



CBER Economic Indexes for Nevada and Southern Nevada

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CBER's Indexes of Nevada Economic Activity



Coincident Index Components

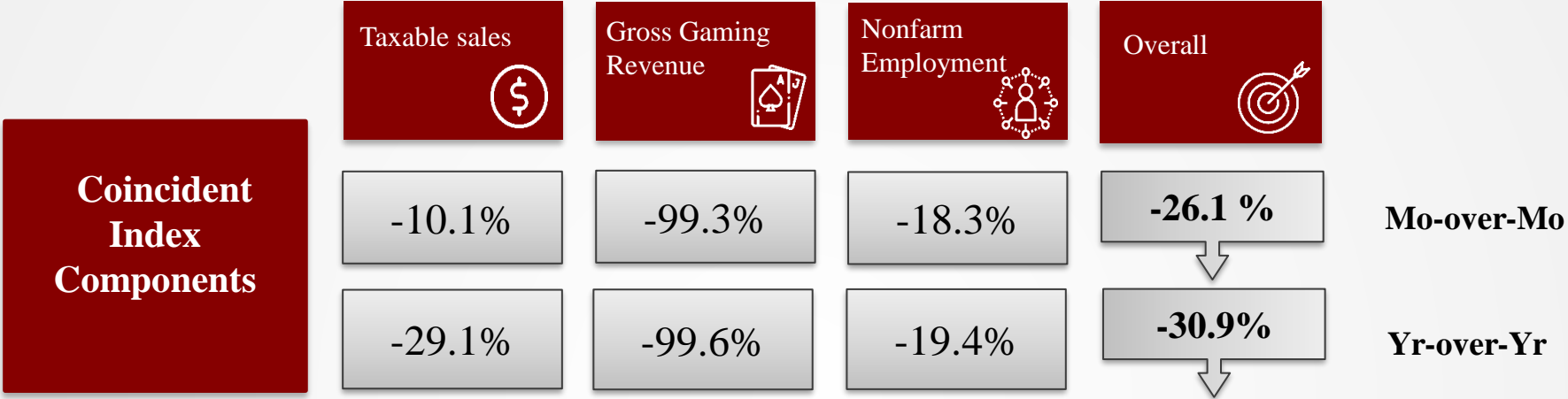
- Nevada Taxable Sales
- Nevada Gross Gaming Revenue
- Nevada Nonfarm Employment

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. The COVID-19 recession differs from typical economic recessions. It provides almost no signal that it is coming. The coincident index peaked in December 2019 while the leading index peaked in January 2020. The big dips in both indexes came with the March data and the April data should provide even more dramatic decreases in the two indexes. The Nevada COVID-19 recession began in December 2019. 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 April 2020



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

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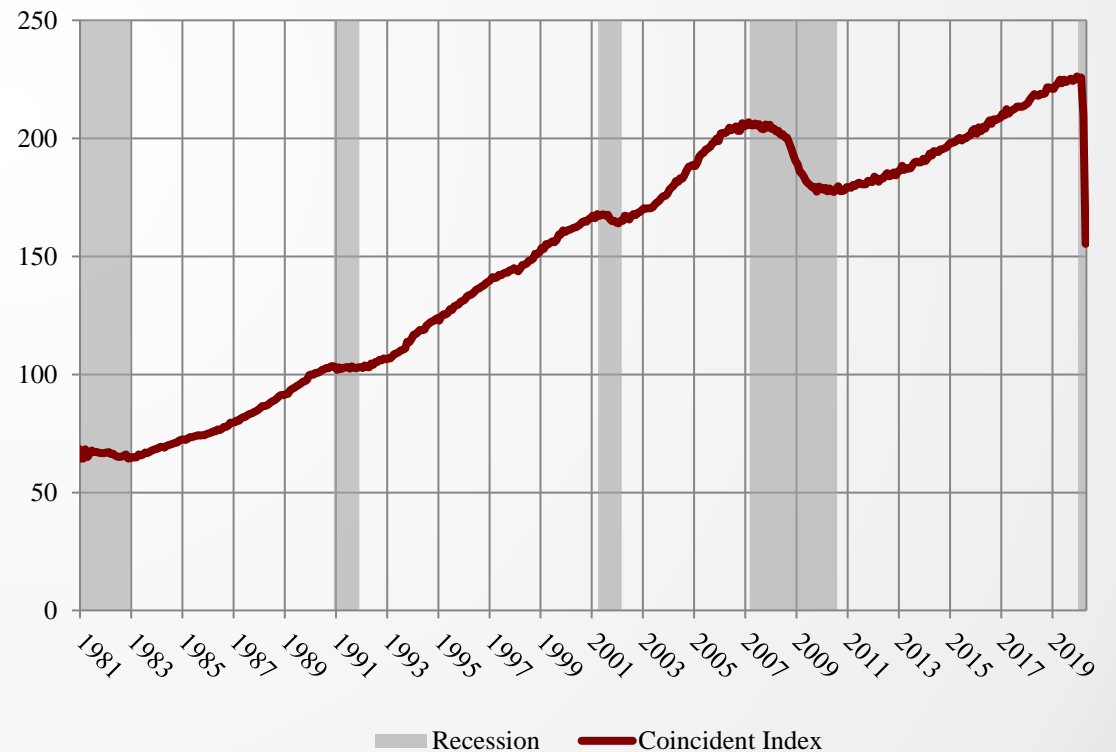
The CBER Nevada coincident index significantly decreased month-over-month and year-over-year

The CBER Nevada coincident index significantly decreased by 26.1 percent in April compared to March. This decrease resulted from substantial monthly losses in taxable sales, gaming revenue, and nonfarm employment, down by 10.1, 99.3, and 18.3 percent, respectively, from March.

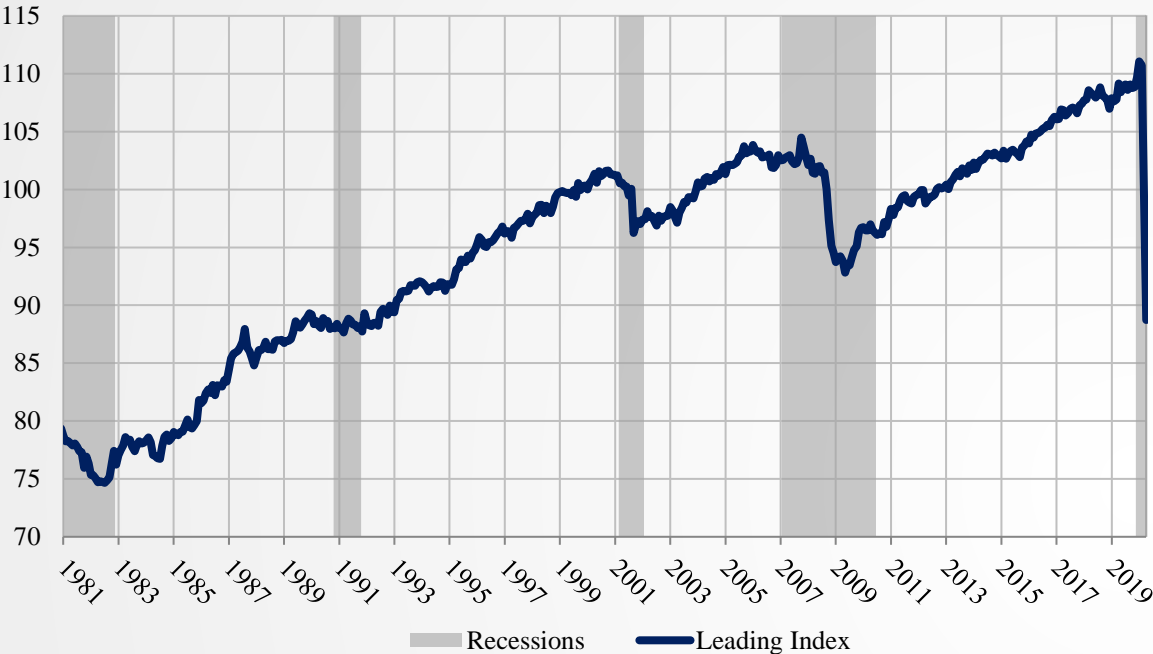
The Nevada coincident index also drastically decreased year-over-year. The index dropped by 30.9 percent from last year. This decrease reflected extensive losses in taxable sales, gaming revenue, and nonfarm employment, down by 29.1, 99.6 and 19.4 percent, respectively, from last year.

We anticipate further decreases with the release of May data. Assuming no retrenchment in opening protocols, we may see some recovery in June.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	3,804,710,789	-10.1%	-29.1%
Gaming Revenue (SA)	4,066,371	-99.3%	-99.6%
Nonfarm Employment (SA)	1,144,746	-18.3%	-19.4%
Index and % Change	155.4	-26.1%	-30.9%



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



Date`	Index	Mo-over-Mo	Yr-over-Yr
Apr-19	109.2	1.3%	0.8%
May-19	108.4	-0.7%	0.2%
Jun-19	108.9	0.5%	0.9%
Jul-19	109.1	0.1%	0.8%
Aug-19	108.6	-0.4%	-0.2%
Sep-19	109.1	0.4%	0.9%
Oct-19	108.8	-0.3%	0.8%
Nov-19	108.9	0.1%	1.0%
Dec-19	109.7	0.7%	2.5%
Jan-20	111.1	1.3%	2.9%
Feb-20	110.8	-0.3%	2.9%
Mar-20	99.4	-10.2%	-7.8%
Apr-20	88.7	-10.8%	-18.7%

The CBER Nevada leading index experienced a significant decrease of 10.8 percent on a month-over-month basis. On the positive side, the initial claims for unemployment (inverted) and S&P 500 increased by 16.2 and 5.7 percent, respectively, from March. The ten-year real Treasury yield, housing permits, commercial permits, and Nevada passengers decreased by 1.0, 37.3, 19.5 and 92.0 percent, respectively.

On a year-over-year basis, the leading index also substantially declined by 18.7 percent. The ten-year real Treasury yield slightly ticked upward by 0.3 percent from April 2019. On the negative side, the initial claims for unemployment (inverted), housing permits, commercial permits, Nevada passengers, and S&P 500 declined by 1912.9, 24.6, 31.9, 96.3, and 4.7 percent, respectively, from the prior 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 index troughed. As noted above, the COVID-19 recession differs from typical economic recessions. It provides almost no signal that it is coming. The coincident index peaked in December 2019 while the leading index peaked in January 2020. The big dips in both indexes came with the March data and the April data should provide even more dramatic decreases in the two indexes. The Southern Nevada COVID-19 recession began in December 2019. 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

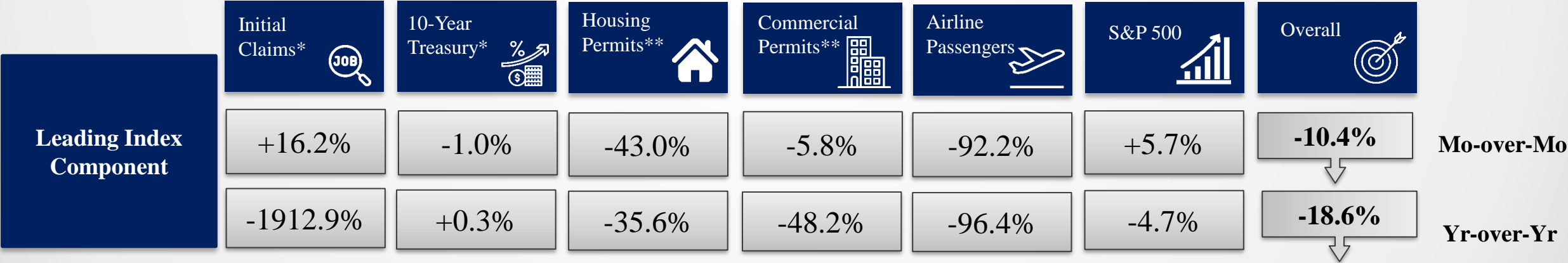
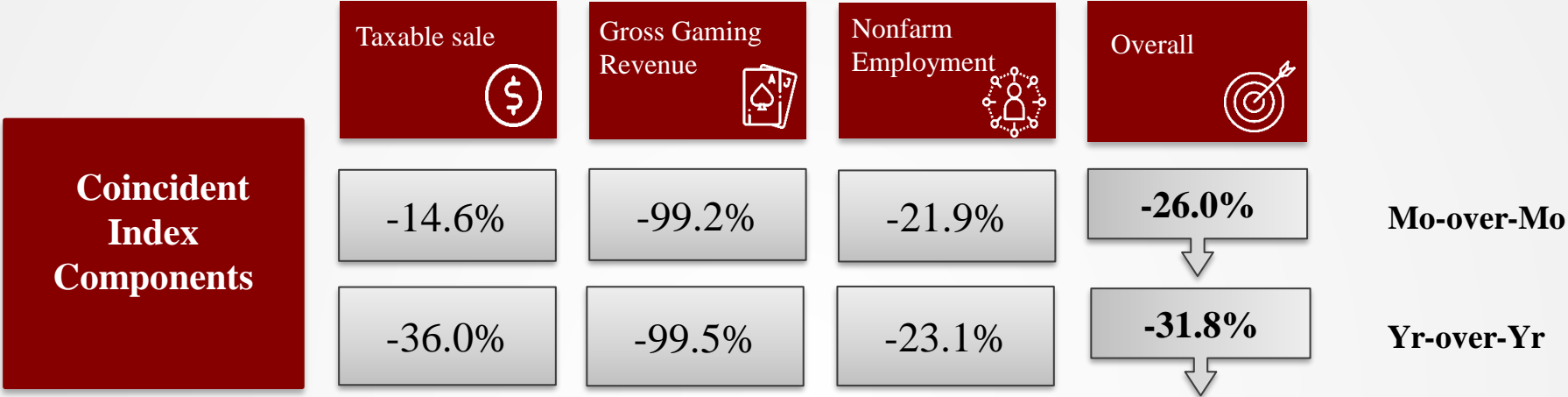
Tourism Index

- 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 April 2020



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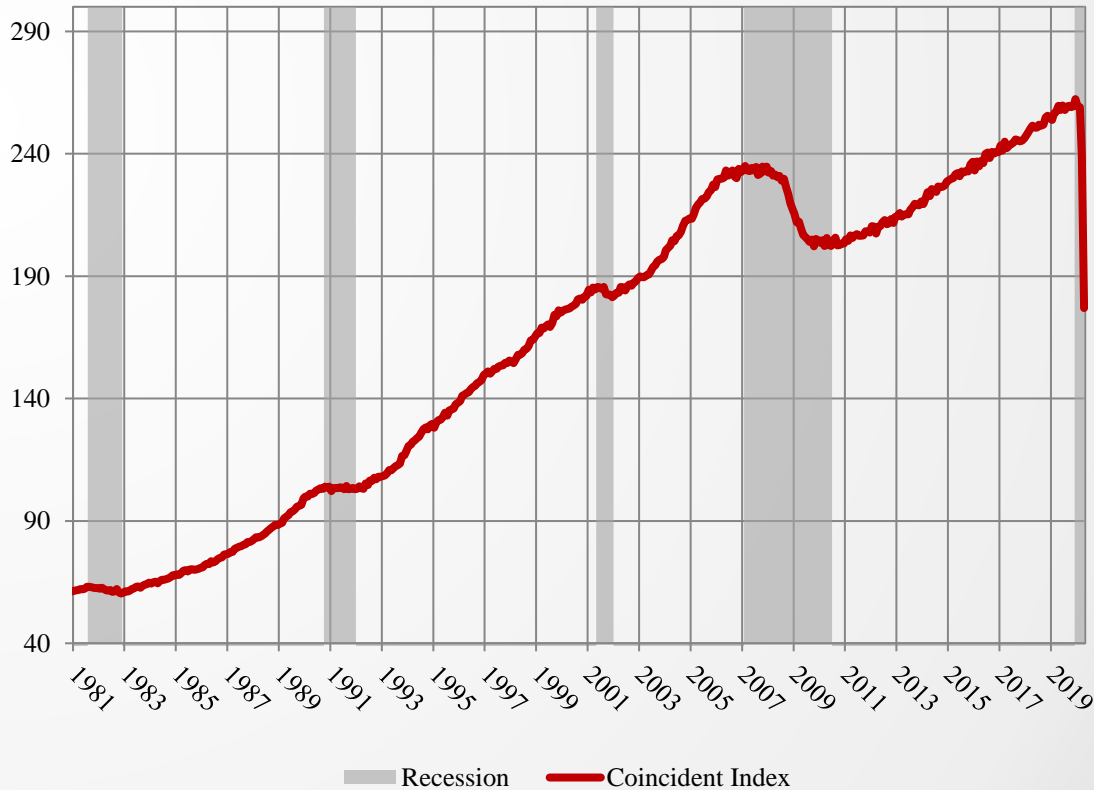
The CBER Southern Nevada coincident index substantially declined month-over-month and year-over-year.

The CBER Southern Nevada coincident index experienced a 26.0 percent month-over-month decrease in April. This striking decrease reflects decreases in taxable sales, gaming revenue, and nonfarm employment by 14.6, 99.2, and 21.9 percent, respectively, from March 2020.

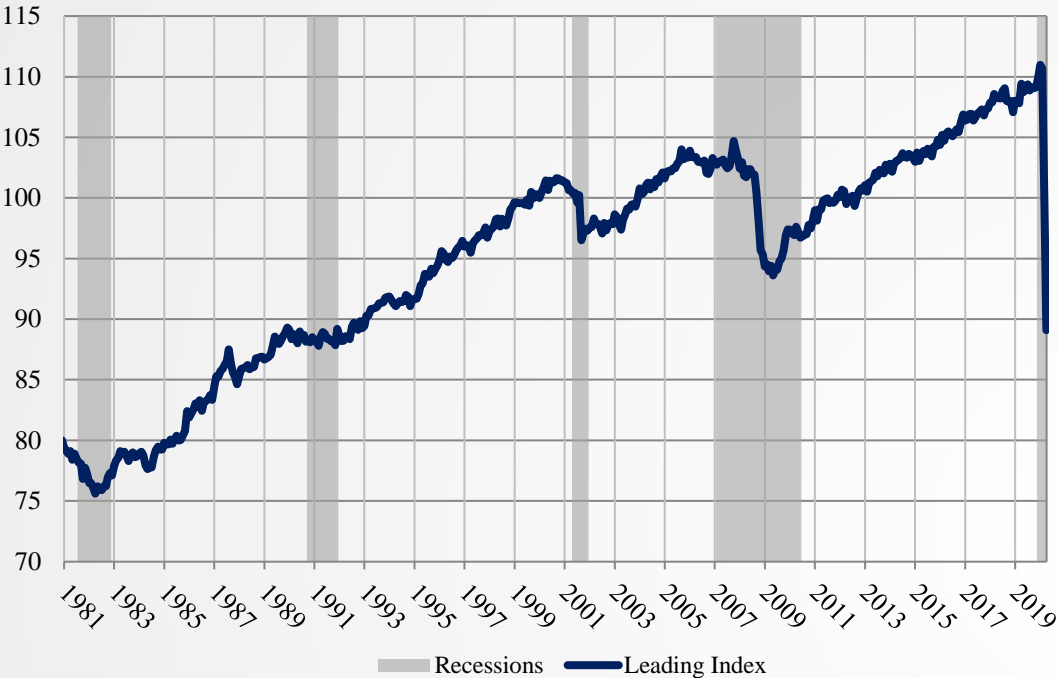
On a year-over-year basis, the index dropped substantially by 31.8 percent. This significant decrease largely reflected the downward surge in taxable sales, gaming revenue, and nonfarm employment, down by 36.0, 99.5, and 23.1 percent, respectively.

We anticipate further decreases with the release of May data. Assuming no retrenchment in opening protocols, we may see some recovery in June.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
Taxable Sales (SA)	2,965,925,818	-14.6%	-36.0%
Gaming Revenue (SA)	4,135,232	-99.2%	-99.5%
Nonfarm Employment (SA)	797,495	-21.9%	-23.1%
Index and % Change	177.0	-26.0%	-31.8%



The CBER Southern Nevada leading index significantly declined both on a monthly and on a yearly basis.

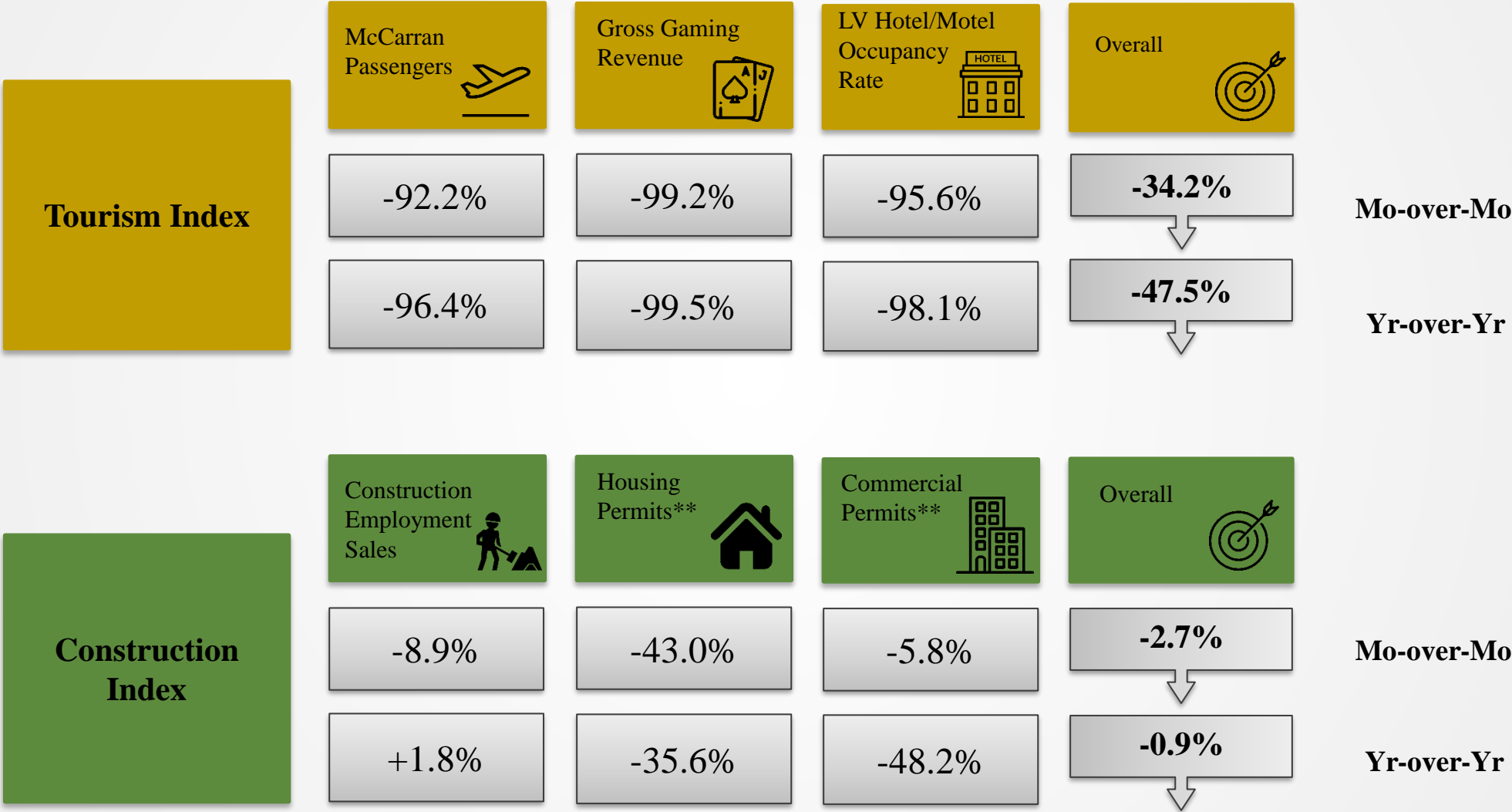


Date	Index	Mo-over-Mo	Yr-over-Yr
Apr-19	109.4	1.5%	1.1%
May-19	108.7	-0.6%	0.5%
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Jan-20	111.0	1.0%	2.7%
Feb-20	110.7	-0.3%	2.5%
Mar-20	99.4	-10.2%	-7.8%
Apr-20	89.1	-10.4%	-18.6%

The CBER Southern Nevada leading index experienced a substantial loss of 10.4 percent month-over-month. On the positive side, the initial claims for unemployment (inverted) and S&P 500 increased by 16.2 and 5.7 percent, respectively, from March. The ten-year real Treasury yield, housing permits, commercial permits, and Nevada passengers decreased by 1.0, 43.0, 5.8 and 92.2 percent, respectively.

On a yearly basis, the CBER Southern Nevada leading index also significantly dropped by 18.6 percent. The ten-year real Treasury yield slightly increased by 0.3 percent from April 2019. On the negative side, the initial claims for unemployment (inverted), housing permits, commercial permits, Nevada passengers, and S&P 500 declined by 1912.9, 35.6, 48.2, 96.4, and 4.7 percent, respectively, from the prior year.

Summary of CBER's Southern Nevada Tourism and Construction Indexes in April 2020



* Inverted ** Data are partly forecasted as Clark County Service's permit reports have not been available since December 2017.
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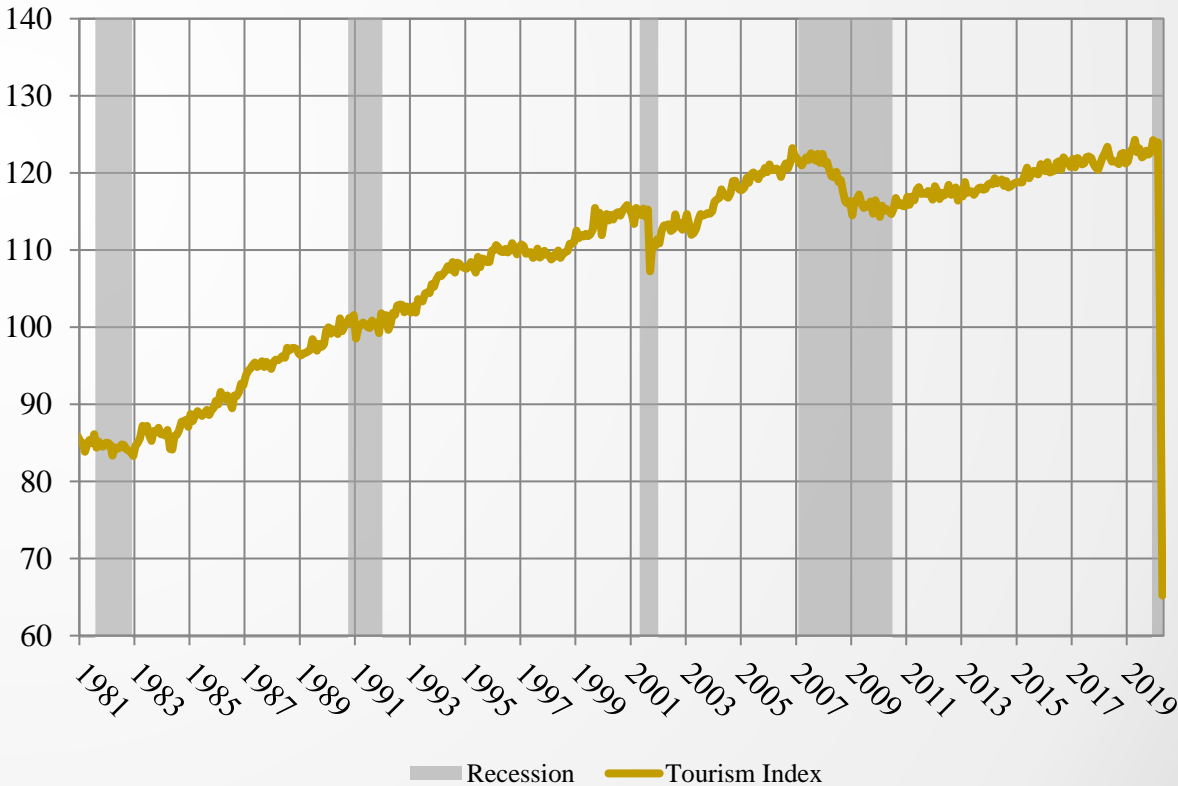
The CBER Southern Nevada tourism index dropped substantially month-over-month and year-over-year.

The CBER Southern Nevada tourism index markedly declined by 34.2 percent month-over-month in April. McCarran airport passenger volume, gross gaming revenue, and the Las Vegas hotel/motel occupancy rate experienced extreme losses of 92.2, 99.2, and 95.6 percent, respectively.

On an annual basis, the Southern Nevada tourism index also exhibited a monumental loss of 47.5 percent. McCarran airport passenger volume, gross gaming revenue, and the Las Vegas hotel/motel occupancy rate fell considerably by 96.4, 99.5, and 98.1 percent, respectively.

We anticipate further decreases with the release of May data. Assuming no retrenchment in opening protocols, we may see some recovery in June.

Series	Latest Period	Mo-over-Mo	Yr-over-Yr
McCarran Passengers (SA)	157,740	-92.2%	-96.4%
Gaming Revenue (SA)	4,135,232	-99.2%	-99.5%
LV Hotel/Motel Occupancy Rate (SA)	0.017	-95.6%	-98.1%
Index and % Change	65.2	-34.2%	-47.5%

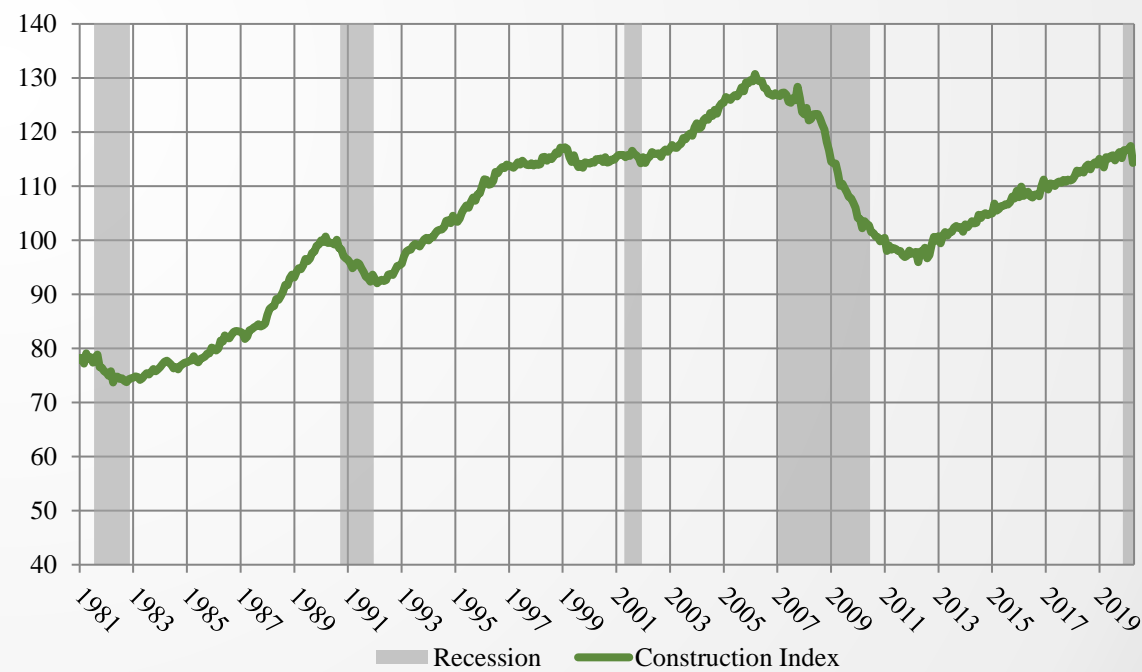


The CBER Southern Nevada construction index decreased month-over-month and year-over-year..

The Southern Nevada construction index ticked downward by 2.7 percent from the last month. All components of the Southern Nevada construction index experienced a decline in April. Construction employment, housing permits, and commercial permits decreased by 8.9, 43.0, and 5.8 from March.

The Southern Nevada construction index slightly decreased by 0.9 percent from the previous year. On the positive side, construction employment increase by 1.8 percent. On the negative side, housing permits and commercial permits decreased by 35.6 and 48.2 percent, respectively, from last year.

Series	Latest Period	Month-over-Month	Year-over-Year
Construction Employment (SA)	70,342	-8.9%	1.8%
Housing Permits (SA)	652	-43.0%	-35.6%
Commercial Permits (SA)	29	-5.8%	-48.2%
Index and % Change	114.3	-2.7%	-0.9%



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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- Nevada Department of Employment, Training and Rehabilitation
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- Various Permitting Agencies
- Yahoo Finance
- Board of Governors of the Federal Reserve System
- McCarran International Airport
- Las Vegas Convention and Visitors Authority
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