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CBER's Southern Nevada Economic Indicators Continue Upward Trend

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CBER's coincident and leading economic indexes for Southern Nevada continued on their recent trend of slow growth in March 2012. Traffic at McCarran airport was the only component to decline in the leading index. The other components fared much better as the stock market had another strong month of growth in March, and gains from California's and Arizona's economies pushed the leading index forward.

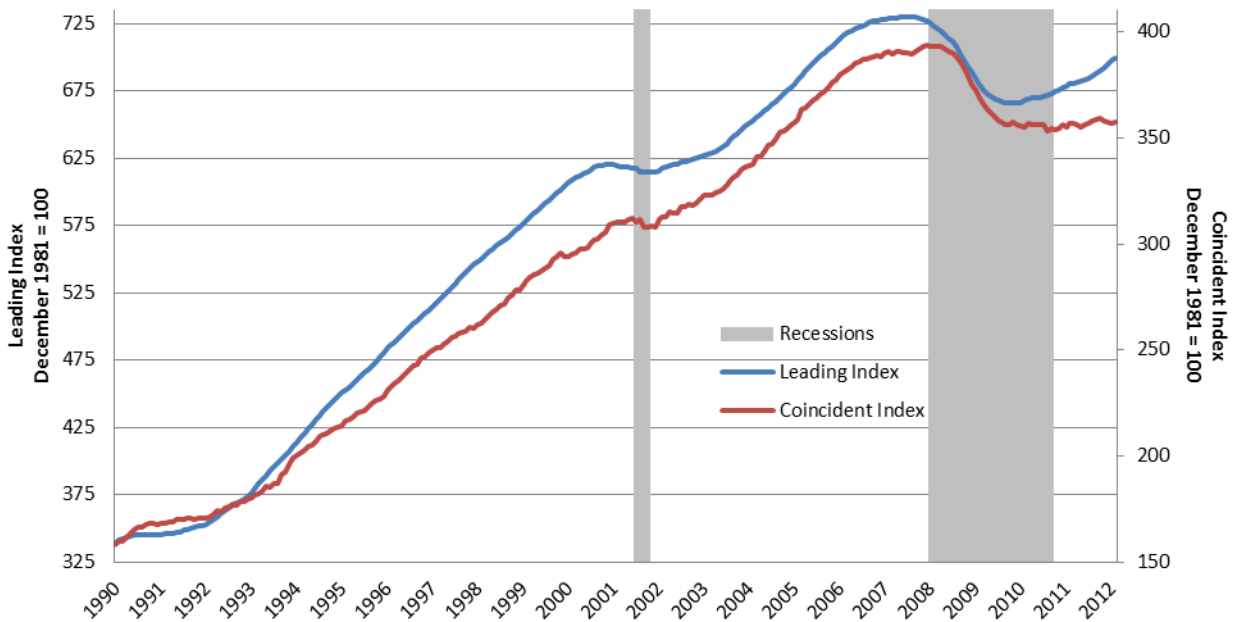
As in February, the two measures of employment used in the coincident index gave conflicting signs, with establishment data showing increases and household data showing decreases. The overall change was positive, however, reflecting the predicted growth from CBER's Leading Economic Index earlier in the year.

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

- CBER's Clark County Business Activity Index fell again, a result from decreases in gaming revenue and taxable sales.
- CBER's Clark County Tourism Index suffered the same fate, demonstrating the close link between general business activity and tourism in Clark County.
- CBER's Clark County Construction Index showed slight growth from a spike in both residential and commercial permits.

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	Mar-12	754.34	0.31%	2.58%
California Index	Mar-12	588.62	0.30%	3.41%
S&P 500 Index	Mar-12	1382.94	1.26%	6.07%
McCarran Total Passengers	Mar-12	3459243	-0.07%	2.67%
Overall Index Change		699.68	0.32%	2.83%

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

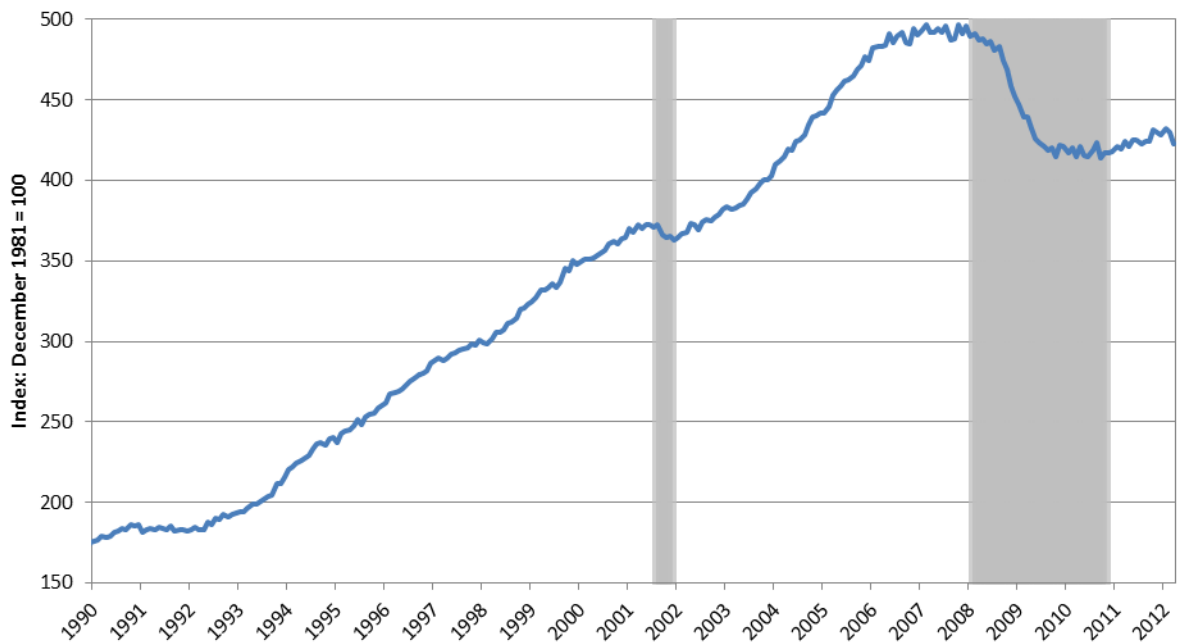
Coincident Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Mar-12	809842	0.39%	0.54%
Las Vegas MSA Household Employment	Mar-12	858483	-0.11%	0.05%
Overall Index Change		357.62	0.15%	0.30%

Sources: Current Employment Statistics, Local Area Unemployment Statistics

CBER's leading and coincident economic indexes for Southern Nevada saw growth in March 2012. The leading index benefited from all of the components except for traffic at McCarran airport. The S&P 500 Index in particular fared well over last year. Once again, we have conflicted reports on employment—showcased in the coincident index. Overall, the growth in employment as measured at establishments overwhelmed the decline in employment as measured at households.

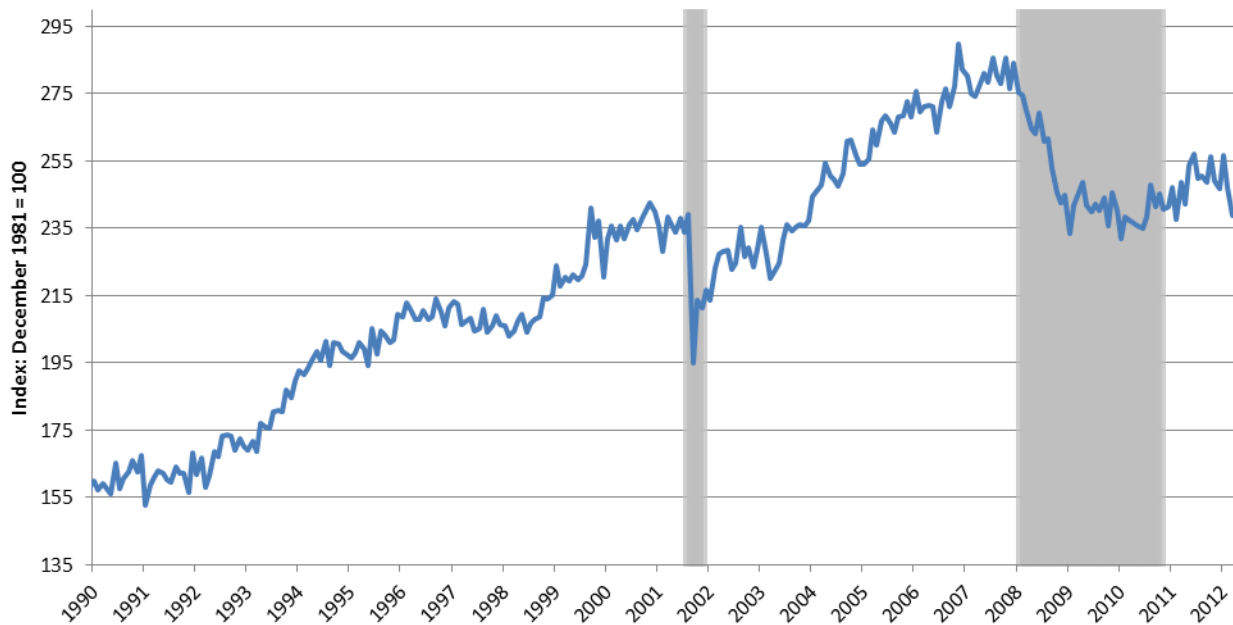
CBER Clark County Business Activity Index



Date	Index	Change Previous Period	Change Year Ago
Mar-11	424.23	1.52%	2.38%
Apr-11	419.11	-1.21%	-0.41%
May-11	423.16	0.97%	1.88%
Jun-11	423.25	0.02%	2.27%
Jul-11	420.36	-0.68%	0.46%
Aug-11	421.96	0.38%	-0.04%
Sep-11	421.76	-0.05%	1.95%
Oct-11	428.62	1.62%	3.31%
Nov-11	427.86	-0.18%	3.25%
Dec-11	425.85	-0.47%	2.44%
Jan-12	436.07	2.40%	4.25%
Feb-12	431.36	-1.08%	3.23%
Mar-12	422.90	-1.96%	-0.31%

For the second straight month, CBER's Clark County Business Activity Index fell. Although we have seen declines in the past four of five months, March was the first time in 2012 that we saw declines from the past year. Gaming revenue and Clark County taxable sales dropped by 12.04 and 5.25 percent, respectively. The 0.39 percent gain in employment wasn't enough to offset these relatively large decreases.

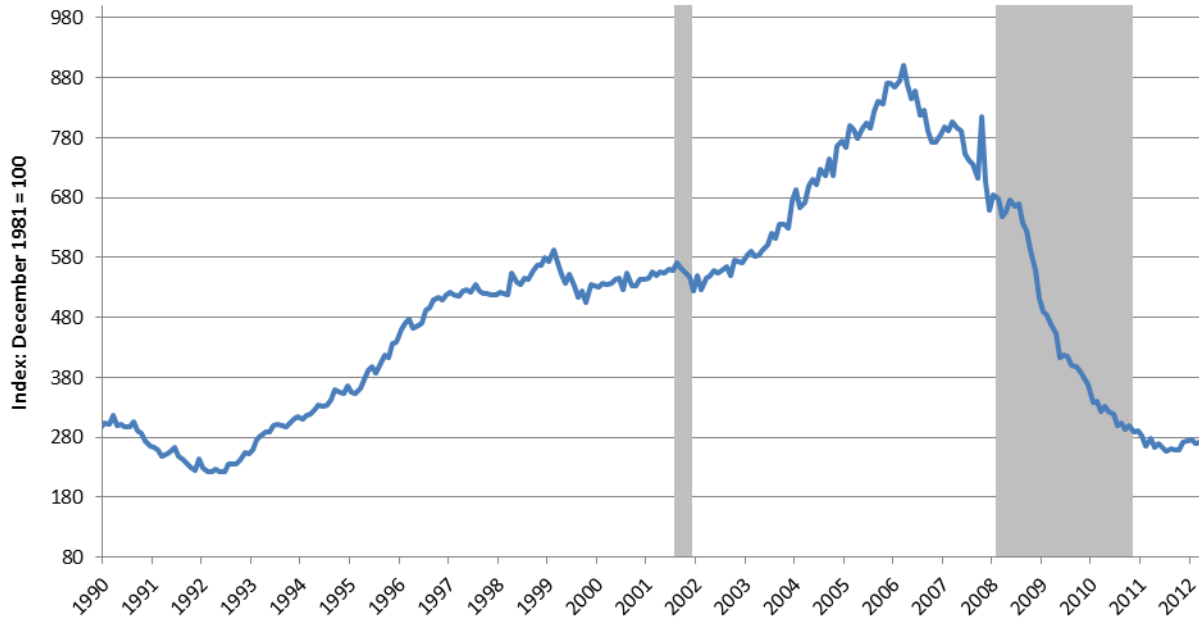
CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Mar-11	248.70	4.68%	4.85%
Apr-11	242.19	-2.62%	2.47%
May-11	253.39	4.63%	7.56%
Jun-11	257.14	1.48%	9.44%
Jul-11	249.61	-2.93%	4.69%
Aug-11	250.45	0.33%	1.09%
Sep-11	248.79	-0.66%	3.13%
Oct-11	256.12	2.95%	4.47%
Nov-11	249.13	-2.73%	3.59%
Dec-11	246.84	-0.92%	2.32%
Jan-12	256.65	3.98%	3.89%
Feb-12	247.03	-3.75%	3.98%
Mar-12	238.64	-3.40%	-4.05%

CBER's Clark County Tourism Index saw similar changes to those in the Business Activity Index, dropping by 3.4 percent in March. All of the components—gaming revenue, McCarran passengers, and hotel/motel occupancy—contributed to this decrease. Although the tourism index is down from a year ago, signs from the leading and coincident indexes point to this development as being part of normal economic fluctuations.

CBER Clark County Construction Index



Date	Index	Change Previous Period	Change Year Ago
Mar-11	278.49	4.69%	-13.56%
Apr-11	263.55	-5.36%	-20.36%
May-11	270.01	2.45%	-16.39%
Jun-11	262.30	-2.85%	-17.52%
Jul-11	255.97	-2.42%	-14.51%
Aug-11	262.04	2.37%	-13.67%
Sep-11	259.32	-1.04%	-11.50%
Oct-11	258.04	-0.50%	-13.65%
Nov-11	271.82	5.34%	-5.86%
Dec-11	273.77	0.72%	-6.20%
Jan-12	275.62	0.68%	-2.73%
Feb-12	269.64	-2.17%	1.37%
Mar-12	270.74	0.41%	-2.78%

The state of the construction sector improved in March, as a result of an increase in the number of both housing and commercial permits, which grew by 10.27 and 19.69 percent, respectively. Construction employment dropped slightly, by 1.73 percent. This sector is having the hardest time getting on track for recovery, still down 2.78 percent from last year. The construction and the housing sectors are dependent on one another, and it is likely they will be two of the last areas of the economy to recover.

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