



CBER Indexes for Nevada and Southern Nevada

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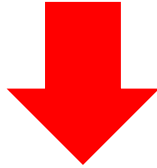
Summary of CBER's Nevada Indexes

Coincident Index (May)

Leading Index (June)

Mo. to Mo.

-0.4 %



-0.2 %

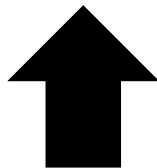


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
-2.6% ↓	-1.3% ↓	-0.05% ↓

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	Airline Passengers	S&P 500
5.8% ↑	0.2% ↑	-24.4% ↓	-6.8% ↓	1.9% ↑	1.0% ↑

Yr. to Yr.

1.5 %



1.5 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
1.6% ↑	-4.9% ↓	2.2% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	Airline Passengers	S&P 500
16.0% ↑	1.5% ↑	4.5% ↑	-3.3% ↓	5.7% ↑	-1.0% ↓

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

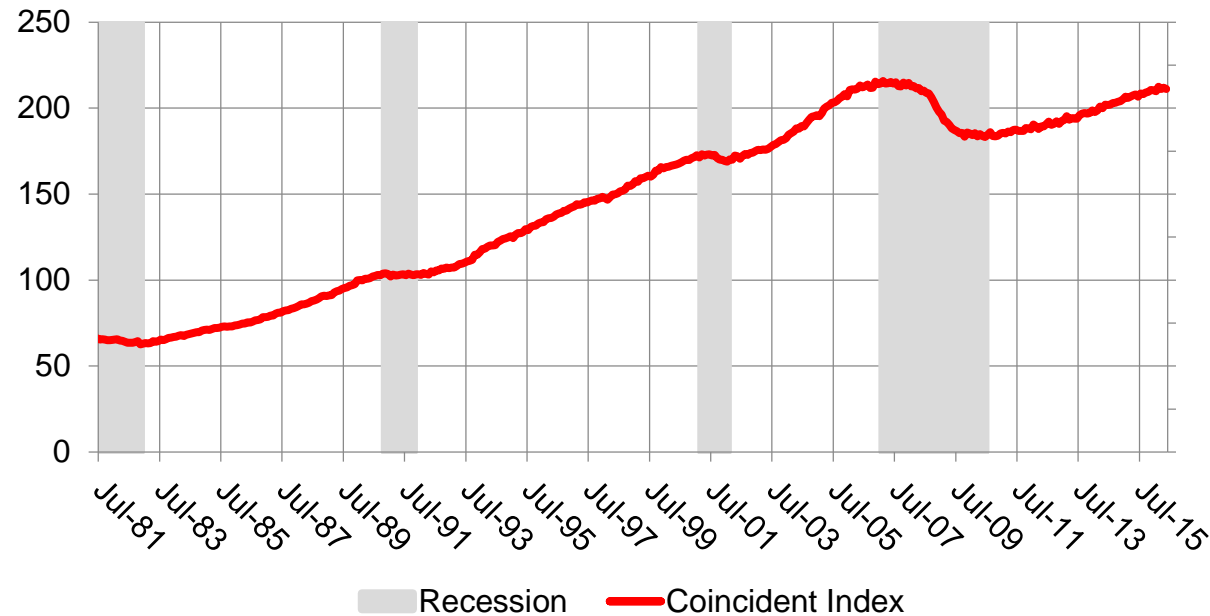
- Nevada Initial Claims for Unemployment (inverted)
- Moody's Real Baa Bond Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

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 fell in May 2016 but remains higher than its level from last year.



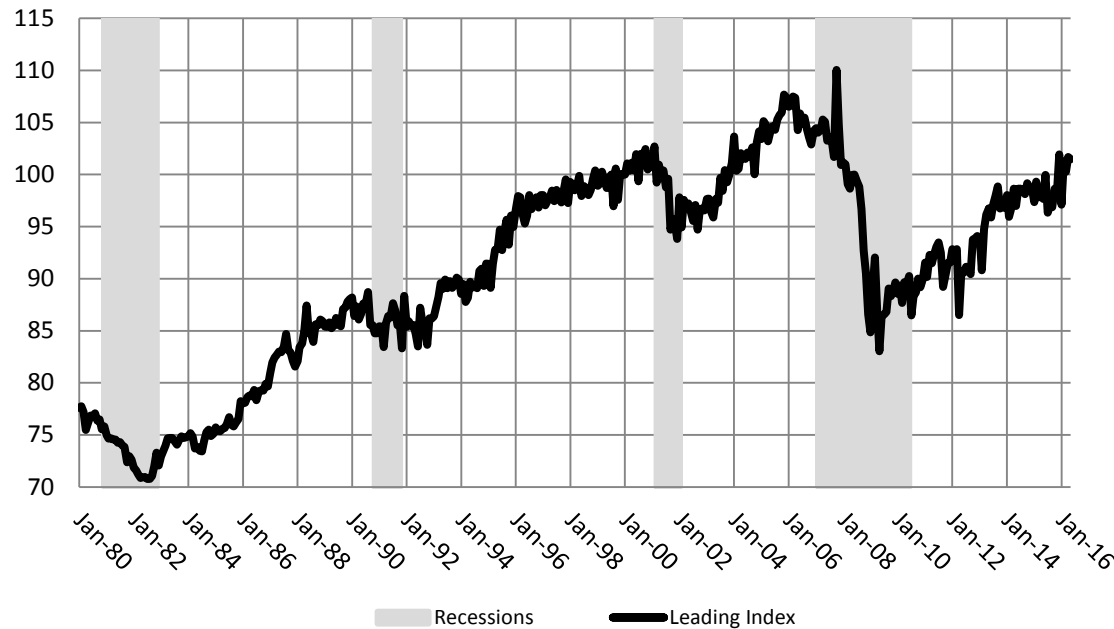
The CBER Nevada coincident index experienced a 0.4 percent monthly decline in May 2016, but it rose by 1.5 percent compared to last year. All three components of the index lost value from April to May. Seasonally adjusted taxable sales and gaming revenue fell by 2.6 and 1.3 percent, respectively, from a month ago. Nonfarm employment decreased slightly by 0.05 percent compared to April 2016. Gaming revenue posted continuing year-over-year decreases for the third straight month, but its loss was totally offset by gains from taxable sales and nonfarm employment, up by 1.6 and 2.2 percent, respectively, from a year ago.

Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	May-16	4,332,049,209	-2.6%	1.6%
Gaming Revenue (SA)	May-16	916,639,358	-1.3%	-4.9%
Nonfarm Employment (SA)	May-16	1,280,696	-0.05%	2.2%
Overall Index Change	May-16	211.1	-0.4%	1.5%



Nevada Leading Index

The CBER Nevada leading index also declined for the month but gained from its level a year ago.



Date	Index	Month-over-Month	Year-over-Year
Jun-15	100.0	2.3%	1.3%
Jul-15	96.3	-3.6%	-2.4%
Aug-15	97.0	0.7%	-1.5%
Sep-15	96.9	-0.2%	-1.3%
Oct-15	98.6	1.8%	-0.5%
Nov-15	98.4	-0.3%	-0.4%
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	101.4	0.3%	3.6%
Apr-16	100.3	-1.1%	2.0%
May-16	101.7	1.4%	4.1%
Jun-16	101.5	-0.2%	1.5%

The CBER Nevada leading index fell by 0.2 percent for the month in June 2016 after a large gain in the previous month. The index, nevertheless, experienced a 1.5 percent increase year-over-year. The monthly downward movement of the index reflected significant month-over-month decreases in housing and commercial permits, while gains from the other four components did not cover the losses from permits. Housing and commercial permits decreased by 24.4 and 6.8 percent, respectively, from May to June, while commercial permits remained low and volatile. The remaining four components—initial claims for unemployment (inverted), total airline passengers, the S&P 500 index, and the real Moody’s Baa corporate bond yield (inverted)—posted monthly gains in June 2016, up by 5.8, 1.9, 1.0, and 0.2 percent, respectively.



Summary of CBER's Southern Nevada Indexes

- Coincident Index and Leading Index

Coincident Index (May)

Leading Index (June)

Mo. to Mo.

-0.3 %



-0.1 %

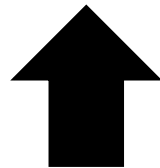


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
-2.8% ↓	-0.1% ↓	0.2% ↑

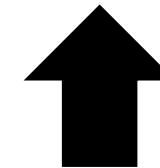
Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
5.8% ↑	0.2% ↑	-31.5% ↓	-40.5% ↓	2.0% ↑	1.0% ↑

Yr. to Yr.

1.3 %



1.6 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
0.5% ↑	-4.9% ↓	2.4% ↑

Initial Claims*	Moody's Baa*	Housing Permits	Commercial Permits	McCarran Passengers	S&P 500
16.0% ↑	1.5% ↑	25.8% ↑	-14.7% ↓	5.7% ↑	-1.0% ↓

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



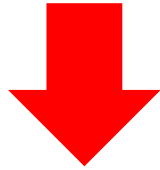
Summary of CBER's Southern Nevada Indexes

- Construction Index and Tourism Index

Construction Index

(June)

-0.8 %



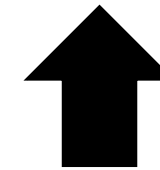
Mo. to Mo.

Construction Employment	Housing Permits	Commercial Permits
1.7% ↑	-31.5% ↓	-40.5% ↓

Tourism Index

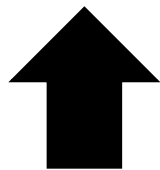
(June)

1.4 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
2.0% ↑	3.2% ↑	4.2% ↑

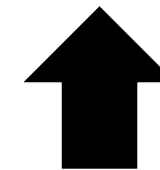
2.8 %



Yr. to Yr.

Construction Employment	Housing Permits	Commercial Permits
13.8% ↑	25.8% ↑	-14.7% ↓

2.0 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
5.7% ↑	7.0% ↑	3.0% ↑



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

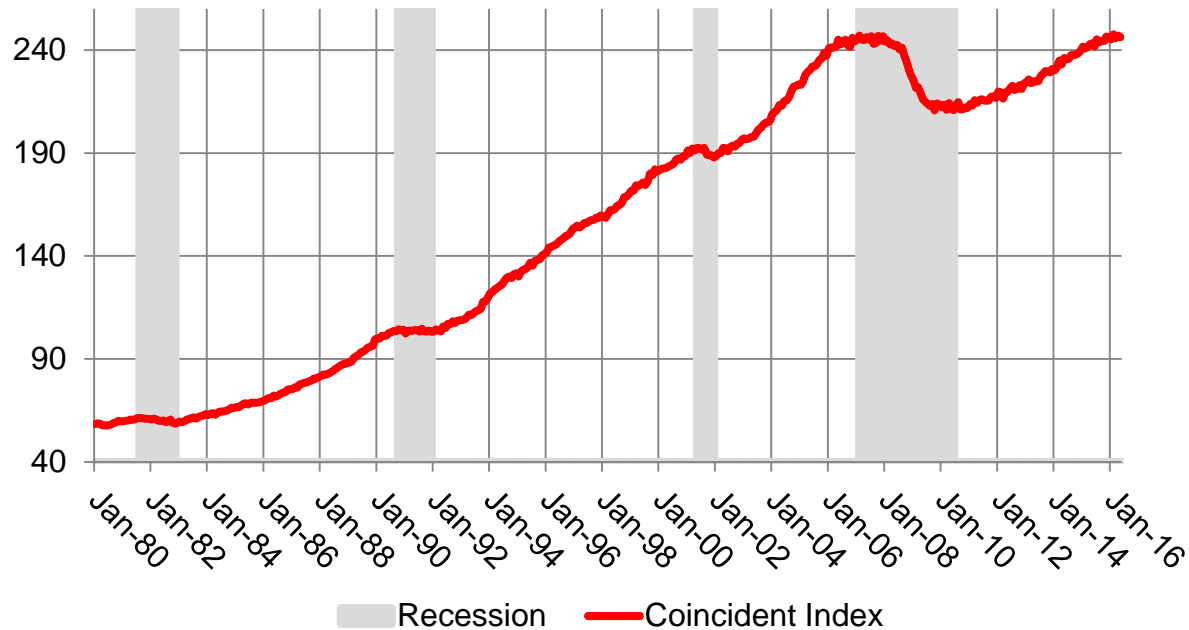
Note: CC = Clark County

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 fell for the month but rose from a year earlier in May 2016.



The CBER Southern Nevada coincident index decreased by 0.3 percent from a month ago, but it is still increased by 1.3 percent from last year. As shown in the table below, seasonally adjusted taxable sales and gaming revenue experienced losses, decreasing by 2.8 and 0.1 percent, respectively, from a month ago. Nonfarm employment experienced a month-over-month increase, up by 0.2 percent. The index has posted the weakest yearly rise over the past three years due to a slowdown in taxable sales growth and a significant loss from gaming revenue with the release of May data.

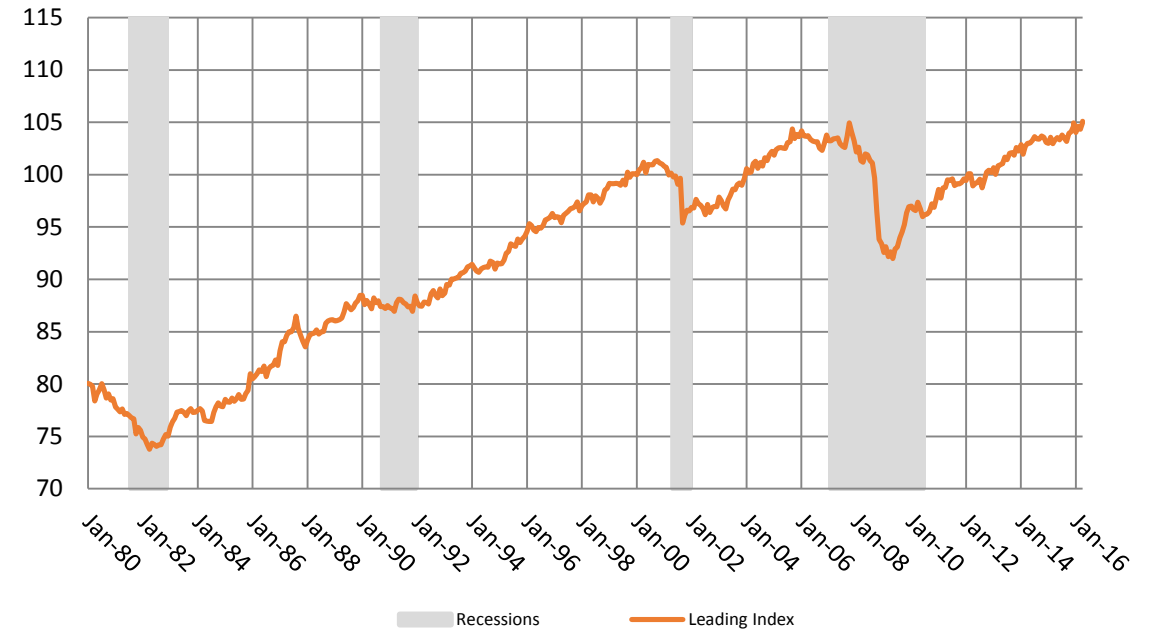
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Taxable Sales (SA)	May-16	3,183,959,856	-2.8%	0.5%
Gaming Revenue (SA)	May-16	796,499,320	-0.1%	-4.9%
Nonfarm Employment (SA)	May-16	935,716	0.2%	2.4%
Overall Index Change	May-16	246.3	-0.3%	1.3%



Southern Nevada Leading Index

The CBER Southern Nevada leading index experienced a monthly loss but a yearly gain in June 2016.

Date	Index	Month-over-Month	Year-over-Year
Jun-15	103.3	-0.2%	0.1%
Jul-15	103.8	0.4%	0.2%
Aug-15	103.5	-0.3%	0.1%
Sep-15	103.2	-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	104.0	-0.6%	1.0%
Feb-16	104.6	0.6%	1.0%
Mar-16	104.3	-0.3%	1.3%
Apr-16	105.0	0.6%	1.6%
May-16	105.1	0.1%	1.5%
Jun-16	105.0	-0.1%	1.6%

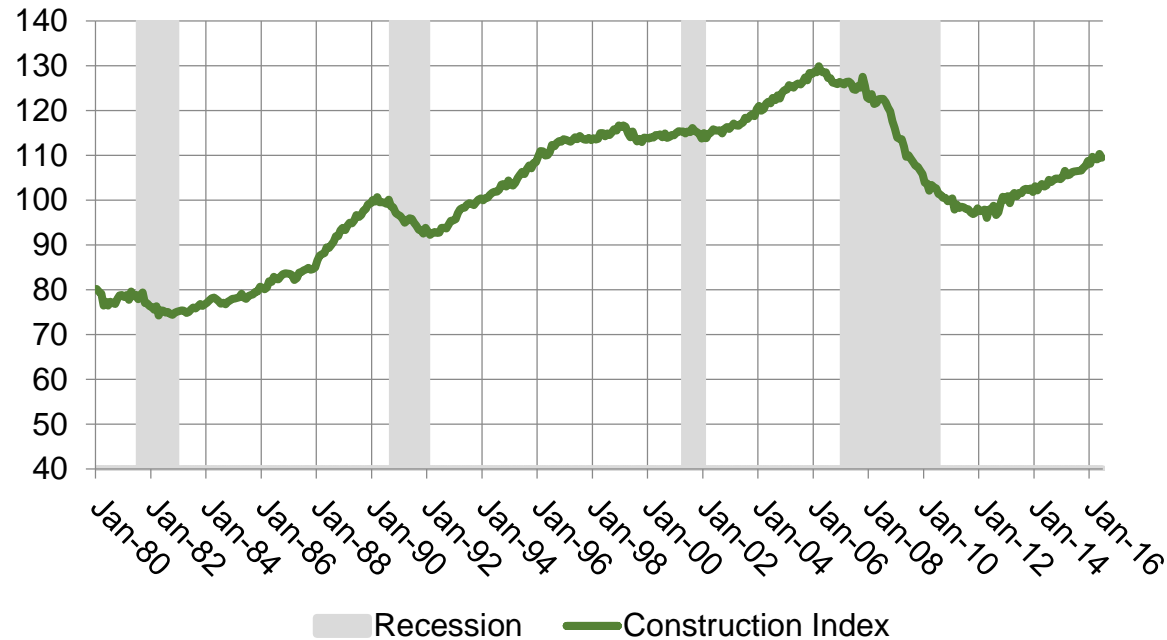


The CBER Southern Nevada leading index fell by 0.1 percent on a month-over-month basis, while it climbed by 1.6 percent on a year-over-year basis. Housing and commercial permits decreased significantly by 31.5 and 40.5 percent, respectively, from May to June, which deterred the index from an upward movement for the month. Housing permits, however, experienced a strong 25.8 percent year-over-year increase, while commercial permits still remained low and volatile. The remaining four components—initial claims for unemployment (inverted), McCarran passengers, the S&P 500, and the real Moody’s Baa grade corporate bond yield (inverted)—experienced monthly gains in June 2016, up by 5.8, 2.0, 1.0, and 0.2 percent, respectively.



Southern Nevada Construction Index

The CBER Southern Nevada construction index decreased month-over-month but increased year-over-year.



The CBER Southern Nevada construction index fell by 0.8 percent for the month due to substantial decreases in housing and commercial permits. Both housing and commercial permits showed double-digit month-over-month losses, decreasing by 31.5 and 40.5 percent, respectively. Construction employment increased by 1.7 percent from May to June. Housing permits and construction employment contributed to the yearly upward movement of the index, increasing strongly by 13.8 and 25.8 percent, respectively, year-over-year. Although commercial permits experienced a large decrease both for the month and year, they still remained low and volatile.

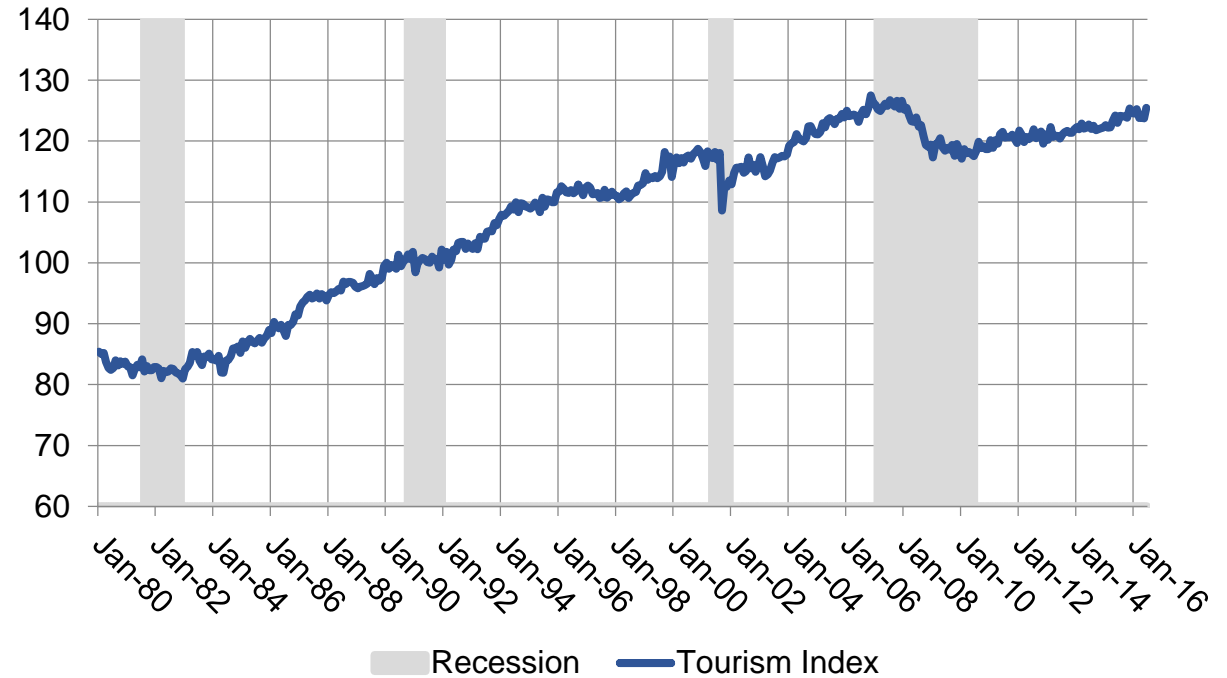
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	Jun-16	57,638	1.7%	13.8%
Housing Permits (SA)	Jun-16	950	-31.5%	25.8%
Commercial Permits (SA)	Jun-16	25	-40.5%	-14.7%
Overall Index Change	Jun-16	109.4	-0.8%	2.8%



Southern Nevada Tourism Index

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

The CBER Southern Nevada tourism index rose by 1.4 and 2.0 percent, respectively, month-over-month and year-over-year as all three components of the index rose in June 2016. In addition, seasonally adjusted Las Vegas hotel/motel occupancy, which increased by 4.2 percent compared to a month ago, showed the best performance since the Great Recession. Gaming revenue and McCarran passengers rose by 3.2 and 2.0 percent, respectively, from May to June. Gaming revenue finally experienced a year-over-year gain after three consecutive months of declines. This helped the index to rebound from negative year-over-year growth in May to a positive 2.0 percent of increase in June.



Series	Date	Latest Period	Month-over-Month	Year-over-Year
McCarran Passengers (SA)	Jun-16	3,963,928	2.0%	5.7%
Gaming Revenue (SA)	Jun-16	822,146,734	3.2%	7.0%
LV Hotel/Motel Occupancy Rate (SA)	Jun-16	0.902	4.2%	3.0%
Overall Index Change	Jun-16	125.5	1.4%	2.0%



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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