



CBER Economic Indexes for Nevada and Southern Nevada

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Summary of CBER's Nevada Indexes

Coincident Index (November)

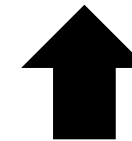
Leading Index (November)

Mo. to Mo.

-0.2 %



2.1%



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
2.0% ↑	-5.3% ↓	0.1% ↑

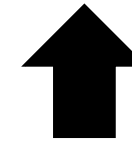
Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	Airline Passengers	S&P 500
-0.3% ↓	0.3% ↑	27.2% ↑	29.7% ↑	0.0% —	0.8% ↑

Yr. to Yr.

2.4 %



0.3 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
5.7% ↑	-2.6% ↓	2.7% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	Airline Passengers	S&P 500
-4.7% ↓	0.3% ↑	42.3% ↑	-18.2% ↓	1.6% ↑	20.0% ↑

* Inverted ** Data are partly forecasted as Henderson's permit reports are not available for March 2017 and onward.



CBER's Indexes of Nevada Economic Activity

Coincident Index Components

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

Leading Index Components

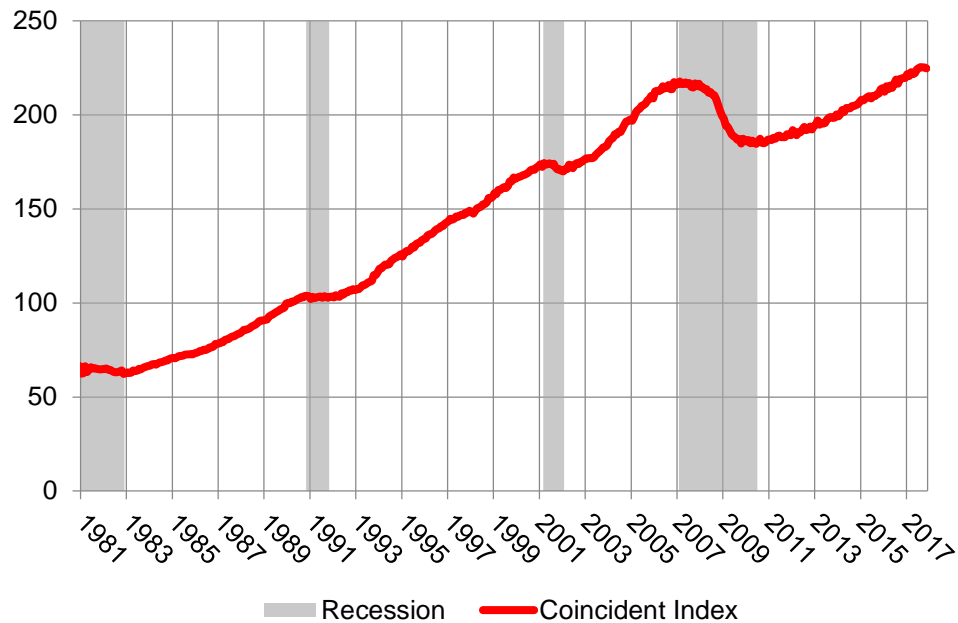
- Nevada Initial Claims for Unemployment (inverted)
- Real 10-Year Treasury Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

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 declined month-over-month in November but increased from last year.



The CBER Nevada coincident index fell 0.2 percent from the previous month. Seasonally adjusted taxable sales rose 2.0 percent month-over-month in November. Nonfarm employment ticked up 0.1 percent month-over-month. Gaming revenues, meanwhile, plunged 5.3 percent. Most of the drop came from lower hold percentages, meaning gamblers were luckier in November 2017 compared to previous months. Sports books also lost revenue in November, owing mostly to the Houston Astros' World Series victory.

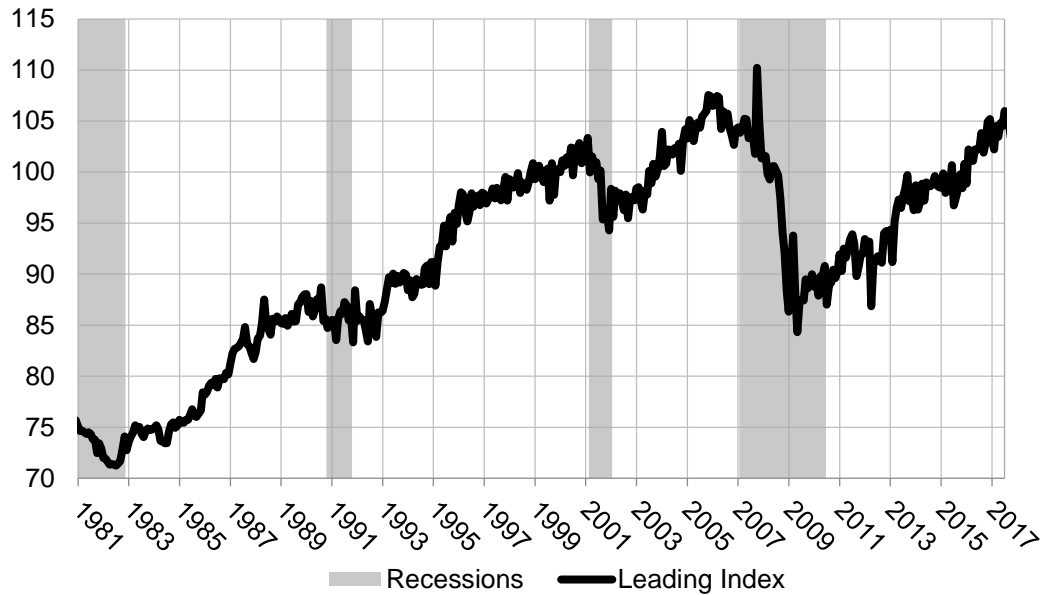
The index grew 2.4 percent year over year. This increase derived from a 5.7 percent spike in taxable sales and a 2.7 percent rise in nonfarm employment. Increased sales in construction-related spending, bars, and restaurants contributed to much of the rise in taxable sales. Gaming revenues, however, fell 2.6 percent from November 2016, owing to the aforementioned drop in hold percentages and sports book revenue.

Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales	Nov-17	4,900,055,949	2.0%	5.7%
Gaming Revenues	Nov-17	935,567,327	-5.3%	-2.6%
Nonfarm Employment	Nov-17	1,349,726	0.1%	2.7%
Overall Index Change	Nov-17	224.8	-0.2%	2.4%



Nevada Leading Index

The CBER Nevada leading index rose in November month over month and year over year.



Date	Index	Month-over-Month	Year-over-Year
Oct-16	102.8	0.9%	3.0%
Nov-16	105.0	2.1%	6.6%
Dec-16	105.2	0.2%	4.4%
Jan-17	103.2	-2.0%	4.3%
Feb-17	102.2	-0.9%	0.0%
Mar-17	104.5	2.2%	2.7%
Apr-17	103.4	-1.0%	2.3%
May-17	104.8	1.3%	2.5%
Jun-17	104.5	-0.3%	2.3%
Jul-17	106.0	1.4%	3.6%
Aug-17	104.6	-1.3%	0.8%
Sep-17	104.8	0.2%	2.8%
Oct-17	103.1	-1.6%	0.3%
Nov-17	105.3	2.1%	0.3%

The CBER Nevada leading index rose 2.1 percent month-over-month. Positive results include 27.2 percent and 29.7 percent rises in housing and commercial permits, respectively. The real ten-year Treasury yield (inverted) also rose by 0.3 percent. The stock market continued its upward movement, rising 0.8 percent from October 2017. The only negative result was a 0.3 percent drop in initial unemployment claims (inverted). Finally, airline passengers remained flat from the previous month.

Year over year, the index rose a more modest 0.3 percent. The S&P 500 continued its rise in November, increasing 20.0 percent from the previous year. Airline passengers and the real 10-year Treasury rate also rose 1.6 percent and 0.3 percent, respectively. Permits were mixed, with residential permits spiking by 42.3 percent and commercial ones falling by 18.2 percent. Initial claims for unemployment (inverted) also hurt the index, dropping 4.7 percent from November 2016.



Summary of CBER's Southern Nevada Indexes

- Coincident Index and Leading Index

Coincident Index (November)

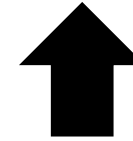
Leading Index (November)

Mo. to Mo.

-0.1 %



0.4 %

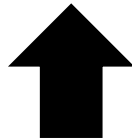


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
1.6% ↑	-6.2% ↓	0.1% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	McCarran Passengers	S&P 500
-0.3% ↓	0.3% ↑	63.5% ↑	-10.7% ↓	0.2% ↑	0.8% ↑

Yr. to Yr.

1.9 %



1.2 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
3.3% ↑	-3.6% ↓	2.6% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	McCarran Passengers	S&P 500
-4.7% ↓	0.3% ↑	35.6% ↑	-31.7% ↓	1.1% ↑	20.0% ↑

* Inverted ** Data are partly forecasted as Henderson's permit reports are not available for March 2017 and onward.



Summary of CBER's Southern Nevada Indexes

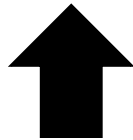
- Construction Index and Tourism Index

Construction Index (November)

Tourism Index (November)

Mo. to Mo.

0.6%



-0.4%



Construction Employment	Housing Permits*	Commercial Permits*
0.9% ↑	63.5% ↑	-10.7% ↓

McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
0.2% ↑	-6.2% ↓	0.2% ↑

Yr. to Yr.

3.1%



-0.5%



Construction Employment	Housing Permits*	Commercial Permits*
16.3% ↑	35.6% ↑	-31.7% ↓

McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
1.1% ↑	-3.6% ↓	-2.1% ↓

* Data are partly forecasted as Henderson's permit reports are not available for March 2017 and onward.



CBER's Indexes of Southern Nevada Economic Activity

Coincident Index

- CC Taxable Sales
- CC Gross 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 Gross Gaming Revenue
- LV Hotel/Motel Occupancy Rate

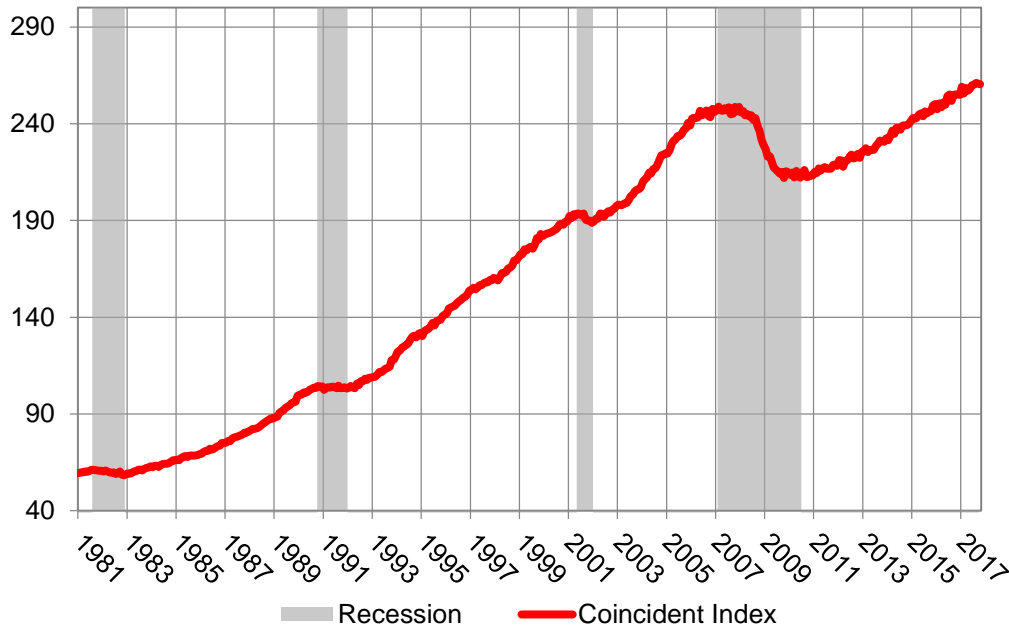
Note: CC = Clark County

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 indexed 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 on a monthly and rose on a yearly basis.



The CBER Southern Nevada coincident index ticked down 0.1 percent on a month-over-month basis. Taxable sales and nonfarm employment increased 1.6 percent and 0.1 percent in November, respectively. A 6.2 percent plunge in gaming revenue, however, cancelled out those gains. The large drop in gaming revenues derives from a decline in hold percentages for table games and sports books.

On a year-over-year basis, the index rose 1.9 percent. This increase is due to 3.3 percent rise in taxable sale and a 2.6 percent gain in nonfarm employment. Unfortunately, gaming revenues plunged 3.6 percent from the previous year. Southern Nevada’s drop in gaming revenues mirrors the outcome for the state of Nevada.

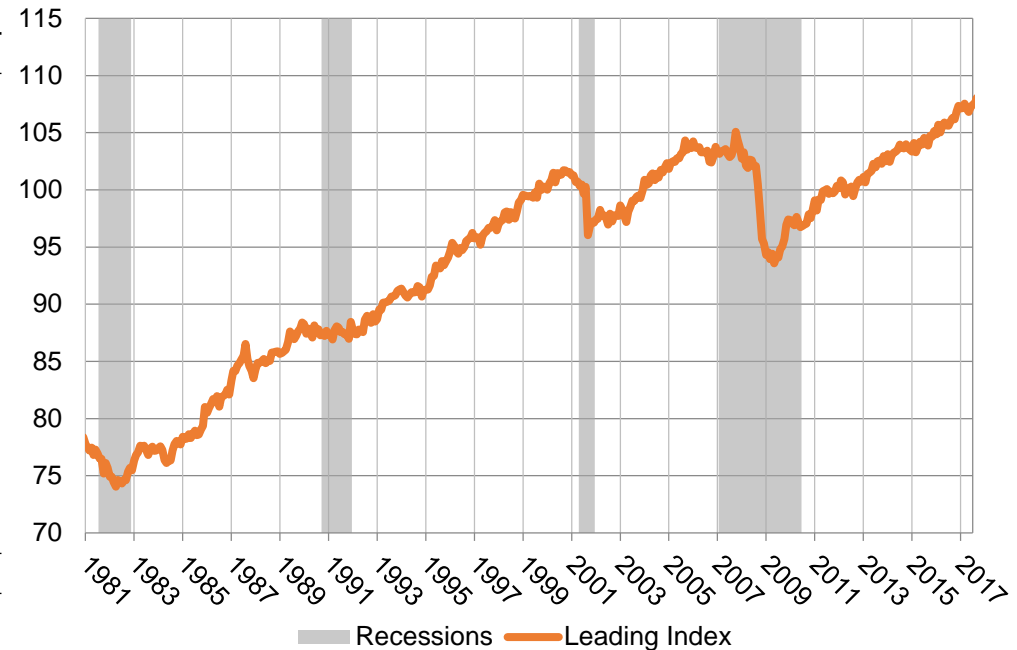
Series	Date	Latest Period	Month-over-Month	Year-over-Year
Taxable Sales	Nov-17	3,498,762,352	1.6%	3.3%
Gaming Revenues	Nov-17	799,555,732	-6.2%	-3.6%
Nonfarm Employment	Nov-17	983,458	0.1%	2.6%
Overall Index Change	Nov-17	260.1	-0.1%	1.9%



Southern Nevada Leading Index

The CBER Southern Nevada leading index rose in November month over month and year over year.

Date	Index	Month-over-Month	Year-over-Year
Nov-16	106.8	0.6%	2.1%
Dec-16	107.4	0.5%	2.1%
Jan-17	107.1	-0.2%	2.2%
Feb-17	107.1	0.0%	1.4%
Mar-17	107.5	0.4%	2.4%
Apr-17	107.1	-0.4%	1.3%
May-17	106.8	-0.2%	0.9%
Jun-17	107.2	0.4%	1.5%
Jul-17	107.5	0.2%	1.7%
Aug-17	107.5	0.1%	1.5%
Sep-17	108.0	0.5%	1.7%
Oct-17	107.7	-0.3%	1.5%
Nov-17	108.2	0.4%	1.2%



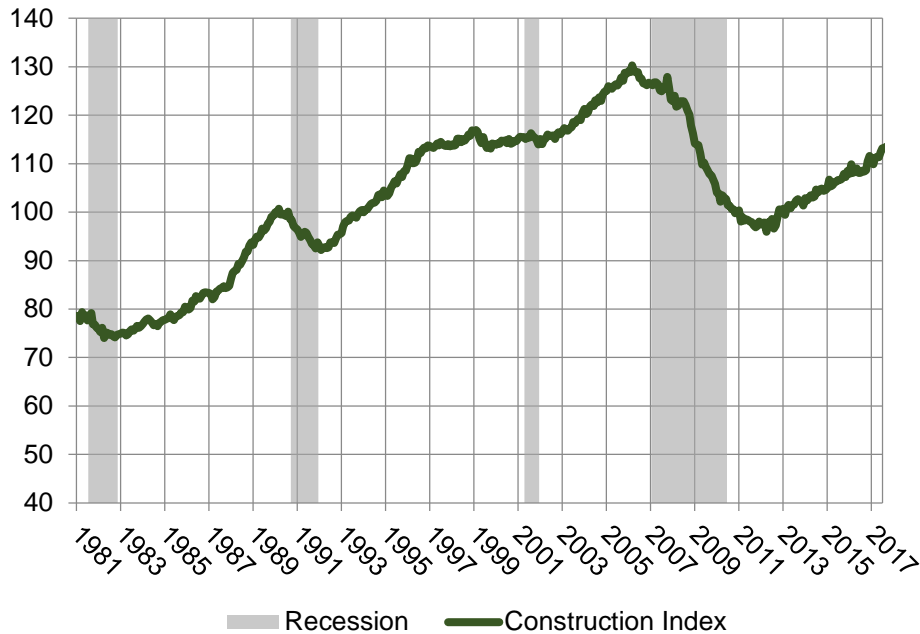
The Southern Nevada leading index experienced a modest 0.4 percent month-over-month rise in November. Housing permits spiked 63.5 percent in November, while the S&P 500 rose 0.8 percent. McCarran Airport passengers and the real 10-year Treasury yield (inverted) saw a smaller 0.2 and 0.3 percent increase, respectively. On the negative end, initial claims for unemployment (inverted) dropped 0.3 percent while commercial permits fell 10.7 percent.

The leading index increased by a larger 1.2 percent on a year-over-year basis. Housing permits, the S&P 500, and McCarran Airport passengers lead the increase, rising 35.6 percent, 20 percent, and 1.1 percent, respectively. The last increase came from the real 10-year Treasury yield, which rose only 0.3 percent from November 2016. Commercial permits, on the other hand, plummeted by 31.7 percent, while initial claims for unemployment (inverted) fell by 4.7 percent.



Southern Nevada Construction Index

The CBER Southern Nevada construction index rose strongly in November compared to last year.



The construction index increased 0.6 percent from the previous month. The index rose due to a 63.5 percent spike in housing permits and a 0.9 percent gain in construction employment. On the downside, commercial permits fell by 10.7 percent.

The index performed better on a year-over-year basis, rising 3.1 percent. Commercial permits fell 31.7 percent, but the month saw a 35.6 percent rise in housing permits from November 2016. Construction employment continued its rise, increasing 16.3 percent from the previous year. Even with the continued rise, construction employment remains below its pre-recession peak.

Series	Date	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	Nov-17	66,694	0.9%	16.3%
Housing Permits (SA)	Nov-17	1,676	63.5%	35.6%
Commercial Permits (SA)	Nov-17	29	-10.7%	-31.7%
Overall Index Change	Nov-17	113.9	0.6%	3.1%

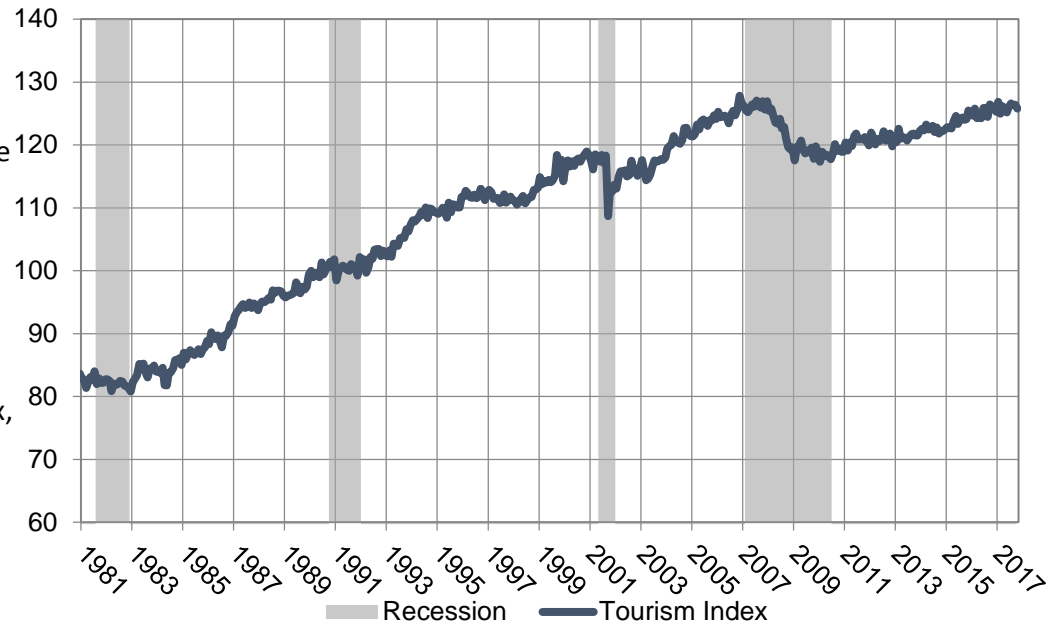


Southern Nevada Tourism Index

The CBER Southern Nevada tourism index declined in November.

On a month-over-month basis, the tourism index declined 0.4 percent. Though McCarran Airport passengers and hotel/motel occupancy rose by 0.2 percent, the 6.2 percent drop in gaming revenue caused an overall decline in the index. Gaming revenue fell in the month due to lower holds on table games and a disappointing month in the sports books.

The index performed similarly on a year-over-year basis, declining 0.5 percent. McCarran airport saw 1.1 percent more passengers from the previous year, but hotel/motel occupancy declined by 2.1 percent in Las Vegas. As with the monthly index, the decline was driven by a plummet in gaming revenue, dropping by 3.6 percent from November 2016.



Series	Date	Latest Period	Month-over-Month	Year-over-Year
McCarran Passengers (SA)	Nov-17	4,067,275	0.2%	1.1%
Gaming Revenue (SA)	Nov-17	799,555,732	-6.2%	-3.6%
LV Hotel/Motel Occupancy Rate (SA)	Nov-17	0.872	0.2%	-2.1%
Overall Index Change	Nov-17	125.3	-0.4%	-0.5%



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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