

November 14, 2013

## **CBER's Indexes Show Increased Economic Activity in Southern Nevada**

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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 increased slightly for August 2013. Year-over-year, the index is up by 2.25 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 2.73 percent.

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

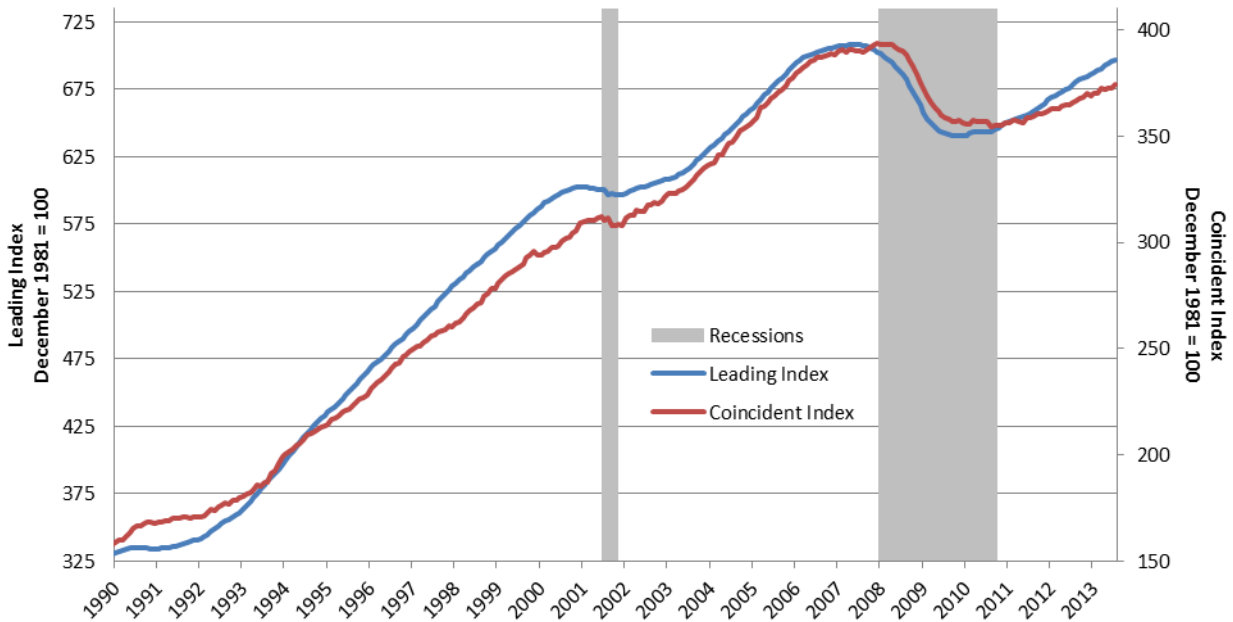
- CBER's Clark County Business Activity Index increased and is faring better than in August 2012.
- CBER's Clark County Tourism Index made small gains for the month, and it is above its level from August last year.
- CBER's Clark County Construction Index increased for the month and remains up significantly 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	Aug-13	749.48	0.23%	2.36%
California Index	Aug-13	584.77	0.15%	3.18%
S&P 500 Index	Aug-13	1,721.40	1.52%	19.45%
McCarran Total Passengers	Aug-13	3,451,099	-0.22%	-0.80%
Overall Index Change		697.02	0.22%	2.73%

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

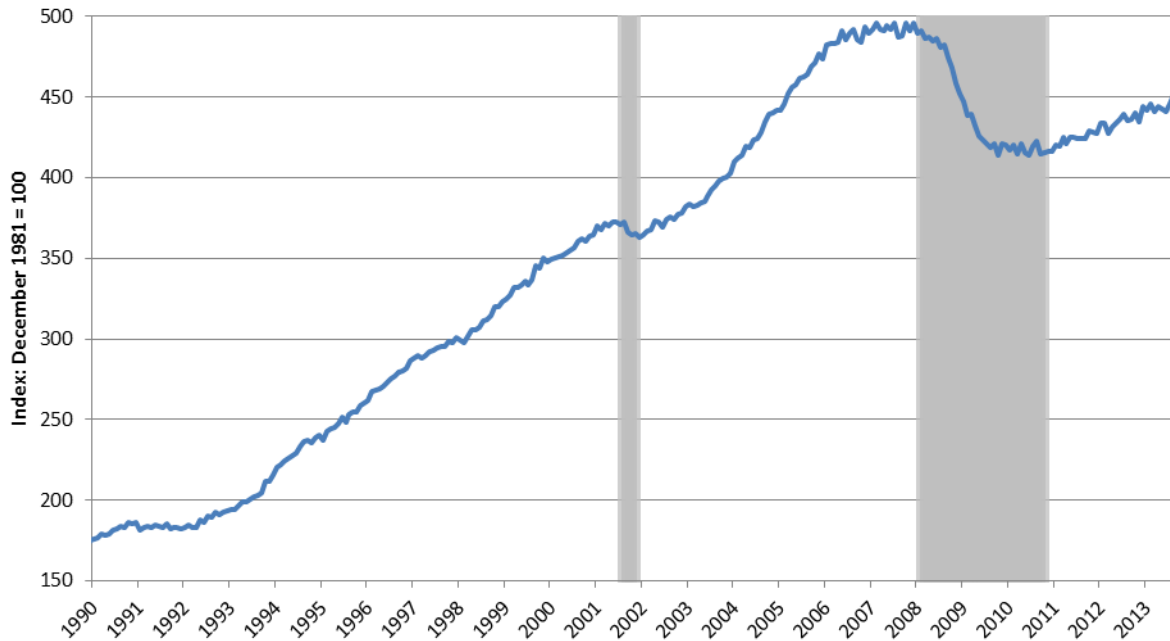
### Coincident Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Jul-13	848,448	1.13%	2.70%
Las Vegas MSA Household Employment	Jul-13	898,044	-0.14%	1.77%
Overall Index Change		374.40	0.51%	2.25%

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 August 2013. All three are up year-over-year. The number of total passengers passing through McCarran Airport fell slightly and is below its value for August 2012. For the fourth time this year, there were conflicting jobs reports. The coincident index, however, remains on an upward trend, up year-over-year by 2.25 percent.

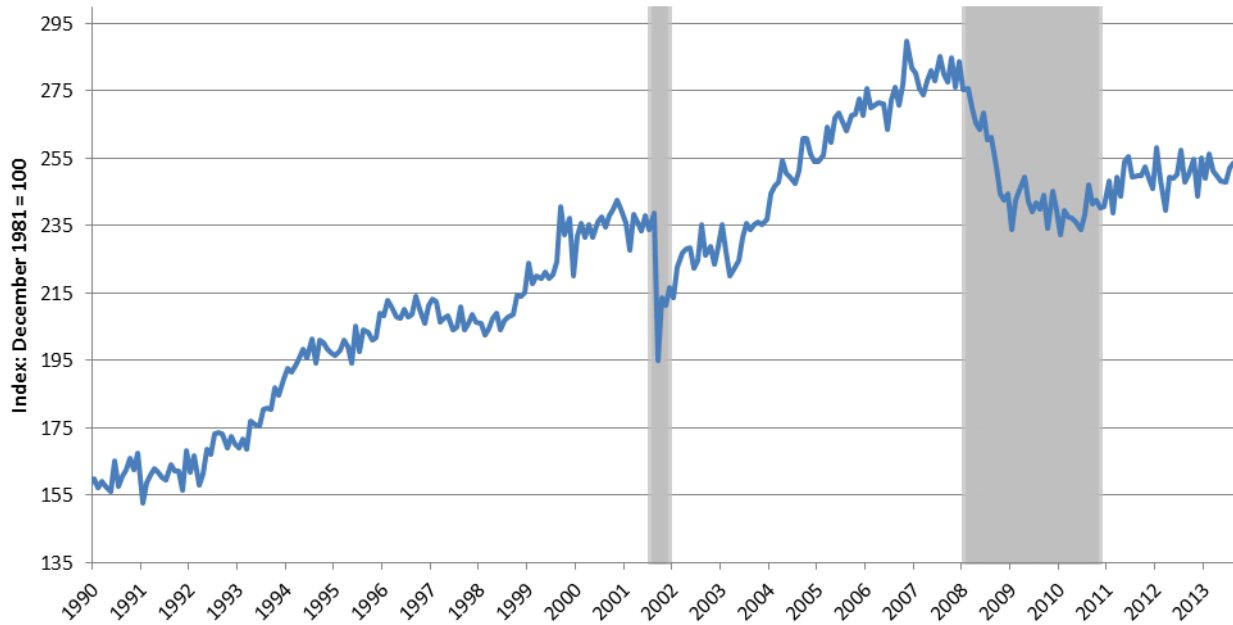
### CBER Clark County Business Activity Index



Date	Index	Change Previous Period	Change Year Ago
Aug-12	435.40	-0.90%	2.64%
Sep-12	436.24	0.19%	2.72%
Oct-12	440.03	0.87%	2.53%
Nov-12	434.64	-1.23%	1.39%
Dec-12	444.00	2.15%	3.88%
Jan-13	441.74	-0.51%	1.80%
Feb-13	446.07	0.98%	2.89%
Mar-13	441.23	-1.08%	3.30%
Apr-13	443.87	0.60%	2.82%
May-13	442.54	-0.30%	1.95%
Jun-13	441.42	-0.25%	1.18%
Jul-13	445.98	1.03%	1.50%
Aug-13	451.02	1.13%	3.59%

CBER's Clark County Business Activity Index increased in August 2013, benefitting from gains in all three of its components. Las Vegas nonfarm employment, as seen in the coincident index, rose by 1.13 percent. Clark County taxable sales and seasonally adjusted gaming revenues increased by 0.36 percent and 2.77 percent, respectively.

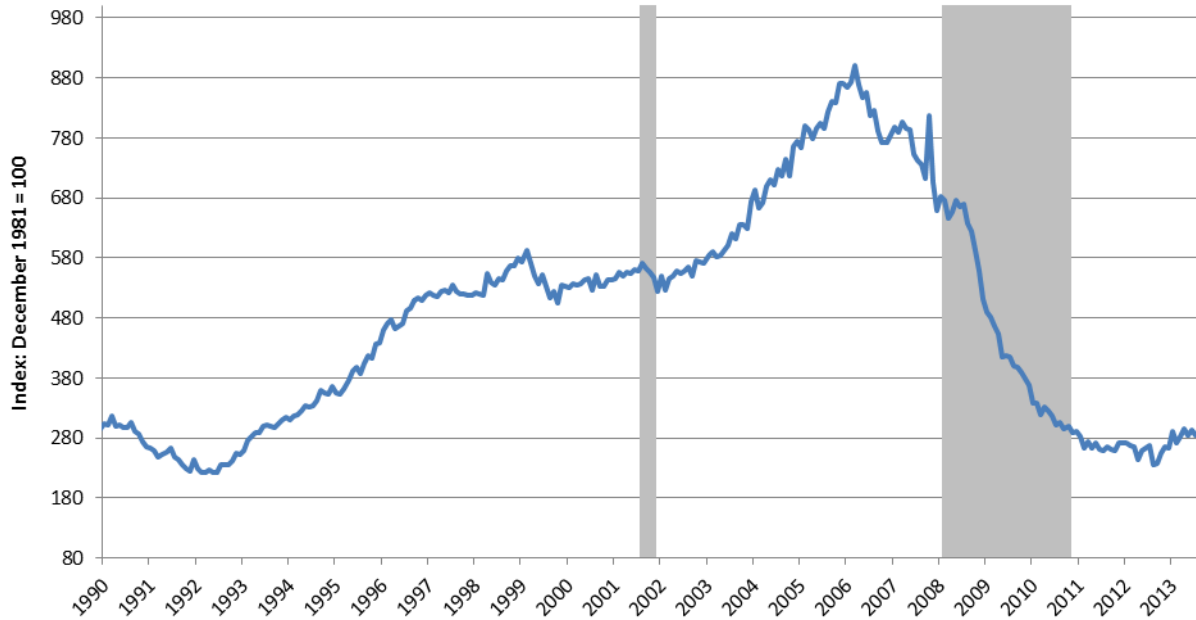
### CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Aug-12	247.93	-3.69%	-0.71%
Sep-12	250.01	0.84%	0.05%
Oct-12	254.63	1.85%	0.94%
Nov-12	243.76	-4.27%	-2.12%
Dec-12	255.29	4.73%	3.74%
Jan-13	249.03	-2.45%	-3.55%
Feb-13	256.21	2.88%	3.13%
Mar-13	251.16	-1.97%	4.90%
Apr-13	249.60	-0.62%	0.15%
May-13	248.10	-0.60%	-0.36%
Jun-13	247.94	-0.06%	-0.91%
Jul-13	252.07	1.67%	-2.08%
Aug-13	253.69	0.64%	2.32%

As measured by CBER's Clark County Tourism Index, activity in the tourism sector increased for August 2013. The growth can be attributed to seasonally adjusted gaming revenues and the Las Vegas hotel/motel occupancy rate, which rose by 2.77 percent and 0.34 percent for the month, respectively. Passengers enplaned and deplaned at McCarran Airport fell by 0.22 percent.

## CBER Clark County Construction Index



Date	Index	Change Previous Period	Change Year Ago
Aug-12	236.23	-11.53%	-10.80%
Sep-12	236.57	0.14%	-9.68%
Oct-12	254.17	7.44%	-2.09%
Nov-12	265.13	4.31%	-2.81%
Dec-12	262.70	-0.92%	-3.50%
Jan-13	290.53	10.59%	6.66%
Feb-13	270.82	-6.79%	1.54%
Mar-13	282.59	4.35%	6.10%
Apr-13	295.95	4.73%	21.70%
May-13	283.97	-4.05%	9.91%
Jun-13	292.28	2.93%	10.72%
Jul-13	284.78	-2.56%	6.66%
Aug-13	291.05	2.20%	23.21%

CBER's Clark County Construction Index increased for August and is up strongly year-over-year. Residential permits experienced large gains, rising by 74.10 percent. Las Vegas construction employment declined by 0.86 percent. Commercial permits also fell and remain at a low and volatile level.

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