



CBER Economic Indexes for Nevada and Southern Nevada

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CBER's Indexes of Nevada Economic Activity



Coincident Index Components

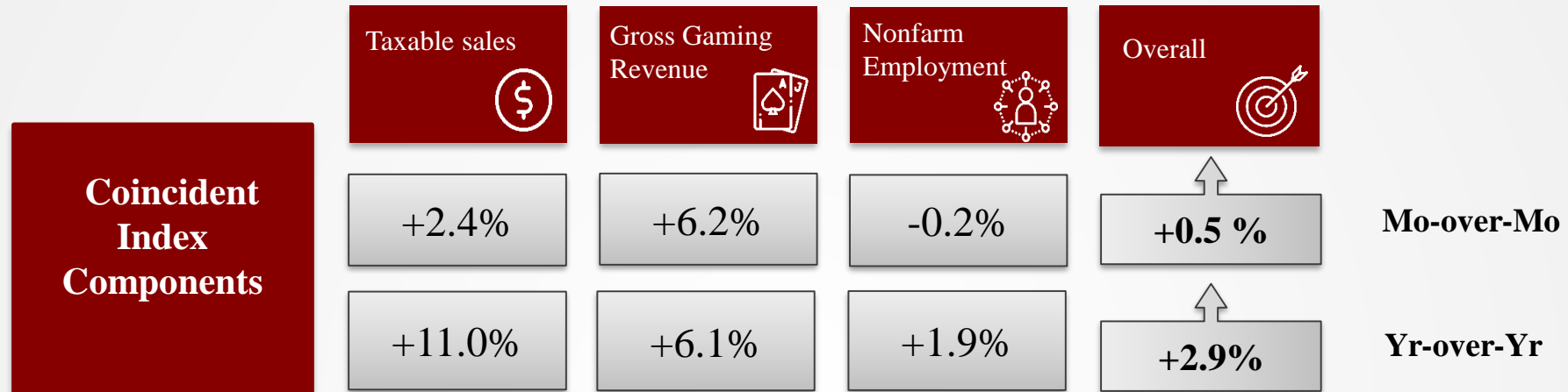
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

Leading Index Component

- 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>.

Summary of CBER's Nevada Coincident and Leading Indexes in December 2019



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.

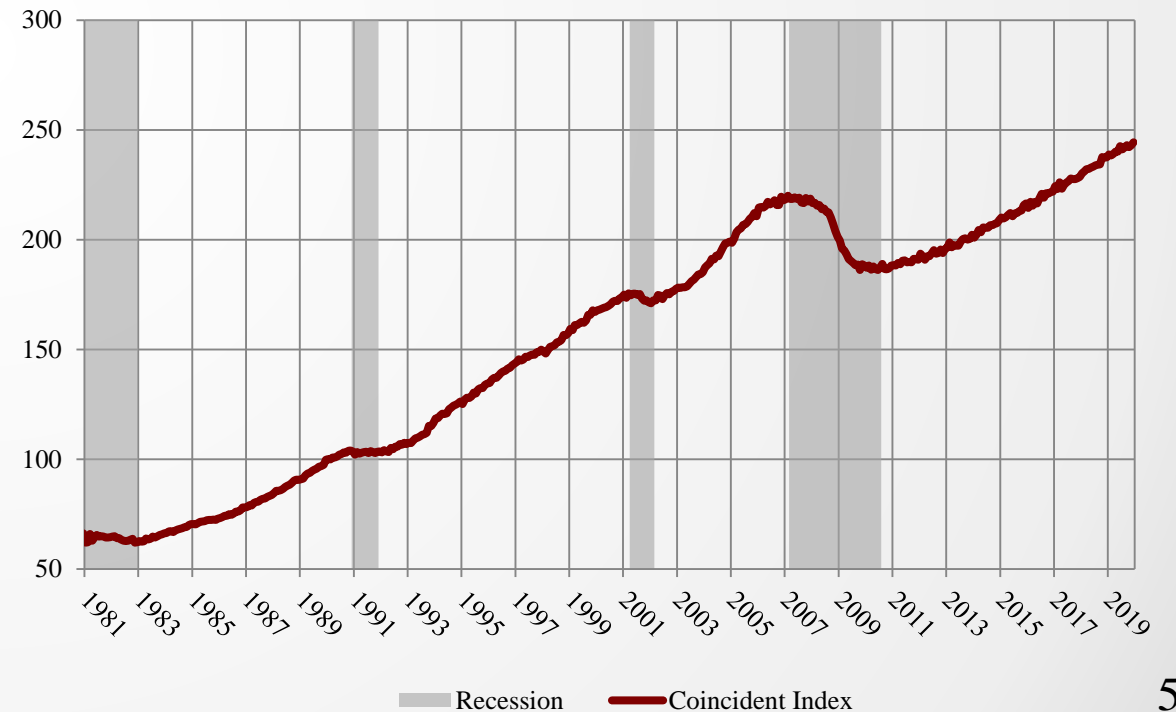
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The CBER Nevada coincident index increased month-over-month and year-over-year

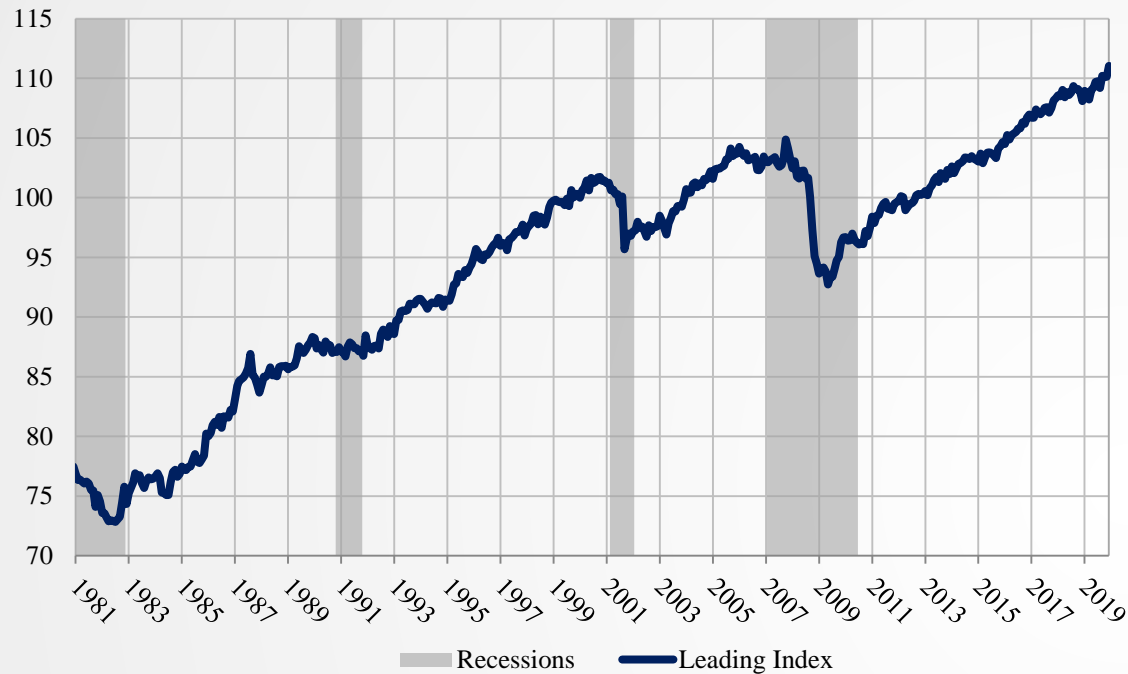
The CBER Nevada coincident index increased by 0.5 percent in December compared to the previous month. This increase resulted from monthly improvements in taxable sales and gaming revenue, up by 2.4 and 6.2 percent, respectively, from November 2019. On the negative side, nonfarm employment decreased by 0.2 percent from November.

The Nevada coincident index continued its year-over-year upward trend. The index rose significantly by 2.9 percent from last year. This increase reflected gains in taxable sales, gaming revenue, and nonfarm employment of 11.0, 6.1, and 1.9 percent, respectively.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	5,716,748,951	2.4%	11.0%
Gaming Revenue (SA)	1,045,833,466	6.2%	6.1%
Nonfarm Employment (SA)	1,438,229	-0.2%	1.9%
Index and % Change	244.3	0.5%	2.9%



The CBER Nevada leading index also increased month-over-month and year-over-year.



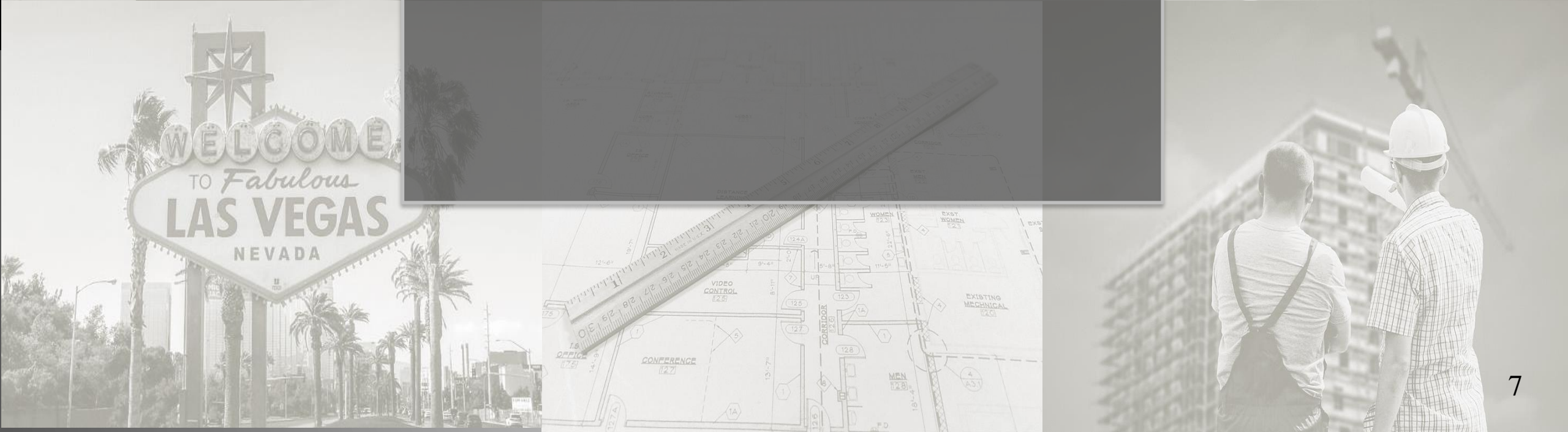
Date	Index	Mo-over-Mo	Yr-over-Yr
Dec-18	108.1	-0.7%	-0.2%
Jan-19	108.9	0.8%	0.3%
Feb-19	108.4	-0.5%	-0.1%
Mar-19	108.2	-0.2%	-0.7%
Apr-19	109.0	0.8%	0.6%
May-19	109.2	0.2%	0.3%
Jun-19	109.7	0.5%	1.0%
Jul-19	109.8	0.0%	0.9%
Aug-19	109.2	-0.5%	-0.1%
Sep-19	110.2	0.9%	1.0%
Oct-19	110.1	-0.1%	0.9%
Nov-19	110.1	0.0%	1.2%
Dec-19	111.1	0.8%	2.7%

The CBER Nevada leading index increased by 0.8 percent on a month-over-month basis. The ten-year real Treasury yield, housing permits, commercial permits, Nevada passengers, and the S&P 500 increased by 0.2, 65.6, 24.3, 5.5 and 1.8 percent, respectively, from November. On the negative side, initial claims for unemployment (inverted) decreased by 14.5 percent from the previous month.

On a year-over-year basis, the leading index jumped higher by 2.7 percent. The ten-year real Treasury yield, housing permits, Nevada passengers, and the S&P 500 increased by 1.3, 0.5, 9.1, and 23.8 percent, respectively, from December 2018. The initial claims for unemployment (inverted) and commercial permits fell by 0.7 and 7.9 percent, respectively, from the previous year.



CBER Indexes of Southern Nevada Economic Activity



CBER's Indexes of Southern Nevada Economic Activity

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.

Coincident Index

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

Note: CC = Clark County

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

Tourism Index

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

Construction Index

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

Summary of CBER's Southern Nevada Coincident and Leading Indexes in December 2019



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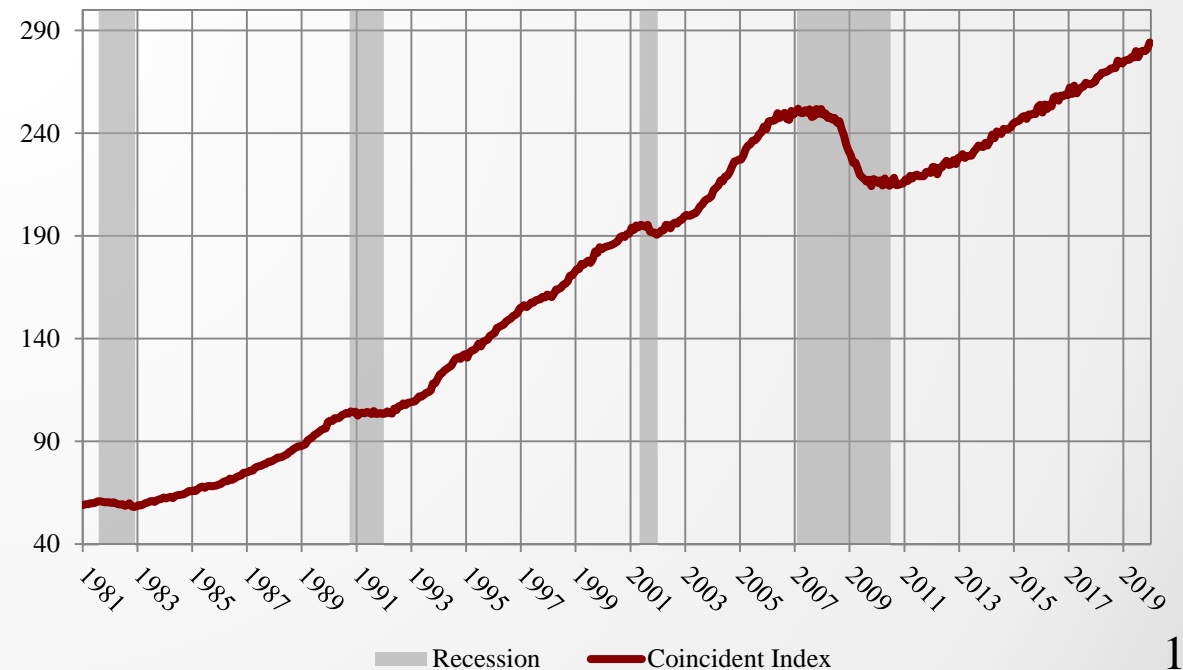
Southern Nevada Coincident Index in December 2019

The CBER Southern Nevada coincident index increased month-over-month and year-over-year.

The CBER Southern Nevada coincident index experienced a 1.1 percent month-over-month increase in December. This increase reflects increases in taxable sales, gaming revenue, and nonfarm employment, as all three items moved higher by 2.8, 7.5, and 0.2 percent, respectively, from November 2019.

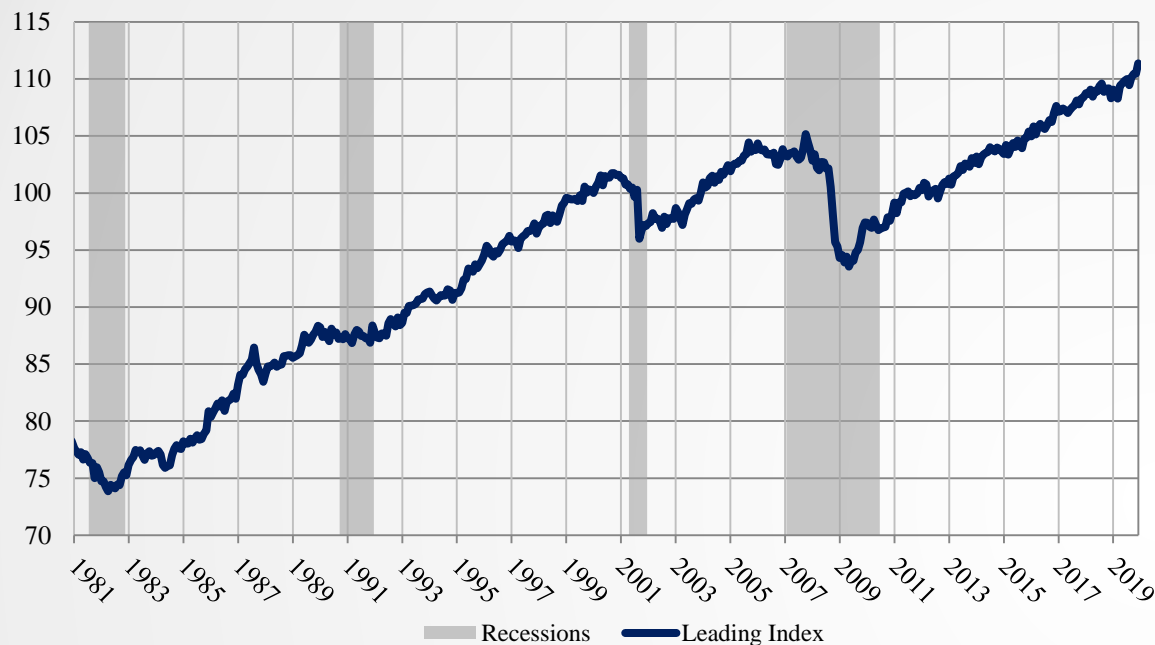
On a year-over-year basis, the index grew by 3.8 percent. This significant increase partly reflected the significant upward surge in taxable sales, up by 11.4 percent. Gross gaming revenue and nonfarm employment also contributed to the year-over-year increase, rising by 6.9, and 2.5 percent, respectively. The not seasonally adjusted taxable sales equaled \$4.8 billion for December, the highest figure ever recorded in the Clark County.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	4,209,403,305	2.8%	11.4%
Gaming Revenue (SA)	905,763,168	7.5%	6.9%
Nonfarm Employment (SA)	1,042,729	0.2%	2.5%
Index and % Change	284.2	1.1%	3.8%



Southern Nevada Leading Index in December 2019

The CBER Southern Nevada leading index also increased both on a monthly and on a yearly basis.

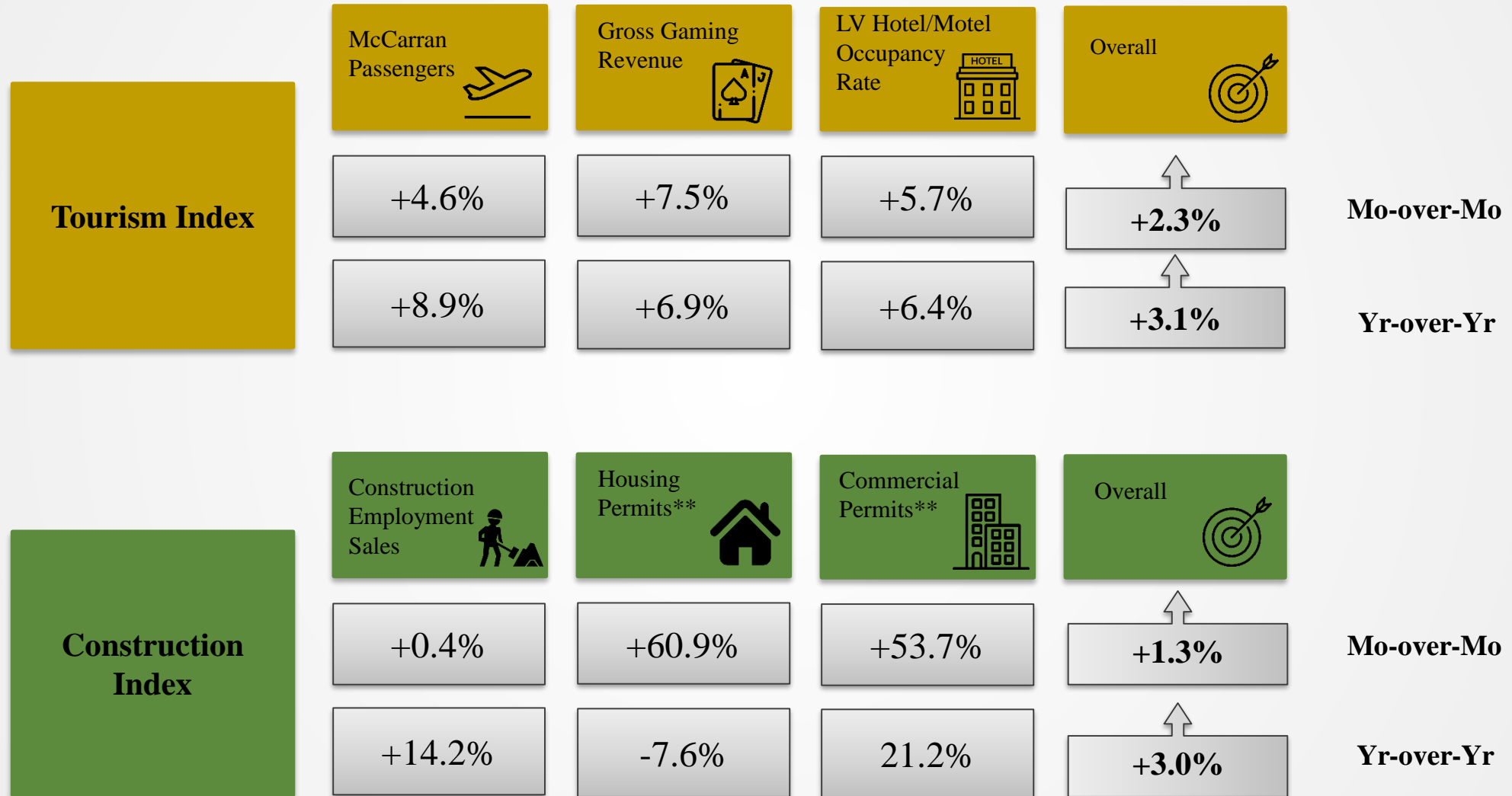


Date	Index	Mo-over-Mo	Yr-over-Yr
Dec-18	108.3	-0.8%	-0.1%
Jan-19	109.1	0.7%	0.3%
Feb-19	108.8	-0.2%	0.1%
Mar-19	108.3	-0.5%	-0.7%
Apr-19	109.4	1.0%	0.9%
May-19	109.6	0.2%	0.6%
Jun-19	109.9	0.3%	0.9%
Jul-19	110.0	0.1%	0.6%
Aug-19	109.4	-0.5%	-0.1%
Sep-19	110.1	0.6%	1.2%
Oct-19	110.4	0.3%	1.2%
Nov-19	110.5	0.0%	1.2%
Dec-19	111.4	0.8%	2.8%

The CBER Southern Nevada leading index gained 0.8 percent month-over-month. The ten-year real Treasury yield, housing permits, commercial permits, McCarran Airport passengers, and the S&P 500 increased by 0.2, 60.9, 53.7, 4.6, and 1.8 percent, respectively, month-over-month. Initial claims for unemployment (inverted) decreased by 14.5 percent. The not seasonally adjusted initial claims for unemployment (inverted) posted 12,006, the highest number since January 2018. The S&P 500 experienced numbers above 3,000 from October 25, 2019 through the end of December 2019, which is the first time that this index has ever exceeded 3,000.

On a yearly basis, the CBER Southern Nevada leading index rose by 2.8 percent. Housing permits and initial claims for unemployment (inverted) caused a drag, dropping by 7.6 and 0.7, respectively. The ten-year real Treasury yield, McCarran Airport passengers, commercial permits, and the S&P 500 registered increases of 1.3, 8.9, 21.2, and 23.8 percent, respectively.

Summary of CBER's Southern Nevada Tourism and Construction Indexes in December 2019



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.
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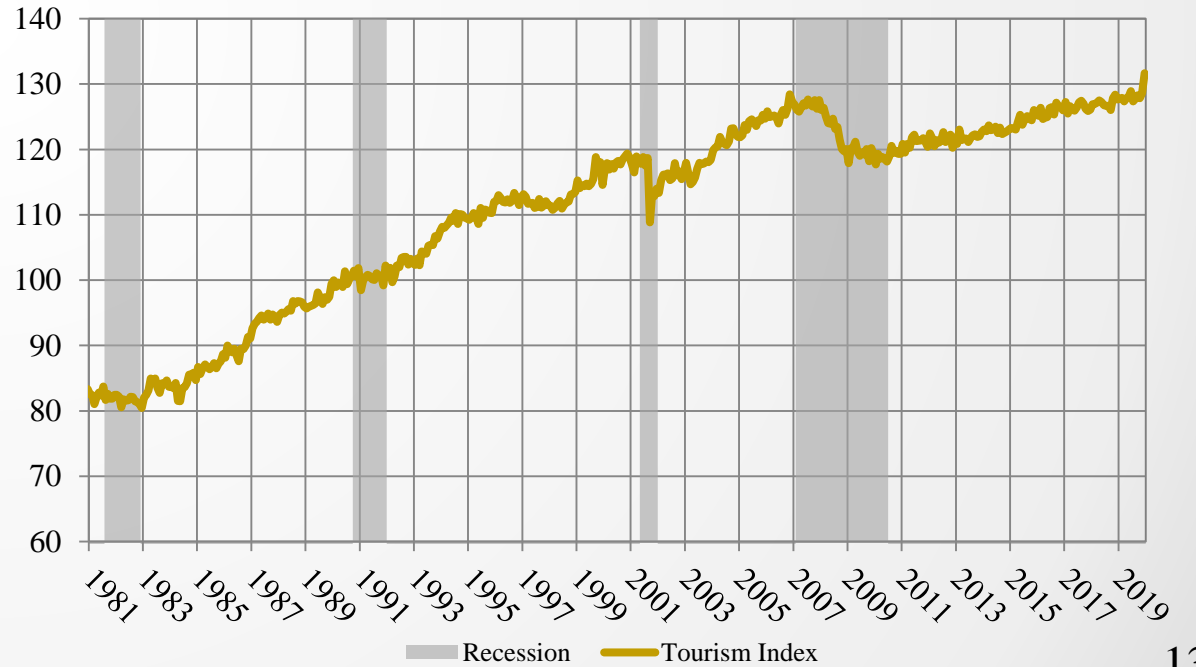
Southern Nevada Tourism Index in December 2019

The CBER Southern Nevada tourism index increased month-over-month and year-over-year.

The CBER Southern Nevada tourism index rose by 2.3 percent month-over-month in December. McCarran airport passenger volume, the Las Vegas hotel/motel occupancy rate, and gross gaming revenue increased by 4.6, 7.5, and 5.7 percent, respectively.

On an annual basis, the Southern Nevada tourism index exhibited a 3.1 percent gain. McCarran airport passenger volume, the Las Vegas hotel/motel occupancy rate, and gross gaming revenue increased by 8.9, 6.9, and 6.4 percent, respectively. McCarran passenger volume hit a record-breaking level of 51.5 million passengers in 2019. Also, the annual not seasonally adjusted gross gaming revenue exceeded the preceding year’s annual total by \$10 billion and the hotel/motel occupancy rate averaged around 89 percent from January 2019 to December 2019.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
McCarran Passengers (SA)	4,550,228	4.6%	8.9%
Gaming Revenue (SA)	905,763,168	7.5%	6.9%
LV Hotel/Motel Occupancy Rate (SA)	0.953	5.7%	6.4%
Index and % Change	131.7	2.3%	3.1%

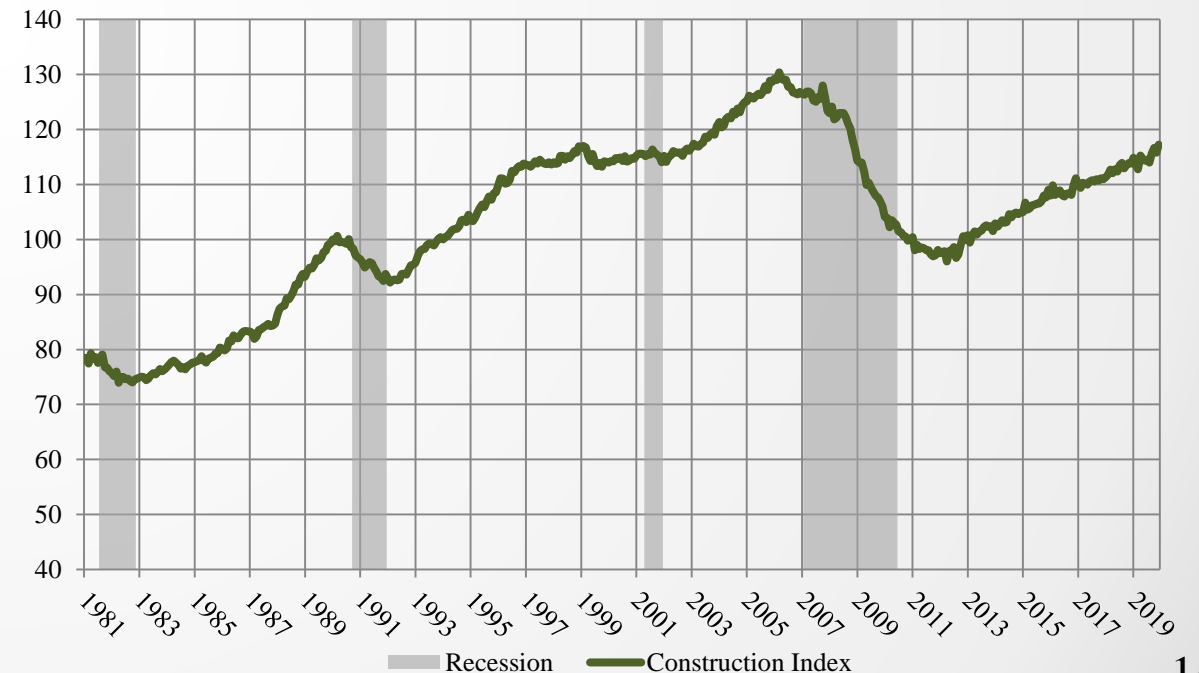


The CBER Southern Nevada construction index experienced month-over-month and year-over-year gains.

The Southern Nevada construction index increased by 1.3 percent from last month. All three elements contributed positively to the increase in the index. That is, construction employment, housing permits, and commercial permits increased by 0.4, 60.9, and 53.7 percent, respectively. Housing permits and commercial permits both rebounded this month from their downward movement last month.

On a year-over-year basis, the construction index increased 3.0 percent. Construction employment and commercial permits posted positive numbers, increasing by 14.2 and 21.2 percent, respectively. While housing permits decreased by 7.6 percent. The annual total of not seasonally adjusted housing permits and commercial permits equaled 14,431 and 444, respectively, in 2019. The same annual totals were 15,491 and 462 in 2018, which equals a less than 10-percent decrease in each component from the previous year.

Series	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	76,141	0.4%	14.2%
Housing Permits (SA)	1,103	60.9%	-7.6%
Commercial Permits (SA)	40	53.7%	21.2%
Index and % Change	117.3	1.3%	3.0%



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
- Federal Reserve Bank of St. Louis
- CBER, UNLV

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- Yahoo Finance
- Board of Governors of the Federal Reserve System
- McCarran International Airport
- Las Vegas Convention and Visitors Authority
- Federal Reserve Bank of St. Louis
- CBER, UNLV

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