

September 11, 2013

## **CBER's Tourism Index Continues to Decline**

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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 saw a small increase for June 2013. Year-over-year, the index is up by 2.21 percent. CBER's Southern Nevada Leading Index increased for the month, benefiting from gains in three of its four components. Year-over-year, the leading index is up by 2.81 percent.

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

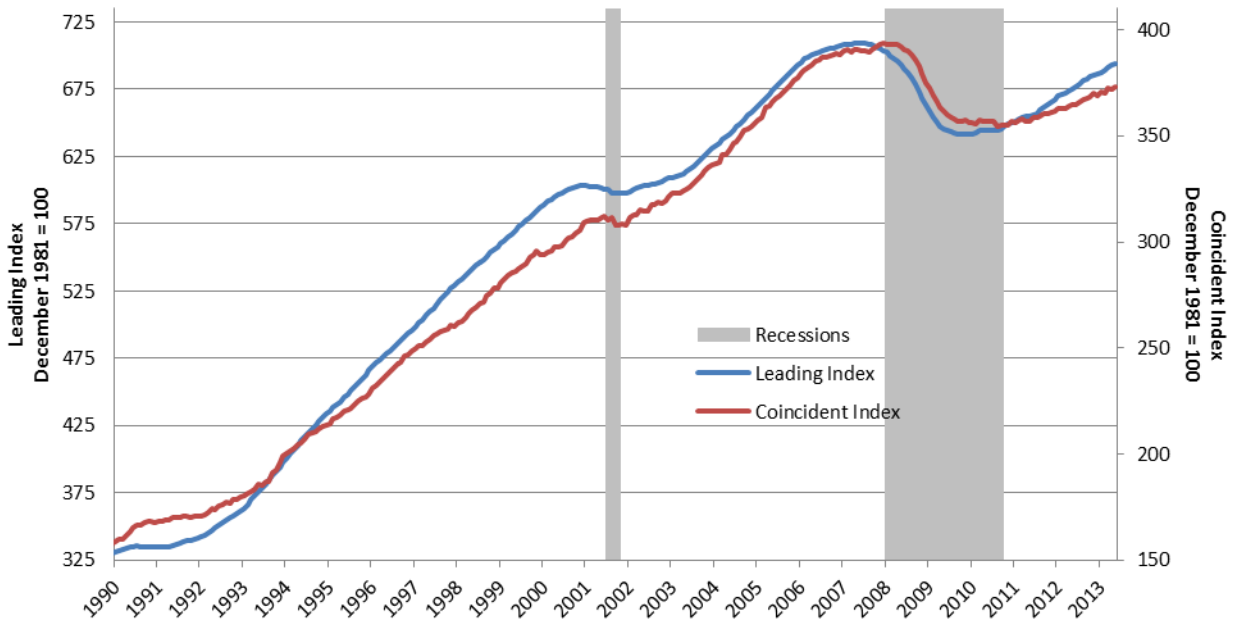
- CBER's Clark County Business Activity Index decreased for the second straight month but is faring better than in June 2012.
- CBER's Clark County Tourism Index declined for the fifth time in six months, and it is below its level from June last year.
- CBER's Clark County Construction Index rebounded after last month's decline and remains up strongly 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	Jun-13	746.80	0.24%	2.24%
California Index	Jun-13	582.64	0.13%	3.65%
S&P 500 Index	Jun-13	1,641.87	2.30%	22.75%
McCarran Total Passengers	Jun-13	3,529,537	-0.42%	1.65%
Overall Index Change		694.32	0.23%	2.81%

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

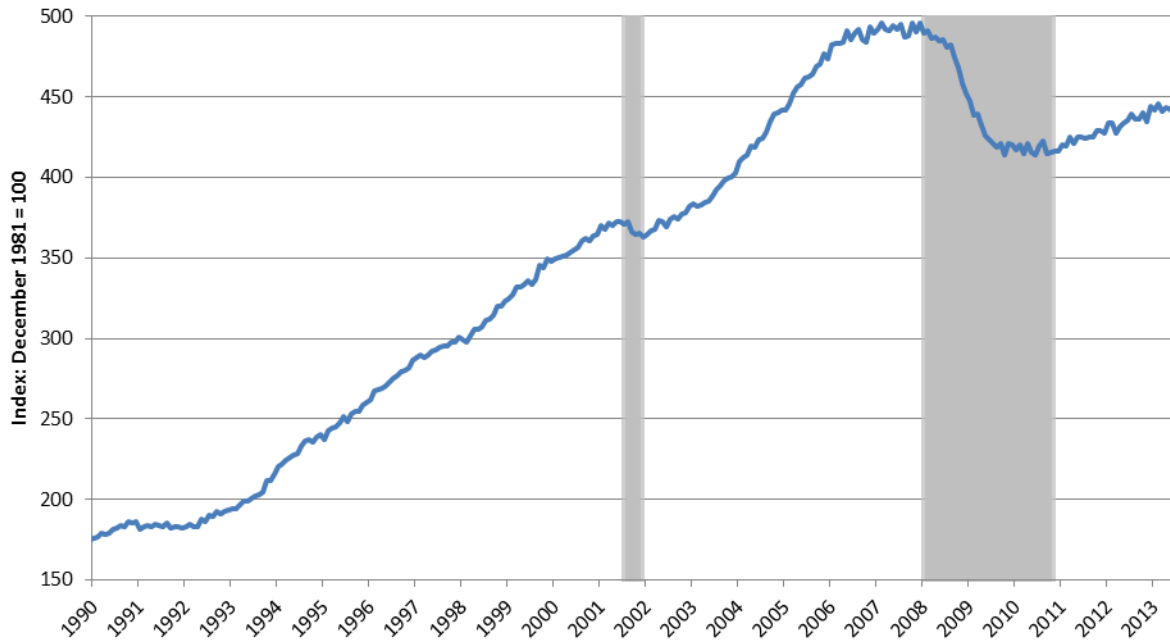
### Coincident Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Jun-13	841,361	0.20%	2.16%
Las Vegas MSA Household Employment	Jun-13	898,468	0.16%	2.26%
Overall Index Change		372.87	0.18%	2.21%

Sources: Current Employment Statistics, Local Area Unemployment Statistics

Three components of CBER's Southern Nevada Leading Index—the Philadelphia Fed's Leading Indexes for Arizona and California and the S&P 500 Index—increased for June 2013. All three are up year-over-year. The number of total passengers passing through McCarran Airport fell slightly but is above its value for June 2012. Both measures of employment made modest gains for the month, pushing the coincident index up slightly for June.

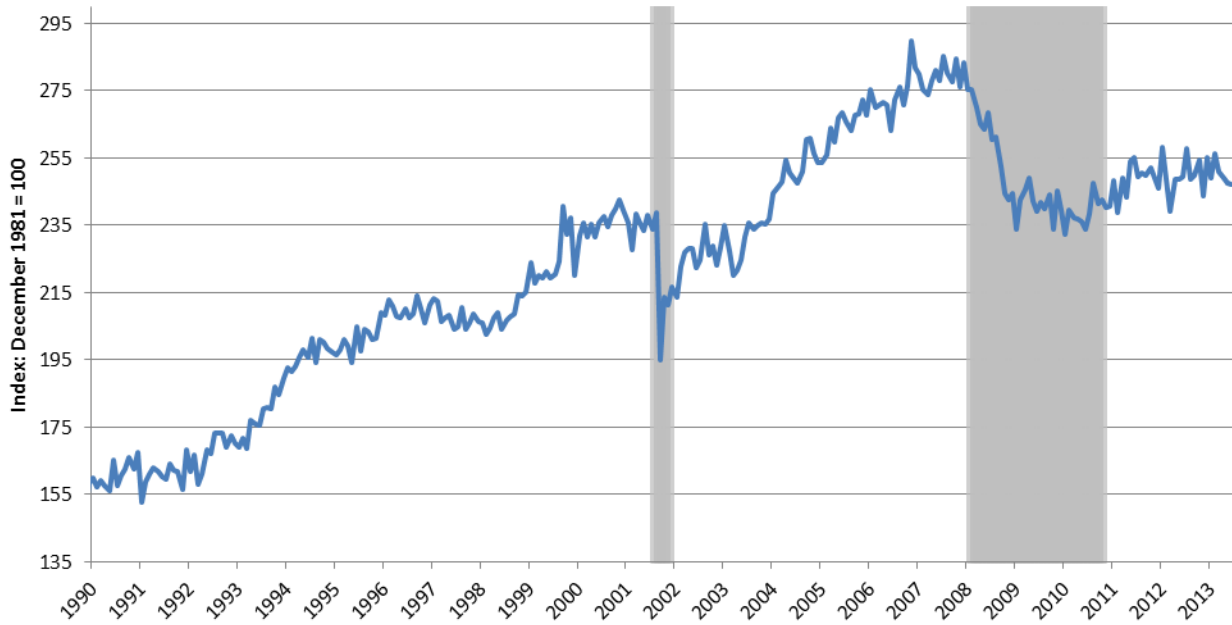
### CBER Clark County Business Activity Index



Date	Index	Change Previous Period	Change Year Ago
Jun-12	435.54	0.37%	2.48%
Jul-12	439.27	0.86%	3.61%
Aug-12	436.13	-0.71%	2.66%
Sep-12	436.26	0.03%	2.72%
Oct-12	439.91	0.84%	2.54%
Nov-12	434.67	-1.19%	1.40%
Dec-12	443.85	2.11%	3.88%
Jan-13	441.84	-0.45%	1.80%
Feb-13	446.15	0.98%	2.88%
Mar-13	441.23	-1.10%	3.30%
Apr-13	443.48	0.51%	2.81%
May-13	442.42	-0.24%	1.95%
Jun-13	440.62	-0.41%	1.17%

CBER's Clark County Business Activity Index decreased in June 2013. For the month, Clark County taxable sales decreased by 3.67 percent. As seen in CBER's Southern Nevada Coincident Index, Las Vegas nonfarm employment rose by 0.20 percent in June. Seasonally adjusted gaming revenues also increased for the month, up by 0.55 percent.

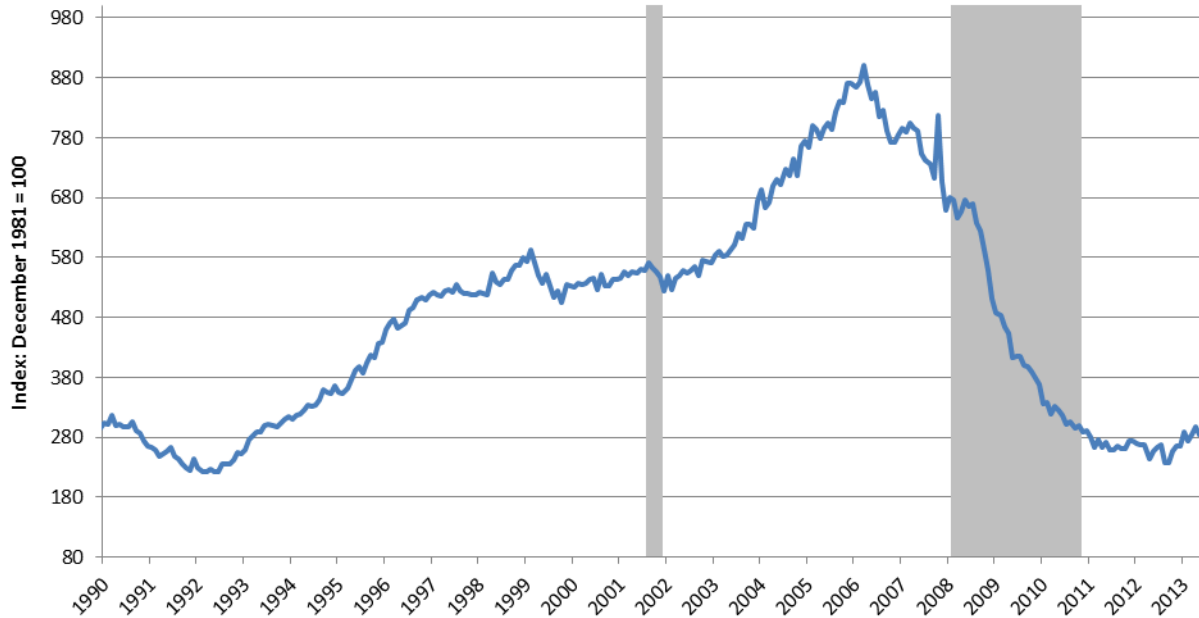
### CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Jun-12	249.52	0.37%	-2.16%
Jul-12	257.85	3.34%	3.32%
Aug-12	248.78	-3.52%	-0.65%
Sep-12	249.95	0.47%	0.05%
Oct-12	254.37	1.77%	0.95%
Nov-12	243.63	-4.22%	-2.12%
Dec-12	255.13	4.72%	3.73%
Jan-13	248.95	-2.42%	-3.56%
Feb-13	256.30	2.95%	3.12%
Mar-13	250.91	-2.10%	4.89%
Apr-13	248.99	-0.77%	0.12%
May-13	247.65	-0.54%	-0.38%
Jun-13	247.17	-0.19%	-0.94%

As measured by CBER's Clark County Tourism Index, activity in the tourism sector decreased for June 2013. The decline can be attributed to passengers enplaned and deplaned at McCarran Airport and Las Vegas hotel/motel occupancy, which decreased by 0.42 and 0.36 percent, respectively. Seasonally adjusted gaming revenues rose for the month, by 0.55 percent.

## CBER Clark County Construction Index



Date	Index	Change Previous Period	Change Year Ago
Jun-12	263.00	2.13%	1.25%
Jul-12	267.29	1.63%	3.11%
Aug-12	236.50	-11.52%	-10.59%
Sep-12	237.19	0.29%	-9.34%
Oct-12	255.77	7.83%	-1.70%
Nov-12	266.33	4.13%	-2.42%
Dec-12	264.47	-0.70%	-3.12%
Jan-13	289.56	9.49%	6.99%
Feb-13	272.88	-5.76%	1.91%
Mar-13	284.14	4.13%	6.55%
Apr-13	297.35	4.65%	22.31%
May-13	284.13	-4.45%	10.34%
Jun-13	292.30	2.88%	11.14%

CBER's Clark County Construction Index increased for June and is still up strongly year-over-year. All three components declined for the month. Residential permits rose by 19.20 percent. Commercial permits also experienced large gains, but remain at a low and volatile level. Las Vegas construction employment declined by 0.44 percent.

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