



CBER Economic 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.

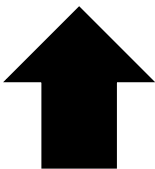
0.2 % 

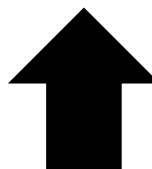
-0.3 % 

Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
0.5% ↑	0.4% ↑	0.2% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	Airline Passengers	S&P 500
3.5% ↑	-0.2% ↓	14.4% ↑	-8.6% ↓	1.2% ↑	1.3% ↑

Yr. to Yr.

3.6 % 

2.3 % 

Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
9.4% ↑	3.2% ↑	3.3% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	Airline Passengers	S&P 500
3.8% ↑	0.1% ↑	32.9% ↑	11.8% ↑	2.1% ↑	16.6% ↑

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 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

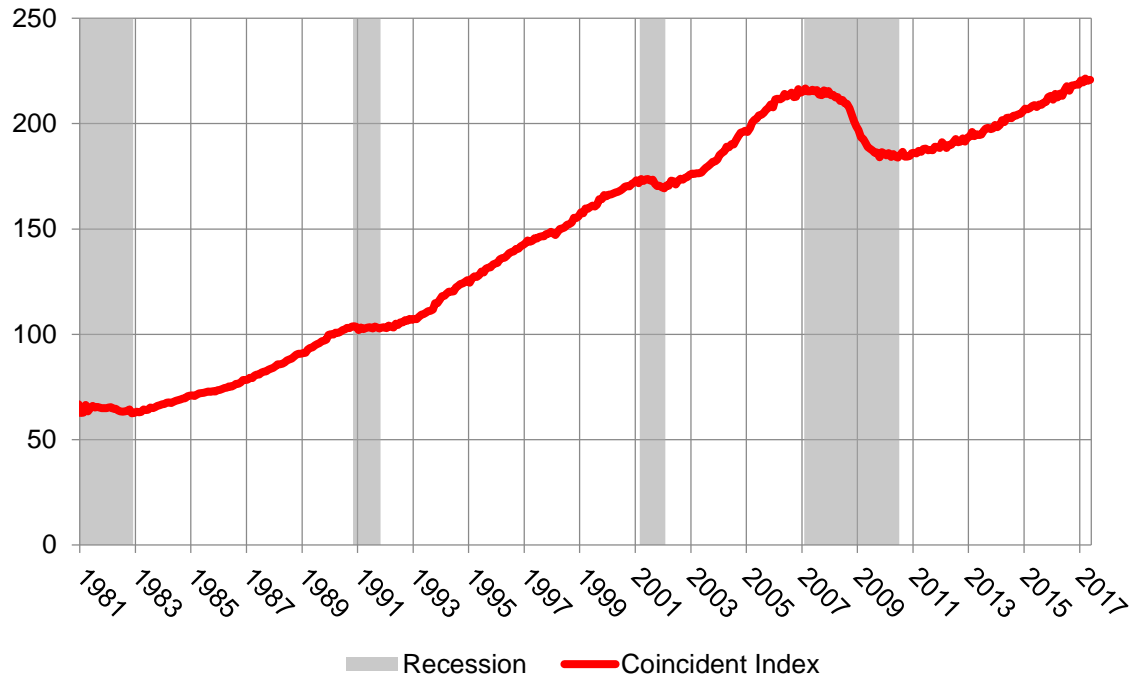
- Nevada Initial Claims for Unemployment (inverted)
- Real 10-Year Treasury Rate (inverted)
- Nevada Housing Permits
- Nevada Commercial Permits
- Nevada Airline Passengers
- Standard & Poor's Stock Market Index

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 increased on a monthly and yearly basis in May.



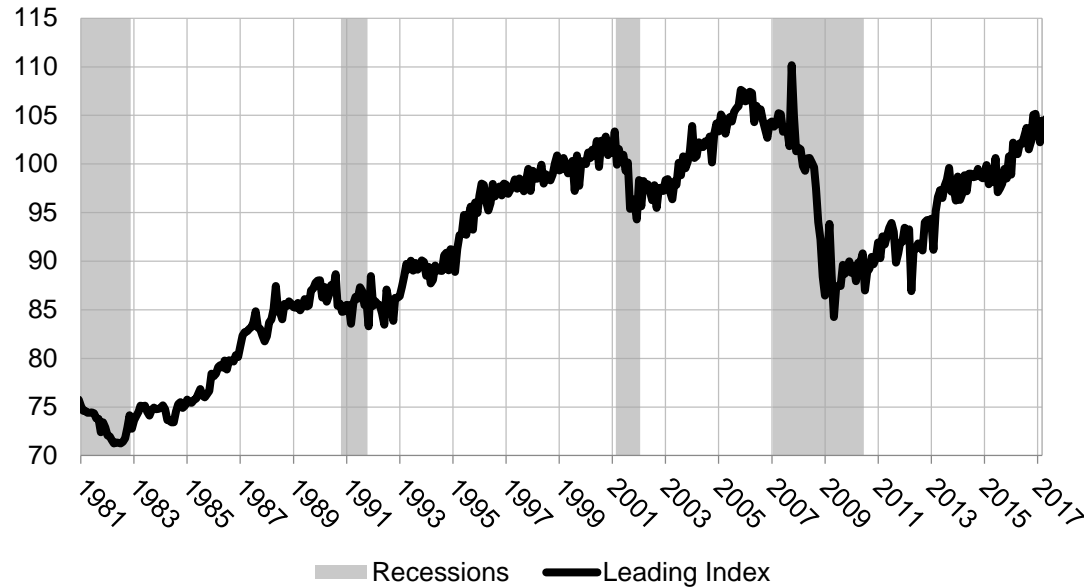
The CBER Nevada coincident index posted a slight monthly increase of 0.2 percent in May. All components rose compared to April. More specifically, seasonally adjusted taxable sales, gaming revenue, and nonfarm employment increased by 0.5, 0.4, and 0.2 percent, respectively. With this most recent increase, nonfarm employment posted nine months of consecutive growth, which added over 2,500 new jobs to Nevada’s labor market. Similarly, the overall index increased on a yearly basis, up strongly by 3.6 percent in May. Seasonally adjusted taxable sales posted a robust increase of 9.4 percent compared to May 2016, mainly due to higher economic activity in Storey County. The other two components, gaming revenue and nonfarm employment, also grew by 3.2 and 3.3 percent, respectively.

Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	May-17	4,729,544,403	0.5%	9.4%
Gaming Revenue (SA)	May-17	945,981,868	0.4%	3.2%
Nonfarm Employment (SA)	May-17	1,332,238	0.2%	3.3%
Overall Index Change	May-17	220.9	0.2%	3.6%



Nevada Leading Index

The CBER Nevada leading index continued its yearly upward trend in June.



Date	Index	Month-Over-Month	Year-Over-Year
Jun-16	102.1	-0.1%	1.4%
Jul-16	102.8	0.8%	5.9%
Aug-16	103.7	0.9%	6.4%
Sep-16	101.5	-2.1%	3.6%
Oct-16	102.3	0.8%	2.8%
Nov-16	105.0	2.7%	6.6%
Dec-16	105.2	0.1%	4.3%
Jan-17	103.2	-1.9%	4.3%
Feb-17	102.2	-0.9%	0.0%
Mar-17	104.5	2.2%	2.7%
Apr-17	103.4	-1.0%	2.4%
May-17	104.7	1.3%	2.5%
Jun-17	104.4	-0.3%	2.3%

The CBER Nevada leading index ticked downwards by 0.3 percent in June. This resulted from a decrease in the inverted real 10-year Treasury bond yield and commercial building permits, down by 0.2 percentage point and 8.6 percent, respectively. By contrast, Nevada registered higher housing permits for the month, up by 14.4 percent. In addition, initial claims for unemployment insurance (inverted), the S&P 500 index, and statewide airport passenger volume increased by 3.5, 1.3 and 1.2 percent, respectively. The overall index, however, moved higher on a yearly basis. All components increased compared to June 2016. Housing and commercial building permits rose by 32.9 and 11.8 percent, respectively. The S&P 500 index and the real 10-year Treasury bond yield (inverted) were up by 16.6 percent and 0.1 percentage point, respectively. Initial claims for unemployment insurance (inverted) in Nevada also increased from a year ago, up by 3.8 percent. Lastly, seasonally adjusted airport passenger volume continued to expand at a 2.1 percent rate. These gains caused the overall index to post an annual gain of 2.3 percent over the most recent month.



Summary of CBER's Southern Nevada Indexes

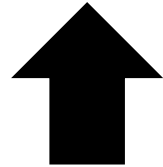
- Coincident Index and Leading Index

Coincident Index (May)

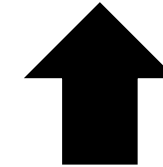
Leading Index (June)

Mo. to Mo.

0.2 %



0.3 %

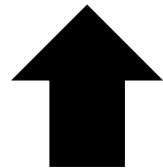


Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
0.1% ↑	0.9% ↑	0.2% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	McCarran Passengers	S&P 500
3.5% ↑	-0.2% ↓	17.4% ↑	7.9% ↑	1.2% ↑	1.3% ↑

Yr. to Yr.

3.2 %



1.5 %



Taxable Sales	Gross Gaming Revenue	Nonfarm Employment
5.9% ↑	3.1% ↑	3.3% ↑

Initial Claims*	10-Year Treasury*	Housing Permits**	Commercial Permits**	McCarran Passengers	S&P 500
3.8% ↑	0.1% ↑	13.3% ↑	24.5% ↑	1.5% ↑	16.6% ↑

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 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 (June)

Mo. to Mo.

1.1 %



Construction Employment	Housing Permits*	Commercial Permits*
3.6% ↑	17.4% ↑	7.9% ↑

Tourism Index (June)

0.4 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
1.2% ↑	0.8% ↑	0.8% ↑

Yr. to Yr.

4.1 %



Construction Employment	Housing Permits*	Commercial Permits*
18.3% ↑	13.3% ↑	24.5% ↑

0.1 %



McCarran Passengers	Gross Gaming Revenue	LV Hotel/Motel Occupancy Rate
1.5% ↑	0.3% ↑	-0.9% ↓

* 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

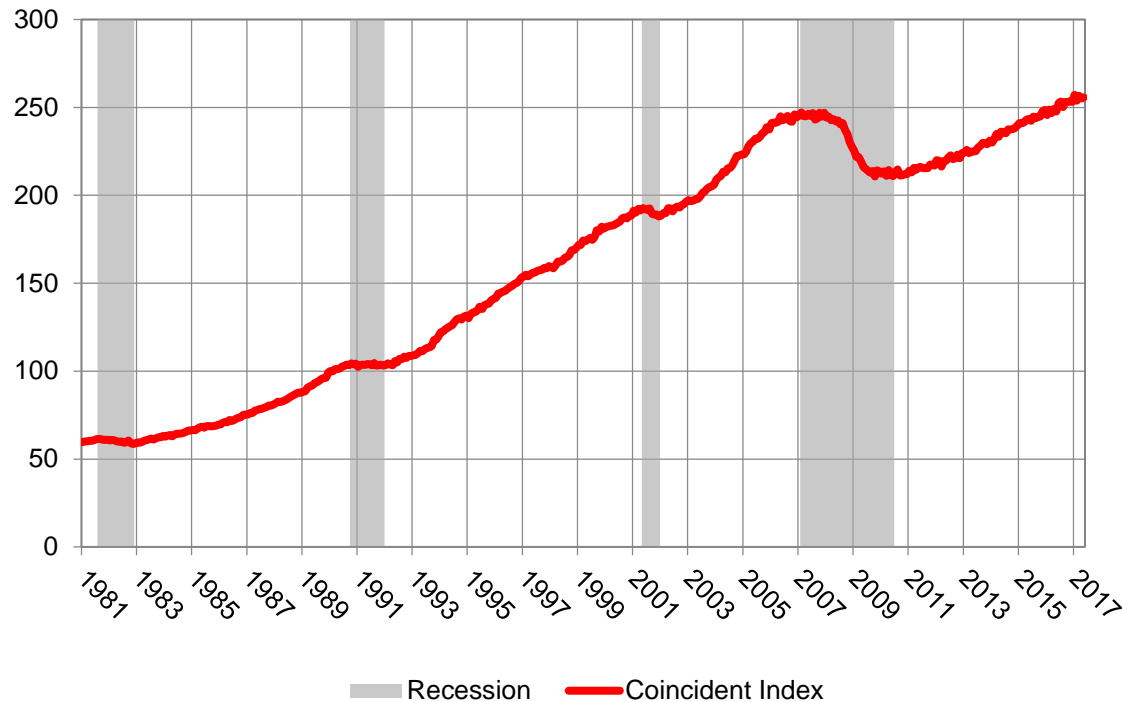
Note: CC = Clark County

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 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 increased in May relative to the previous month and year.



The CBER Southern Nevada coincident index ticked upward 0.2 percent in May from April. Gaming revenue, taxable sales, and nonfarm employment were slightly higher by 0.9, 0.1, and 0.2 percent, respectively. Clark County added just under 2,000 new jobs to the local economy in May (seasonally adjusted), and total employment peaked at 972,612 workers. As shown in the table below, seasonally adjusted taxable sales climbed by 5.9 percent compared to a year ago. Also, gaming revenue showed an above-average gain of 3.1 percent. Nonfarm employment continued to expand at a 3.3 percent annual rate. These gains resulted in a firm 3.2 percent yearly increase of the overall index.

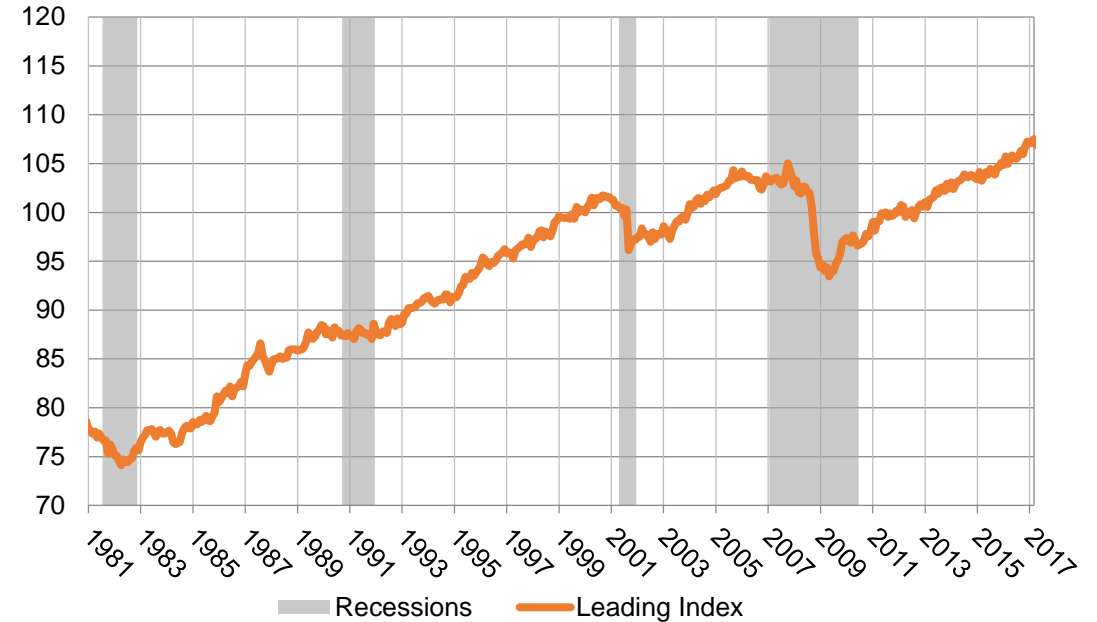
Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Taxable Sales (SA)	May-17	3,399,841,226	0.1%	5.9%
Gaming Revenue (SA)	May-17	818,665,265	0.9%	3.1%
Nonfarm Employment (SA)	May-17	972,612	0.2%	3.3%
Overall Index Change	May-17	255.7	0.2%	3.2%



Southern Nevada Leading Index

The CBER Southern Nevada leading index posted monthly and yearly gains in June.

Date	Index	Month-Over-Month	Year-Over-Year
Jun-16	105.5	-0.3%	1.6%
Jul-16	105.5	0.0%	1.0%
Aug-16	105.8	0.3%	1.6%
Sep-16	106.3	0.5%	2.4%
Oct-16	106.0	-0.3%	1.3%
Nov-16	106.8	0.7%	2.0%
Dec-16	107.3	0.5%	2.1%
Jan-17	107.1	-0.1%	2.2%
Feb-17	107.1	0.0%	1.3%
Mar-17	107.5	0.4%	2.4%
Apr-17	107.0	-0.4%	1.3%
May-17	106.7	-0.3%	0.9%
Jun-17	107.1	0.3%	1.5%

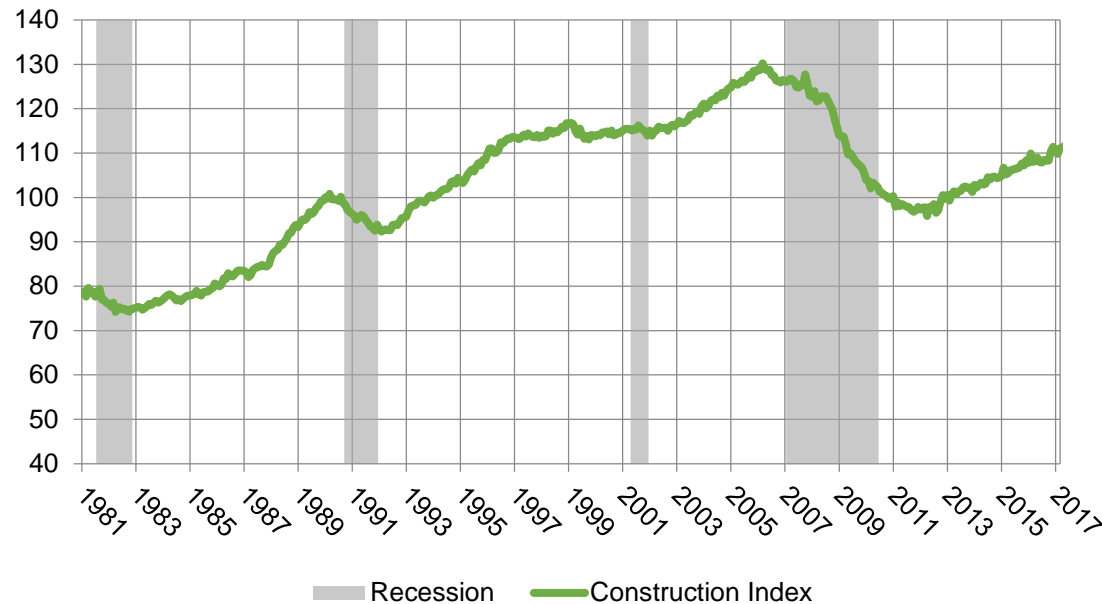


The CBER Southern Nevada leading index was slightly higher in June, up by 0.3 percent from May. The real 10-year Treasury bond yield (inverted) fell by 0.2 percentage point, while initial claims for unemployment insurance (inverted) increased compared to May, up by 3.5 percent. Also, the number of residential and commercial building permits rose by 17.4 and 7.9 percent, respectively. The S&P 500 index and McCarran passenger volume were higher by 1.3 and 1.2 percent, respectively. On a yearly basis, the overall leading index continued to advance at a 1.5 percent rate, as a result of strong robust gains in the S&P 500 index. More specifically, the S&P 500 index climbed by 16.6 percent from a year ago. Residential and commercial building permits rose by 13.3 and 24.5 percent, respectively. McCarran airport passenger volume was also higher by 1.5 percent. The number of initial claims for unemployment insurance (inverted) also increased by 3.8 percent, and contributed positively to the overall index for June.



Southern Nevada Construction Index

The CBER Southern Nevada construction index climbed in June compared to last year.



The CBER Southern Nevada construction index registered a 1.1 percent gain in June compared to May. This gain resulted from increases in construction permits. In particular, Clark County registered a 17.4 percent increase in residential permits. Similarly, the number of permits for commercial buildings rose by 7.9 percent in June. Clark County added 2,256 additional construction workers in June, which represented a 3.6 percent monthly rise. Compared to a year ago, construction employment gained almost 10,000 new workers, which reflected a substantial annual increase of 18.3 percent. Further, construction employment reached its highest number since the end of the Great Recession, currently at 64,501 workers in June (seasonally adjusted data). Construction permits also increased on a yearly basis. More specifically, residential and commercial building permits were up by 13.3 and 24.5 percent, respectively, in June. These gains resulted in a significant 4.1 percent annual increase of the overall construction index.

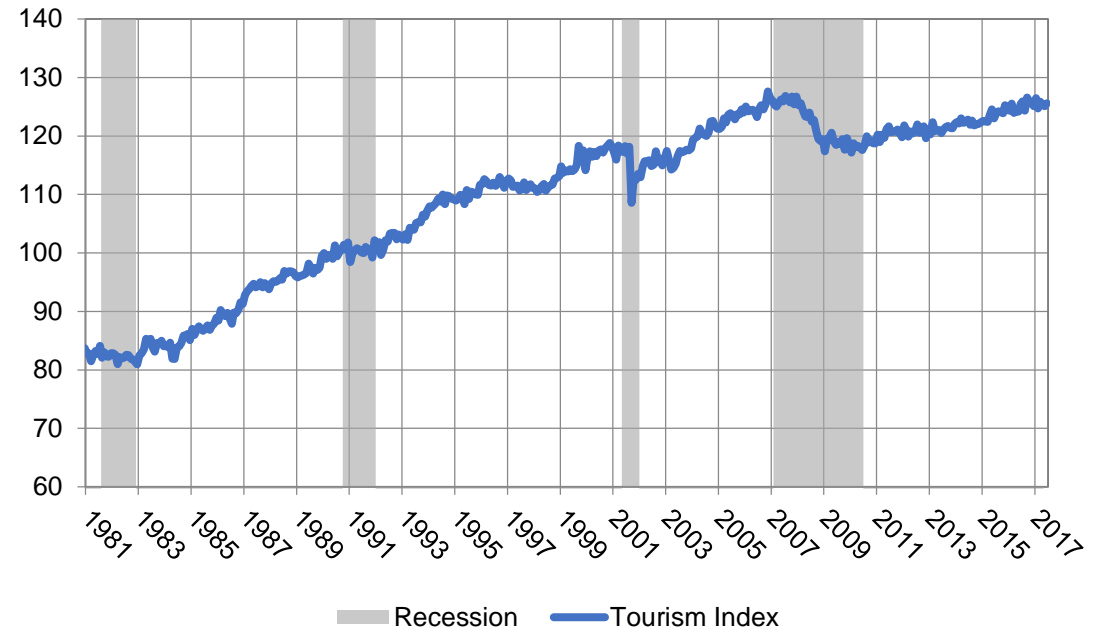
Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
Construction Employment (SA)	Jun-17	64,501	3.6%	18.3%
Housing Permits (SA)	Jun-17	1,043	17.4%	13.3%
Commercial Permits (SA)	Jun-17	31	7.9%	24.5%
Overall Index Change	Jun-17	112.4	1.1%	4.1%



Southern Nevada Tourism Index

The CBER Southern Nevada tourism index for June was slightly higher from a month and year ago.

The CBER Southern Nevada tourism index rose slightly by 0.4 percent in June compared to May. All three of its components were higher in June. In particular, McCarran passenger volume and gaming revenue increased by 1.2 and 0.8 percent, respectively. Lastly, the hotel/motel occupancy rate was up by 0.8 percentage point. On a yearly basis, the overall index remained fairly stable compared to June 2016, as it grew at a slow rate of 0.1 percent. The McCarran airport registered a 1.5 percent increase in passenger volume compared to last year. Seasonally adjusted gaming revenue rose slightly by 0.3 percent in the same period. The hotel/motel occupancy rate for the Las Vegas area, however, fell by 0.9 percentage point in June, and offset part of the gains in airport passengers and gaming revenue.



Series	Date	Latest Period	Month-Over-Month	Year-Over-Year
McCarran Passengers (SA)	Jun-17	4,020,285	1.2%	1.5%
Gaming Revenue (SA)	Jun-17	825,530,294	0.8%	0.3%
LV Hotel/Motel Occupancy Rate (SA)	Jun-17	0.889	0.8%	-0.9%
Overall Index Change	Jun-17	125.6	0.4%	0.1%



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:

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

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