



CBER Indexes for Nevada and Southern Nevada

Published September 16, 2016

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Summary of CBER's Nevada Indexes

Coincident Index (June)

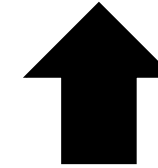
Leading Index (July)

Mo. to Mo.

1.5 %



0.6 %

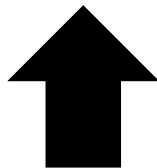


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
9.8% ↑	3.9% ↑	0.6% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	Airline Passengers	S&P 500
1.9% ↑	0.2% ↑	1.5% ↑	5.2% ↑	-0.4% ↓	2.3% ↑

Yr. to Yr.

3.4 %



6.1 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
9.8% ↑	6.7% ↑	2.7% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	Airline Passengers	S&P 500
9.5% ↑	1.6% ↑	8.8% ↑	96.9% ↑	2.5% ↑	2.3% ↑

Note: The coincident index is a month behind relative to other indexes because of a two-month delay in the release of taxable sales.

* Inverted



CBER's Indexes of Nevada Economic Activity

Coincident Index Components

- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

Leading Index Components

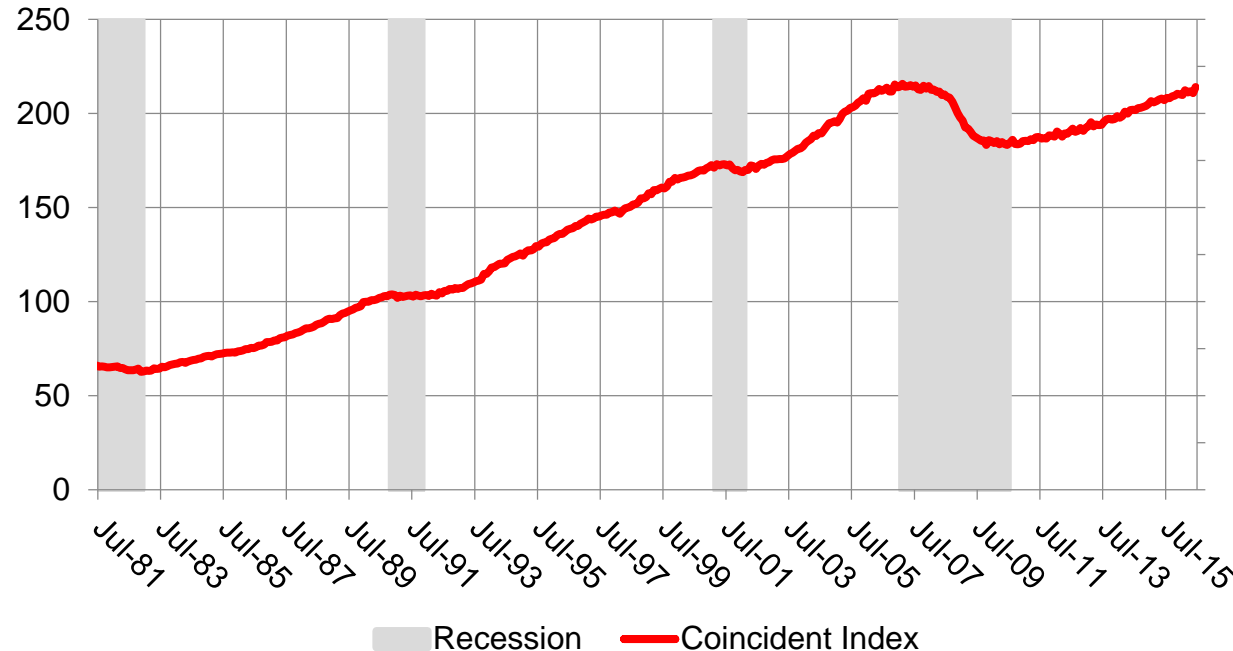
- Nevada Initial Claims for Unemployment (inverted)
- Moody's Real Baa Bond Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

The CBER Nevada coincident and leading indexes use the Department of Commerce index construction method. The CBER Nevada coincident index measures the ups and downs of the Nevada economy, while the CBER Nevada leading index provides an indication for the future direction of the coincident index. The coincident index provides the benchmark series that defines the business cycle or reference cycle in Nevada. The leading index then tracks the economy relative to that reference cycle. The coincident index peaked in February 2007 and then fell dramatically through June 2010. Prior to the Great Recession, identified by the benchmark Nevada coincident index, the Nevada leading index peaked in November 2005, 14 months before the Nevada coincident index peaked. Then the Nevada leading index troughed in May 2009, 13 months before the Nevada coincident index troughed. All series are seasonally adjusted (SA). A full description of the methodology used to construct the indexes can be found at: <http://cber.unlv.edu/publications/nvindices.pdf>.



Nevada Coincident Index

The CBER Nevada coincident index rose in June 2016 relative to last month and last year.



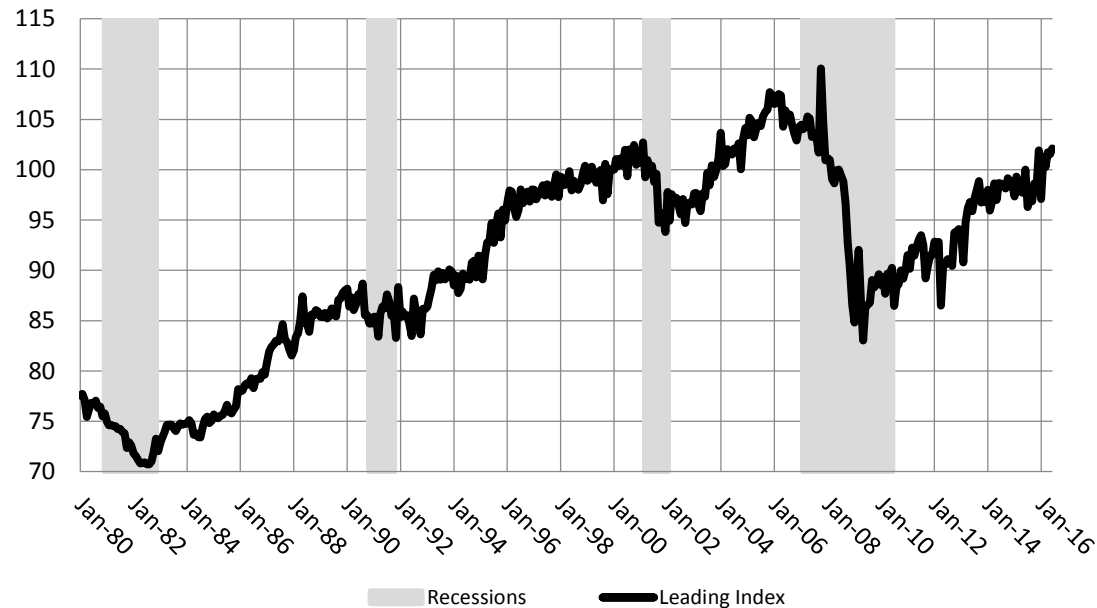
The CBER Nevada coincident index experienced a 1.5 percent monthly increase in June 2016 and a strong 3.4 percent gain year-over-year, which is the best performance since May 2015. All three components of the index rose both month-over-month and year-over-year, which contributed to the positive upward trend of the index. Seasonally adjusted taxable sales and gaming revenue posted strong increases compared to a month ago, up by 9.8 and 3.9 percent, respectively. Nonfarm employment also increased by 0.6 percent for the month. The index has now recovered 99.2 percent of its recession loss and is expected to exceed its prior peak before the end of this year.

Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	Jun-16	4,716,260,919	9.8%	9.8%
Gaming Revenue (SA)	Jun-16	956,957,013	3.9%	6.7%
Nonfarm Employment (SA)	Jun-16	1,287,566	0.6%	2.7%
Overall Index Change	Jun-16	214.1	1.5%	3.4%



Nevada Leading Index

The CBER Nevada leading index increased in July 2016 relative to last month and last year.



Date	Index	Month-over-Month	Year-over-Year
Jul-15	96.3	-3.7%	-2.4%
Aug-15	97.0	0.8%	-1.5%
Sep-15	96.9	-0.2%	-1.3%
Oct-15	98.6	1.8%	-0.5%
Nov-15	98.4	-0.3%	-0.5%
Dec-15	101.9	3.6%	3.4%
Jan-16	97.1	-4.7%	-0.2%
Feb-16	101.1	4.1%	1.8%
Mar-16	101.3	0.3%	3.6%
Apr-16	100.3	-1.1%	2.0%
May-16	101.7	1.5%	4.1%
Jun-16	101.5	-0.2%	1.5%
Jul-16	102.1	0.6%	6.1%

The CBER Nevada leading index rose by 0.6 percent month-over-month and jumped by 6.1 percent year-over-year in July 2016. Both monthly and yearly gains of the index mainly reflect large increases in Washoe County permits. Even though July permits for Clark County were disappointing, Washoe County showed significant increases in both residential and commercial permits and produced overall positive permits growth in Nevada. Nevertheless, commercial permits remained low and volatile. Total airline passengers declined by 0.4 percent for the month and is the only component that experienced a monthly loss among the six components of the index in July 2016. Nevada initial claims for unemployment (inverted), Moody's real Baa bond rate (inverted), Nevada housing permits, Nevada commercial permits, and Standard & Poor's stock market index posted monthly gains in July 2016, up by 1.9, 0.2, 1.5, 5.2, and 2.3 percent, respectively.



Summary of CBER's Southern Nevada Indexes

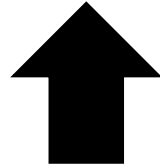
- Coincident Index and Leading Index

Coincident Index (June)

Leading Index (July)

Mo. to Mo.

2.1 %



0.1 %

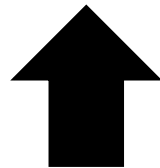


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
10.7% ↓	3.6% ↓	0.5% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
1.9% ↑	0.2% ↑	-10.4% ↓	-14.8% ↓	-0.4% ↓	2.3% ↑

Yr. to Yr.

3.8 %



1.1 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
10.4% ↑	7.1% ↓	2.8% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
9.5% ↑	1.6% ↑	-26.4% ↓	-16.4% ↓	2.5% ↑	2.3% ↑

Note: The coincident index is a month behind relative to other indexes because of a two-month delay in the release of taxable sales.

* Inverted



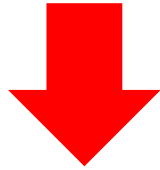
Summary of CBER's Southern Nevada Indexes

- Construction Index and Tourism Index

Construction Index

(July)

-0.3 %



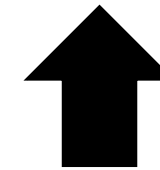
Mo. to Mo.

Construction Employment	Housing Permits	Commercial Permits
0.4% ↑	-10.4% ↓	-14.8% ↓

Tourism Index

(July)

0.3 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
-0.4% ↓	3.9% ↑	0.5% ↑

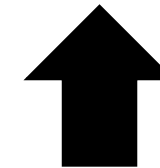
2.1 %



Yr. to Yr.

Construction Employment	Housing Permits	Commercial Permits
13.5% ↑	-26.4% ↓	-16.4% ↓

1.5 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
2.5% ↑	9.9% ↑	2.1% ↑



CBER's Indexes of Southern Nevada Economic Activity

Coincident Index

- CC Taxable Sales
- CC Gaming Revenue
- CC Nonfarm Employment

Leading Index

- NV Initial Claims for Unemployment (inverted)
- Moody's Real Baa Bond Rate (inverted)
- CC Housing Permits
- CC Commercial Permits
- McCarran Passengers
- S&P 500

Construction Index

- CC Construction Employment
- CC Housing Permits
- CC Commercial Permits

Tourism Index

- McCarran Passengers
- CC Gaming Revenue
- LV Hotel/Motel Occupancy Rate

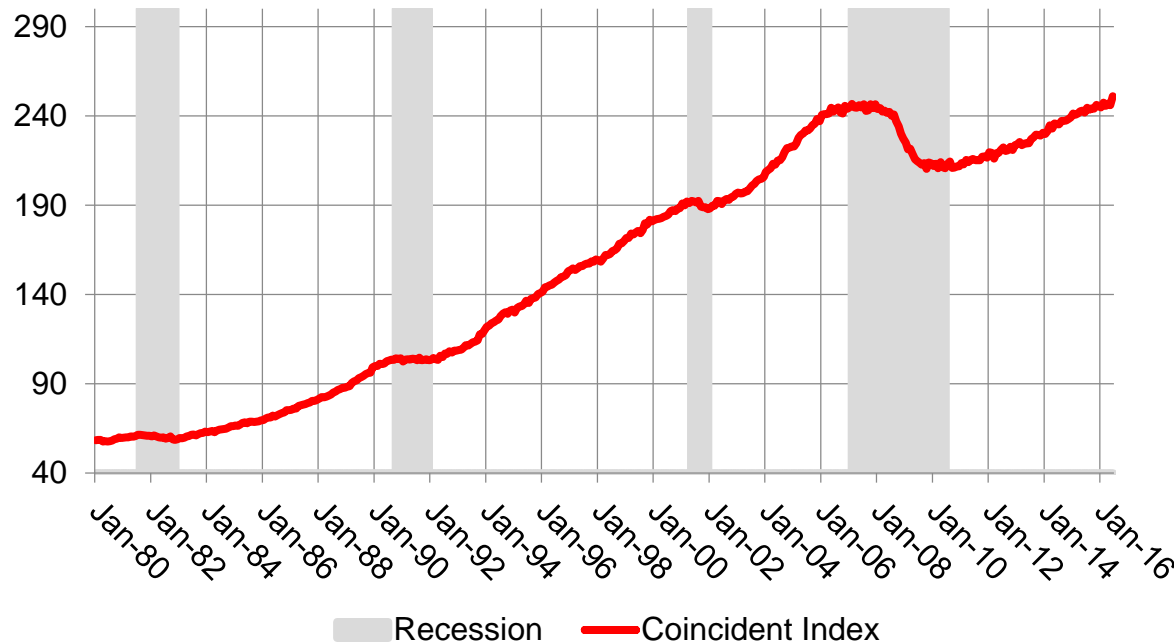
Note: CC = Clark County

The CBER Southern Nevada coincident and leading indexes use the Department of Commerce index construction method. The coincident index measures the ups and downs of the Southern Nevada economy. The leading index provides a signal about the future direction of the coincident index. The coincident index peaked in February 2007 and then fell dramatically through June 2010. Prior to the Great Recession, identified by the benchmark Southern Nevada coincident index, the Southern Nevada leading index peaked in September 2005, 16 months before the Southern Nevada coincident index peaked. Then the Southern Nevada leading index troughed in May 2009, 13 months before the Southern Nevada coincident index troughed. Finally, both the CBER Southern Nevada construction and tourism indexes also use the Department of Commerce index construction method. All series are SA.



Southern Nevada Coincident Index

The CBER Southern Nevada coincident index climbed in June 2016 relative to last month and last year.



The CBER Southern Nevada coincident index increased by 2.1 and 3.8 percent, respectively, month-over-month and year-over-year. The index posted the largest monthly rise in over two decades, benefiting by gains in all three components. As shown in the table below, the seasonally adjusted taxable sales and gaming revenue experienced strong increases from a month ago, rising by 10.7 and 3.6 percent, respectively. Nonfarm employment climbed by 0.5 percent from May 2016. All three components also were above their level from last year, increasing by 10.4, 7.1, and 2.8 percent, respectively.

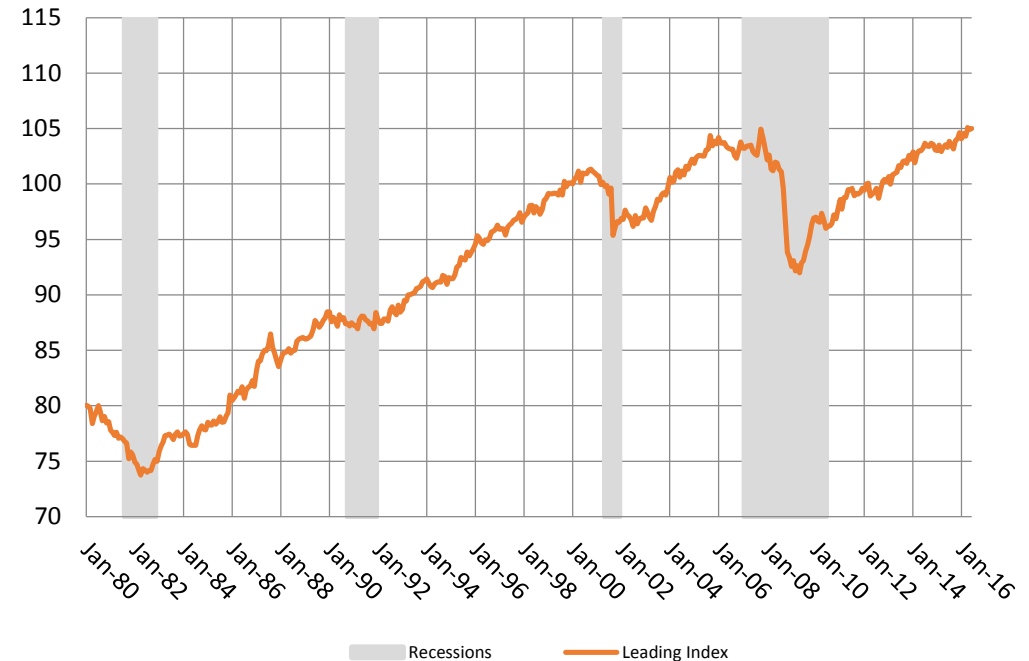
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Taxable Sales (SA)	Jun-16	3,512,083,643	10.7%	10.4%
Gaming Revenue (SA)	Jun-16	828,521,066	3.6%	7.1%
Nonfarm Employment (SA)	Jun-16	939,951	0.5%	2.8%
Overall Index Change	Jun-16	251.0	2.1%	3.8%



Southern Nevada Leading Index

The CBER Southern Nevada leading index experienced both monthly and yearly gains in July 2016.

Date	Index	Month-over-Month	Year-over-Year
Jul-15	103.8	0.5%	0.2%
Aug-15	103.5	-0.4%	0.1%
Sep-15	103.1	-0.3%	-0.2%
Oct-15	103.9	0.7%	0.2%
Nov-15	104.1	0.1%	0.5%
Dec-15	104.6	0.5%	1.5%
Jan-16	104.1	-0.5%	1.0%
Feb-16	104.6	0.5%	1.0%
Mar-16	104.3	-0.3%	1.3%
Apr-16	104.9	0.6%	1.6%
May-16	105.1	0.1%	1.5%
Jun-16	104.9	-0.2%	1.6%
Jul-16	105.0	0.1%	1.1%

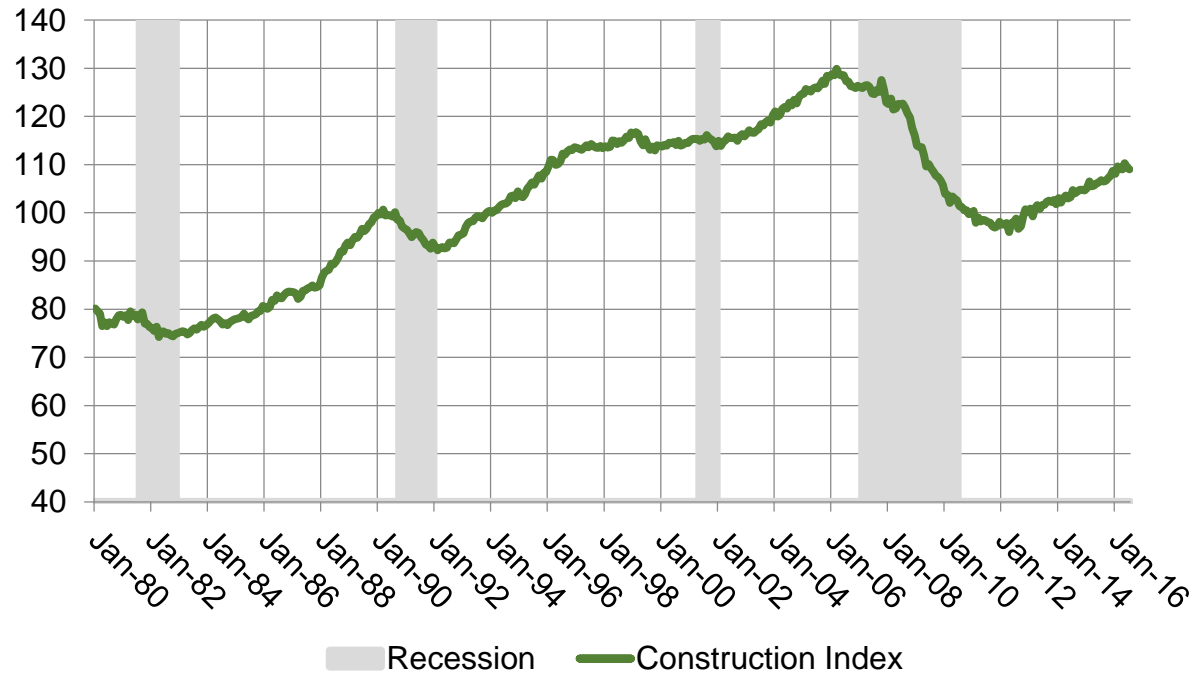


Although the CBER Nevada leading index gained 0.6 and 6.1 percent on a month-over-month year-over-year basis, respectively, the CBER Southern Nevada leading index rose more slowly by 0.1 and 1.1 percent on a month-over-month and year-over-year basis, respectively. Housing and commercial permits continued to decrease significantly by 10.4 and 14.8 percent, respectively, compared to last month, while commercial permits remained low and volatile. In addition, McCarran passengers declined 0.4 percent from June to July. Those losses from permits and McCarran passengers, however, were totally offset by gains from other components. The remaining three components—the S&P 500 index, initial claims for unemployment (inverted), and the real Moody’s Baa grade corporate bond yield (inverted)—experienced monthly gains in July 2016, up by 2.3, 1.9, and 0.2 percent, respectively.



Southern Nevada Construction Index

The CBER Southern Nevada construction index fell in July 2016 but remains above its last year's level.



The CBER Southern Nevada construction index declined for the second straight month, falling by 0.3 percent. Both housing and commercial permits continued to decrease substantially for the month, decreasing by 10.4 and 14.8 percent, respectively. Construction employment increased by 0.4 percent from June to July. Housing permits experienced a year-over-year loss for the first time since September 2015. Commercial permits also decreased from a year ago and remained low and volatile. Construction employment was the only component that contributed to the yearly upward movement of the index, increasing strongly by 13.5 percent.

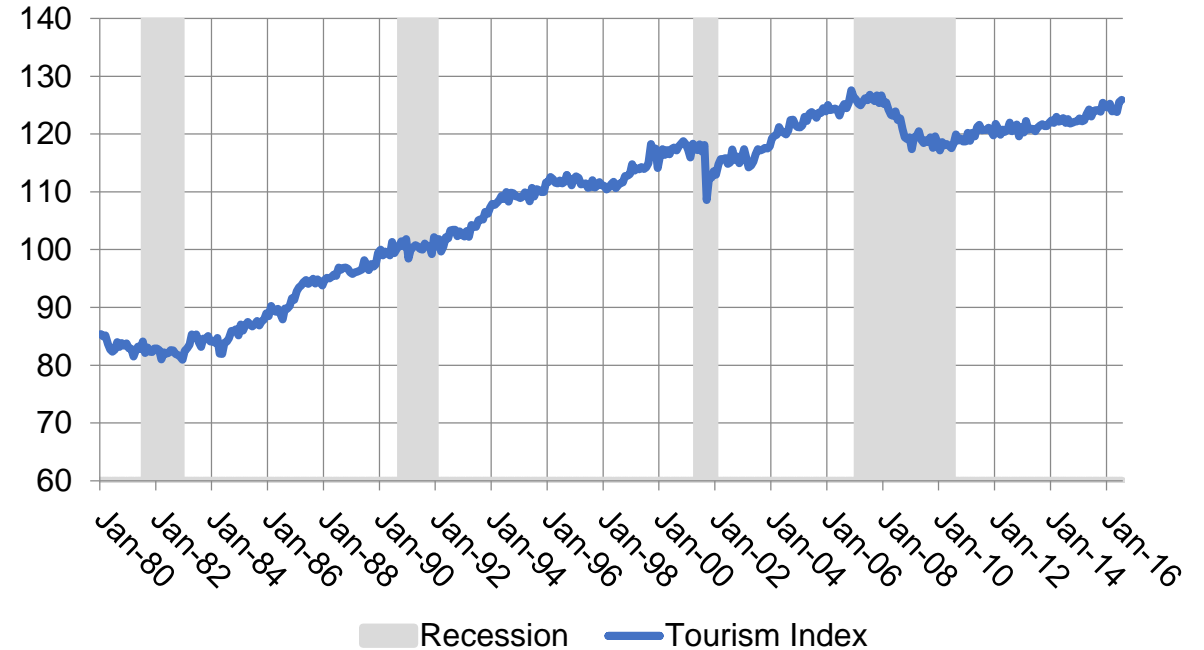
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	Jul-16	57,820	0.4%	13.5%
Housing Permits (SA)	Jul-16	831	-10.4%	-26.4%
Commercial Permits (SA)	Jul-16	21	-14.8%	-16.4%
Overall Index Change	Jul-16	109.0	-0.3%	2.1%



Southern Nevada Tourism Index

The CBER Southern Nevada tourism index rose in July 2016 relative to last month and last year.

The CBER Southern Nevada tourism index increased for the second consecutive month as gaming revenue continued its strong performance in July 2016. As a result, the index increased by 0.3 and 1.5 percent, respectively, month-over-month and year-over-year. Seasonally adjusted gaming revenue and the Las Vegas hotel/motel occupancy rate contributed positively to the index, rising by 3.9 and 0.5 percent, respectively, month-over-month. McCarran passengers declined for the month by 0.4 percent, but the loss was not enough to drag the index down.



Series	Date	Latest Period	Month-over-Month	Year-over-Year
McCarran Passengers (SA)	Jul-16	3,941,980	-0.4%	2.5%
Gaming Revenue (SA)	Jul-16	860,887,949	3.9%	9.9%
LV Hotel/Motel Occupancy Rate (SA)	Jul-16	0.905	0.5%	2.1%
Overall Index Change	Jul-16	125.9	0.3%	1.5%



Sources

Nevada Indexes:

- Nevada Department of Taxation
- Nevada Gaming Control Board
- Nevada Department of Employment, Training and Rehabilitation
- U.S. Bureau of Labor Statistics
- Various Permitting Agencies
- Yahoo Finance
- Board of Governors of the Federal Reserve System
- Reno-Tahoe International Airport
- McCarran International Airport
- CBER, UNLV

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- McCarran International Airport
- Las Vegas Convention and Visitors Authority
- CBER, UNLV

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