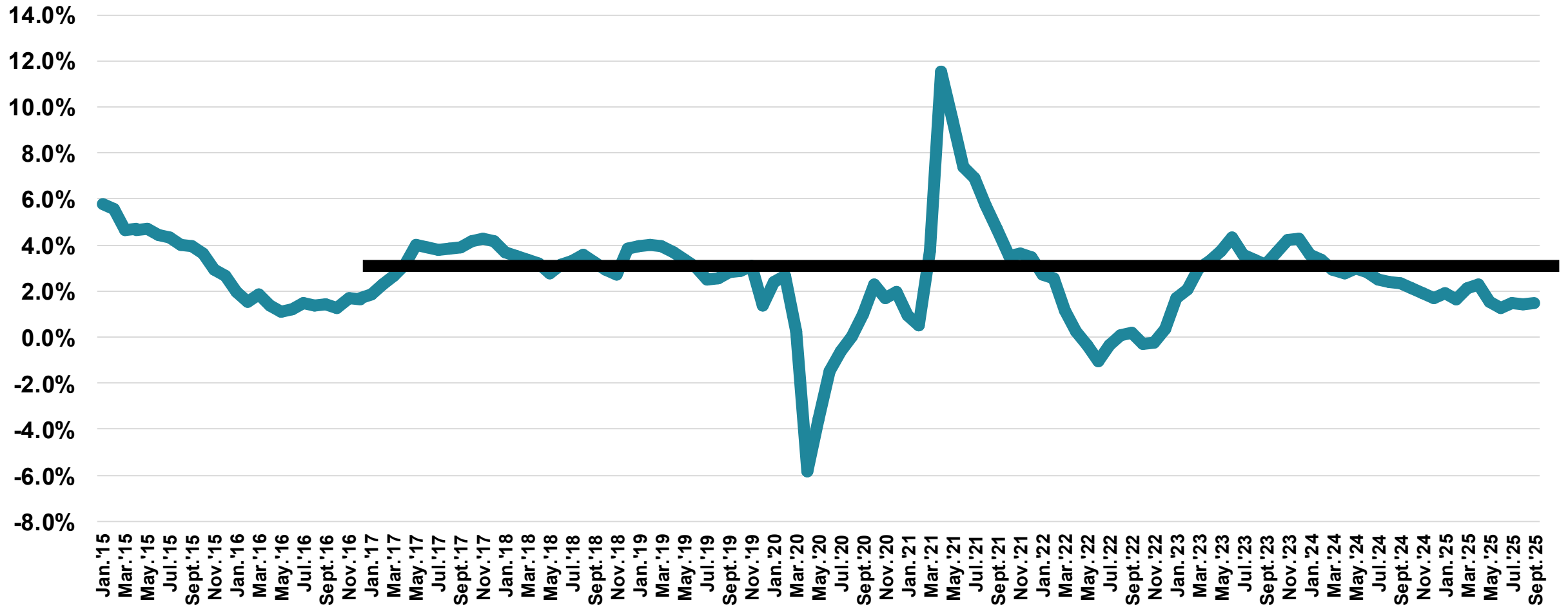


Source: Board of Governors of the Federal Reserve



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U.S. REAL PERSONAL INCOME LESS TRANSFERS

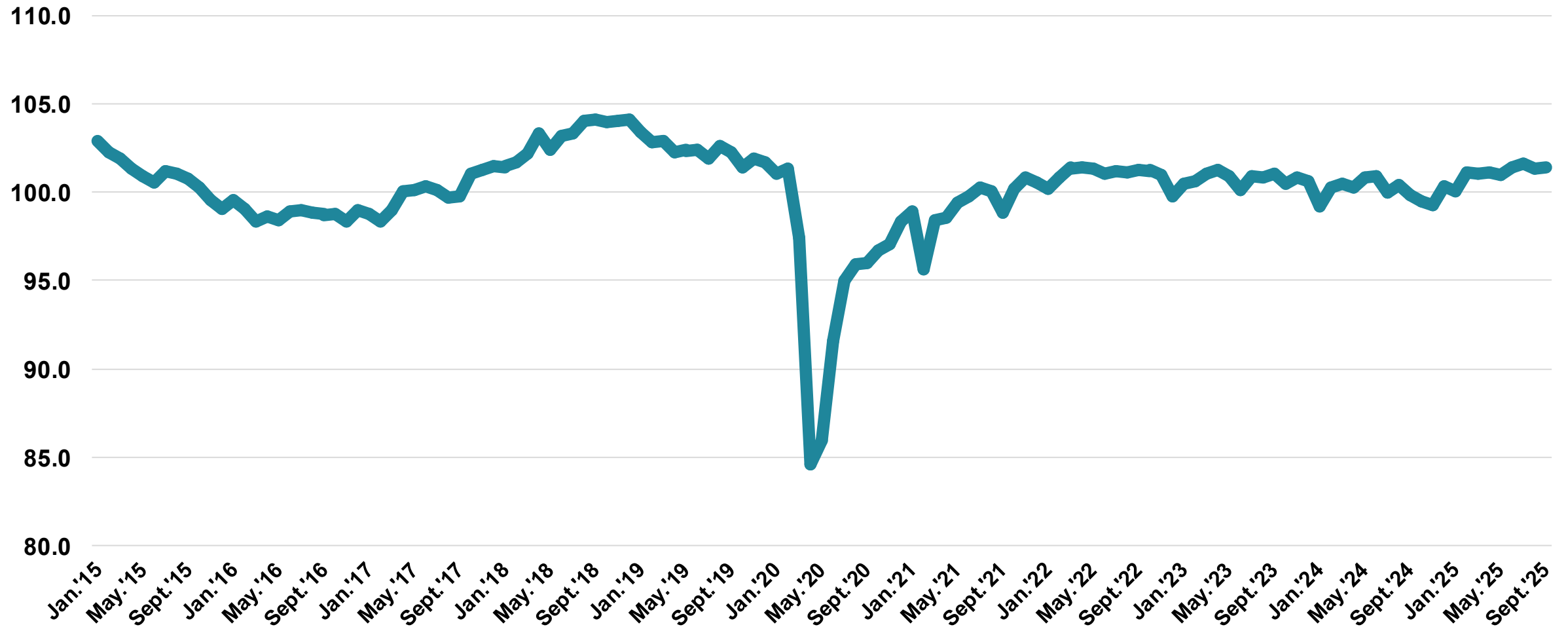


Source: U.S. Bureau of Economic Analysis



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U.S. INDUSTRIAL PRODUCTION INDEX



Source: Board of Governors of the Federal Reserve System



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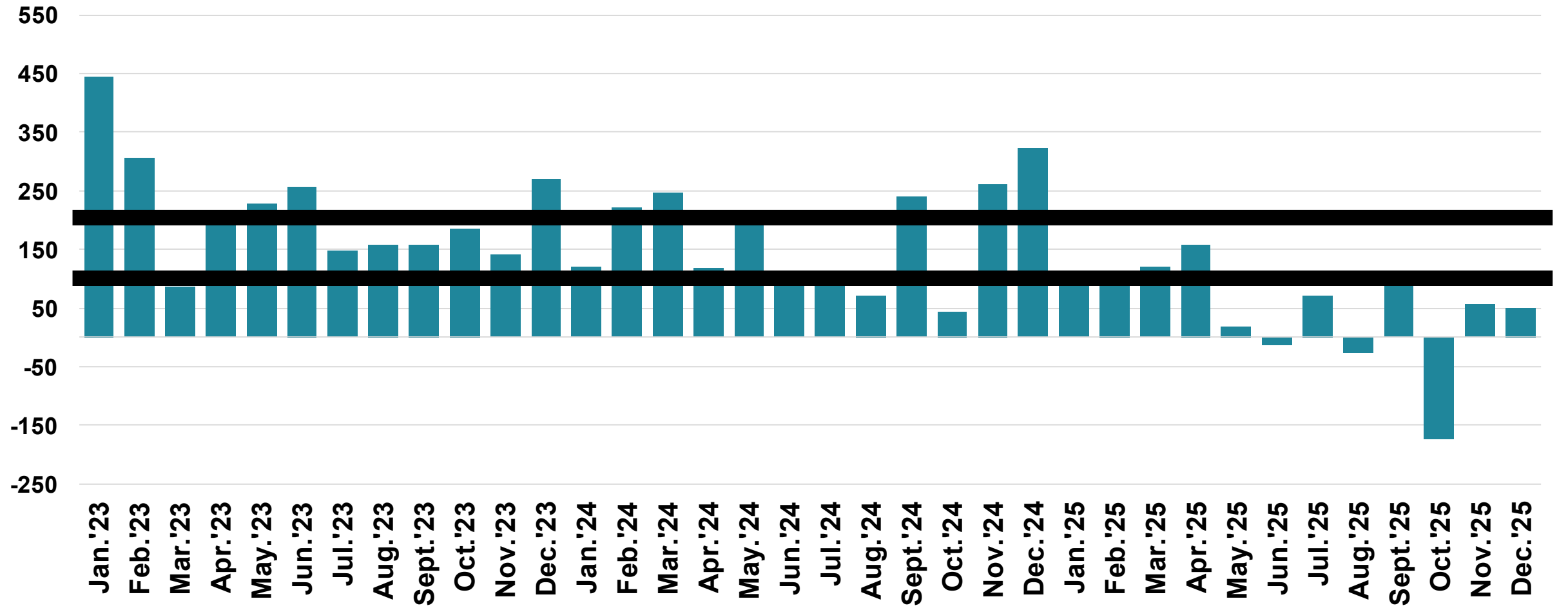
**U.S. CONSUMER AND BUSINESS
ACTIVITY BOTH REMAIN STABLE...**

**...BUT THERE ISN'T MUCH WIGGLE ROOM
FOR FURTHER COOLING...**



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U.S. MONTHLY JOB GAINS

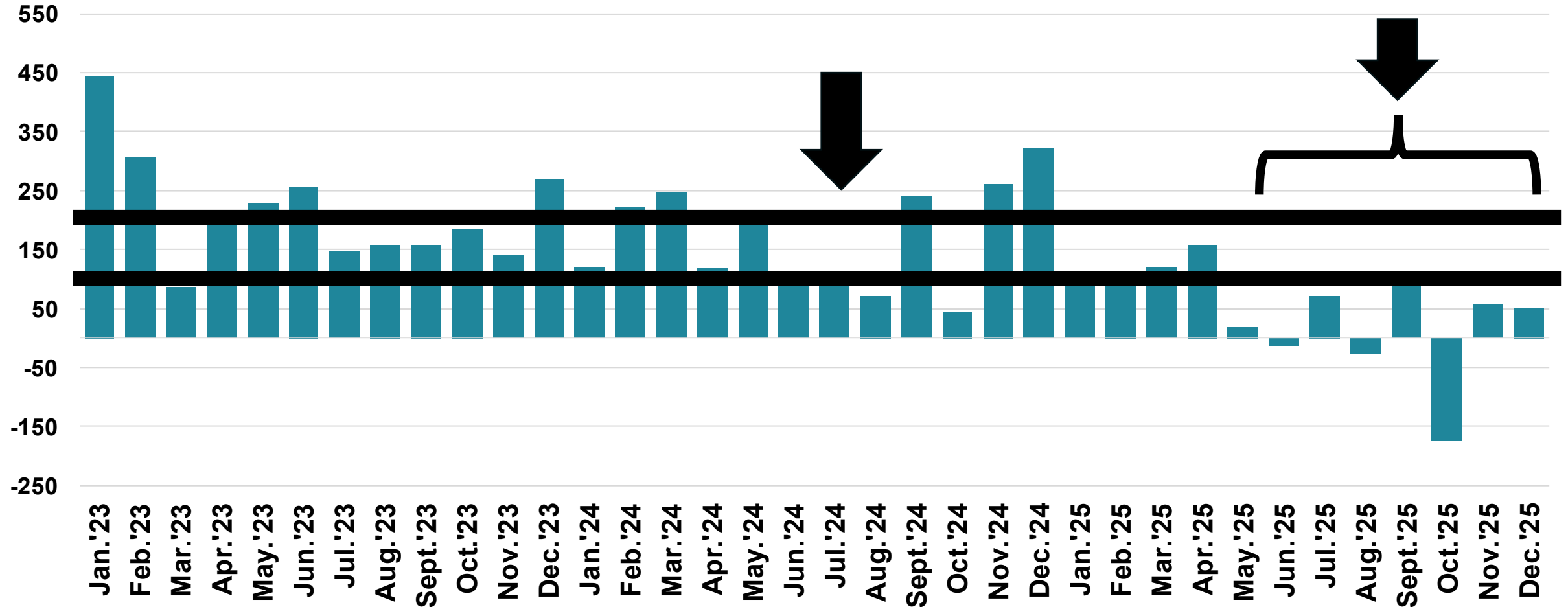


Source: U.S. Bureau of Labor Statistics, in thousands



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U.S. MONTHLY JOB GAINS



Source: U.S. Bureau of Labor Statistics, in thousands



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THE BOTTOM LINE

- *Despite a mild slowdown in 2025, South Carolina's economy remains healthy with most industries continuing to experience positive growth.*
- *Housing sales activity in South Carolina is “returning to normal” after a multi-year correction period from the pandemic-induced housing bubble and is currently on pace for steady, positive sales growth and price appreciation in 2026 – comparable to pre-pandemic norms.*
- *While the U.S. labor market is currently stable (low unemployment and low layoff activity), job growth has slowed in recent months, making it likely that the Federal Reserve will pursue additional interest rate cuts in 2026.*
- *If the Fed moves forward with additional rate cuts and there is no further slowdown in job growth, the rate of housing sales growth in S.C. could accelerate in 2026.*



THANK YOU!



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