



CBER Indexes for Nevada and Southern Nevada

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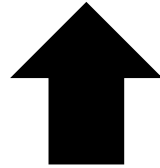
Summary of CBER's Nevada Indexes

Coincident Index (October)

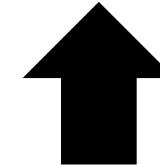
Leading Index (November)

Mo. to Mo.

0.1 %



3.0 %

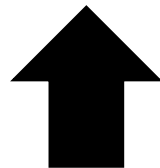


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
-2.2% ↓	3.5% ↑	-0.03% ↓

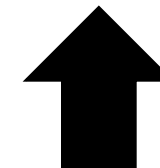
Initial Claims*	10-Year Treasury*	Housing Permits	Commercial Permits**	Airline Passengers	S&P 500
-0.2% ↓	-0.2% ↓	37.3% ↑	50.4% ↑	1.3% ↑	-1.8% ↓

Yr. to Yr.

2.7 %



7.0 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
3.1% ↑	11.9% ↑	1.9% ↑

Initial Claims*	10-Year Treasury*	Housing Permits	Commercial Permits**	Airline Passengers	S&P 500
8.8% ↑	1.3% ↑	27.3% ↑	115.3% ↑	3.5% ↑	3.8% ↑

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 **Data are partly forecasted since Washoe County's November permit summary has yet to be released.



CBER's Indexes of Nevada Economic Activity

Coincident Index Components

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

Leading Index Components

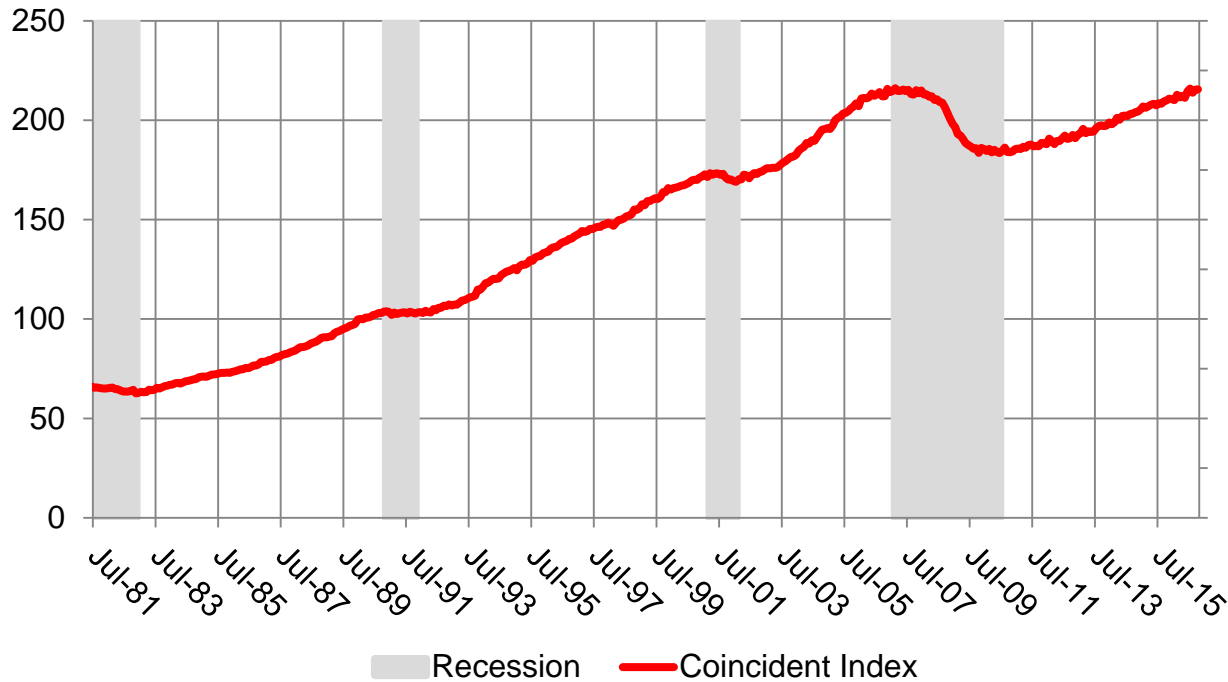
- Nevada Initial Claims for Unemployment (inverted)
- Real 10-Year Treasury Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

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 climbed in October 2016 relative to a month and a year ago.



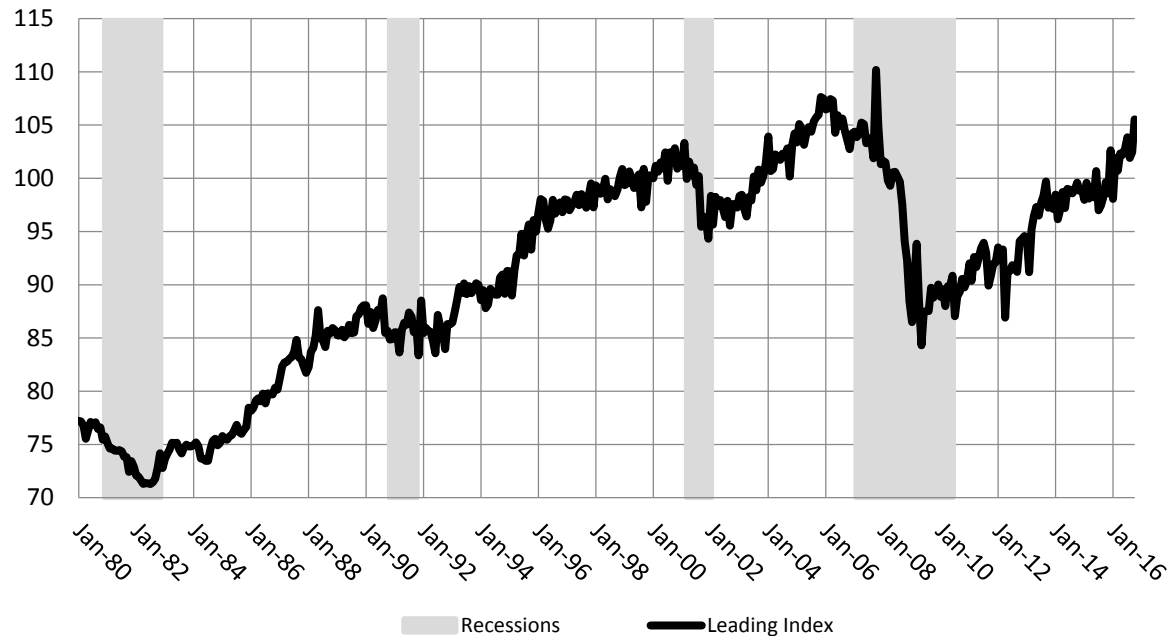
The CBER Nevada coincident index increased by 0.1 and 2.7 percent, respectively, from last month and last year. Although taxable sales and nonfarm employment decreased from last month by 2.2 and 0.03 percent, respectively, a gain in gaming revenue of 3.5 percent offset the losses and contributed to the index’s monthly upward movement. All three components—gaming revenue, taxable sales, and nonfarm employment—rose by 11.9, 3.1, and 1.9 percent, respectively, year-over-year, and resulted in a 2.7 percent increase of the index from last year. The index has recovered 99.7 percent from its previous peak in February 2007 with both taxable sales and nonfarm employment exceeding their previous peaks.

Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	Oct-16	4,518,450,589	-2.2%	3.1%
Gaming Revenue (SA)	Oct-16	987,241,871	3.5%	11.9%
Nonfarm Employment (SA)	Oct-16	1,297,268	-0.03%	1.9%
Overall Index Change	Oct-16	215.6	0.1%	2.7%



Nevada Leading Index

The CBER Nevada leading index surged noticeably in November 2016 from last month and last year.



Date	Index	Month-over-Month	Year-over-Year
Nov-15	98.6	-1.1%	-0.2%
Dec-15	102.6	4.1%	3.7%
Jan-16	98.1	-4.5%	0.1%
Feb-16	101.8	3.8%	2.2%
Mar-16	102.0	0.1%	4.0%
Apr-16	100.7	-1.2%	2.2%
May-16	102.3	1.6%	4.2%
Jun-16	102.2	-0.1%	1.5%
Jul-16	102.8	0.5%	5.9%
Aug-16	103.8	1.1%	6.6%
Sep-16	101.9	-1.9%	3.7%
Oct-16	102.5	0.5%	2.8%
Nov-16	105.5	3.0%	7.0%

The CBER Nevada leading index experienced a significant surge, up by 3.0 and 7.0 percent, respectively, from a month and year ago. Substantial increases in permit activities contributed to the largest gain of the index in three years. Both Nevada initial claims for unemployment insurance (inverted) and the real 10-year Treasury bond yield (inverted) declined by 0.2 percent from a month ago. The S&P 500 also experienced a loss for the month, decreasing by 1.8 percent. At the same time, the remaining three components—housing permits, commercial permits, and total airline passengers—experienced monthly increases in November 2016, up by 37.3, 50.4, and 1.3 percent, respectively. Even though commercial permits jumped remarkably, they still remained low and volatile.



Summary of CBER's Southern Nevada Indexes

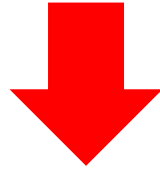
- Coincident Index and Leading Index

Coincident Index (October)

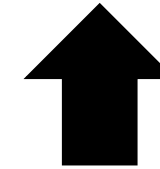
Leading Index (November)

Mo. to Mo.

-0.1 %



0.8 %

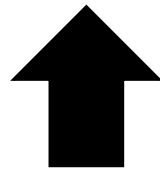


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
-1.2% ↓	4.4% ↑	-0.3% ↓

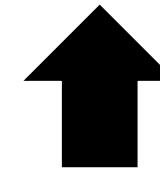
Initial Claims*	10-Year Treasury*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
-0.2% ↓	-0.2% ↓	92.4% ↑	109.5% ↑	1.2% ↑	-1.8% ↓

Yr. to Yr.

2.3 %



2.0 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
2.9% ↑	14.5% ↑	1.4% ↑

Initial Claims*	10-Year Treasury*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
8.8% ↑	1.3% ↑	41.9% ↑	84.6% ↑	3.3% ↑	3.8% ↑

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

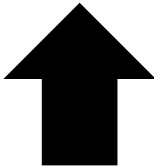
* Inverted



Summary of CBER's Southern Nevada Indexes

- Construction Index and Tourism Index

Construction Index (November)

2.1 % 


Mo. to Mo.

Construction Employment	Housing Permits	Commercial Permits
1.5% ↑	92.4% ↑	109.5% ↑

Tourism Index (November)


-0.1 % 

McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
1.2% ↑	-3.8% ↓	-0.2% ↓

4.2 % 

Yr. to Yr.

Construction Employment	Housing Permits	Commercial Permits
14.7% ↑	41.9% ↑	84.6% ↑

0.4 % 

McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
3.3% ↑	-2.3% ↓	-0.06% ↓



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)
- Real 10-Year Treasury 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

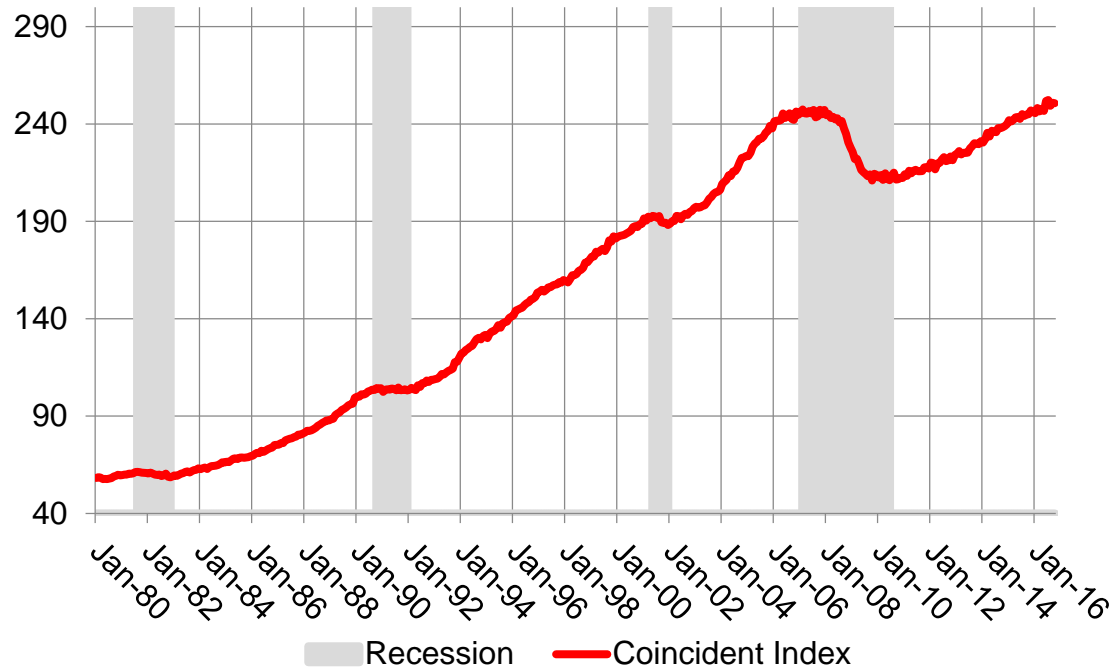
Note: CC = Clark County

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 declined for the month, but it was up from last year.



The CBER Southern Nevada coincident index fell slightly by 0.1 percent month-over-month. A monthly loss in the index reflected decreases in taxable sales and nonfarm employment, which was partly offset by a 4.4 percent gain in gaming revenue. Taxable sales and nonfarm employment declined by 1.2 and 0.3 percent, respectively, from last month. The index, however, continued its year-over-year upward trend. All three components—taxable sales, gaming revenue, and nonfarm employment—increased from their respective levels from last year, up by 2.9, 14.5, and 1.4 percent, respectively. As a result, the index increased by 2.3 percent from a year ago.

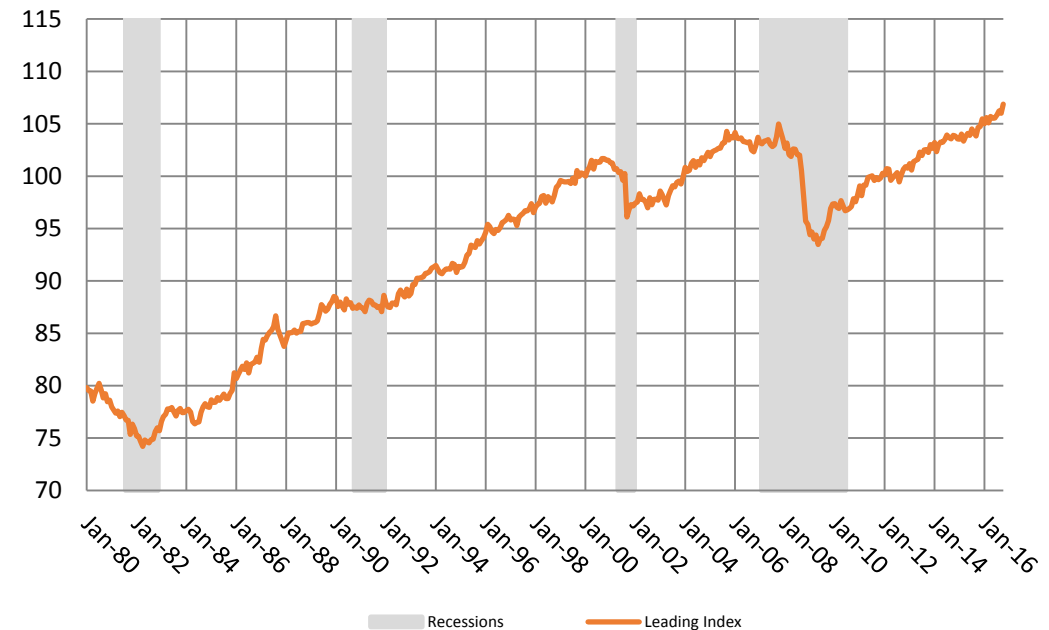
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Taxable Sales (SA)	Oct-16	3,329,343,372	-1.2%	2.9%
Gaming Revenue (SA)	Oct-16	859,031,148	4.4%	14.5%
Nonfarm Employment (SA)	Oct-16	941,080	-0.3%	1.4%
Overall Index Change	Oct-16	250.7	-0.1%	2.3%



Southern Nevada Leading Index

The CBER Southern Nevada leading index experienced both monthly and yearly gains for November.

Date	Index	Month-over-Month	Year-over-Year
Nov-15	104.7	0.1%	0.9%
Dec-15	105.5	0.7%	1.8%
Jan-16	105.0	-0.5%	1.4%
Feb-16	105.6	0.6%	1.5%
Mar-16	105.1	-0.5%	1.7%
Apr-16	105.7	0.5%	1.8%
May-16	105.7	0.0%	1.6%
Jun-16	105.5	-0.2%	1.6%
Jul-16	105.5	0.0%	1.0%
Aug-16	105.8	0.3%	1.6%
Sep-16	106.2	0.4%	2.3%
Oct-16	106.0	-0.2%	1.3%
Nov-16	106.8	0.8%	2.0%

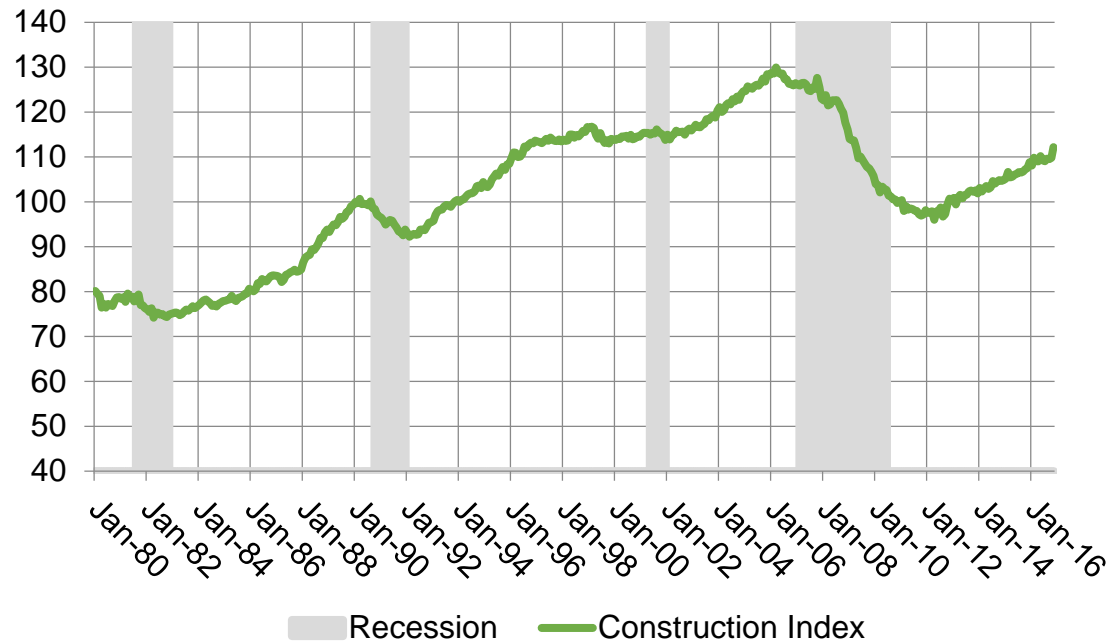


The CBER Southern Nevada leading index rebounded this month, up by 0.8 percent, which mainly reflected stunning increases in housing and commercial permits. Housing permits nearly doubled compared to last month, up by 92 percent. Commercial permits posted a triple-digit growth, up by 109.5 percent, during the same period. McCarran passengers also contributed positively to the index’s monthly rise, up by 1.2 percent from last month. The remaining three components—Nevada initial claims for unemployment insurance (inverted), the real 10-year Treasury bond yield (inverted), and the Standard & Poor’s stock market index—experienced monthly losses, decreasing by 0.2, 0.2, and 1.8 percent, respectively, from a month ago.



Southern Nevada Construction Index

The CBER Southern Nevada construction index experienced both monthly and yearly gains in November.



The CBER Southern Nevada construction index rose by 2.1 and 4.2 percent, respectively, from a month and a year ago. All three components—construction employment, housing permits, and commercial permits—climbed relative to last month and last year. Seasonally adjusted housing permits increased substantially by 92.4 and 41.9 percent, respectively, month-over-month and year-over-year. Commercial permits also showed remarkable gains, up by 109.5 and 84.6 percent, respectively, from a month and a year ago. Construction employment exhibited a 1.5 percent monthly gain and increased by 14.7 percent compared to November 2015.

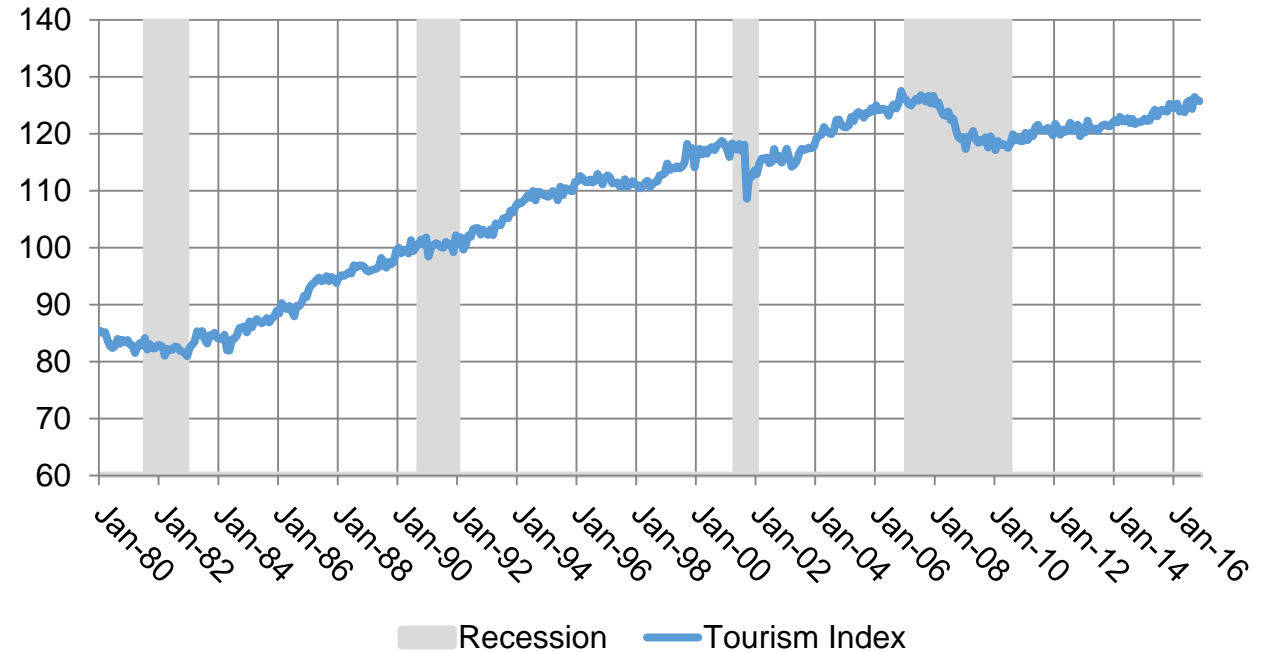
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	Nov-16	60,774	1.5%	14.7%
Housing Permits (SA)	Nov-16	1,507	92.4%	41.9%
Commercial Permits (SA)	Nov-16	43	109.5%	84.6%
Overall Index Change	Nov-16	112.1	2.1%	4.2%



Southern Nevada Tourism Index

The CBER Southern Nevada tourism index declined for the month, but it increased from November 2015.

The CBER Southern Nevada tourism index fell slightly by 0.1 percent month-over-month, but it increased by 0.4 percent year-over-year. Gaming revenue and the Las Vegas hotel/motel occupancy rate decreased by 3.8 and 0.2 percent, respectively, from last month. McCarran passengers was the only component which experienced a monthly gain; nevertheless, the gain was not enough to offset the losses of other two components. Gaming revenue and the Las Vegas hotel/motel occupancy rate also posted losses compared to last year, but a 3.3 percent increase in McCarran passengers resulted in the index's year-over-year rise.



Series	Date	Latest Period	Month-over-Month	Year-over-Year
McCarran Passengers (SA)	Nov-16	4,056,434	1.2%	3.3%
Gaming Revenue (SA)	Nov-16	826,624,348	-3.8%	-2.3%
LV Hotel/Motel Occupancy Rate (SA)	Nov-16	0.892	-0.2%	-0.06%
Overall Index Change	Nov-16	125.7	-0.1%	0.4%



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

Southern Nevada Indexes:

- Nevada Department of Taxation
- Nevada Gaming Control Board
- Nevada Department of Employment, Training and Rehabilitation
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- Board of Governors of the Federal Reserve System
- McCarran International Airport
- Las Vegas Convention and Visitors Authority
- CBER, UNLV

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