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## **CBER's Coincident Index for Southern Nevada Shows Economic Growth**

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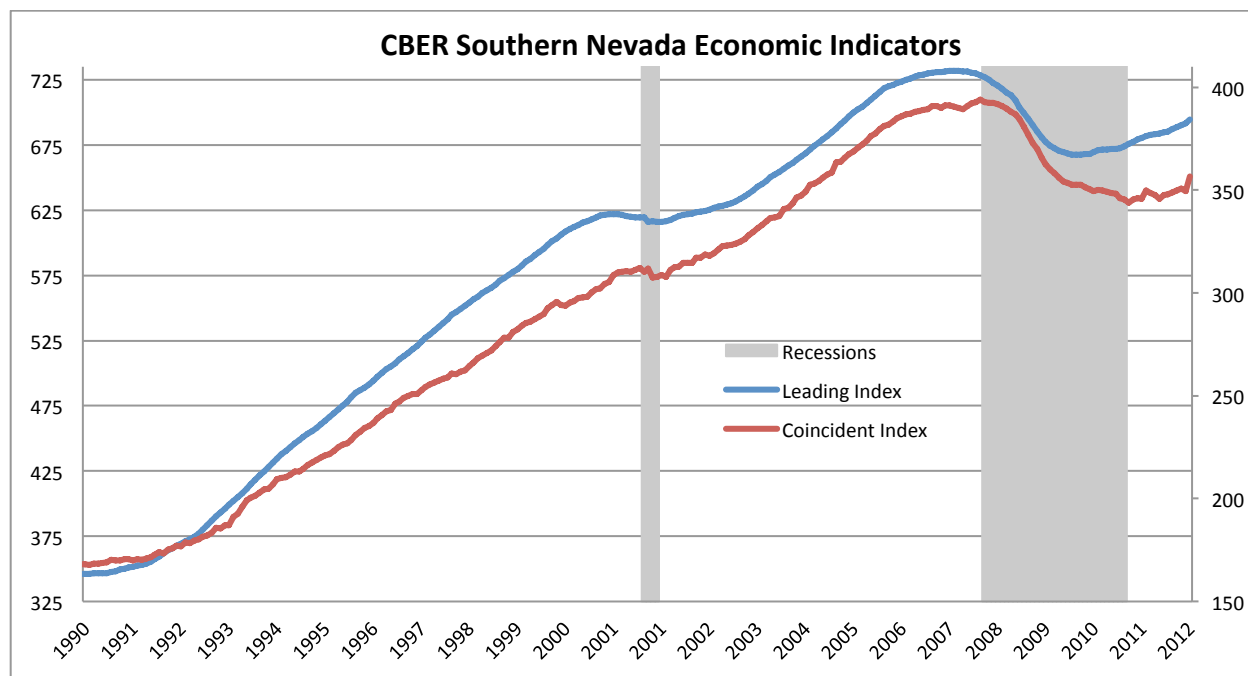
CBER's Southern Nevada Index of Coincident Economic Indicators showed significant gains for March 2012, rising by more than 2 percent from the previous month. The index is constructed with two measures of employment. One is collected from a survey of businesses and one collected from a survey of households (the latter as part of the U.S. Bureau of Labor Statistics Local Area Unemployment Statistics). Although both measures included in the index rose, the data from the household survey were the primary driver of the gain, increasing by over 3 percent from February 2012.

CBER's Southern Nevada Index of Leading Indicators also rose by 0.36% in March, continuing on its trend of a slow recovery. The local, regional, and national components all contributed to this growth and allow us to forecast continued economic growth until late summer.

CBER's other three indexes of current economic activity were mixed:

- CBER's Clark County Business Activity Index declined slightly in January, the result of the drop in taxable sales after the holiday season.
- CBER's Clark County Tourism Index grew by 0.6 percent in January. Increased activity at McCarran airport and Las Vegas hotels/casinos drove the growth.
- CBER's Clark County Construction Index rose in January, the result of a spike in residential and commercial building permits.

More detailed information is found on the pages that follow.



### Leading Index

| Series                    | Date   | Latest Period | Change Previous Period | Change Year Ago |
|---------------------------|--------|---------------|------------------------|-----------------|
| Arizona Index             | Jan-12 | 747.40        | 0.27%                  | 1.91%           |
| California Index          | Jan-12 | 587.57        | 0.46%                  | 3.22%           |
| S&P 500 Index             | Jan-12 | 1289.66       | 3.21%                  | 1.23%           |
| McCarran Total Passengers | Jan-12 | 3514658       | 1.12%                  | 0.36%           |
| Overall Index Change      | Mar-12 | 694.37        | 0.36%                  | 2.23%           |

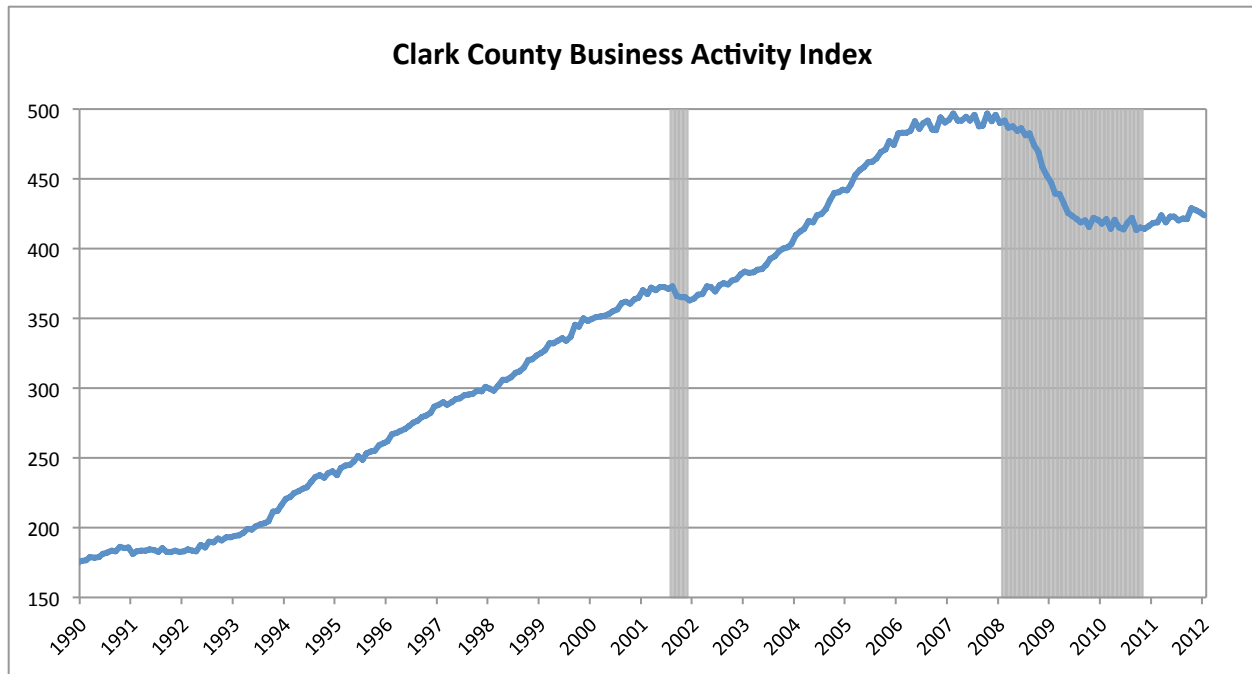
Sources: Philadelphia Federal Reserve, McCarran International Airport, St. Louis Federal Reserve (FRED)

### Coincident Index

| Series                             | Date   | Latest Period | Change Previous Period | Change Year Ago |
|------------------------------------|--------|---------------|------------------------|-----------------|
| Las Vegas MSA Nonfarm Employment   | Jan-12 | 809100        | 0.88%                  | 1.31%           |
| Las Vegas MSA Household Employment | Jan-12 | 854215        | 3.24%                  | 5.00%           |
| Overall Index Change               | Mar-12 | 356.59        | 2.02%                  | 3.08%           |

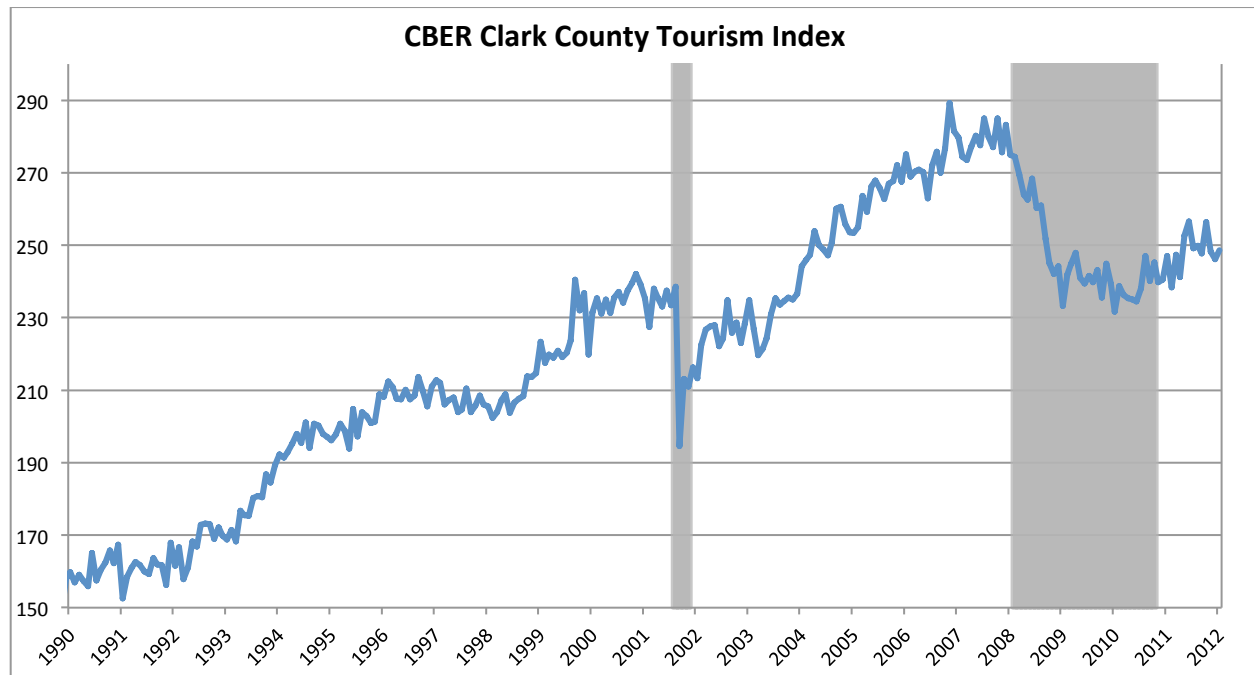
Sources: Current Employment Statistics, Local Area Unemployment Statistics

Both CBER's Southern Nevada Index of Coincident Indicators and Southern Nevada Index of Leading Indicators continued on their upward trends for March 2012. The coincident index made a considerable jump over the previous month—mostly as a result of a sharp gain in household employment, which increased by 3.24 percent. The leading index increased by 0.36 percent over last month, which allows us to forecast continued economic gains in Southern Nevada through late summer.



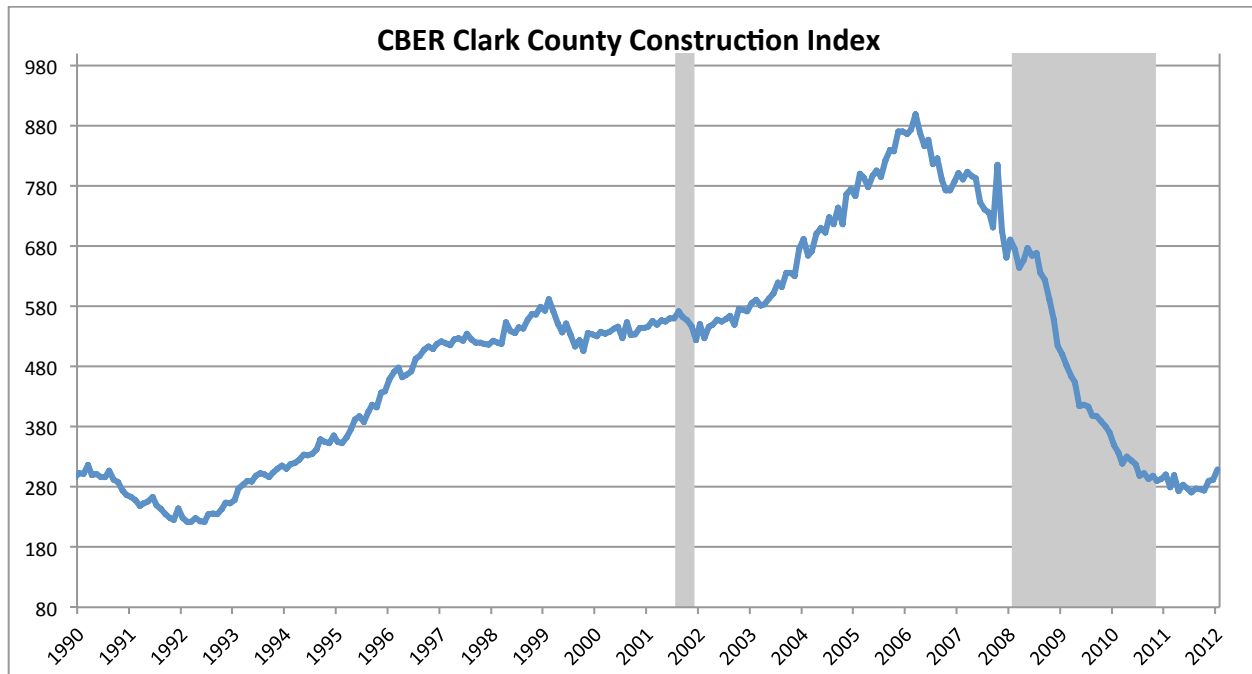
| Date   | Index  | Change Previous Period | Change Year Ago |
|--------|--------|------------------------|-----------------|
| Jan-11 | 418.34 | 0.56%                  | 0.13%           |
| Feb-11 | 418.98 | 0.15%                  | -0.51%          |
| Mar-11 | 423.99 | 1.19%                  | 2.36%           |
| Apr-11 | 418.86 | -1.21%                 | -0.42%          |
| May-11 | 423.07 | 1.01%                  | 1.87%           |
| Jun-11 | 423.07 | 0.00%                  | 2.26%           |
| Jul-11 | 420.21 | -0.68%                 | 0.45%           |
| Aug-11 | 421.68 | 0.35%                  | -0.04%          |
| Sep-11 | 421.32 | -0.09%                 | 1.95%           |
| Oct-11 | 428.80 | 1.78%                  | 3.31%           |
| Nov-11 | 427.50 | -0.30%                 | 3.23%           |
| Dec-11 | 426.15 | -0.32%                 | 2.44%           |
| Jan-12 | 423.94 | -0.52%                 | 1.34%           |

CBER's Business Activity Index dropped slightly in January. The decline was the result of a 22.06 percent decrease in Clark County taxable sales. The other components of the index—employment and gaming revenues—showed gains of 0.88 percent and 2.54 percent, respectively. The latter gains were not enough to offset the large decrease in taxable sales. Looking at past years, we generally find a seasonal decline in taxable sales from December to January. The Business Activity Index is up 1.34 percent from January last year.



| Date   | Index  | Change Previous Period | Change Year Ago |
|--------|--------|------------------------|-----------------|
| Jan-11 | 247.03 | 2.70%                  | 6.65%           |
| Feb-11 | 238.30 | -3.53%                 | -0.16%          |
| Mar-11 | 247.33 | 3.79%                  | 4.68%           |
| Apr-11 | 241.17 | -2.49%                 | 2.45%           |
| May-11 | 252.75 | 4.80%                  | 7.55%           |
| Jun-11 | 256.53 | 1.49%                  | 9.43%           |
| Jul-11 | 249.09 | -2.90%                 | 4.68%           |
| Aug-11 | 249.90 | 0.32%                  | 1.13%           |
| Sep-11 | 247.78 | -0.85%                 | 3.15%           |
| Oct-11 | 256.31 | 3.44%                  | 4.51%           |
| Nov-11 | 248.32 | -3.12%                 | 3.58%           |
| Dec-11 | 246.10 | -0.89%                 | 2.31%           |
| Jan-12 | 247.57 | 0.60%                  | 0.22%           |

As measured by CBER's Clark County Tourism Index, activity in the tourism sector rose by 0.6 percent in January. All of the individual components contributed to this growth. Gaming revenues increased 2.54 percent over December. In addition, McCarran airport saw increased activity of 1.12 percent, while the hotel/motel occupancy rate increased by 0.49 percent.



| Date   | Index  | Change Previous Period | Change Year Ago |
|--------|--------|------------------------|-----------------|
| Jan-11 | 300.94 | 2.63%                  | -13.82%         |
| Feb-11 | 279.26 | -7.20%                 | -17.11%         |
| Mar-11 | 299.50 | 7.25%                  | -6.03%          |
| Apr-11 | 273.22 | -8.77%                 | -17.34%         |
| May-11 | 283.97 | 3.93%                  | -12.38%         |
| Jun-11 | 276.76 | -2.54%                 | -12.81%         |
| Jul-11 | 270.32 | -2.33%                 | -9.51%          |
| Aug-11 | 277.63 | 2.70%                  | -8.29%          |
| Sep-11 | 276.31 | -0.47%                 | -5.64%          |
| Oct-11 | 274.10 | -0.80%                 | -8.12%          |
| Nov-11 | 289.55 | 5.64%                  | 0.04%           |
| Dec-11 | 291.72 | 0.75%                  | -0.52%          |
| Jan-12 | 309.08 | 5.95%                  | 2.70%           |

CBER's Clark County Construction Index made significant gains in January. Increases in both residential and commercial building permits drove the growth. Commercial permits increased threefold over last month. Nonetheless, employment in the construction sector slipped by 4.17 percent. Overall, the construction sector is faring better than in January of last year.

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