

THE 2026 SOUTH CAROLINA ECONOMIC OUTLOOK

Joseph Von Nessen, Ph.D.

Research Economist

January 14, 2026

joey.vonnessen@moore.sc.edu



UNIVERSITY OF
South Carolina

Darla Moore School of Business

THE THEME OF 2025 HAS BEEN...



...PERVASIVE UNCERTAINTY!



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

UNCERTAINTY COMES IN TWO FORMS...

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

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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

WHAT DO CONSUMERS CARE ABOUT?



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

WHAT DO CONSUMERS CARE ABOUT?

JOB SECURITY

WAGES

PRICES



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

WHAT IS “REAL WAGE GROWTH?”

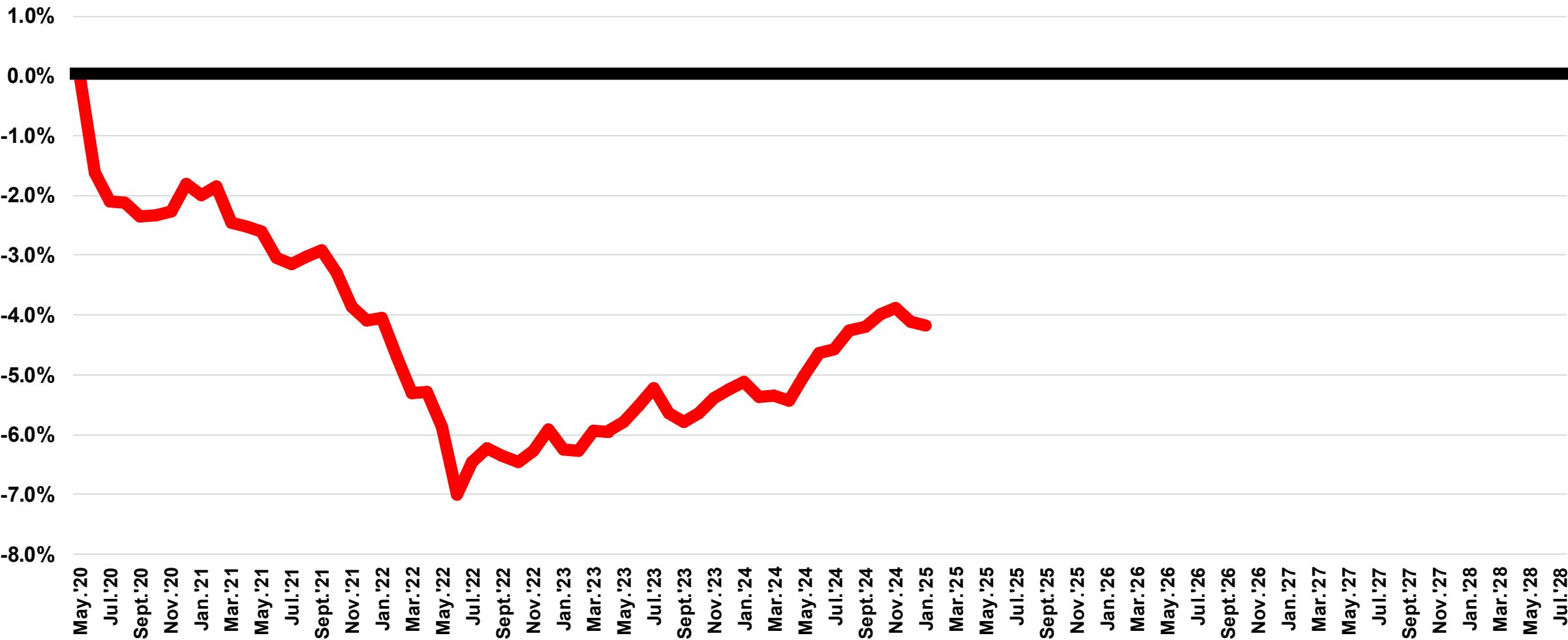
**GROWTH IN WAGES MINUS
GROWTH IN PRICES**

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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

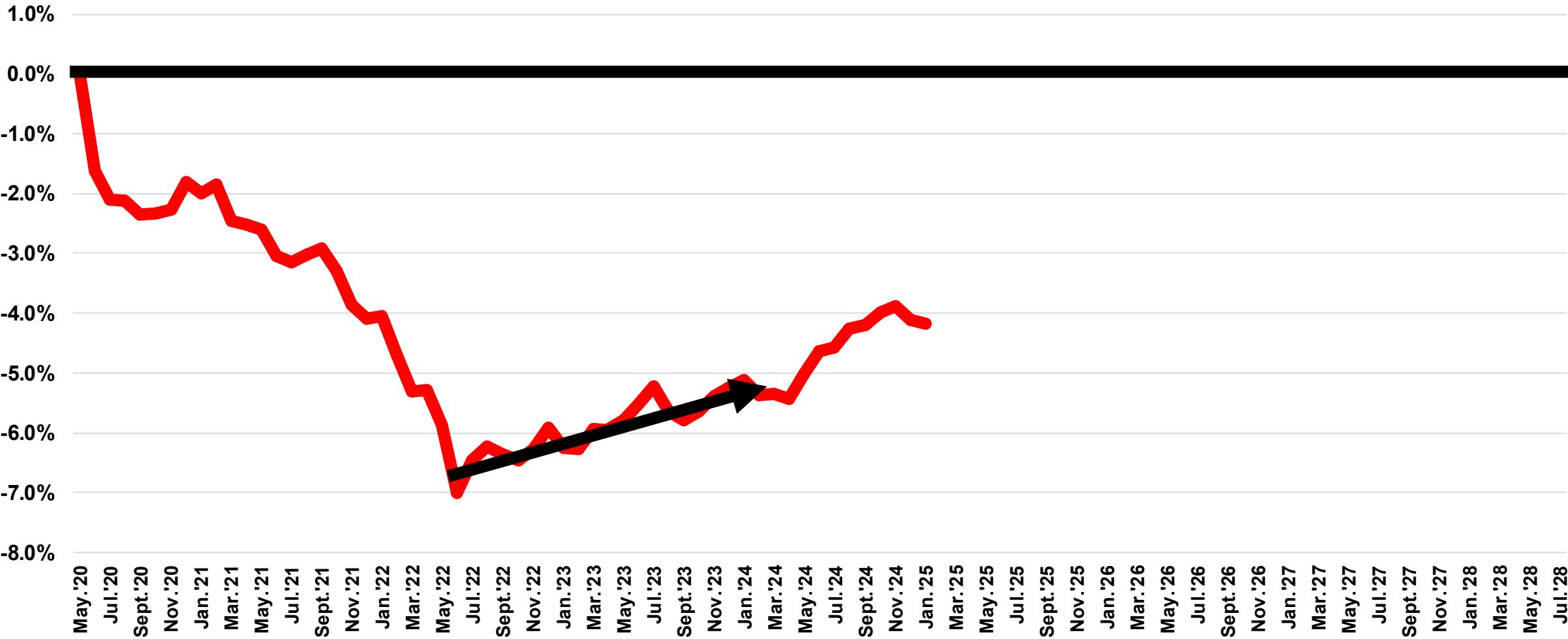


Source: U.S. Bureau of Labor Statistics



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

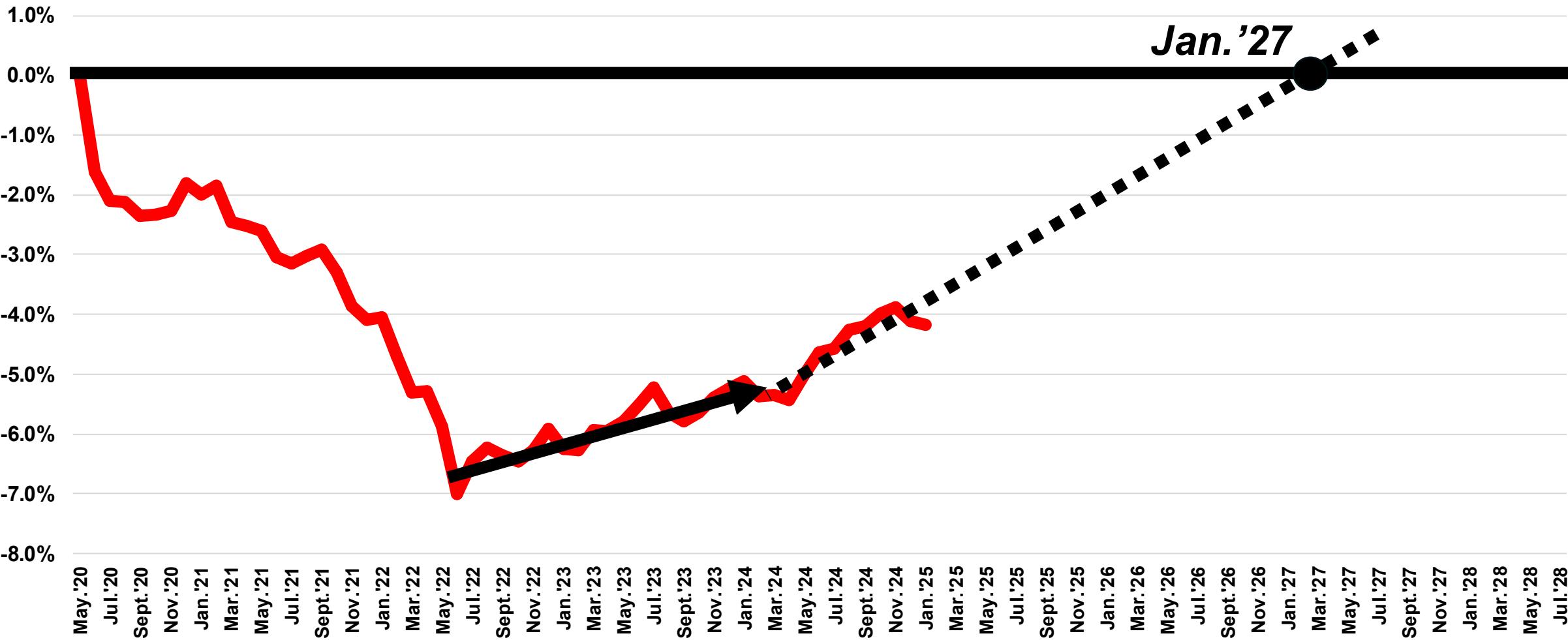


Source: U.S. Bureau of Labor Statistics



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

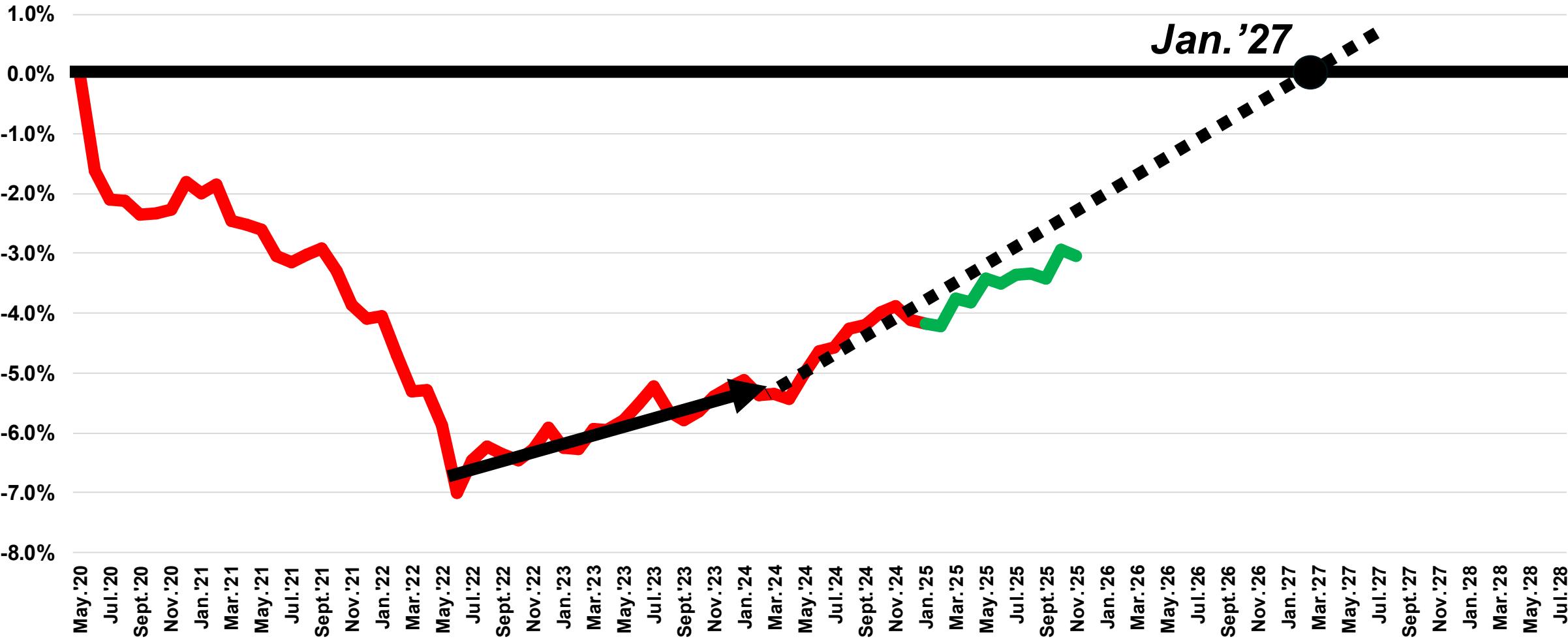


Source: U.S. Bureau of Labor Statistics



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

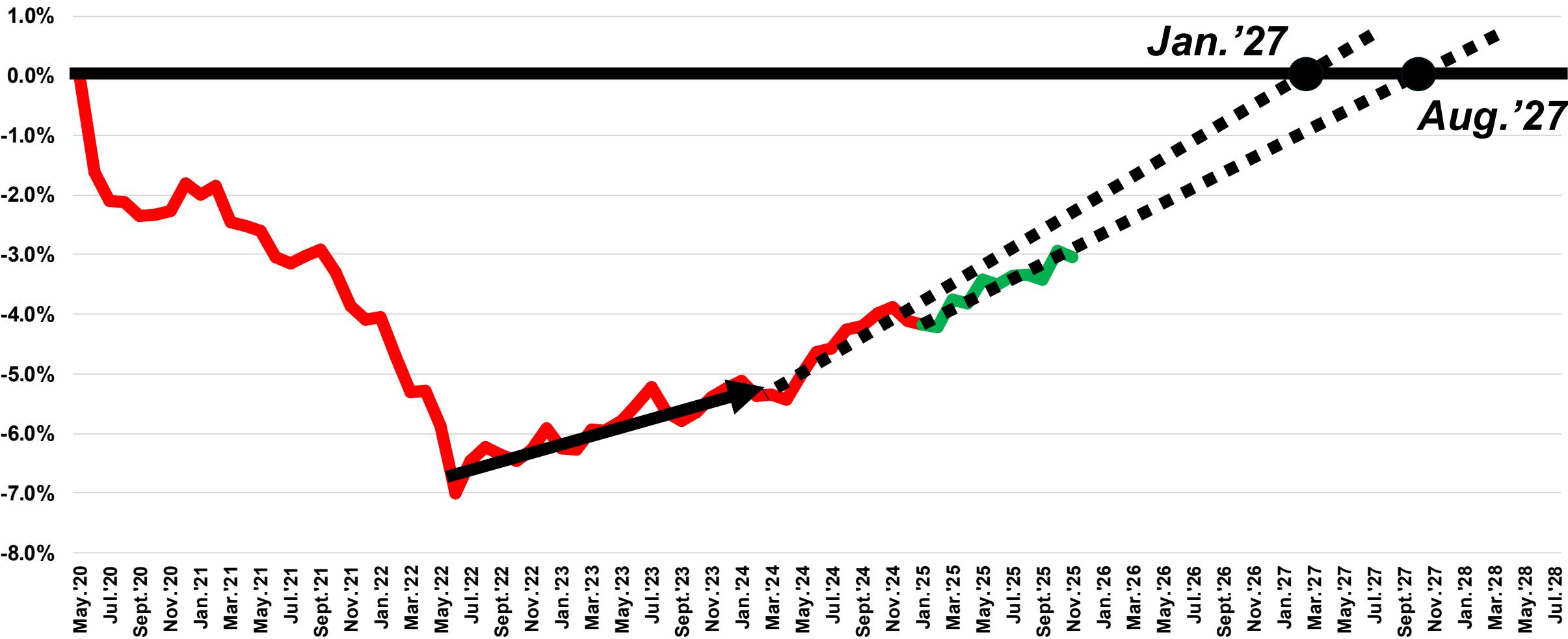


Source: U.S. Bureau of Labor Statistics



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. CUMULATIVE REAL WAGE GROWTH SINCE MAY 2020

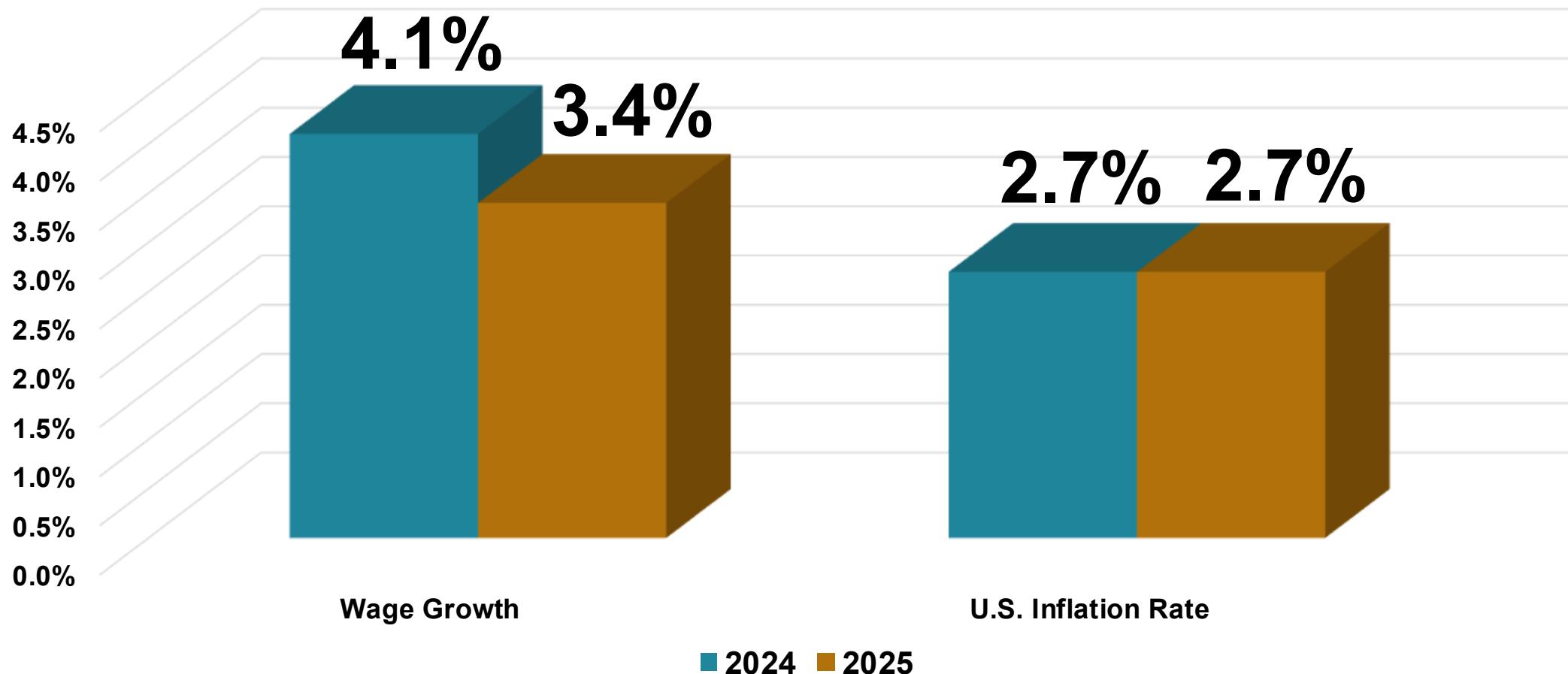


Source: U.S. Bureau of Labor Statistics



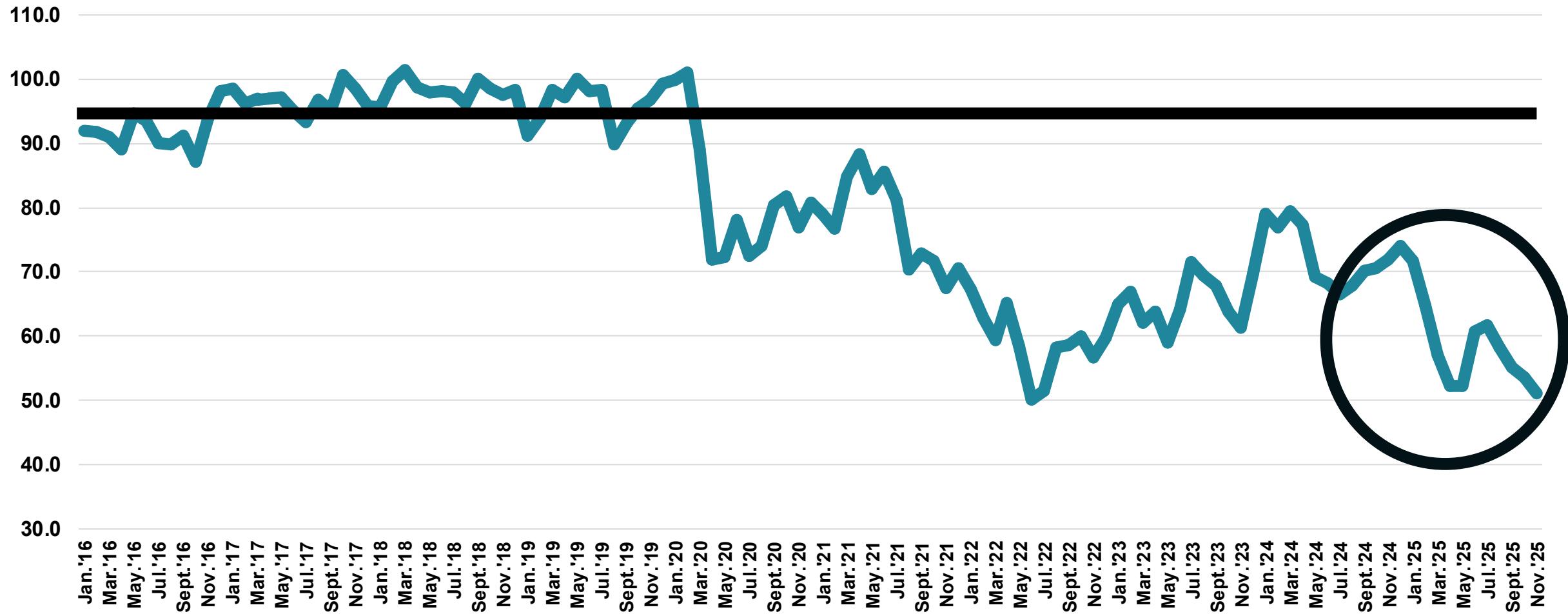
Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. WAGE GROWTH VS. INFLATION



Source: U.S. Bureau of Labor Statistics

U.S. CONSUMER SENTIMENT



Source: University of Michigan



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

HOW HAS UNCERTAINTY AFFECTED ECONOMIC GROWTH?



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

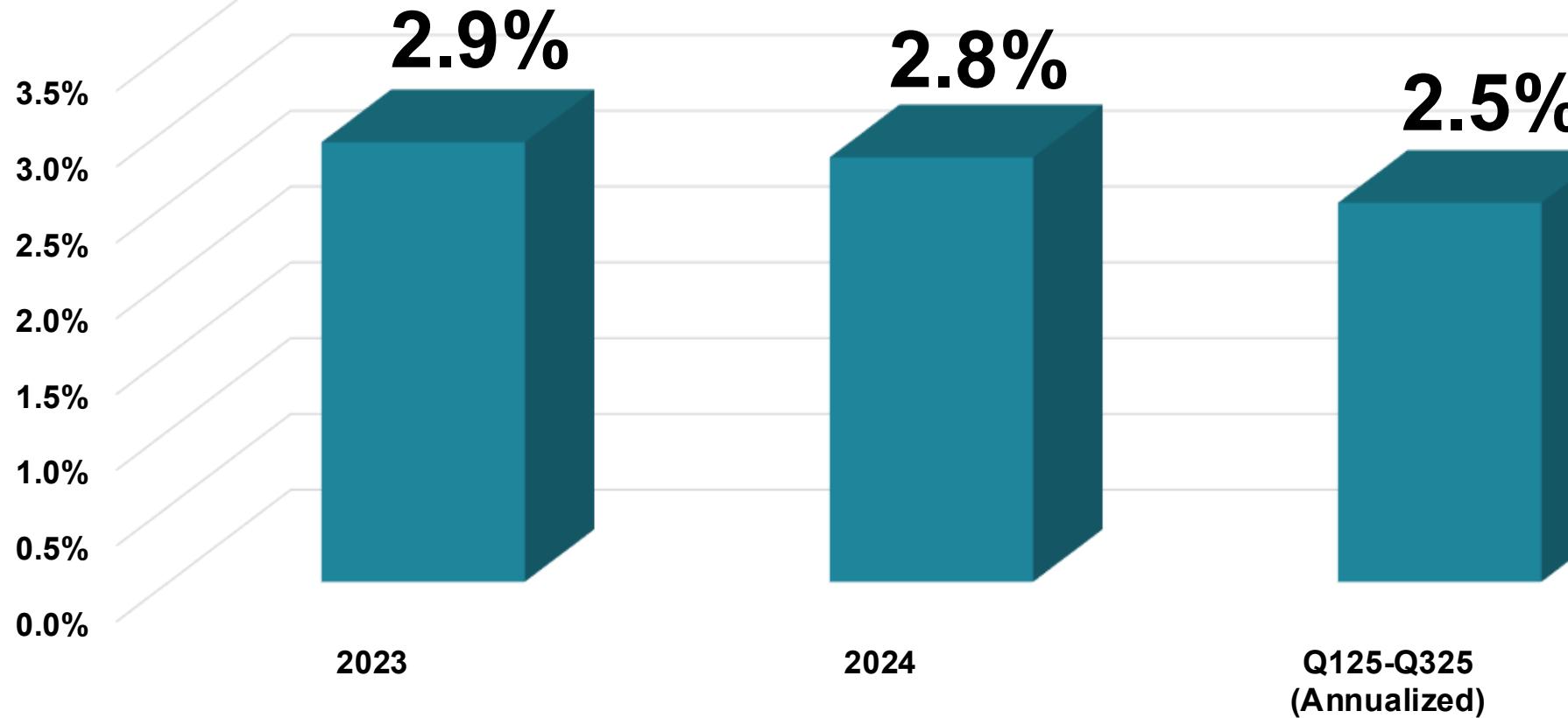
GROWTH HAS DECELERATED...

...BUT ONLY MARGINALLY



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. GDP GROWTH



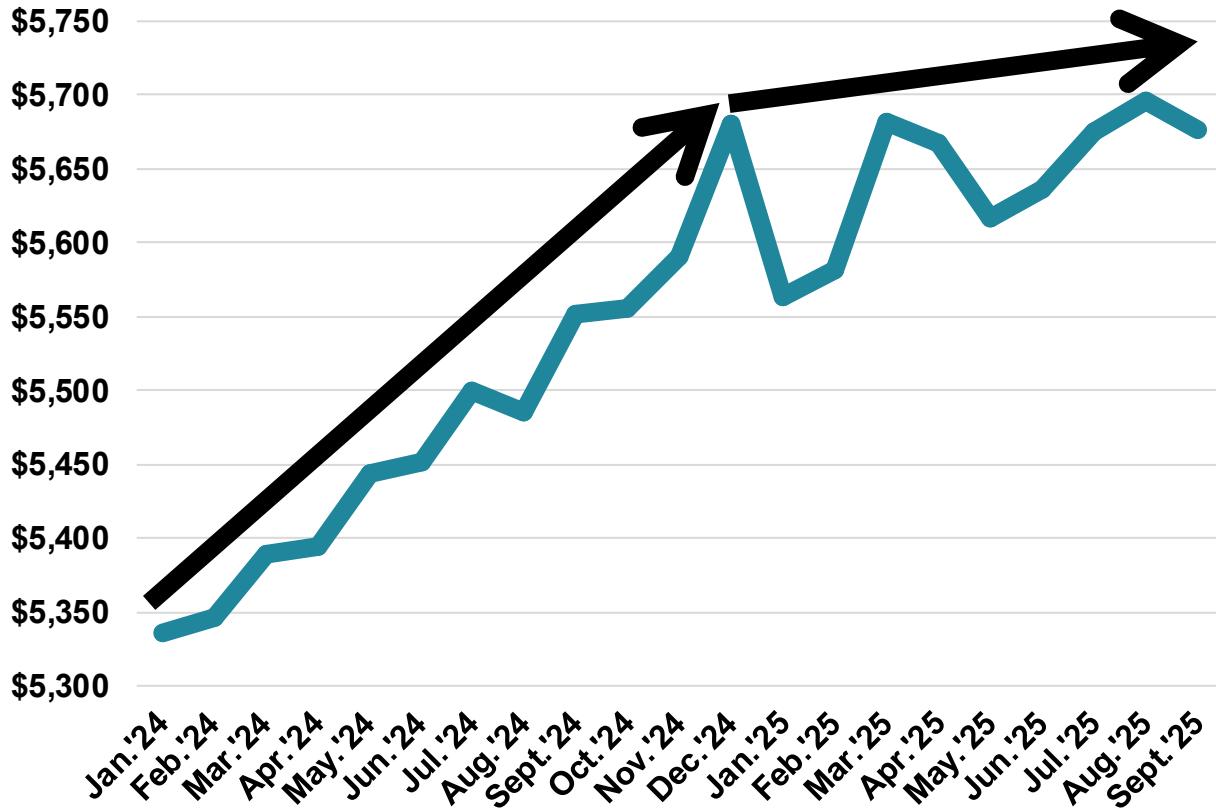
Source: U.S. Bureau of Economic Analysis



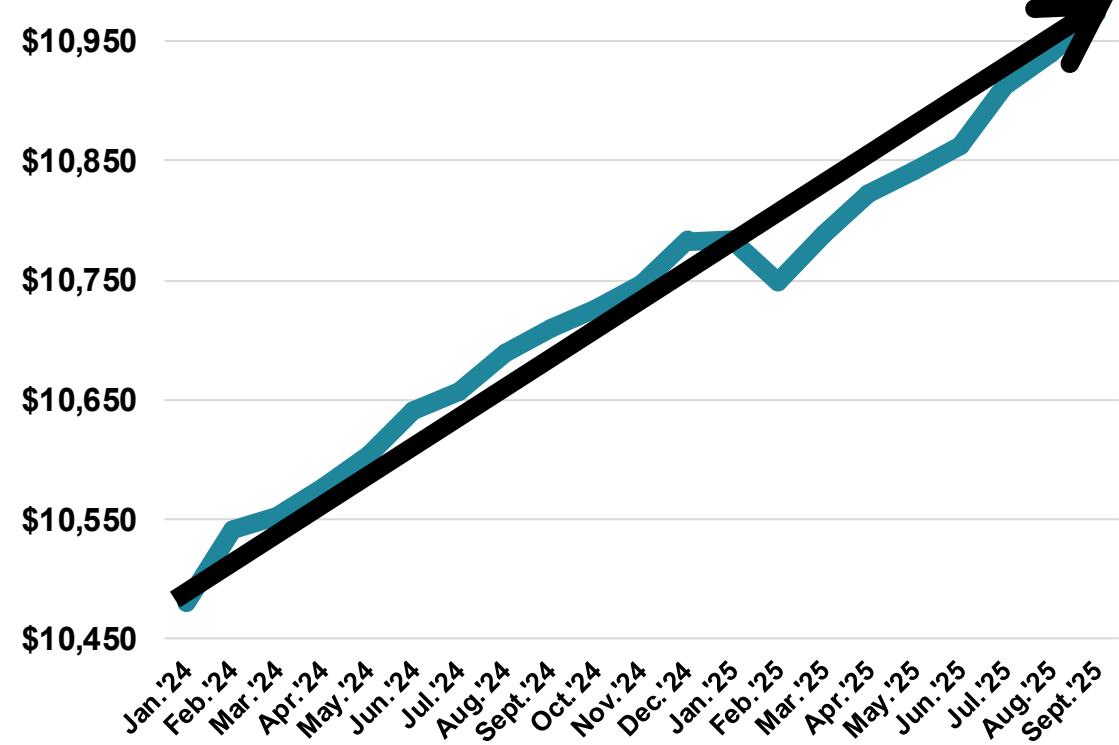
**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. REAL CONSUMER SPENDING

Goods



Services

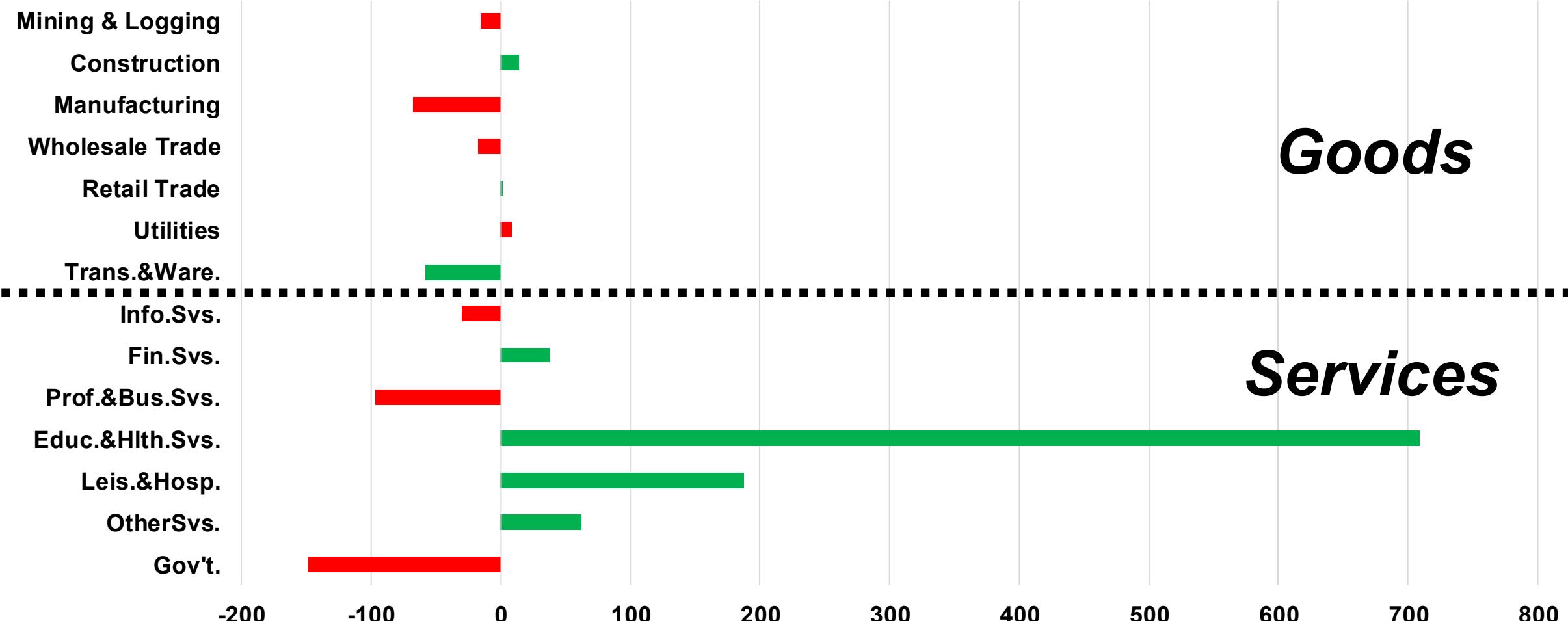


Source: U.S. Bureau of Economic Analysis, in billions, SAAR



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. INDUSTRY EMPLOYMENT GROWTH

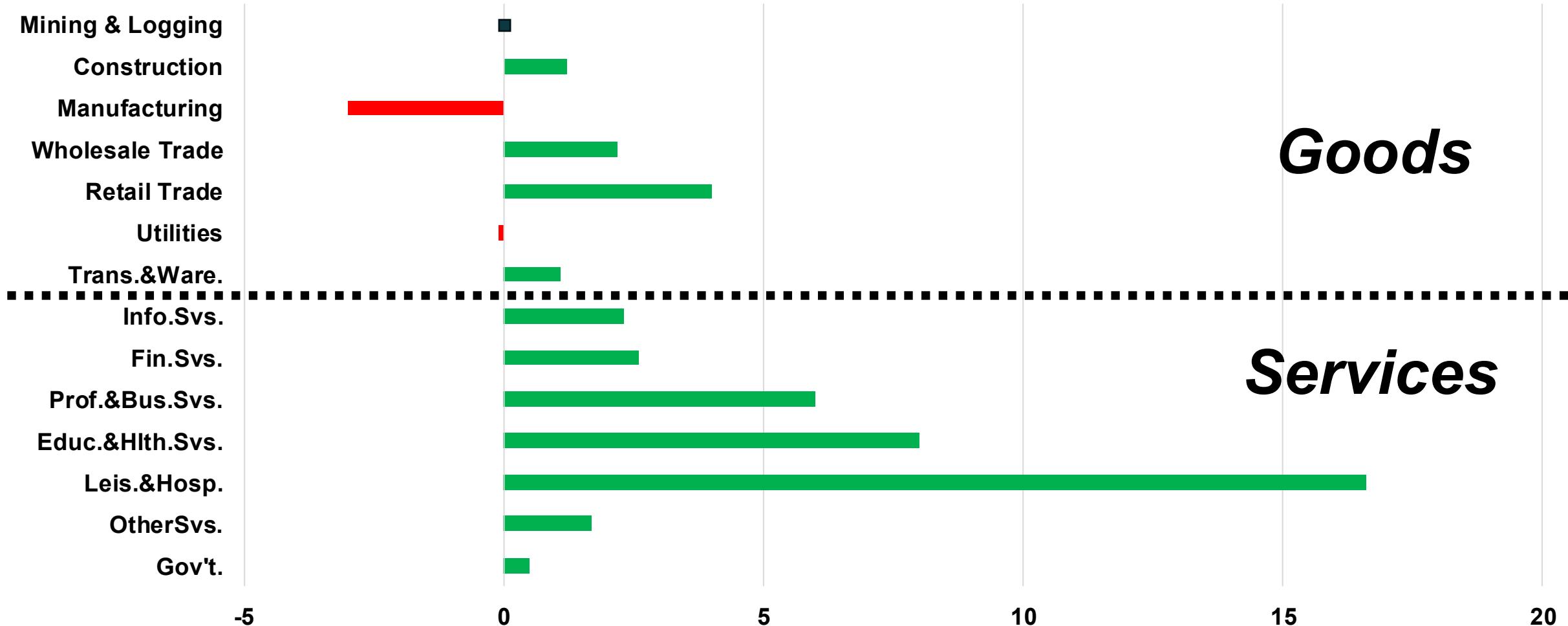


Source: U.S. Bureau of Labor Statistics, Annual Net Emp. Change (in thousands), Dec.'25



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

S.C. INDUSTRY EMPLOYMENT GROWTH



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



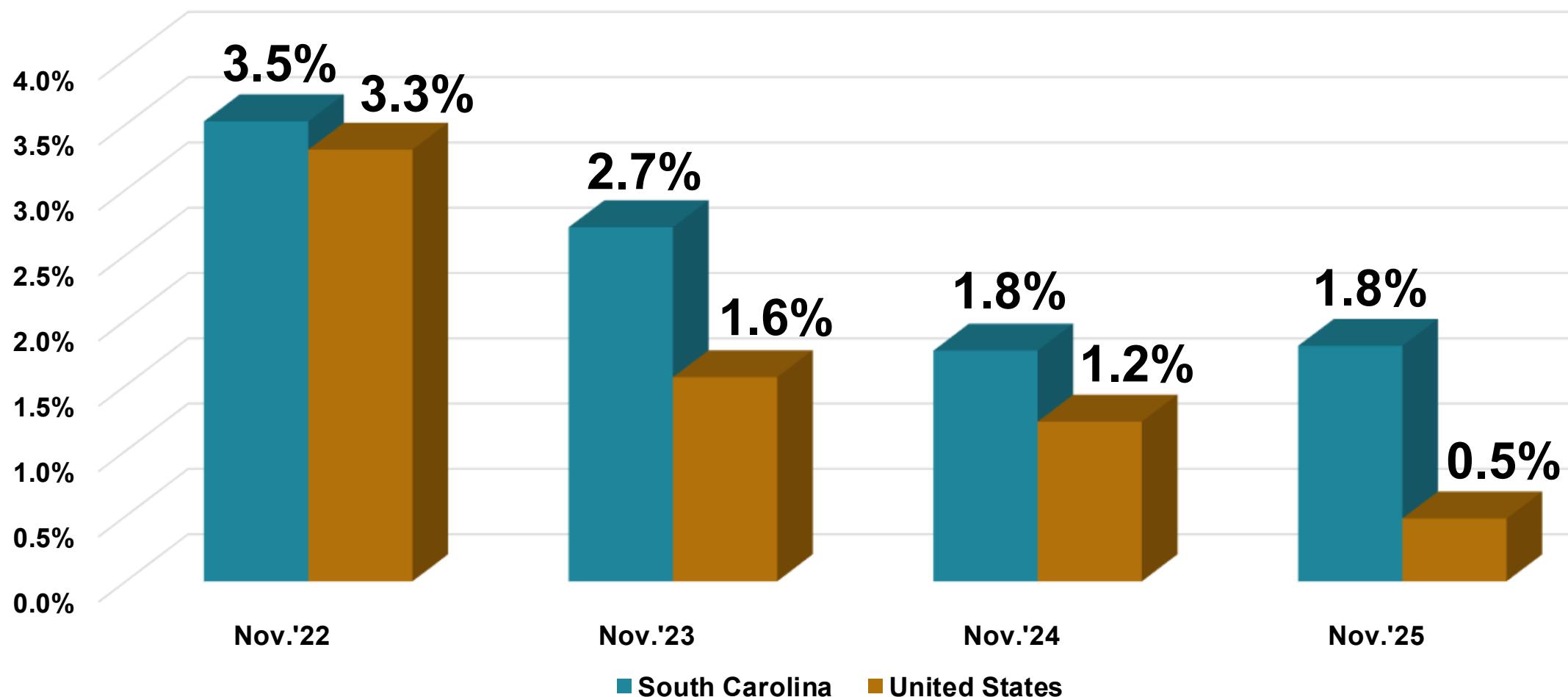
**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

WE'RE IN A “LOW HIRE, LOW FIRE” ECONOMY!



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

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



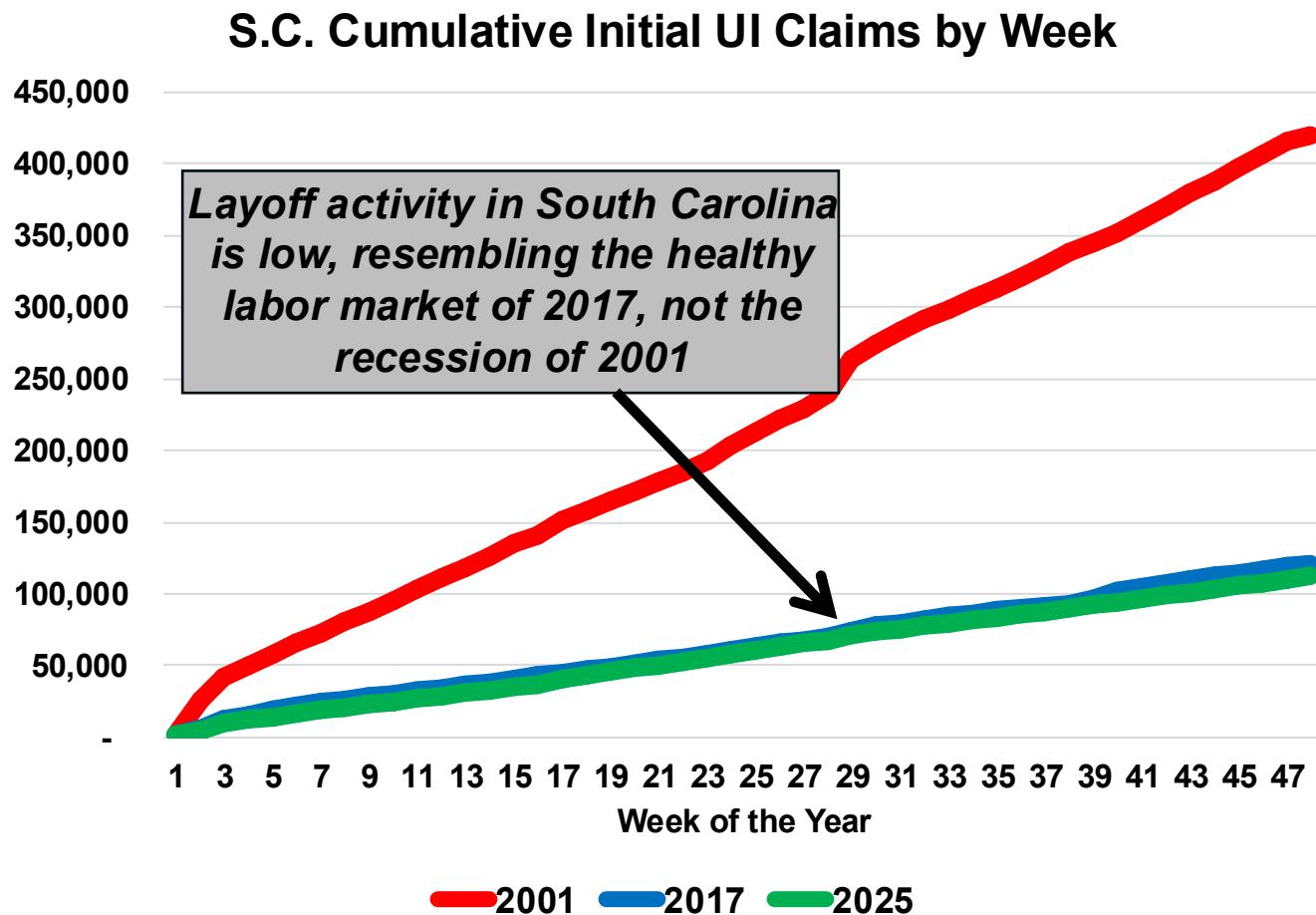
Source: U.S. Bureau of Labor Statistics, CES, NSA



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

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

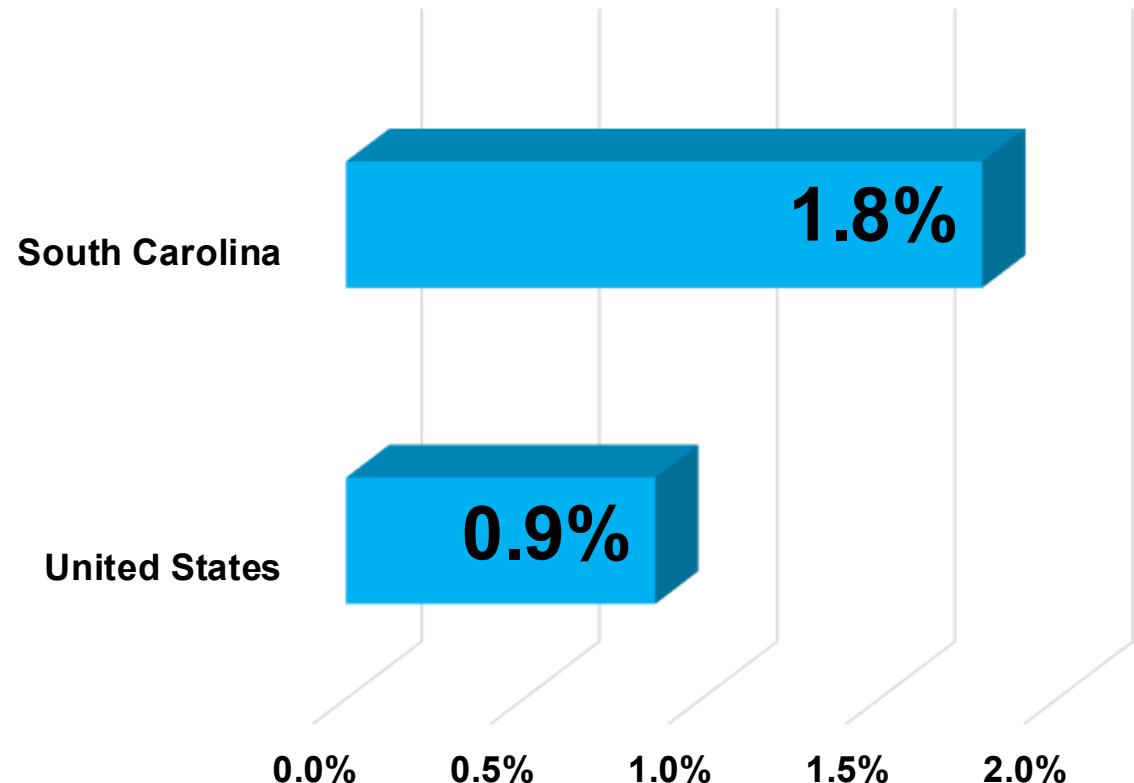
A: POPULATION GROWTH!



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

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...*

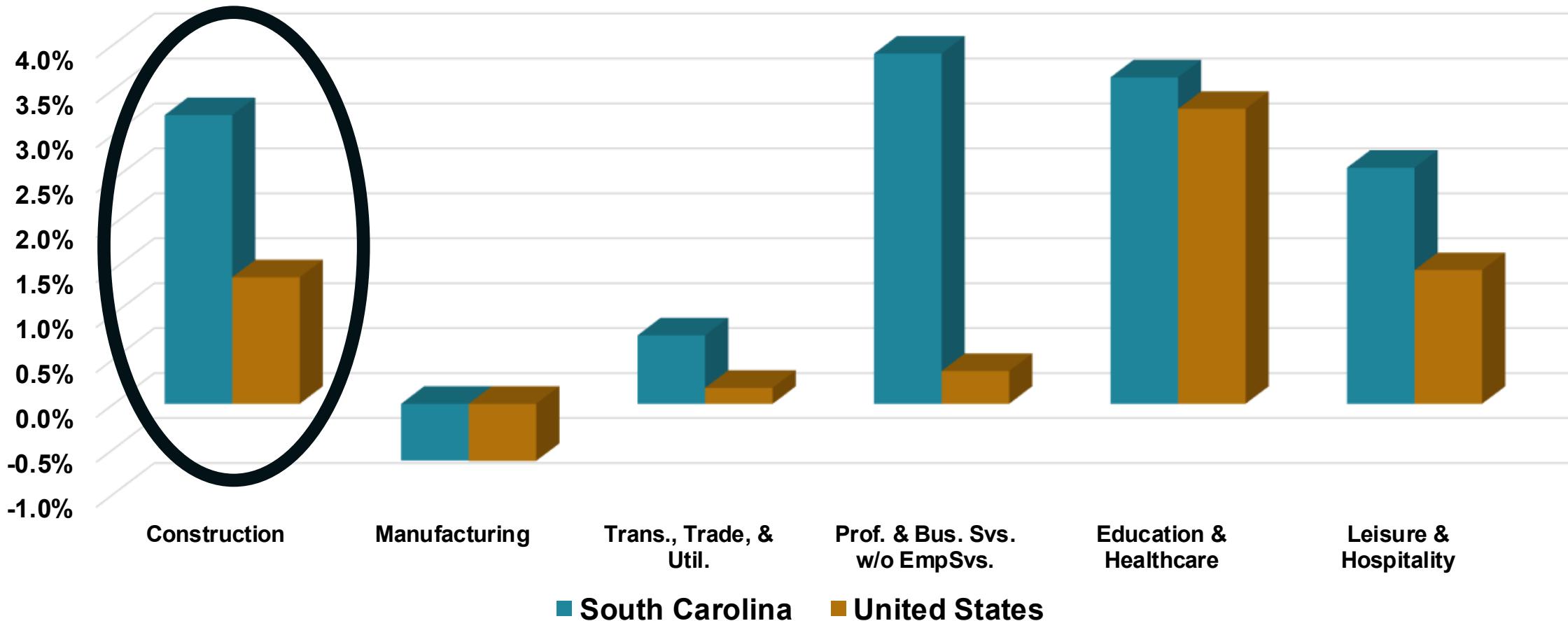
Source: U.S. Census Bureau



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

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

Annualized Growth: November 2023 – November 2025



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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

WHY DOES THIS MATTER?

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

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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

LOOKING AHEAD



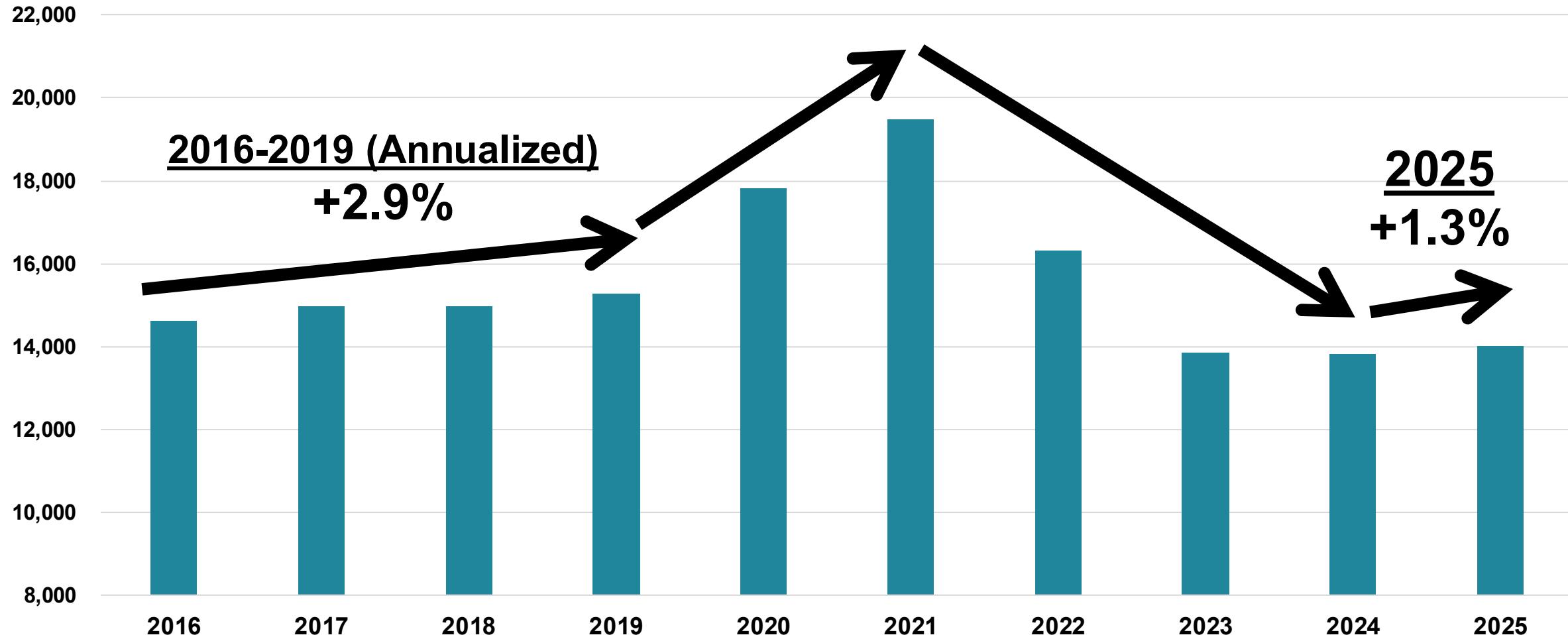
**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

A RETURN TO “NORMALCY” FOR HOUSING MARKETS



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

ANNUAL CHARLESTON HOUSING SALES

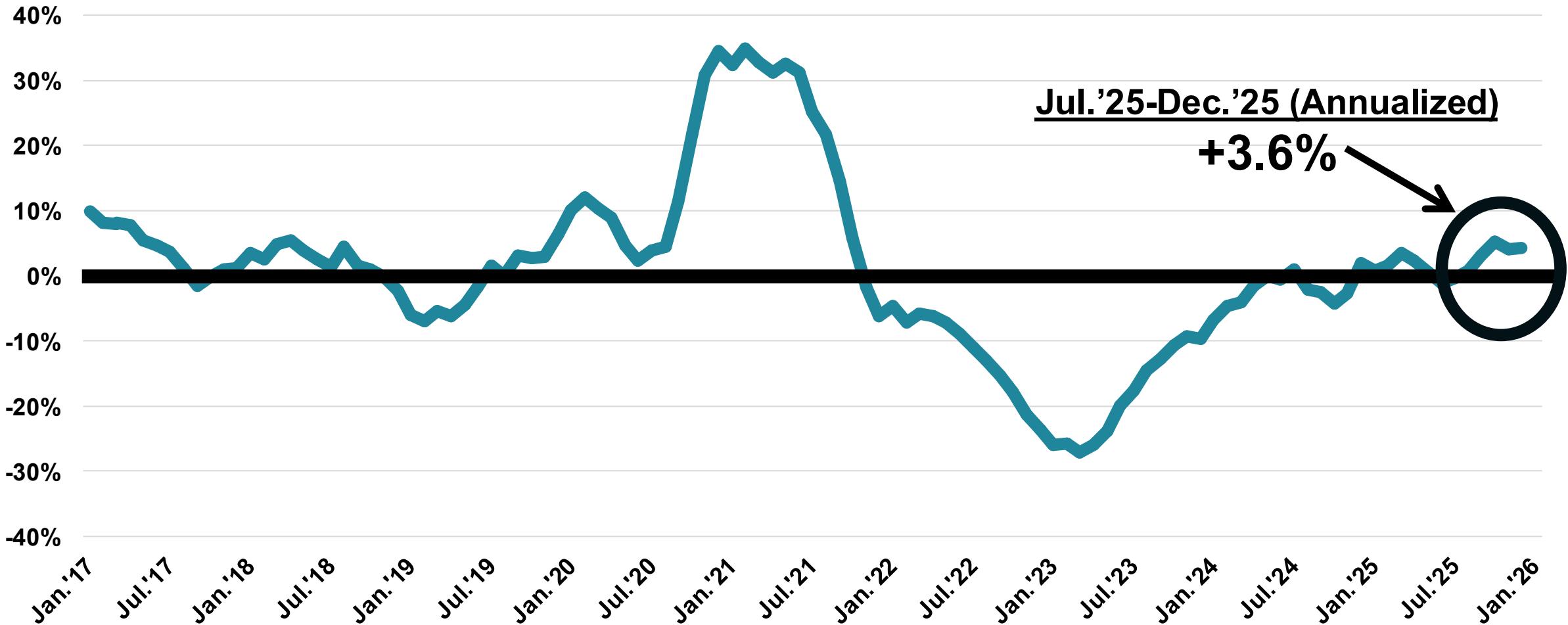


Source: CTAR Multiple Listing Service



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

ANNUAL GROWTH IN CHARLESTON HOUSING SALES

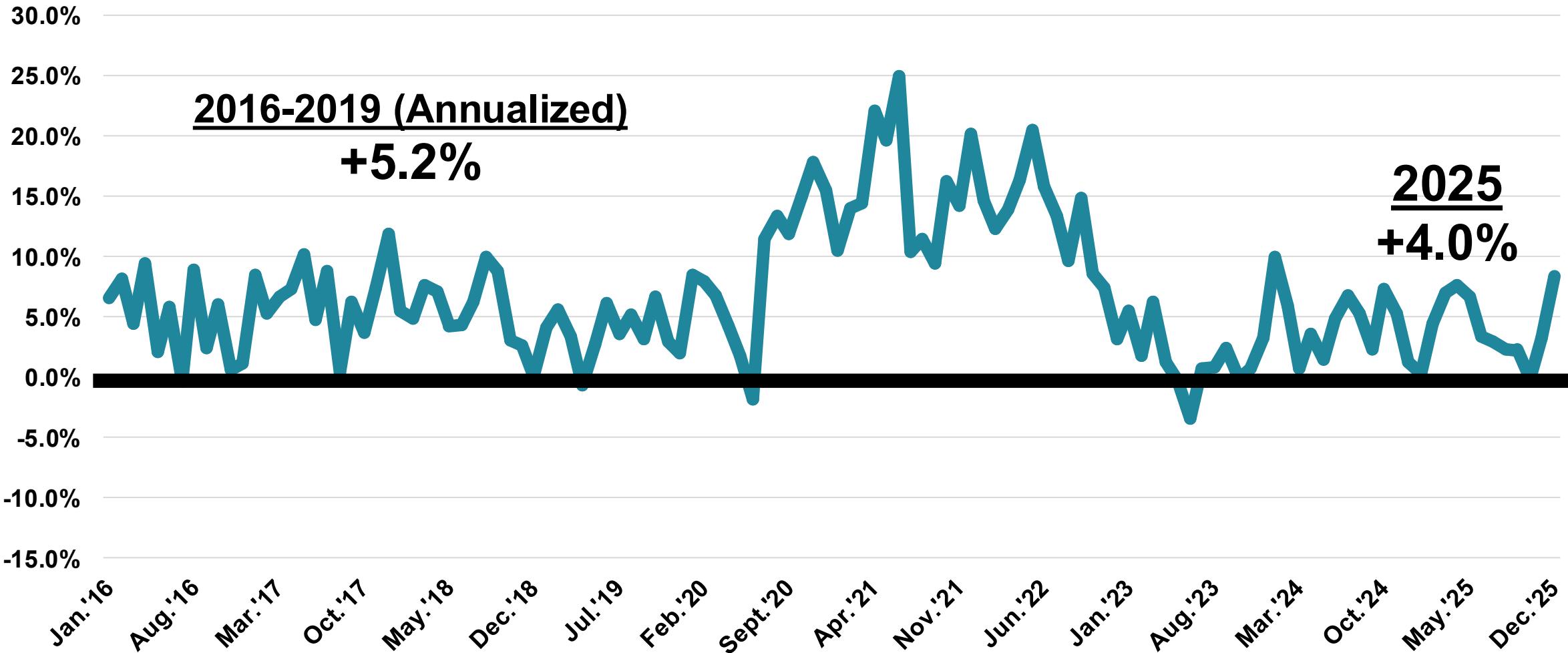


Source: CTAR Multiple Listing Service, rolling 6-month average



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

ANNUAL GROWTH IN CHARLESTON MEDIAN SALES PRICE

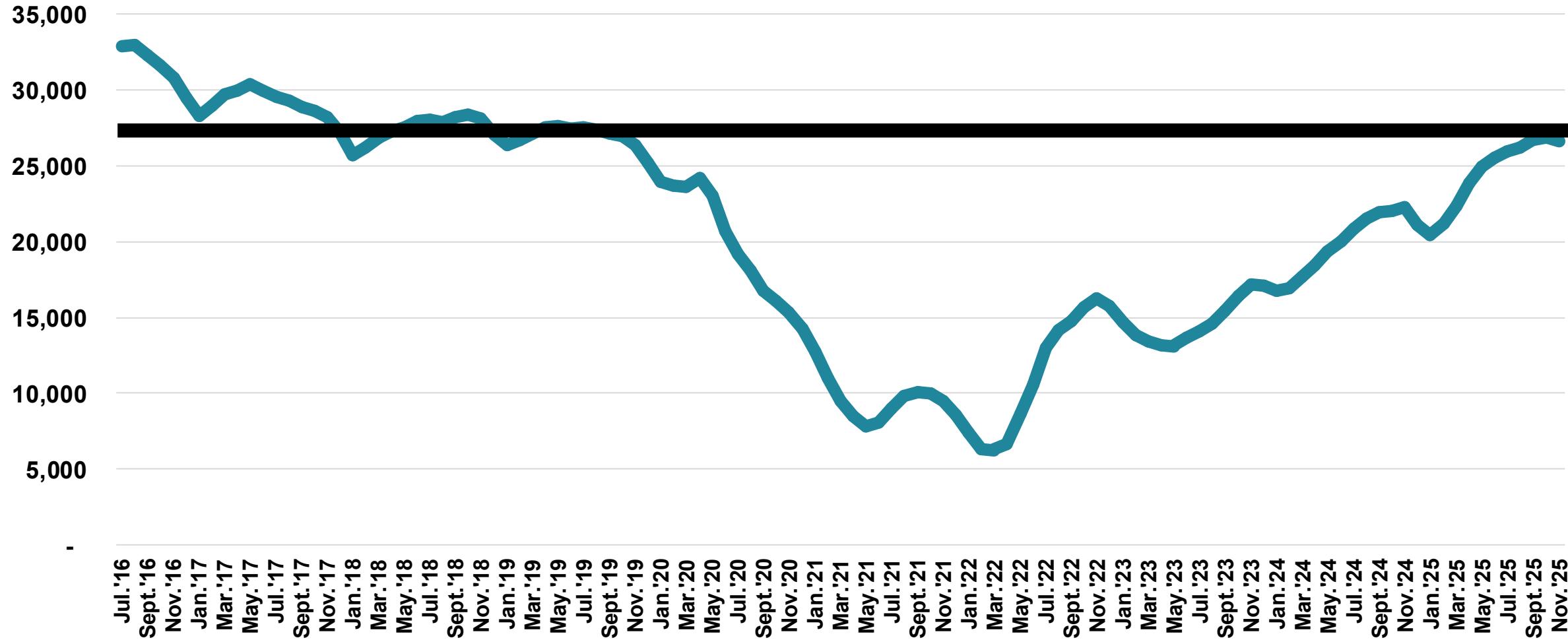


Source: CTAR Multiple Listing Service



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

S.C. TOTAL HOUSING INVENTORY: ACTIVE LISTING COUNT



Source: Realtor.Com



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

NORMALIZED VS. NORMALIZING

NORMALIZED

- SALES GROWTH RATES
- PRICE APPRECIATION

NORMALIZING

- SALES VOLUME
- INVENTORY LEVELS



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

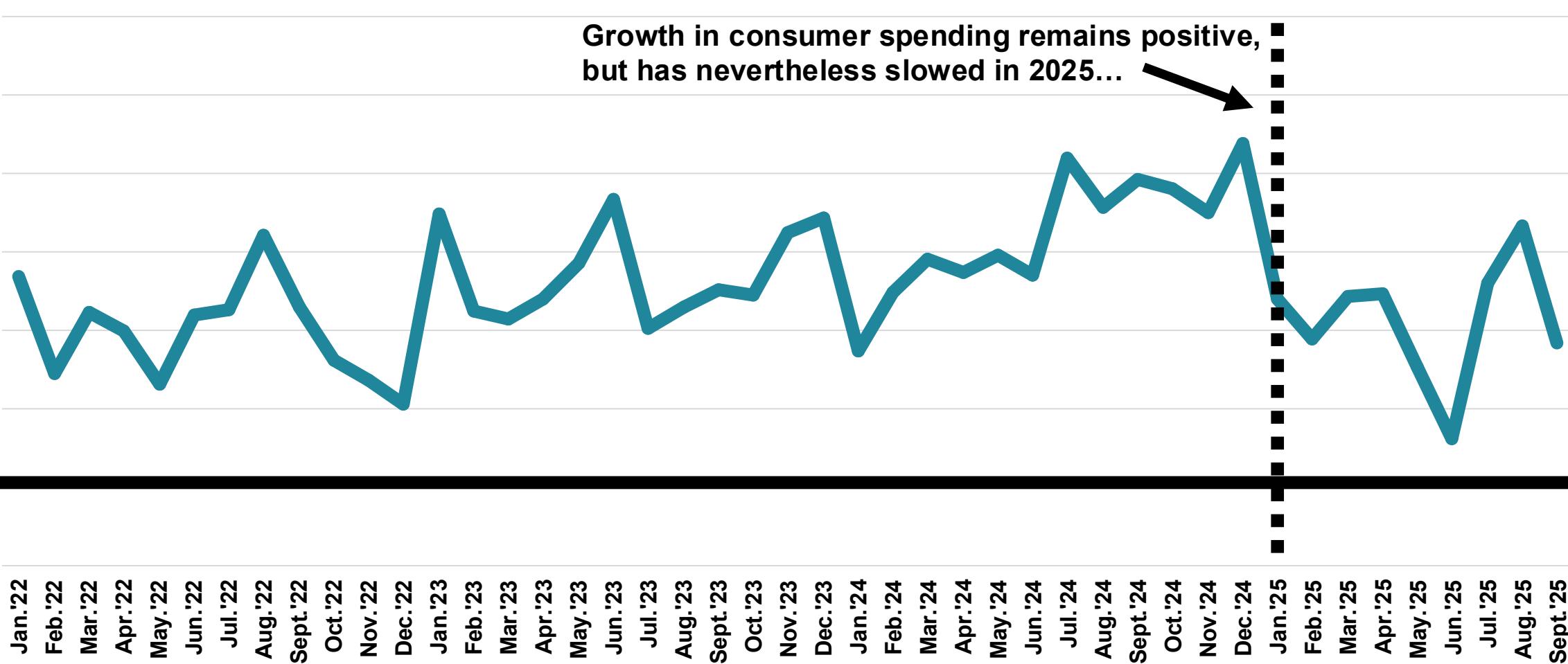
WHAT ABOUT THE BROADER ECONOMY IN 2026?



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

REAL U.S. CONSUMER SPENDING GROWTH

Growth in consumer spending remains positive, but has nevertheless slowed in 2025...

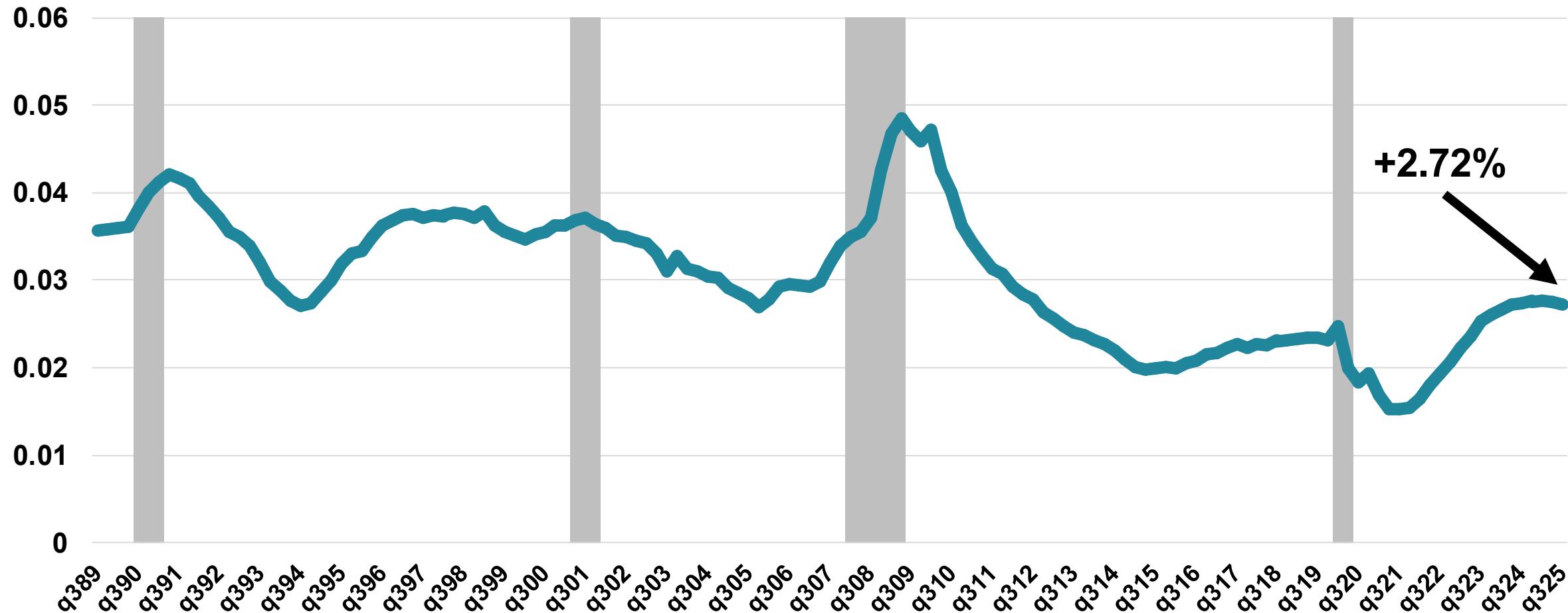


Source: U.S. Bureau of Economic Analysis, annualized quarterly growth rate



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. DELINQUENCY RATE: ALL CONSUMER LOANS

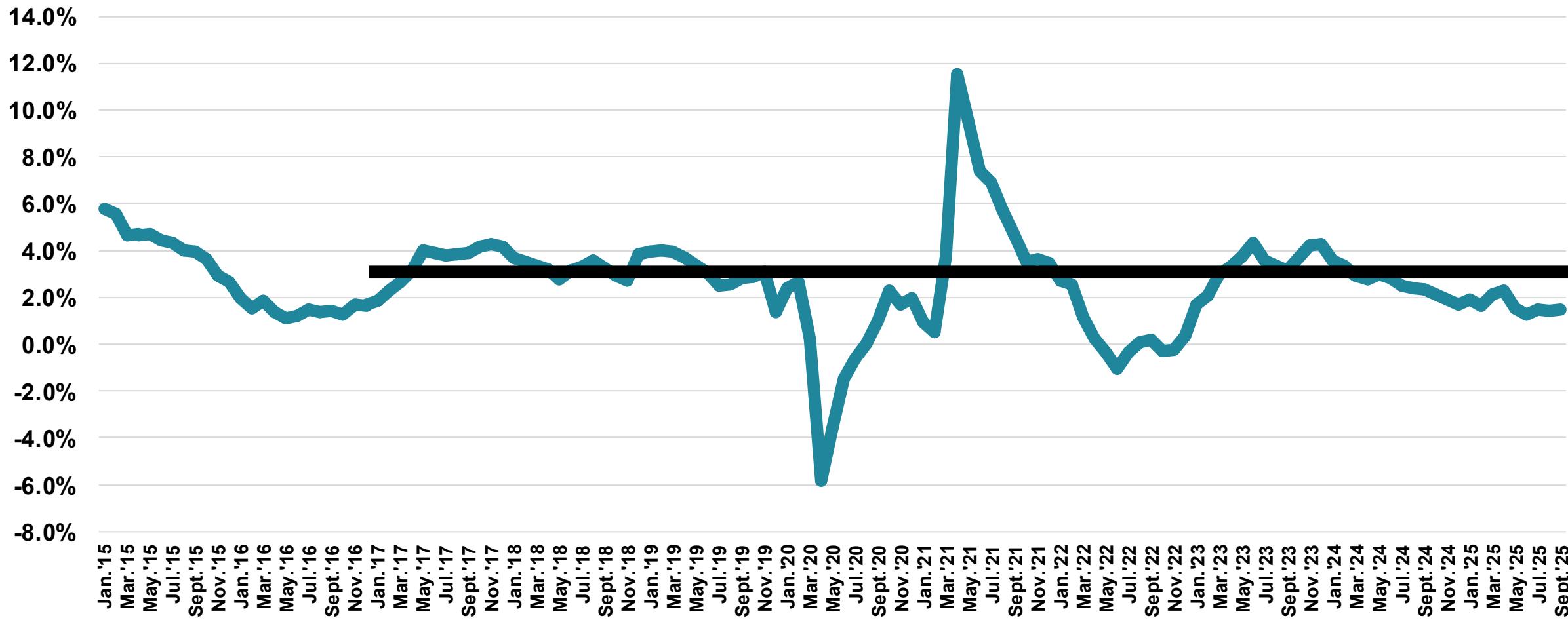


Source: Board of Governors of the Federal Reserve



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

U.S. REAL PERSONAL INCOME LESS TRANSFERS

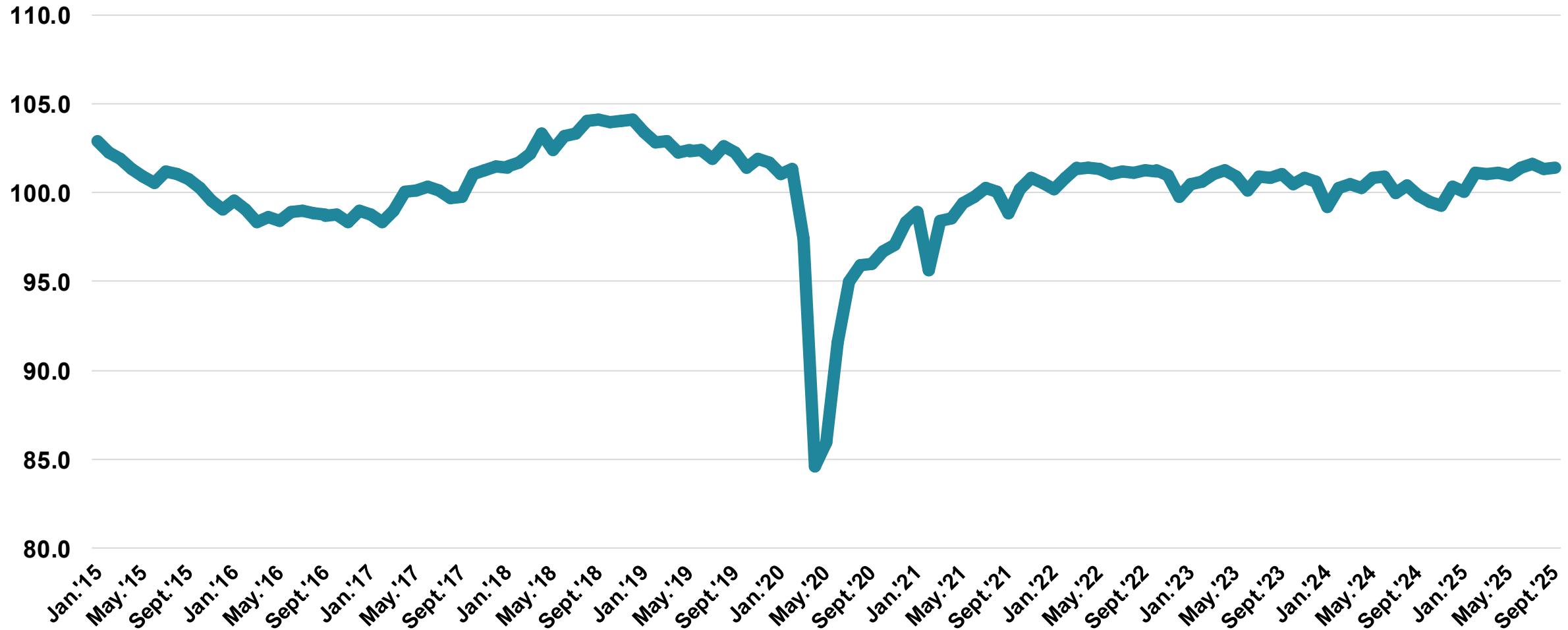


Source: U.S. Bureau of Economic Analysis



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. INDUSTRIAL PRODUCTION INDEX



Source: *Board of Governors of the Federal Reserve System*



Darla Moore
School of Business
UNIVERSITY OF SOUTH CAROLINA

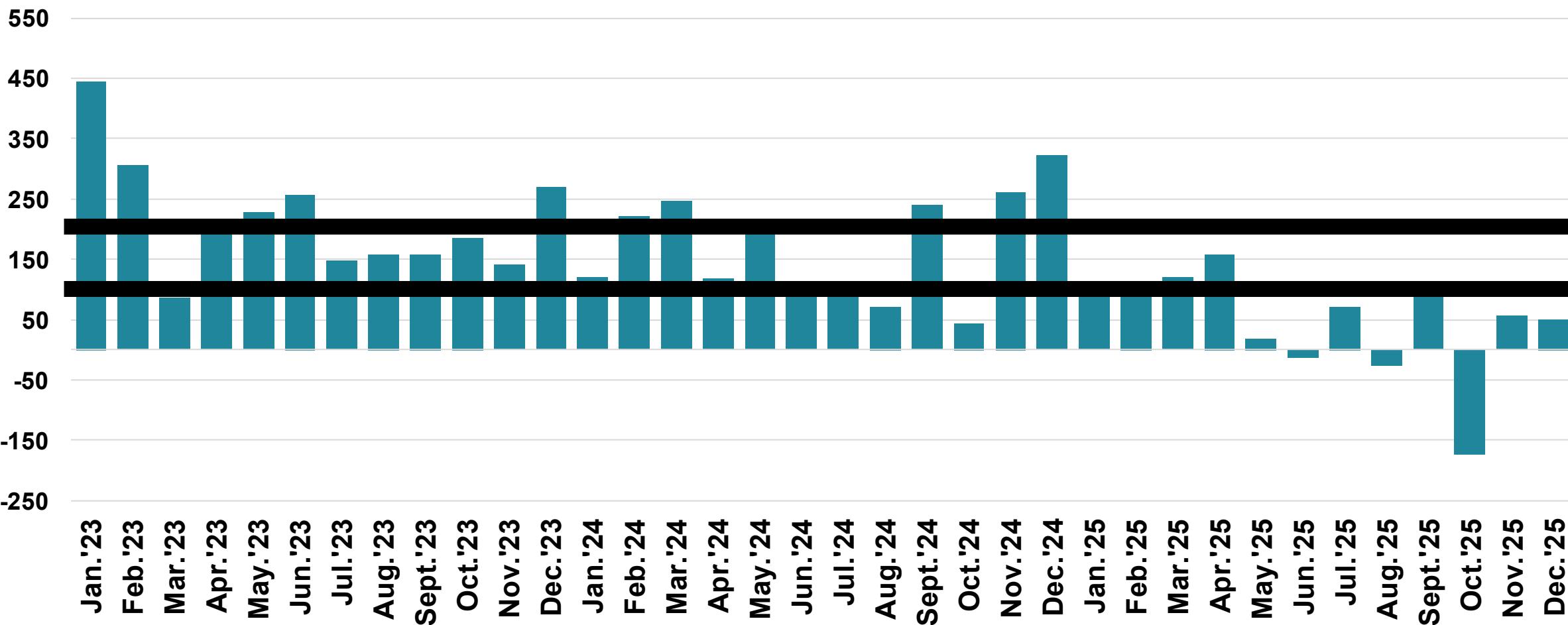
**U.S. CONSUMER AND BUSINESS
ACTIVITY BOTH REMAIN STABLE...**

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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. MONTHLY JOB GAINS

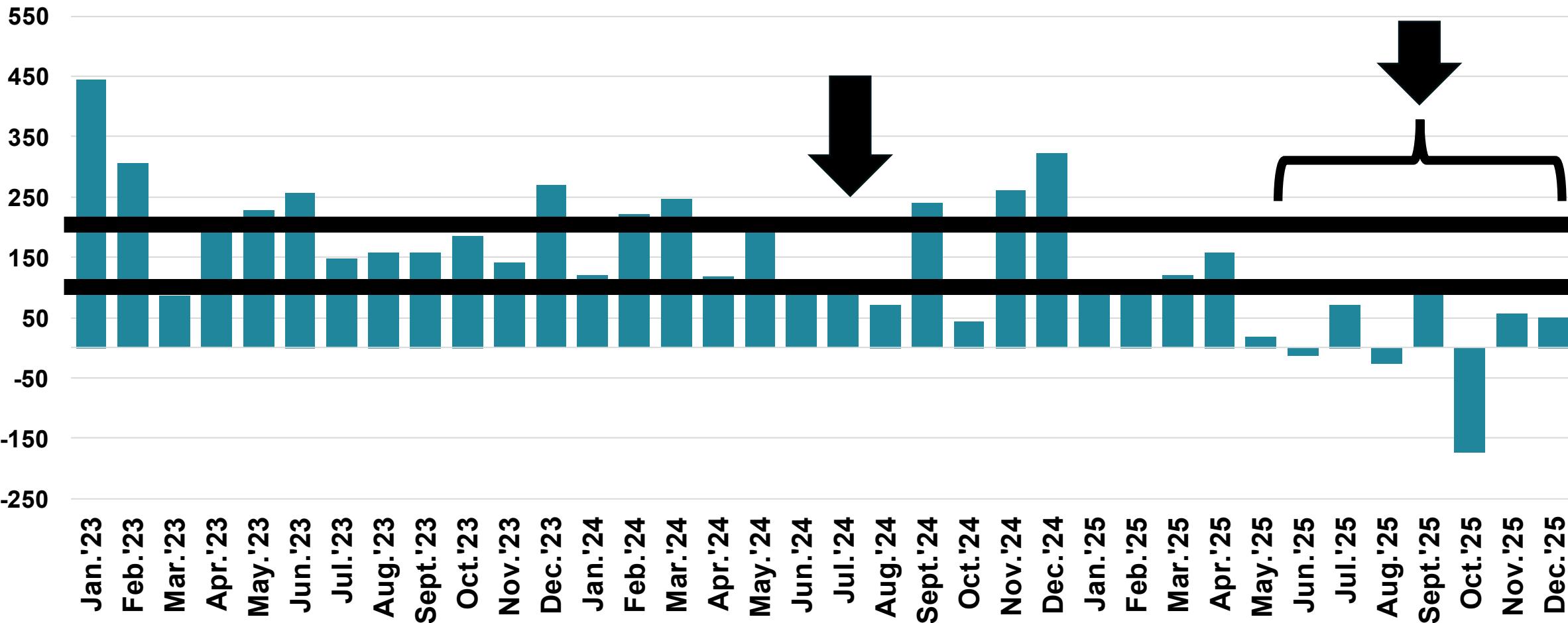


Source: U.S. Bureau of Labor Statistics, in thousands



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

U.S. MONTHLY JOB GAINS



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



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA

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!



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA