



December 9, 2013

## **CBER's Southern Nevada Coincident Index Shows Job Losses**

Ryan T. Kennelly

CBER's Southern Nevada Coincident Index represents the current state of the Southern Nevada economy using two series that measure Las Vegas Metropolitan Statistical Area employment. CBER's Southern Nevada Leading Index uses local, regional, and national variables to predict movement in the coincident index four to six months in advance.

For the Great Recession, the coincident index peaked in January 2008 and reached its lowest point in September 2010. The leading index peaked in July 2007—six months before the coincident index and reached its bottom in February 2010—seven months before the coincident index started recovery.

CBER's Southern Nevada Coincident Index decreased slightly for September 2013. Year-over-year, the index is up by 1.63 percent. CBER's Southern Nevada Leading Index increased for the month, benefiting from gains in all four of its components. Year-over-year, the leading index is up by 2.57 percent.

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

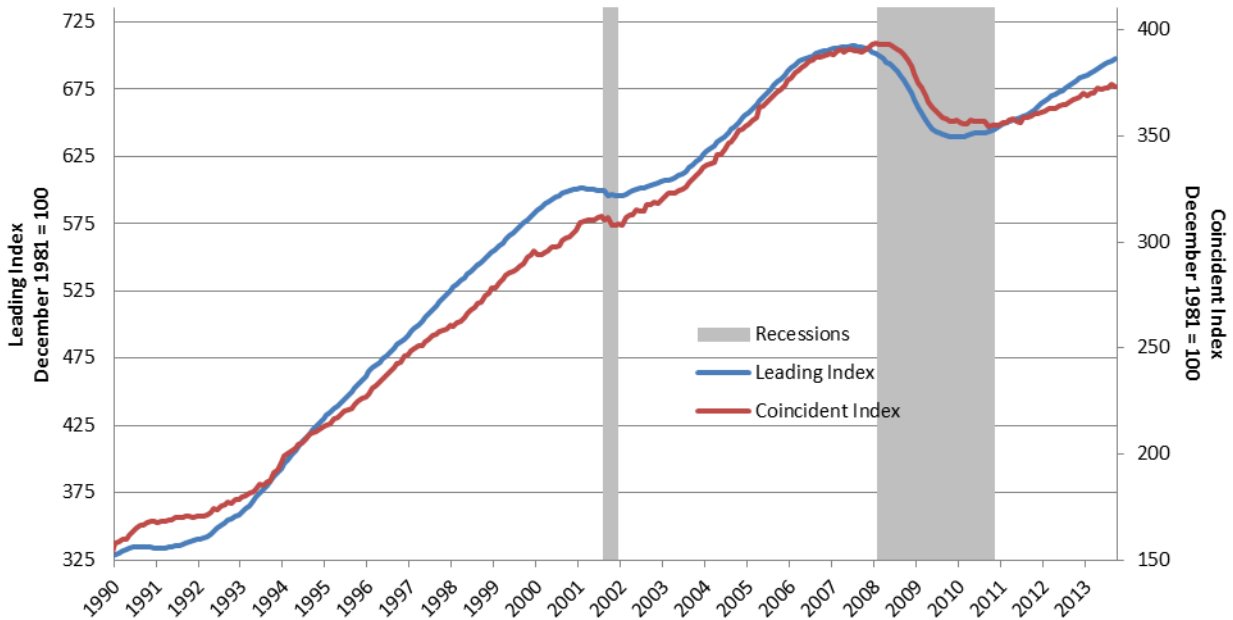
- CBER's Clark County Business Activity Index increased for the third straight month, and it is faring better than in September 2012.
- CBER's Clark County Tourism Index made small gains for the month and is above its level from September last year.
- CBER's Clark County Construction Index also increased for the month and remains up significantly year-over-year.

More detailed information is found on the pages that follow.

A full description of the methodology used to construct the indexes can be found at:

<http://cber.unlv.edu/reports/SoNVEconomicIndexes.pdf>.

## CBER Southern Nevada Economic Indicators



### Leading Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Arizona Index	Sep-13	747.90	0.13%	2.08%
California Index	Sep-13	589.44	0.37%	3.31%
S&P 500 Index	Sep-13	1,725.15	0.69%	17.09%
McCarran Total Passengers	Sep-13	3,492,767	1.09%	1.16%
Overall Index Change		697.53	0.21%	2.57%

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

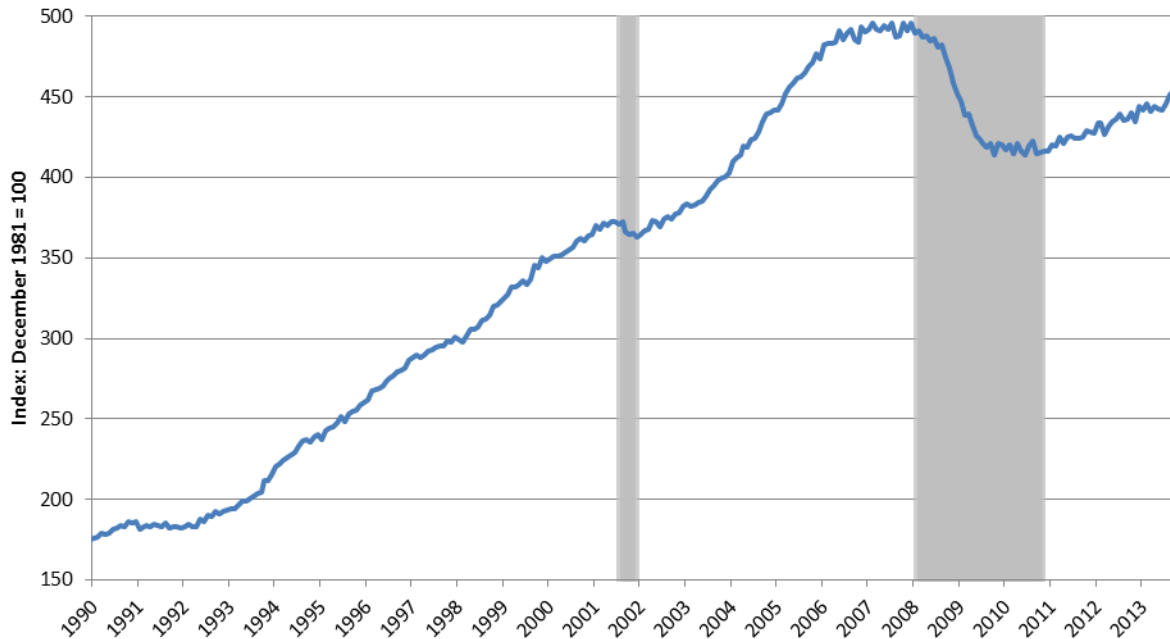
### Coincident Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Sep-13	843,547	-0.63%	2.00%
Las Vegas MSA Household Employment	Sep-13	896,135	-0.11%	1.23%
Overall Index Change		372.90	-0.38%	1.63%

Sources: Current Employment Statistics, Local Area Unemployment Statistics

All four components of CBER's Southern Nevada Leading Index increased for September 2013 and are up year-over-year. For the first time since January, both employment series declined. The coincident index, however, remains on a slight upward trend, up year-over-year by 1.63 percent.

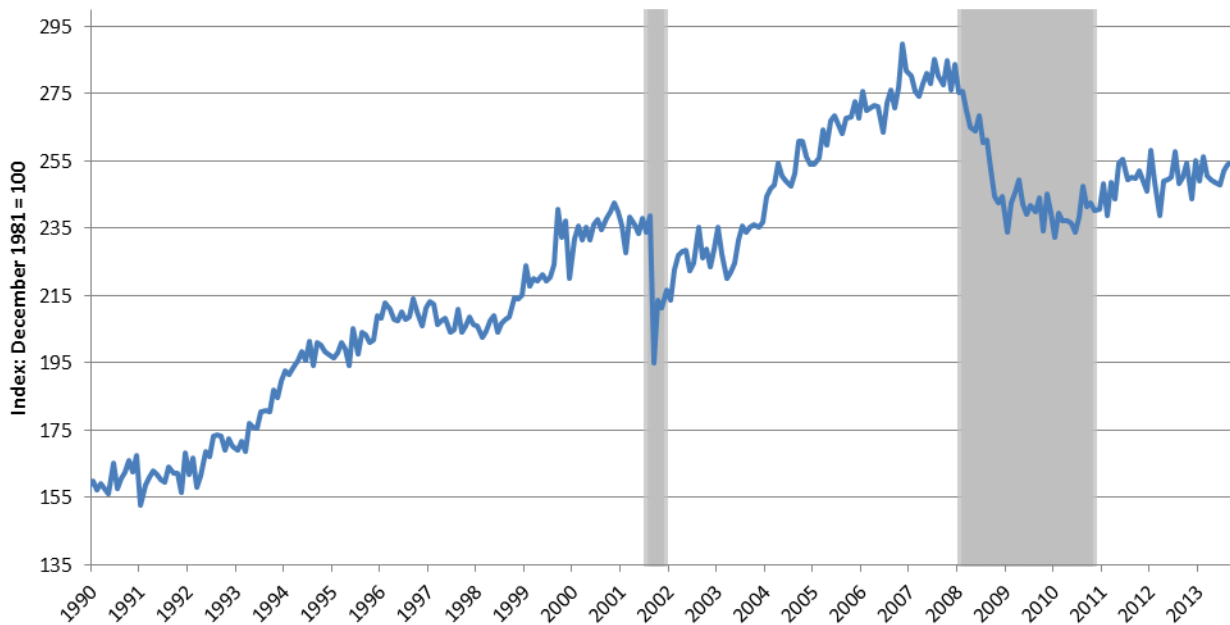
### CBER Clark County Business Activity Index



Date	Index	Change Previous Period	Change Year Ago
Sep-12	436.54	0.20%	2.76%
Oct-12	439.87	0.76%	2.53%
Nov-12	434.59	-1.20%	1.38%
Dec-12	444.03	2.17%	3.88%
Jan-13	441.76	-0.51%	1.79%
Feb-13	446.18	1.00%	2.88%
Mar-13	440.84	-1.20%	3.28%
Apr-13	443.90	0.69%	2.82%
May-13	442.85	-0.24%	1.96%
Jun-13	441.49	-0.31%	1.18%
Jul-13	446.06	1.04%	1.50%
Aug-13	451.54	1.23%	3.64%
Sep-13	453.57	0.45%	3.90%

CBER's Clark County Business Activity Index increased in September 2013, despite losses in two of its three components. Las Vegas nonfarm employment, as seen in the coincident index, fell by 0.63 percent. Seasonally adjusted gaming revenues also decreased, by 0.43 percent. Clark County taxable sales were solely responsible for the index's growth, up by 6.14 percent from August.

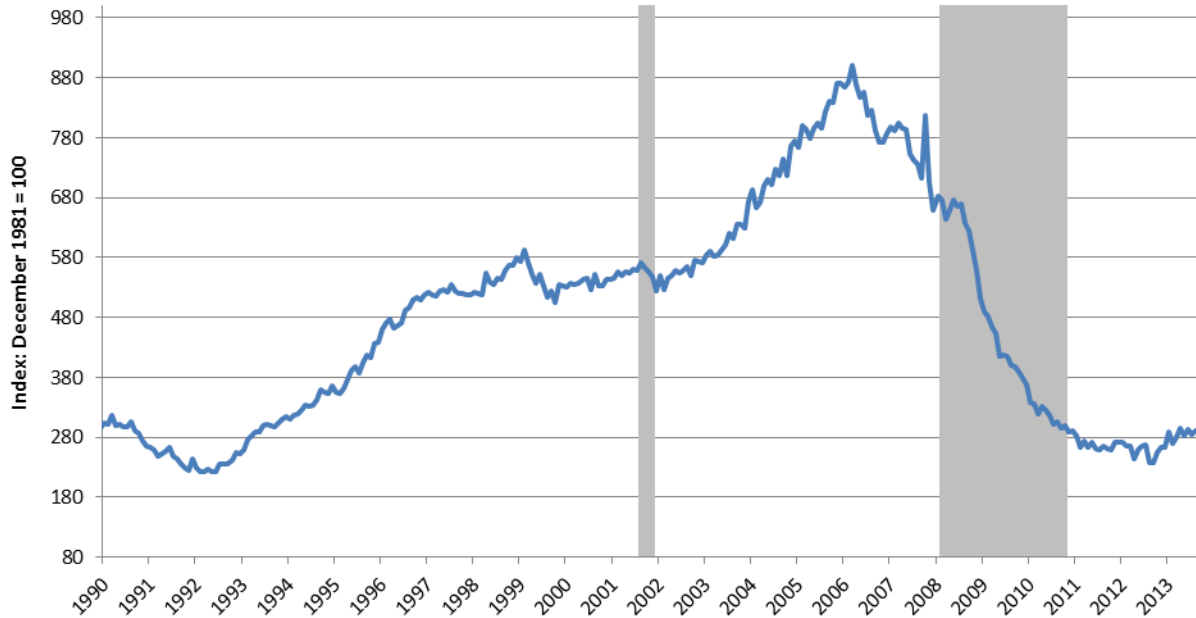
### CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Sep-12	250.03	0.68%	0.10%
Oct-12	254.41	1.75%	0.94%
Nov-12	243.74	-4.19%	-2.13%
Dec-12	255.28	4.73%	3.73%
Jan-13	249.00	-2.46%	-3.56%
Feb-13	256.25	2.91%	3.12%
Mar-13	250.40	-2.28%	4.86%
Apr-13	249.53	-0.35%	0.14%
May-13	248.48	-0.42%	-0.35%
Jun-13	247.99	-0.20%	-0.91%
Jul-13	252.23	1.71%	-2.08%
Aug-13	254.09	0.74%	2.32%
Sep-13	254.51	0.17%	1.79%

As measured by CBER's Clark County Tourism Index, activity in the tourism sector increased for September 2013. The growth can be attributed to passengers enplaned/deplaned at McCarran Airport, which rose by 1.09 percent. Seasonally adjusted gaming revenues and the Las Vegas hotel/motel occupancy rate fell by 0.43 percent and 0.28 percent, respectively.

## CBER Clark County Construction Index



Date	Index	Change Previous Period	Change Year Ago
Sep-12	236.49	-0.06%	-9.74%
Oct-12	253.92	7.37%	-2.32%
Nov-12	264.18	4.04%	-3.07%
Dec-12	262.34	-0.69%	-3.73%
Jan-13	289.91	10.51%	6.41%
Feb-13	269.65	-6.99%	1.31%
Mar-13	280.81	4.14%	5.86%
Apr-13	295.13	5.10%	21.44%
May-13	283.47	-3.95%	9.69%
Jun-13	292.11	3.05%	10.53%
Jul-13	285.47	-2.27%	6.51%
Aug-13	291.11	1.98%	23.03%
Sep-13	293.74	0.90%	24.21%

CBER's Clark County Construction Index increased for September and is up strongly year-over-year. Residential permits experienced large losses for the month, falling by 23.08 percent. Las Vegas construction employment increased by 0.42 percent. Commercial permits experienced robust gains but remain at a low and volatile level.

Ryan T. Kennelly