



July 6, 2012

CBER's Coincident Index Shows Drop in Jobs

Ryan T. Kennelly

In February and March, both components of CBER's Southern Nevada Coincident Index yielded conflicting numbers about job creation for Clark County. In February, the establishment measure of employment fell, while the household measure of employment grew. In March, it was the opposite case. Nonetheless, both of those months showed overall growth in the coincident index. In April, both measures of employment moved together, resulting in a 0.14 percent decline in the index. Although this drop is disappointing, the index is still up 0.2 percent over last year.

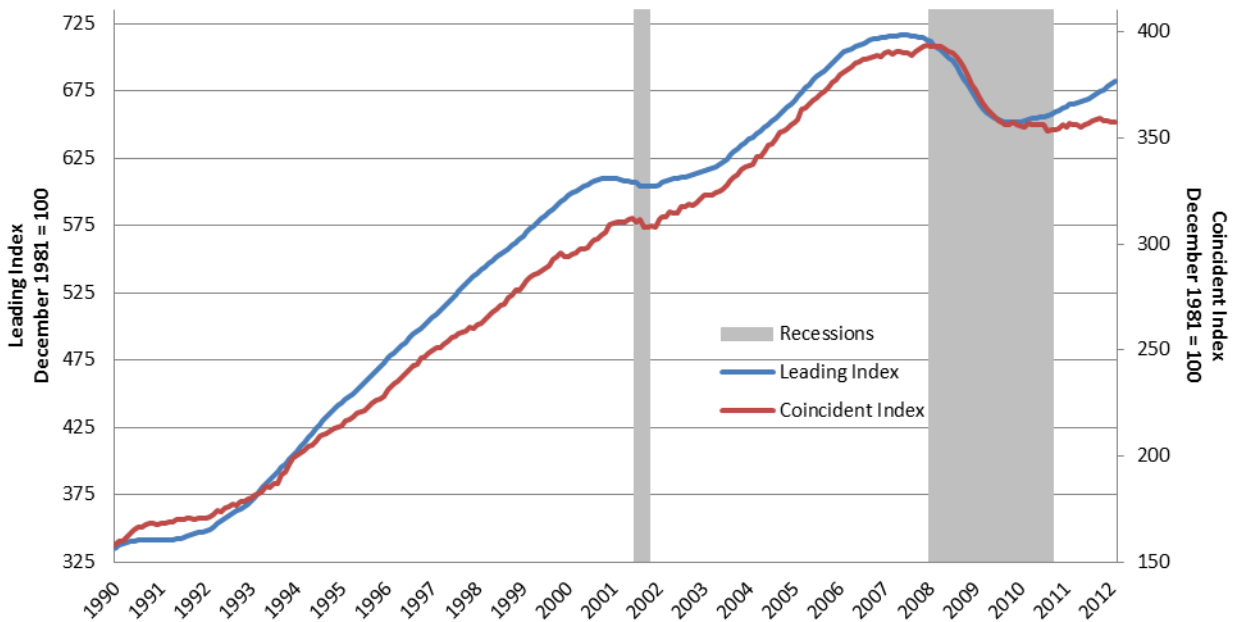
CBER's Southern Nevada Leading Index fared better, increasing by 0.26 percent in April and projecting continued growth through early winter. The only component of the leading index that declined for April was the S&P 500 Index, which fell by 0.86 percent. The other three components (McCarran airport passengers and Arizona and California indexes) showed modest growth.

Changes in CBER's three other indexes for Southern Nevada were as follows:

- CBER's Clark County Business Activity Index rose after two straight months of decline, influenced by strong gains in gaming revenue.
- CBER's Clark County Tourism Index followed suit, making up some lost ground from the previous months.
- CBER's Clark County Construction Index declined because the large building permit spike from March 2012 was not sustained.

More detailed information is found on the pages that follow.

CBER Southern Nevada Economic Indicators



Leading Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Arizona Index	Apr-12	737.96	0.24%	2.46%
California Index	Apr-12	573.91	0.34%	3.56%
S&P 500 Index	Apr-12	1365.50	-0.86%	4.04%
McCarran Total Passengers	Apr-12	3484425	0.59%	2.66%
Overall Index Change		684.17	0.26%	2.77%

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

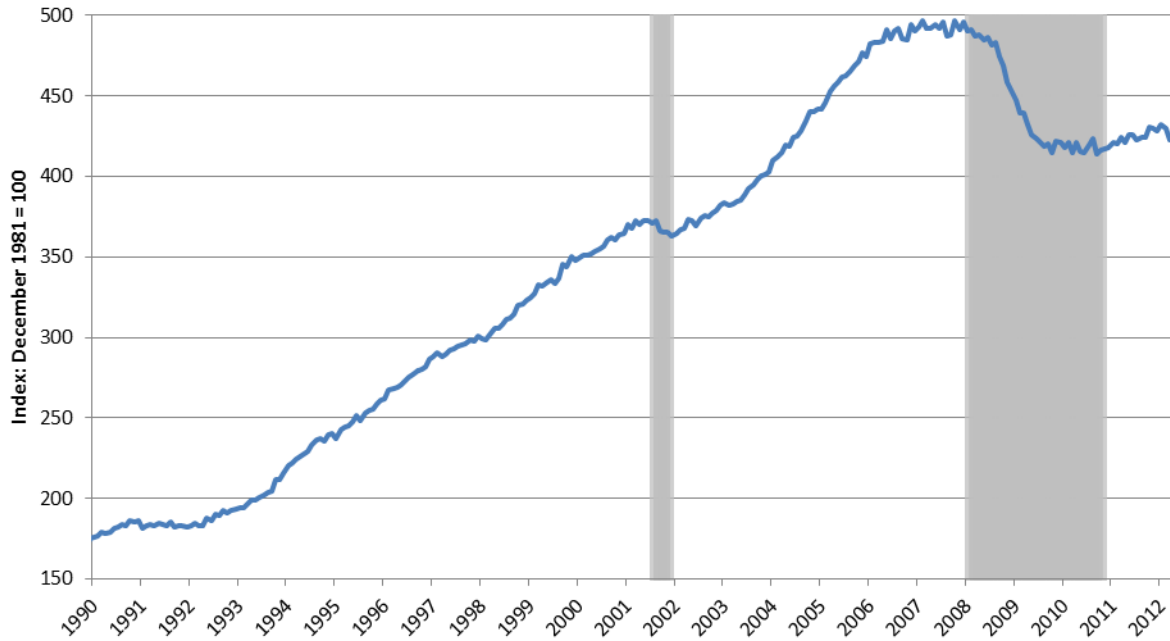
Coincident Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Apr-12	809413	-0.08%	0.21%
Las Vegas MSA Household Employment	Apr-12	856561	-0.21%	0.20%
Overall Index Change		357.14	-0.14%	0.20%

Sources: Current Employment Statistics, Local Area Unemployment Statistics

CBER's Southern Nevada Economic Indicators moved in different directions for April 2012. For the leading index, declines in the stock market weren't enough to offset growth in our neighboring states and increased traffic at McCarran airport. Although the coincident index was made up of conflicting employment measures in February and March, it was still growing. Now both measures are in agreement and, unfortunately, were unanimous in decline.

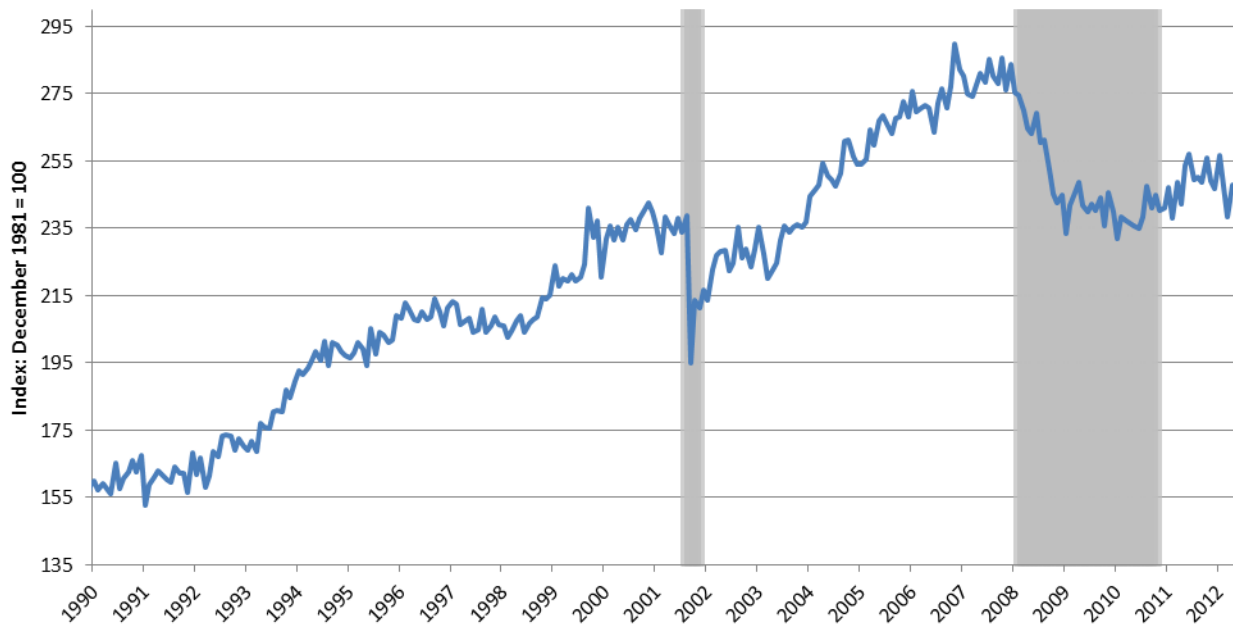
CBER Clark County Business Activity Index



Date	Index	Change Previous Period	Change Year Ago
Apr-11	420.84	-0.84%	-0.11%
May-11	425.52	1.11%	2.33%
Jun-11	425.51	0.00%	2.66%
Jul-11	422.82	-0.63%	0.88%
Aug-11	424.63	0.43%	0.32%
Sep-11	424.08	-0.13%	2.41%
Oct-11	431.07	1.65%	3.44%
Nov-11	430.19	-0.20%	3.18%
Dec-11	428.24	-0.45%	2.55%
Jan-12	432.15	0.91%	2.64%
Feb-12	430.13	-0.47%	2.40%
Mar-12	422.99	-1.66%	-0.33%
Apr-12	427.65	1.10%	1.62%

Activity in the Southern Nevada business sector increased in April 2012 after two straight months of declines. In March, the index was down year over year, but the April gains pushed the index to a higher level than in April 2011. Gaming revenue increased by 13.36 percent and was the primary driver of the growth in the index. Taxable sales saw more modest growth, increasing by 1.1 percent, and nonfarm employment dropped by 0.08 percent.

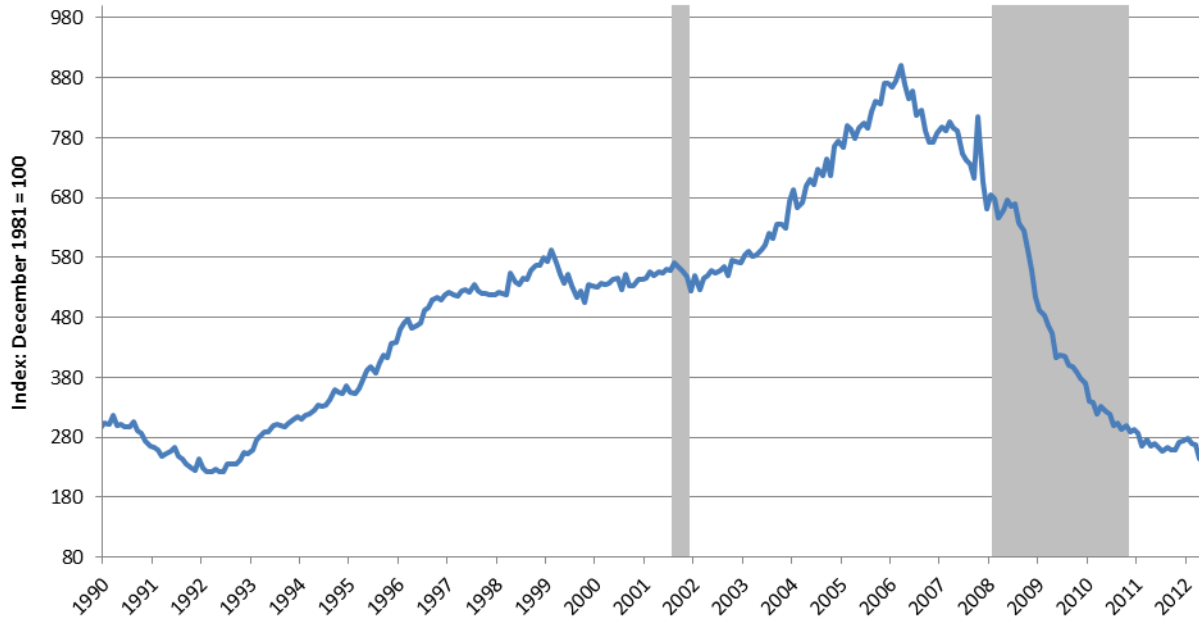
CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Apr-11	242.19	-2.55%	2.49%
May-11	253.42	4.64%	7.56%
Jun-11	257.11	1.46%	9.44%
Jul-11	249.52	-2.95%	4.68%
Aug-11	250.23	0.28%	1.09%
Sep-11	248.67	-0.62%	3.13%
Oct-11	255.73	2.84%	4.45%
Nov-11	248.83	-2.70%	3.58%
Dec-11	246.64	-0.88%	2.31%
Jan-12	256.68	4.07%	3.89%
Feb-12	247.31	-3.65%	3.99%
Mar-12	238.45	-3.58%	-4.06%
Apr-12	248.00	4.00%	2.40%

CBER's Clark County Tourism Index also rose for April 2012, gaining back ground from the previous couple of months. Gaming revenue, passengers at McCarran airport, and hotel/motel occupancy rates all contributed to the growth, increasing by 13.36, 0.59, and 2.82 percent, respectively.

CBER Clark County Construction Index



Date	Index	Change Previous Period	Change Year Ago
Apr-11	264.78	-4.07%	-20.12%
May-11	270.20	2.05%	-16.33%
Jun-11	262.62	-2.80%	-17.45%
Jul-11	256.66	-2.27%	-14.41%
Aug-11	262.59	2.31%	-13.57%
Sep-11	259.86	-1.04%	-11.41%
Oct-11	258.61	-0.48%	-13.56%
Nov-11	272.22	5.26%	-5.77%
Dec-11	274.25	0.74%	-6.11%
Jan-12	278.45	1.53%	-2.53%
Feb-12	268.79	-3.47%	1.41%
Mar-12	267.94	-0.32%	-2.93%
Apr-12	244.45	-8.77%	-7.68%

CBER's Clark County Construction Index declined by almost 9 percent in April. The decline puts the index down 7.68 percent from last year. Of all the components, construction employment suffered the least, dropping by only 1.75 percent. Residential and commercial building permits had greater losses, declining by 7.13 and 70.11 percent, respectively. Although a 70 percent decrease may seem alarming, the number of construction permits allocated on a monthly basis is relatively small compared to the other types of data shown, and small changes yielded much larger swings percentagewise.

Ryan T. Kennelly